



City of Montesano

Home of the Tree Farm

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Mayors Findings

August 23, 2012

The Washington State Legislature required the Office of Financial Management (OFM) to prepare a report on alternative flood damage reduction projects and -- in coordination with tribal governments, local governments, state and federal agencies -- to recommend priority flood hazard mitigation projects in the Chehalis River Basin for continued feasibility and design work.

This report summarizes my findings to protect (1) City Property, currently under lease to Mary's River Lumber Company, Inc and (2) the City of Montesano's Waste Water Treatment Plant, both located within the city limits, both critical facilities that could become catastrophic during a major flood event.

These projects are part of a larger effort to identify potential flood hazard mitigation projects in the Chehalis River Basin by the Chehalis Basin Flood Authority.

(1) In 2007 the lower Chehalis at Montesano was subjected to severe flood threat, which included the city property leased to Mary's River Lumber Mill, washing out and undermining approximately 40 feet beneath the log sorting area and along the bank, southward. The flood did considerable erosion through the isthmus area known as Oxbow. This isthmus, in 1994, was over 800 yards wide. Today this area is approximately 100 yards wide. In the event of a major flood this area could erode through and even under normal river conditions may not hold more than five years; which would cause the river to attack the bank under Mary's River Lumber--full force! The violence on an unprotected bank could result in the loss of 125-135 family wage jobs and the loss of the \$20 million mill..

In 2008 a study, financed by Mary's River Lumber and assisted by the City of Montesano concluded armoring the bank in front of Mary's River Lumber could solve the problem of erosion and most likely prevent future damage. It was estimated in 2008 that the cost to armor the bank would be in the \$1.5 million dollar range. There were no funds available from the mill, the city nor any public funds at that time.

(2) After the 2007 flood the City became aware that the banks of the Wynoochee River, which were adjacent to the City's Waste Water Treatment Plant, were being eroded fast enough that in the event of another flood it would put the Plant in danger of being overflowed. No governmental agency believed an over-flow would occur. Had it done so the ecosystem of the river from Montesano to the Ocean would have been destroyed. The city chose to borrow funds and install a solid steel interlocking wall over 20 feet from the river bank to protect the Plant. In the 2009 flooding the bank of the river eroded to the steel armor, and was stopped, preventing the river from being polluted by the untreated waste water. Our cost at that time was engineering \$164,000, the project \$1.5 million, for total of \$1.67 Million.

In the years since the 2009 flood, near floods have eroded the river bank to the west of the treatment plan and now threaten the Plant from a new direction. The city has no funds to create new protection.

Summary:

There is no prevention of flooding in this proposal. Benefits to the state and the Chehalis Basin to provide study funding and project inclusion in the Governors 2013-15 budget, are:

(1) The saving of 125-125 family wage jobs, which loss would be an economic tragedy; the saving of an irreplaceable company which has invested \$20 million value in our community; saving of valuable property owned by the City of Montesano. There may be even more loss if, after eroding through the Lumber Mill, it would then erode westward through SR 107, land-lock the SR107 Chehalis bridge and attack the Waste Water Treatment Plant from the east. The river would then fill with sediment and debris from the Lumber Facility. There is no indication what sediment and debris would do to the fisheries resources or to down river communities.

(2) The prevention of the Chehalis River being polluted from Montesano to the Ocean, with human waste. The health hazard alone is worth the investment in more armoring of the plant and the Mary's River Lumber banks. At this time it is unknown if anything can be done (temporarily) to prevent the Oxbow from being cut completely through, which may or may not prevent further erosion to the Mill, SR 107 or other infrastructure.

Resources (on CD in the Mayors office)

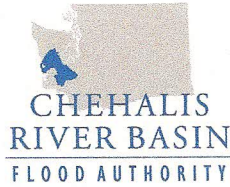
US Army Corps of Engineers Nationwide Permit #13 Effective September 10, 2007

Limited Geotechnical Report, Parametrix, Inc and AMEC Earth & Environmental, Inc dated 3-5-2008

Copy of the Grays Harbor County Engineer's notes about the erosion issues and six (6) pictures of the Oxbow erosion over a time period from 1994 to 2011 dated 7-11-2012



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ESB 5127 -- Jobs Now Act (Section 313 -- Chehalis River Basin Flood Relief Projects)
Review and Approval Form

(Prepared for Flood Authority Action on 7/12/2012)

Project: Marys River Lumber Site

Lead Agency: City of Montesano

Budget: \$100,000 for preliminary studies, \$200,000 for PS&E.

