

CHEHALIS BASIN BOARD SUMMARIZED MEETING AGENDA AND ACTIONS

Date: February 7, 2019
Time: 9:00 am to 3:00 pm
Location: Aberdeen Rotary Log Pavilion: 1401 Sargent Blvd, Aberdeen, WA 98520

ITEM	FORMAL ACTION	FOLLOW-UP ACTION
1. Consent February 7, 2019 Agenda Approval of November 1, 2018 and January 10, 2019 Meeting Summaries	Decision: Agenda approved. November 1, 2018 and January 10, 2019 meeting summaries approved.	No follow-up action.
2. Director's Report	Discussion	No follow-up action.
3. Project-level SEPA/NEPA EIS	Discussion	OCB staff will provide the Board a summary of the different flood damage reduction alternatives that have been analyzed as part of the broader Chehalis Basin Strategy process and how the location for the proposed flood retention facility was determined.
4. Update on Local Flood-Damage Reduction Projects	Decision: Board members approved moving forward on developing reach-scale design, engineering, and permitting for the Lower Satsop project, including re-purposing funds from a farm pad contract and utilizing unobligated funds as needed.	OCB staff will develop a proposal for how the Lower Satsop project fits into the broader Chehalis Basin Strategy effort.

ITEM	FORMAL ACTION	FOLLOW-UP ACTION
5. Chehalis Basin Regional Agricultural Partnership	Decision: Board members approved OCB Director McNamara Doyle signing a letter of understanding regarding collaboration on regional agriculture development in South Puget Sound.	No follow-up action.
6. Admin/Housekeeping	Decision: Board members approved updates to the Board Handbook.	No follow-up action.
7. Updated Board Road Map	Discussion	No follow-up action.
8. Updates on FEMA FMA Grant Application	Discussion	No follow-up action.
9. Legislative Session Updates	Discussion	No follow-up action.
10. Next Steps and Closing	Discussion	The next Board meeting is scheduled for March 7, 2019 in Centralia.

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, Chair, Chehalis River Basin Flood Authority

Chehalis Basin Board Ex-Officio Members Present:

- Bart Gernhart, Department of Transportation
- Gordon White, Department of Ecology
- Justin Allegro, Department of Fish and Wildlife
- Stephen Bernath, Department of Natural Resources
- Stu Trefry, Conservation Commission

Board Staff/Board Guests Present:

- Alex Steely, Department of Natural Resources
- Andrea McNamara Doyle, Department of Ecology, Director of Office of Chehalis Basin
- Anthony Waldrop, Grays Harbor Conservation District
- Betsy Dillin, Chehalis River Basin Flood Control Zone District
- Bob Amrine, Lewis County Conservation District
- Brian Shay, City of Hoquiam
- Brian Stewart, Conservation Northwest
- Charlene Andrade, Department of Commerce
- Chrissy Bailey, Department of Ecology, Office of Chehalis Basin
- Cindy Bradley, Department of Ecology, Office of Chehalis Basin
- Colleen Granberg, Department of Natural Resources
- Curt Hart, Department of Ecology
- Dave Bingaman, Quinault Indian Nation
- Diane Butorac, Department of Ecology
- Erik Martin, Chehalis River Basin Flood Control Zone District
- Heather Page, Anchor QEA
- Janelle Leeson, US Army Corps of Engineers
- Jim Kramer, Ruckelshaus Center (Facilitator)
- Jim Waldo, Chehalis River Basin Flood Control Zone District
- Ken Ghalambor, Ruckelshaus Center
- Kris Koski, City of Aberdeen
- Lara McRea, Chehalis River Basin Flood Control Zone District
- Mara Zimmerman, Coast Salmon Partnership
- Mike Peroni, Northwest Agriculture Business Center
- Rob Wilson, Grays Harbor County Public Works
- Scott Boettcher, Chehalis River Basin Flood Authority (staff)
- Steve Schmitz, KPFF Engineers

- Tanya Eison, Quinault Indian Nation
- Tom Kollasch, Grays Harbor Conservation District

Welcome, Introductions

Chair Vickie Raines called the meeting to order at 9:20 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 February 7, 2019 agenda.

