

CHEHALIS BASIN BOARD SUMMARIZED MEETING AGENDA AND ACTIONS

Date: October 15, 2018
Time: 9:00 am to 12:00 pm
Location: Hotel RL Olympia – State Room: 2300 Evergreen Park Drive SW - Olympia, WA 98502

ITEM	FORMAL ACTION	FOLLOW-UP ACTION
1. Consent October 15, 2018 Agenda Approval of September 6, 2018 Meeting Summary	Decision: Agenda approved. September 6, 2018 meeting summary approved.	No follow-up action.
2. Old Business	Decision	OCB staff requested Board members provide more details about their potential conflicts with the second Thursday of each month in 2019 for Board meetings, and OCB staff will then bring an updated proposal to the Board at the next meeting.
3. Draft Floodproofing Program Objectives and Work Plan	Direction	OCB staff will continue to refine the Community Flood Assistance & Resilience (CFAR) approach and workplan for future Board consideration.
4. Local Projects & North Shore Levee	Discussion	No follow-up (considered under budget recommendation in #5 below).
5. Board 2019-2021 Budget Recommendations	Decision: Board members approved a \$73.2M final 2019-2021 capital budget recommendation for submittal to the Governor.	<ul style="list-style-type: none">OCB staff will prepare a memo summarizing the Board’s final 2019-2021 budget recommendations.OCB staff will draft talking points for Board members regarding the budget and strategy development

ITEM	FORMAL ACTION	FOLLOW-UP ACTION
		considerations for future meetings and conversations with legislators, agency staff, and the Governor.
6. Next Steps and Closing	Decision	The next Board meeting is scheduled for November 1, 2018.

Attendees

Chehalis Basin Board Members Present:

- Edna Fund, Chehalis River Basin Flood Authority
- Harry Pickernell, Confederated Tribes of the Chehalis Reservation
- J. Vander Stoep, Office of the Governor
- Jay Gordon, Chehalis River Basin Flood Authority
- Steve Malloch, Office of the Governor
- Tyson Johnston, Quinault Indian Nation
- Vickie Raines, Chehalis River Basin Flood Authority

Chehalis Basin Board Ex-Officio Members Present:

- Bart Gernhart (alternate for Kris Strickler), Department of Transportation
- Gordon White, Department of Ecology
- Justin Allegro, Department of Fish and Wildlife
- Stu Trefry, Conservation Commission

Board Staff/Board Guests Present:

- Alan Vanell, Town of Bucoda
- Amy Hatch-Wineka, Thurston Conservation District
- Andrea McNamara Doyle, Department of Ecology, Director of Office of Chehalis Basin
- Anthony Waldrop, Grays Harbor Conservation District
- Brian Shay, City of Hoquiam
- Charlene Andrade, Department of Commerce
- Chrissy Bailey, Department of Ecology, Office of Chehalis Basin
- Colleen Granberg, Department of Natural Resources
- Curt Hart, Department of Ecology
- Cynthia Carlstad, NHC

- Dave Bingaman, Quinault Indian Nation, Aquatic Species Restoration Plan Steering Committee
- Emelie McKain, Department of Fish and Wildlife
- Jim Kramer, Ruckelshaus Center (Facilitator)
- Joshua Cummings, Thurston County
- Ken Ghalambor, Ruckelshaus Center
- Kris Koski, City of Aberdeen
- Mary Catherine McAleer, Weyerhaeuser Company
- Nicholas Carr, Forterra
- Paula Sweden, Conservation Northwest
- Rob Richards, Office of Representative Derek Kilmer
- Ron Averill, Chehalis River Basin Flood Authority
- Scott Boettcher, Chehalis River Basin Flood Authority
- Steve Schmitz, KPFF
- Tim Kramer, Department of Fish and Wildlife
- Trent Lougheed, City of Chehalis

Welcome, Introductions

Chair Vickie Raines called the special meeting to order at 9:08 a.m., and welcomed the Board, staff, and audience. Chair Raines welcomed Harry Pickernell, Chairman of the Chehalis Tribe, as the new Chehalis Tribe representative on the Board. OCB Director McNamara Doyle welcomed Cindy Bradley, the new OCB Executive Assistant & Office Manager. The rest of the attendees also provided brief introductions.

Consent Agenda

The Board did not have additions or revisions to the October 15, 2018 agenda.

BOARD DECISION: Agenda approved by consensus with all voting member's thumbs up.

Approval of September 6, 2018 Meeting Summary

The Board did not have additions or revisions to the September 6, 2018 Meeting Summary.

BOARD DECISION: September 6, 2018 Meeting Summary approved by consensus with all voting member's thumbs up.

