

CHEHALIS BASIN BOARD SUMMARIZED MEETING AGENDA AND ACTIONS

Date: April 19, 2018
Time: 9:00 am to 3:45 pm
Location: Montesano City Hall - 112 N Main Street, Montesano WA 98563

ITEM	FORMAL ACTION	FOLLOW-UP ACTION
1. Consent April 19, 2018 Agenda Approval of March 15, 2018 Meeting Summary	Decision: Agenda approved. March 15, 2018 meeting summary approved.	No follow-up action.
2. OCB Director	Discussion	No follow-up action.
3. Floodproofing Program Development / Flood Insurance	Discussion	Board members requested OCB staff work with City of Aberdeen and Hoquiam staff to understand current estimates for sea level rise, and how they are accounted for in the design of the Aberdeen Hoquiam North Shore Levee project.
4. Old Business	Decision: Board members approved revisions to the Board Handbook, noting that it will continue to be a “living document.”	Board members requested OCB staff send the postcard to CBB Board members for the May 16 and May 19 open houses for interviews with landowners in the Newaukum sub- basin regarding the Restorative Flood Protection concept.
5. Land Use	Discussion	OCB staff will begin implementing the proposed approach for evaluation of potential future land use conditions and management for the Chehalis Basin Strategy.

ITEM	FORMAL ACTION	FOLLOW-UP ACTION
6. Aquatic Species Restoration Plan (ASRP)	Discussion	<ul style="list-style-type: none">• OCB and WDFW staff will review the NRCS Watershed Protection and Flood Prevention Program's watershed plan requirements to ensure when the ASRP is complete it aligns with the requirements.• The Quinault Indian Nation and Chehalis Tribe will send letters to federal legislators in support of appropriation of federal funding for implementation of ASRP habitat restoration projects.
7. Project-level EIS for a Dam	Discussion	No follow-up action.
8. Next Steps and Closing	Decision: The May 3, 2018 Board meeting was cancelled. The Board will reconvene on June 7, 2018.	OCB staff will schedule a briefing in May between Board members and Chehalis Basin Legislators.

Attendees

Chehalis Basin Board Members Present:

- David Burnett, Confederated Tribes of the Chehalis Reservation
- Edna Fund, Chehalis River Basin Flood Authority
- 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, Interim Director for Office of Chehalis Basin (OCB)
- Stephen Bernath, Department of Natural Resources
- Stu Trefry, Washington State Conservation Commission

Board Staff/Board Guests Present:

- Alan Vanell, Town of Bucoda
- Anthony Waldrop, Grays Harbor County Conservation District
- Bob Amrine, Lewis County Conservation District
- Brian Shay, City of Hoquiam
- Chrissy Bailey, Department of Ecology, Office of Chehalis Basin
- Colleen Granberg, Department of Natural Resources
- Cynthia Carlstad, Carlstad Consulting
- Dale Lewis, Office of Congresswoman Herrera-Butler
- Danielle Dan, Quinault Indian Nation
- Dave Bingaman, Quinault Indian Nation (ASRP Steering Committee)
- David Rose, US Department of Agriculture/Natural Resource Conservation Service
- Doug Streeter, City of Montesano
- French Wetmore, French and Associates
- Jan Robinson, Chehalis River Basin Land Trust
- Jim Kramer, Ruckelshaus Center (Facilitator)
- Jim Waldo, Gordon, Thomas, Honeywell (Consultant to Lewis County Flood Control Zone District)
- Kathleen Berger, Thurston County Conservation District
- Ken Ghalambor, Ruckelshaus Center
- Kris Koski, City of Aberdeen
- Maia Bellon, Department of Ecology Director
- Nikki Atkins, Lewis County Conservation District
- Tom Kollasch, Grays Harbor County Conservation District
- Trent Loughheed, City of Chehalis
- Vini Samuel, Mayor, City of Montesano

Welcome, Introductions

Chair Vickie Raines called the special meeting to order at 9:09 a.m., and welcomed the Board, staff, and audience. Attendees provided brief introductions.

Consent Agenda

The Board did not have additions or revisions to the April 19, 2018 agenda.