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

Approval of November 1, 2018 and January 10, 2019 Meeting Summary

The Board did not have additions or revisions to the November 1, 2018 or January 10, 2019 Meeting Summary.

BOARD DECISION: November 1, 2018 and January 10, 2019 meeting summaries approved by consensus with all voting member's thumbs up.

OCB Director's Report

OCB Director McNamara Doyle noted that several of the stakeholders and interests involved in the Chehalis Basin Strategy process, including state agencies, have raised questions about capacity constraints. OCB staff are working to address capacity issues through means such as prioritizing available resources and targeting additional resources where available. OCB Director McNamara Doyle provided a number of other updates, including:

- OCB staff are now in the process of conducting in-person interviews for the OCB Floodplain Coordinator position.
- Ecology Director Bellon recently hired a new special assistant who can support OCB staff and Board members in coordination between federal partners.
- OCB Director McNamara Doyle thanked Board members for their significant recent participation in legislative outreach in support of the Board's 2019-2021 Capital Budget recommendations. She also noted that the chehalisbasinstrategy.com website has been updated with several letters from tribes, jurisdictions, and other organizations in support of the Board's budget recommendations.
- OCB Director McNamara Doyle noted several other OCB outreach efforts separate from the legislative session, including recent meetings with the Chehalis Tribe, Quinault Indian Nation, Chehalis Basin Partnership, One Voice, and Trout Unlimited.

Jim Kramer (Ruckelshaus Center) noted that discussions are continuing with federal agencies regarding federal funding support for the Aquatic Species Restoration Plan (ASRP). A recent meeting with Natural Resource Conservation Service (NRCS) staff highlighted potential funding opportunities through the Regional Conservation Partnership Program (RCPP). The RCPP is developing new application guidelines and a new application for the Chehalis Basin could be developed later this year. Justin Allegro (Fish and Wildlife) noted that an existing RCPP exists in Southwest Washington and encouraged OCB staff to explore opportunities for aligning actions within the ASRP and existing RCPP.

Project-level SEPA/NEPA EIS

Flood Control Zone District's (FCZD) refinement to the project description and purpose and need statement

Erik Martin and Betsy Dillin (FCZD) noted that the FCZD has provided Ecology and the US Army Corps of Engineers (Corps) clarification and additional detail on their project description and purpose and need statement. The FCZD will add a page to their website (<https://www.chehalisriverbasinfczd.com/>) that shows responses to recent requests for information from Ecology and the Corps, which were largely around the project scope, previous studies, elements of the environment, and alternatives analysis. The website will also include the reference material that informed the District's responses. The FCZD is now in the process of asking their Board of County Commissioners for authorization to hire a technical contractor to support their involvement in the SEPA and NEPA EISs. Key comments and discussion topics included:

- FCZD staff clarified that no new information has been developed in their responses to recent requests for information.
- Board members requested more information on the different flood damage reduction alternatives that have been analyzed as part of the broader Chehalis Basin Strategy process and how the location for the proposed flood retention facility was determined.

FOLLOW-UP ACTION: OCB staff will provide the Board a summary of the different flood damage reduction alternatives that have been analyzed as part of the broader Chehalis Basin Strategy process and how the location for the proposed flood retention facility was determined.

Update on SEPA and NEPA EIS process

Diane Butorac (Ecology) provided the Board an update on the SEPA EIS process and next steps. Diane summarized the elements of the environment that will be evaluated the SEPA EIS based on scoping comments, which will include potential impacts to southern resident killer whales. Diane noted that some analyses will be more qualitative than quantitative. The SEPA EIS will analyze the following alternatives:

- Proposed Project (flood retention facility and levee)

- No Action Alternative
- Local Actions Alternative

The No Action alternative is the expected future if the proposed project is not built. The Local Actions alternative will analyze impacts based on local-scale and nonstructural efforts to improve floodplain function and reduce damage. Climate change will be evaluated as part of future conditions in all the EIS alternatives. The Draft SEPA EIS is on track to be released in February 2020 and Ecology is continuing coordination with the Corps on the NEPA EIS.