Old Business

Chehalis Basin Board 2019 schedule and meeting locations

OCB Director McNamara Doyle outlined a proposal to shift the Board's regular meetings in 2019 from the first Thursday of the month to the second Thursday of each month. This shift would avoid conflicts

from meetings falling close to or on New Year's Day, Independence Day, and Labor Day holidays (first Thursday of the month in 2019). OCB Director McNamara Doyle also proposed to alternate meeting locations in 2019 between the Aberdeen Rotary Log Pavilion and Centralia Train Depot Multi-Purpose Room, as this would allow the OCB to not have to issue a special meeting notice for each Board meeting.

Key comments and discussion topics included:

- Board members were supportive of the idea to alternate meeting locations between the Aberdeen Rotary Log Pavilion and Centralia Train Depot Multi-Purpose Room.
- Some Board members noted they may have a standing meeting that would conflict with meeting on the second Thursday of each month.
- Some ex-officio Board members noted they already have standing meetings on the second Thursday of each month.

FOLLOW-UP ACTION: OCB staff requested Board members provide more details about their potential conflicts, and OCB staff will then bring an updated proposal to the Board at the next meeting.

Draft Floodproofing Program Objectives and Work Plan

At the September 6, 2018 Board meeting, the Board supported the OCB staff recommendation to develop an updated outline/framework for a "floodproofing" program. The OCB staff recommendation included asking staff to evaluate how local government, agency, tribal, or consultant staff can contribute to defining how channel migration and erosion hazard assessments could be integrated into a basin-wide floodproofing program.

Based on this Board feedback, OCB Director McNamara Doyle presented a recommended approach for developing a basin-wide Community Flood Assistance and Resilience (CFAR) program for addressing property damages from both floodwater inundation and erosion hazards from channel migration. Potential goals for the CFAR program include:

1. Provide technical & financial assistance to local communities and landowners.
2. Reduce direct economic damages to property and associated indirect adverse impacts on people, businesses, and communities.
3. Encourage compatible human uses, economic activities, and improved habitat conditions in areas prone to flooding or channel migration.
4. Develop criteria to prioritize state investments throughout the basin that consider readiness, potential benefits, and consistency with the ASRP.
5. Undertake activities in a coordinated, cost-effective, and environmentally sensitive manner.

OCB Director McNamara Doyle presented issues that need to be addressed and a proposed draft work plan for the floodproofing and channel migration portions of the CFAR program. She noted that developing the CFAR Program will require close coordination with local, state, federal and tribal

governments. It will also require significant guidance from the Board at key points in the process. She noted that the Board would be asked to provide guidance on the overall CFAR approach and refined work plan in the coming months.

OCB Director McNamara Doyle requested the Board's guidance on three overarching questions:

1. Are the draft goals identified for the CFAR program consistent with the Board's objectives? Should additional goals be included?
2. Are there other issues that should be considered as staff develops the program? Does the Board have priorities for when or how to engage on these issues (additional work sessions, briefings, subgroups, etc.)?
3. Does the draft work plan approach and schedule for advancing the program align with the Board's expectations?

Key comments and discussion topics included:

- Board members agreed that the draft goals identified for the CFAR program are consistent with their objectives.
- Board members did not identify other issues that should be considered as staff develops the CFAR program.
- Board members agreed that the draft work plan approach and schedule for advancing the program aligns with their expectations.
- OCB staff recently submitted a pre-application for the Pre-Disaster Mitigation Assistance grant program. The pre-application was submitted on behalf of Lewis and Grays Harbor county communities to support elevations and buyouts for repetitive loss properties.
- Board members suggested the new OCB staff position that will help oversee, review, and perform aspects of the work related to the CFAR program be referred to as a Floodplain/Flood Risk Reduction *Coordinator*, not Manager.
- Board members suggested OCB staff provide more clarity on what will be expected of local communities through the CFAR program and supported a balance of regulatory and incentive-based approaches.
- Justin Allegro (Fish and Wildlife) noted that there may be an opportunity to leverage the work of the Aquatic Species Restoration Plan (ASRP) multi-agency permitting team during development of the CFAR Program.
- Ron Averill (Flood Authority) suggested engaging local emergency managers when developing the CFAR program.

FOLLOW-UP ACTION: OCB staff will continue to refine the Community Flood Assistance & Resilience (CFAR) approach and workplan for future Board consideration.