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

Approval of March 15, 2018 Meeting Summary

The Board did not have additions or revisions to the March 15, 2018 Meeting Summary.

BOARD DECISION: March 15, 2018 Meeting Summary approved by consensus with all voting member's thumbs up.

Office of Chehalis Basin (OCB) Director

Maia Bellon (Director, Department of Ecology) provided an overview of the hiring process for the position of Director of the Office of Chehalis Basin (OCB). Ecology received over 20 applications, and the list was narrowed down to 6 people for the first set of in-person interviews. Director Bellon noted that the OCB Director will be a direct report to her and a member of Ecology's Executive Leadership Team. The overall hiring process included:

- In-depth review of each applicant's resume
- In-person interviews conducted by staff from Ecology and other agencies
- The top candidates interviewing with Ecology Director Bellon

Director Bellon invited the resulting top two candidates, Andrea McNamara Doyle and Bob Thomas, to respectively provide a brief overview of their qualifications and experience and answer the following four questions from Board members:

- If, after technical review, the Board decides that a dam should be part of the Chehalis Basin Strategy, can you be a strong advocate? Please explain your answer. (Vickie Raines)
- The Quinault Indian Nation is a sovereign nation within the family of governments that comprise the United States. As such, the QIN's legal and political status mandates government-to-government relations with other jurisdictions including state governments. When specifically considering the legislative mandate of the Office of Chehalis Basin, the QIN is the only entity with adjudicated treaty fishing rights to the Chehalis Basin. If selected for the position, what do you see as the key elements of your role in supporting the government-to-government relationship between the tribes and the state? In addition, from your perspective how will the QIN's treaty fishing right affect the work of the OCB? (Tyson Johnston)
- How would you ensure completion of the Aquatic Species Restoration Plan so we have relevant and reliable data? Successful implementation of the Aquatic Species Restoration Plan will require commitments from diverse interests, no small part of which will be landowners. If you were selected for the position, please describe how you would approach building this support. (David Burnett)
- The mission of the Office is to aggressively pursue solutions for flood damage reduction and restoration of aquatic species which could lead to conflicts within Ecology and other state

agencies. How would you address the potential resistance from the bureaucracy? (J Vander Stoep)

Director Bellon will schedule a brief phone call the week of April 23 with each Board member to get their respective insights on the two finalists, but she will ultimately decide who will be offered the position. Ecology plans to choose a successful candidate the week of April 23, and the tentative start date for the new OCB Director is May 1.

Floodproofing Program Development / Flood Insurance

French Wetmore (French and Associates) provided a brief overview of the National Flood Insurance Program (NFIP) and other flood insurance related issues in the Chehalis Basin. French noted that flood insurance premiums vary with the flood risk identified in the Federal Emergency Management Agency (FEMA) mapped floodplain, and rates are based on the elevation of the lowest floor. Flood insurance premiums in the Chehalis Basin average ~\$1,000/year. In the City of Centralia, 40% of the properties in the floodplain have insurance, which is close to the national average. Changes to the NFIP in 2012 and 2014 have led to rising premiums for insurance holders. As premiums increase, many are dropping their insurance policies. For example, since 2014, 20%, 40%, and 42% of the policies in the communities of Centralia, Aberdeen, and Hoquiam have been dropped, respectively.

A pilot project is currently underway in Centralia to help landowners understand their elevation rating and how modifying a building can reduce their insurance premiums. The pilot project will also help residents estimate premiums under different scenarios. Local insurance agents will also be available to help participants understand the National Flood Insurance Program. Board members will be updated on the outcomes of the pilot project at future meetings, and its relationship to development of a broader basin-wide floodproofing program.

Brian Shay (City of Hoquiam) and Kris Koski (City of Aberdeen) shared some of the challenges their communities face regarding flood insurance. They noted how rising insurance premiums are leading many residents to drop their insurance policies, and that landowners are renting out homes in the floodplain but are not maintaining them well and are not responsive to their tenant's requests for improvements. This has prompted the City of Aberdeen to adopt a rental inspection program, which will allow the City to require landowners to address code violations and make necessary improvements. Brian and Kris noted that the Aberdeen Hoquiam North Shore Levee project would remove ~3100 properties between the Wishkah and Hoquiam Rivers from the FEMA mapped flood hazard area and place them into a "Zone X", eliminating NFIP requirements for flood insurance on mortgages.