Plans and Design: Currently, an RFP would need to be developed to hire a consultant to study the Marys River Mill site. The consultant shall develop 3 or more alternative proposals, identify the upstream/downstream impacts of the alternative proposals, including the "do nothing" alternative. The consultant shall recommend alternative(s) for further evaluation. The consultant shall prepare cost estimates, identify required permits and easements and the likelihood of obtaining the required permits and easements. The consultant shall develop a scope of work, schedule and engineering budget for completing the PS&E for the preferred alternative.

Description: The project site is the existing Mary's River Lumber mill located at 93 State Route 107, approximately one-half mile south of Montesano, Washington. The subject site is an irregularly shaped parcel that encompasses approximately 30 acres, which is developed as a lumber mill. The western edge of the subject site is defined by State Route 107, while the Chehalis River forms the east boundary. Site features includes several buildings and ancillary structures which are used for the processing of timber.

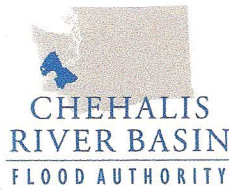
Over the course of the last several years, bank erosion by the Chehalis River has been occurring along the eastern edge of the site. However, during the December 2007 flood, significant damage was noted to the bank in front of the log deck and sawmill building. Specifically, the river bank extending approximately 100 feet north of the northeast corner of the "step-feeder" portion of the sawmill building had significant erosion, resulting in a slope failure adjacent the log deck area at the northeast corner of the "step feeder" and "sharp chain" building, thereby exposing the underside of the concrete slab approximately 15-20 feet landward of the deck edge along the entire length of the building. Soil erosion exposed a gap between timber piles and the underside of the slab in the area.

Preliminary emergency repairs being considered for the subject site include: installation of a sheet pile wall along a 140-foot section of the river bank immediately north of the sawmill building, and bank armoring of the river bank along a 600-foot section south of the mill (adjacent the lumber storage yard).

Flood Hazard Reduction Benefits: The benefits of this project will be to protect this \$20 million business, with significant tax benefits, and 120 family wage jobs.

Impacts/Effects: To be determined as part of the consultant's findings under this proposal.

Project Feasibility: To be determined as part of the consultant's findings under this proposal.



Timeline: The RFP for a consultant will be issued immediately upon receiving funding.

Authority: ESB 5127.

Jobs Supported: 120 family wage jobs will be protected by protecting this business.

Studies Completed: Limited Geotechnical Report, Mary's River Lumber March 5, 2008. Submitted to Parametrix, Inc by AMEC Earth and Environmental Inc. 29 pages.

A coordination meeting was held on April 8, 2010 attended by representatives from Marys River Lumber and city, state, and federal staff, the Quinault Indian Nation, Chehalis Tribe and Parametrix to discuss potential approaches/solutions to address the ongoing bank erosion that is occurring at the Marys River Lumber mill site. The take home messages from this meeting included:

- 1) consider a combination of options that address bank erosion in several areas;
- 2) consider a combination of armoring techniques that not only provide mill site protection but bank roughness and fish habitat;
- 3) incorporate restoration and mitigation as an integral part of any option;
- 4) consider short-term and long-term effects of option to be implemented;
- 5) an action plan that meets USACE nation-wide permit criteria would be more expedient than an individual permit;
- 6) an action plan taken by Marys River Lumber must be cost-effective; and
- 7) explore and determine applicable bank restoration, enhancement, and preservation funding sources, and navigation for barge usage.

Current Project Status: An RFP for a consultant will be issued when funding becomes available.

By signing this review and approval form, we hereby agree to the following:

- We have received information from the project proponent and had the opportunity to ask questions or seek additional information.
- We understand that the proposed project fits the authorization allowed under ESB 5127, and will help provide or lead to a project to provide flooding relief within the Chehalis Basin while also providing jobs.
- We recommend that OFM allot funds to the project proponent.

Vickie L. Raines
Chair, Flood Authority

Date

David Burnett
Chair, Chehalis Tribe

Date