Local Projects & North Shore Levee

Update on Flood Authority 2019-2021 Local Project Submittals

Scott Boettcher (Flood Authority) provided an update on the prioritization and recommended funding levels for the 2019-2021 local projects (Chehalis River Basin Flood Authority [Flood Authority] recommended projects) to the Chehalis Basin Board. The Flood Authority's final recommendation to the Board for 2019-2021 local project funding included eight projects, totaling \$6.9M (~\$600K which is to be dedicated through cost savings from the 2017-2019 budget for the China Creek Flood and Habitat Mitigation project). The eight projects include:

1. City of Aberdeen -- Fry Creek Flood Restoration & Flood Reduction (Phase IIb, New Pump Station)
2. City of Centralia -- China Creek Flood and Habitat Mitigation (Phase 2)
3. City of Hoquiam -- Northshore Levee (West Segment)
4. City of Chehalis -- Flood Storage and Habitat Enhancement Master Plan (Phase II)
5. Grays Harbor County -- Keys Road Flood Protection
6. Port of Chehalis -- Berwick Creek Flood Reduction, Restoration
7. Chehalis River Basin Flood Control Zone District -- Chehalis River Basin Comprehensive Flood Hazard Management Plan
8. Thurston County -- Weather and Stream Flood Hazard Monitoring Telemetry

Key comments and discussion topics included:

- Scott Boettcher clarified that the local projects ranking committee considered possible impacts on aquatic species habitat as part of their evaluation criteria.
- Jim Kramer noted that the Board will be asked for consensus approval of the Flood Authority's local project list/funding request during the Board 2019-2021 budget recommendation discussion (next).

Update on Aberdeen-Hoquiam North Shore Levee

Kris Koski (Aberdeen) provided an update on the Aberdeen-Hoquiam North Shore Levee project. He noted that the second phase of public outreach, government and agency coordination, and final design, permitting, and right of way plan are currently funded and in-progress. The next, and largest, phase of the project is construction. Kris noted that Aberdeen and Hoquiam staff have developed a phased construction/funding plan for the project, where the critical path work for the 2019-2021 biennium would include \$2.3M for purchasing land and easements, \$6.2M for the Fry Creek Pump Station, and \$1.5M for the first phase of internal drainage improvements. Kris requested that the Board consider including this \$10M in total funding for the North Shore Levee as part of their final 2019-2021 budget recommendations.

Board 2019-2021 Budget Recommendations

At the September 6 Board meeting, Board members agreed that:

- \$50M would be minimally sufficient to “aggressively pursue” the mission in 2019-2021, but the Board wanted more information about what additional investment in the ASRP could achieve next biennium before deciding on a final number.
- The 2019-2021 budget should increase overall funding for “on-the-ground” actions and decrease overall funding for advancing the Long-Term Capital Strategy, when compared with the current 2017-2019 budget and in previous biennia.
- OCB staff should provide more information on anticipated outcomes that could be accomplished in 2019-2021 through the different work elements advancing the Long-Term Capital Strategy and near-term, on-the-ground actions.

Based on this Board feedback, OCB Director McNamara Doyle presented final draft 2019-2021 Capital Budget recommendation options for possible approval and submittal to the Governor, and information on what would be achieved through different work elements at different funding levels.

2019-2021 Budget Options/Questions

OCB staff developed refined budget estimates for all major work elements related to advancing the Long-Term Strategy and near-term, on-the-ground actions. All work elements comprising the 2019-2021 budget request are assumed to be funded from the Capital Budget, except for the “Core OCB staff” that Ecology is requesting to be funded through the Operating Budget (State General Fund).

This “level funding” budget option would provide the same level of investment of state capital funds in next biennium as is available in the current 2017-2019 biennium (\$50M).

BUDGET ELEMENT	2017-2019 (BUDGETED)	2019-2021 “LEVEL FUNDING”
ADVANCING THE LONG-TERM STRATEGY		
Core OCB Staff	N/A	(Operating) ¹
Overall Participation	\$4.7M	\$4.9M
Development of Long-Term Strategy	\$1.1M	\$600K
Continued Development of ASRP	\$6.3M	\$3.5M
Restorative Flood Protection	\$5.5M	(CFAR) ²
SEPA/NEPA EIS for Flood Retention Facility/Airport Levee	\$12.5M	\$12.5M
Forest Practices Analysis	\$330K	\$445K
<i>Sub-Total</i>	<i>\$30.4M</i>	<i>\$21.9M</i>
ON-THE-GROUND ACTIONS		
ASRP Implementation	\$10M ³	\$16.5M

Aberdeen/Hoquiam North Shore Levee	\$1.5M	\$4.8M
Floodproofing/Floodplain Management-Community Flood Assistance & Resilience (CFAR) Program	\$400K	\$3M
Local Projects	\$7.7M	\$3.8M
<i>Sub-Total</i>	<i>\$19.6M</i>	<i>\$28.1M</i>
TOTAL	\$50M	\$50M

¹ \$1.5M for OCB Core Staff funding is included in Ecology’s Operating Budget request.