FOLLOW-UP ACTION: Board members requested OCB staff work with City of Aberdeen and Hoquiam staff to understand current estimates for sea level rise, and how they are accounted for in the design of the Aberdeen Hoquiam North Shore Levee project.

Old Business

Updates to Board Handbook

Chrissy Bailey (OCB) reviewed revisions to the Chehalis Basin Board Handbook regarding (1) language related to Board members' contact with federal officials and agencies, and (2) how correspondence from the Board will be drafted, reviewed, and approved between Board meetings. The Board Handbook was revised to clarify that requirements regarding Board members' contact with federal officials and agencies apply only when contact is done on behalf of Ecology and in a role as a Chehalis Basin Board member. The Handbook was also revised to include a procedure for Board correspondence to be drafted, reviewed, and approved during interim periods between Board meetings that ensures consistency and adheres to the consensus decision making process.

BOARD DECISION: Board members approved the revisions to the Board Handbook, noting that it will continue to be a "living document."

Structured interviews for landowners in the Newaukum sub-basin

Cynthia Carlstad (Carlstad Consulting) provided updates on the structured interview process for landowners in the Newaukum sub-basin regarding the Restorative Flood Protection concept. To date, 25 people have been interviewed. Scheduling additional one-on-one interviews has been a challenge. To increase the number of interviewees, a postcard will be mailed to 460 landowners in the Newaukum study area to announce two open houses at a coffee shop in Onalaska on May 16 and May 19. The purpose of the interviews and open houses is to provide information to landowners about the RFP approach and gather community stakeholder perspectives. Cynthia plans to wrap up interviews by the end of May and will provide a full report back to the Board at its June 7 meeting.

FOLLOW-UP ACTION: Board members requested OCB staff send them the postcard for the May 16 and May 19 open houses for interviews with landowners in the Newaukum sub-basin regarding the Restorative Flood Protection concept.

Land Use

[Note: Vickie Raines, Board Chair, left the meeting before this presentation.] Chrissy Bailey (OCB) provided a summary of the key points from the February 8, 2018 Board meeting presentation on future land use in the Chehalis Basin, and a proposed approach for evaluation of potential future land use conditions and management for the Chehalis Basin Strategy.

Key takeaways from the February presentation include:

- When considering the climate change scenario used in the Programmatic EIS, hydraulic modeling of the mainstem Chehalis River forecasts that the synthetic "100-year" floodplain on the mainstem will be larger at the end of this century than the same floodplain now/under

current climate conditions. This means more acres of land would be inundated than currently, at varying depths. The extent of increases and decreases vary across the basin.

- Based on estimated development rates of between 4 and 9 new structures per year in the floodplain, up to another 900 structures could exist in the mainstem floodplain in 2120. At the high end of this estimate, the number of structures added in the floodplain (900) would be slightly less than the number of available residential lots (924).
- Very little subdivision is needed to accommodate predicted future floodplain development; land use management measures designed to minimize creation of future parcels in the modeled 100-year floodplain are not likely to be effective at limiting future development in the floodplain.
- About half of the developable parcels in the floodplain are located in cities and UGAs.
- The ability of counties in the basin to “upzone” parcels in rural areas in general, specifically lands that may no longer be inundated with implementation of a dam and the airport levee improvements, is limited by state law in many locations.

Regarding evaluation of potential future land use conditions for the ASRP, Chrissy summarized the following proposed approach:

1. No change this spring to the Ecosystem Diagnostic Treatment (EDT) model to address land use in preparation for the prioritization work by the Science Review Team (SRT) in each Ecological Diversity Area.
2. Over the spring/summer, Ecology will research forest land conversions (historic and potential future conversion pressure) and other potential significant changes in rural land use (e.g. Master Planned Developments, Fully Contained Communities, etc.).
3. Ecology will develop an estimate for development in the basin outside of the floodplain (uplands).
4. By fall 2018, Ecology will examine land use designations, existing and potential lot patterns, and critical area protections in each of the priority areas identified by the Science Review Team (SRT) for protection and restoration in each Ecological Diversity Area.
5. Ecology will determine a ‘full buildout’ scenario in the priority areas and jointly with the SRT will assess the effect of full buildout on the priority protection/restoration areas. If a conflict exists, then an assessment will be developed of the potential to prevent the conflict through land use changes, incentives or compensation to landowners. If the conflict is unlikely to be prevented or addressed by one of these means, the EDT model would be changed to reduce the habitat potential of the priority area.
6. Ecology will work with the SRT to consider changes to the EDT model based on #'s 2-5 above.
7. This approach will inform the ASRP protection strategy by identifying areas where acquisition or easements will be critical to predicted outcomes.

Regarding an approach to considering potential future land use for the broader Chehalis Basin Strategy, Chrissy proposed the following:

1. Consider potential future land use patterns in the floodplain and uplands given steps outlined in ASRP approach above.
2. This spring and summer, Office of Chehalis Basin staff will meet and talk with local government staff regarding the modeled future floodplain corridor under climate change conditions, and whether this information might affect how their communities plan for the future.
3. In fall 2018/winter 2019, work with the Board and the ASRP Science Review Team and Steering Committee to:
 - Consider whether revisions to local regulations might minimize potential threats to floodplain function/habitat and the risk of future flood damage posed by development of existing lots in the floodplain.
 - Explore and evaluate the potential for land use or planning process incentives (e.g. transfer of development rights, density bonuses for setting aside critical areas, open space tax reductions, etc.) to avoid conflicts between floodplain development and habitat function, and to avoid future flood damage.
 - Consider whether and where acquisition and compensation are likely to be needed to ensure the objectives of the Chehalis Basin Strategy are achieved over time. Thurston County's purchase of development rights in the Nisqually Valley agricultural area is a local example.
4. Beyond winter 2019, Ecology will work with and support the Board and the ASRP Steering Committee in considering for inclusion in the long-term strategy, measures to protect investments made to restore habitat for aquatic species, measures to limit the risk of future flood damage, and to avoid additional harm to residents or structures already located in the floodplain.

Key comments and discussion topics included:

- Board members discussed how the proposed dam and airport levee project is not a “silver bullet” in terms of flood damage reduction across the basin. There is a need for concise messaging that describes the comprehensive nature of the overall Chehalis Basin Strategy, which includes several elements besides a potential dam, i.e., floodproofing, land use improvements, local flood projects, restorative flood protection, aquatic species restoration.
- Board members discussed how where buildings are located in the Basin contributes to how well (or not) they would be protected if the dam and airport levee improvements were implemented under the future climate change scenario.
- Board members encouraged OCB staff to work with local basin jurisdictions to ensure there are revisions to local regulations to protect and/or limit any new structures in the floodplain under

current and potential future climate conditions. OCB staff reminded the Board that the Governor's Work Group previously recommended local jurisdictions improve their floodplain management regulations, and that many have already made significant improvements, e.g., several have adopted the flood of record.

- OCB staff clarified that they are not asking the Board to make any decisions today, but rather intended to provide a high-level overview of the proposed evaluation approach.

FOLLOW-UP ACTION: OCB staff will begin implementing the proposed approach for evaluation of potential future land use conditions and management for the Chehalis Basin Strategy.

Aquatic Species Restoration Plan (ASRP)

Early action reach project design

Jim Kramer (Ruckelshaus Center) provided an update on the selection of contractors for the ASRP early action reach project design. The early action reach projects will be designed for river reaches one mile or more in length, and the goal of the design will be to restore functional ecological processes. The river reaches selected include the upper South Fork, Newaukum, Skookumchuck, Satsop, and Wynoochee. WDFW is in the process of initiating contracts with two design firms, InterFluve and Natural Systems Design. Both firms were selected through a competitive process. A kickoff meeting is scheduled for May 15, which will be followed up by discussions later this summer with landowners about their needs and interests along with needs regarding species and ecological function. OCB staff will brief the Board periodically on the overall early action reach project design process and engagement with landowners.