² Future funding to address restorative flood protection (RFP) recommendations informed by RFP feasibility study are included in floodproofing and CFAR program.

³ Authorization was also provided to spend an additional \$10M in federal funds, if received.

OCB Director McNamara Doyle noted that while the \$50M funding level represents the same level of effort as 2017-2019, there are important differences in how the funds would be used next biennium. The major difference is an increase in overall funding for “on-the-ground” projects and a decrease in overall funding for advancing the long-term capital strategy, when compared with the current 2017-2019 budget and in previous biennia. OCB Director McNamara Doyle presented more information on anticipated outcomes that could be accomplished in 2019-2021 through the different work elements advancing the Long-Term Capital Strategy and near-term, on-the-ground actions.

Beyond the \$50M “level funding” 2019-2021 budget option, OCB Director McNamara Doyle presented additional budget options for the Board to consider to more aggressively pursue work on the ASRP, including monitoring to establish baseline habitat conditions and filling critical data gaps, and increased design and construction of on-the-ground ASRP projects. These additions could increase the \$50M 2019-2021 funding request by an additional \$18M. The table below summarizes the potential budget additions.

Potential 2019-2021 Budget Additions Beyond “Level Funding”

BUDGET ELEMENT	2019-2021	ADDITIONAL BUDGET
ADVANCING THE LONG-TERM STRATEGY		
ASRP	Broader suite of monitoring to establish baseline (needed to assess effectiveness of restoration actions implemented in the future), and filling critical data gaps needed to improve effectiveness of ASRP	\$1.85M
ON-THE-GROUND ACTIONS		
ASRP Implementation	Increased design and construction of projects	\$16.15M

TOTAL		\$18M
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OCB Director McNamara Doyle also reminded the Board of the Cities of Aberdeen and Hoquiam's request to increase total funding for the North Shore Levee by \$5.2M to complete critical path work in the 2019-2021 biennium, and the Flood Authority's revised funding request of \$6.3M to fund their final local project list.

OCB Director McNamara Doyle asked for the Board's guidance on the following issues to help shape the final budget recommendations:

- Is the \$50M "level funding" distribution consistent with Board's priorities for advancing Long-Term Capital Strategy and near-term, On-the-Ground Actions in 2019-21?
- Does Board want to recommend additional funding above \$50M level in order to more aggressively pursue implementation of ASRP habitat projects? (~\$18M+)
- Does Board want to recommend design & construction of the top eight Flood Authority 2019-2021 project submittals?
- Are there other adjustments you would like to include, including an additional \$5.2M for the North Shore Levee?

Key comments and discussion topics included:

- Board members agreed on a \$73.2M final 2019-2021 budget recommendation that includes:
 - All elements in the \$50M "level funding scenario," including design & construction of the top eight Flood Authority 2019-2021 project submittals.
 - Additional \$18M to more aggressively pursue implementation of ASRP habitat projects.
 - Additional \$5.2M for the Aberdeen/Hoquiam North Shore Levee for purchasing land and easements, Fry Creek Pump Station, and first phase of internal drainage improvements.
- OCB staff clarified that they expect to continue seeking authorization for federal funding for ASRP habitat projects.
- ASRP Steering Committee members noted that additional funding to address critical data gaps for the ASRP will help improve understanding of other aquatic species besides salmonids.
- Board members discussed the increased staffing and capacity needs for future design and construction of ASRP habitat projects.
- Board members requested OCB staff draft talking points regarding the budget and strategy development process for future meetings and conversations with legislators, agency staff, and the Governor.

BOARD DECISION: Board members approved a \$73.2M final 2019-2021 capital budget recommendation for submittal to the Governor.

FOLLOW-UP ACTION: OCB staff will prepare a memo summarizing the Board’s final 2019-2021 budget recommendations for submittal to the Governor. OCB staff will draft talking points for Board members regarding the budget and strategy development process for future meetings and conversations with legislators, agency staff, and the Governor.

Next Steps and Closing

The next Board meeting is scheduled for November 1, 2018.

OCB Director McNamara Doyle reminded the Board that Ecology and US Army Corps of Engineers (USACE) are carrying out a joint scoping process, which will run from September 28 – October 29, 2018, for the SEPA and NEPA EIS for a flood retention facility and improvements to the Centralia-Chehalis Airport Levee. There will be scoping meetings from 5-8pm on October 16 and 17, in the lower and upper portion of the basin, respectively.

OCB Director McNamara Doyle also reminded the Board that they will have an opportunity to review the information presented at the September 19-20 ASRP Science Symposium at the November 1 Board meeting.