Updates on creation of sub-group to discuss federal funding options for Chehalis habitat projects

Jim Kramer noted that a sub-group of interested Board members, tribal and agency staff and lobbyists is continuing to interact to help advance identification of federal funding opportunities that could be applicable to aquatic species restoration. Ecology recently submitted request letters for appropriation of federal funding to support implementation of ASRP habitat restoration projects to Rep. Kilmer, Rep. Herrera Beutler, and Senator Murray. The letters specifically called out the US Fish and Wildlife Service's Chehalis River Basin Restoration Program as a good fit for funding work in the Chehalis Basin.

OCB and Conservation Commission staff have also spoken with Natural Resource Conservation Service (NRCS) staff about potential sources of funding for restoration projects, including the Regional Conservation Partnership Program (RCPP) and the Watershed and Flood Prevention Operations (WFPO) program. Both are competitive programs, and the WFPO requires applicants to have a watershed plan.

FOLLOW-UP ACTION: OCB and WDFW staff will review the WFPO's watershed plan requirements to ensure when the ASRP is complete it aligns with the requirements. The Quinalt Indian Nation and Chehalis Tribe will send letters to federal legislators in support of appropriation of federal funding for implementation of ASRP habitat restoration projects.

Proposed barrier removal projects to be implemented this biennium

Chrissy Bailey provided an update on follow-up items regarding the barrier culvert removal projects to be implemented this biennium. First, Chehalis Basin Lead Entity staff created a project information sheet that summarizes the barrier removal projects that have been implemented or are being implemented this biennium. Project sponsors this biennium include the Chehalis Basin Fisheries Task Force, Lewis County, Port of Chehalis, Grays Harbor Conservation District, and Lewis County Conservation District. Second, Ecology staff developed a blog post on the projects being implemented this biennium titled “Habitat projects to expand fish access throughout Chehalis Basin”:

<https://ecologywa.blogspot.com/2018/04/habitat-projects-to-expand-fish-access.html>. The blog was shared with local and regional media.

Project-level EIS for a Dam

Chrissy Bailey provided a summary of progress-to-date on the State Environmental Policy Act (SEPA) Environmental Impact Statement (EIS) and updates from Ecology and United States Army Corps of Engineers (USACE) staff regarding the National Environmental Policy Act (NEPA) EIS, Water Resources Reform and Development Act (WRRDA) 214 agreement, and schedule. Ecology, USACE and Chehalis River Flood Control Zone District (FCZD) staff have discussed the practicality of a joint SEPA/NEPA EIS versus separate SEPA and NEPA EIS documents, and the USACE did not find the joint document to be a workable approach. At this point, Ecology and USACE are engaged in discussions to determine a contracting mechanism that will allow for work to proceed with the EIS.

According to USACE staff, Colonel Geraldini has finalized a decision to accept and expend funds contributed by the FCZD under a WRRDA 214 Agreement. USACE has reached out to both Tribes to let them know of the decision and will be going out with a public notice announcing the decision within the next week or so.

The USACE has completed a detailed review of the draft EIS schedule provided by Ecology. There have been staff level discussion between agencies on the details. Additional work on finalizing the schedule will resume when a decision is made regarding how to proceed with the EIS(s) and the contracting mechanism. Ecology and USACE hope to have agreement on the approach by mid-May.

Next Steps and Closing

The next Board meeting was scheduled for May 3, 2018. Because that is only two weeks after this Board meeting, Ecology requested the May meeting be cancelled and the Board return to its agreed-to, first Thursday of the month schedule. Board members agreed to cancel the May 3, 2018 Board meeting and reconvene on June 7, 2018. OCB staff noted that they will schedule a briefing in May between Board members and Chehalis Basin Legislators.

After the meeting, interested participants were invited to view and learn about the Montesano Wastewater Treatment Plant local flood project. Meeting was adjourned at 2:32 pm.

BOARD DECISION: The May 3, 2018 Board meeting was cancelled. The Board will reconvene on June 7, 2018.

FOLLOW-UP ACTION: OCB staff will schedule a briefing in May between Board members and Chehalis Basin Legislators.