Janelle Leeson (Corps) provided the Board an update on the NEPA EIS process and next steps. Janelle noted that the Corps is engaged with the FCZD to gather additional information to determine what alternatives to evaluate in the NEPA EIS. The Corps is likely to decide on EIS alternatives by early April, but their decision on alternatives may not be shared publicly. The Draft NEPA EIS is anticipated to be released in mid-2020.

Update on Local Flood-Damage Reduction Projects

Scott Boettcher (Staff, Flood Authority) provided a summary of investment needs on the Lower Satsop River to protect and preserve farmland and essential infrastructure. The Lower Satsop River is a dynamic system where river bank erosion, channel migration, and flooding are seriously impacting adjacent properties. Projects have been proposed and evaluated in recent years without success. Westward migration of the river continues to erode and wash away irreplaceable farmland, and erosion threatens the Port of Grays Harbor Industrial Water Well and Keys Road, which is the main entrance to the Satsop Business Park that supports over 400 jobs.

Scott summarized potential immediate investment needs for the Lower Satsop River, including:

INVESTMENT (Immediate)	ACTION	COST	FUNDS AVAILABLE	FUNDS NEEDED ASAP
1. Construct Emergency Relief Channel (upper segment)	Feb to May 2019	\$175K	\$100K (a)	\$75K
2. Develop Reach-scale Design, Engineering, Permitting	Feb to July 2019	\$175K	\$15K (b)	\$160K
3. Develop Revetment Removal/Breaching Design, Engineering, Permitting	Feb to July 2019	\$50K		\$50K
TOTAL →		\$400K	\$115K	\$285K

- (a) GHCD foresees \$100K in unspent 2017-19 farm pad funds. CBB would need to approve re-purposing those funds before they could be used for #1.
- (b) Unspent 17-19 (jump starts).

Key comments and discussion topics included:

- Board members discussed the need to determine how the Lower Satsop effort fits into the overall Chehalis Basin Strategy, including established processes and guidelines from the ASRP early action reach effort and the development of the Community Flood Assistance and Resilience (CFAR) program.
- Rob Wilson (Grays Harbor County Public Works) noted that Grays Harbor County would act as the project sponsor in the development of a reach-scale design, engineering, and permitting.

BOARD DECISION: Board members approved moving forward on developing reach-scale design, engineering, and permitting for the Lower Satsop project, which will entail re-purposing funds from a farm pad contract and utilizing unobligated funds as needed.

FOLLOW-UP ACTION: OCB staff will develop a proposal for how the Lower Satsop project fits into the broader Chehalis Basin Strategy effort.

Chehalis Basin Regional Agricultural Partnership

At the January 10 Board meeting, Board members were briefed on a new opportunity with the Northwest Agriculture Business Center (NABC) to support the viability of agriculture in the Chehalis Basin. Mike Peroni was recently hired by the NABC for this effort and introduced himself to the Board. His work will include evaluating the potential of developing a grain storage facility in the Chehalis Basin, developing better markets for agricultural products and aggregation of products, developing local markets for beef products, and potential construction of a USDA slaughterhouse.

OCB Director McNamara Doyle summarized a letter of understanding regarding collaboration on regional agriculture development in South Puget Sound. Board member Jay Gordon asked if the OCB would be willing to sign the letter, which states that “Signatories commit to the spirit and practice of cooperation with the aim of employing a strategic, systems approach to advance agricultural development across multiple jurisdictions.”

BOARD DECISION: Board members approved OCB Director McNamara Doyle signing a letter of understanding regarding collaboration on regional agriculture development in South Puget Sound.

Admin/Housekeeping

Board members were asked for approval of the updates to the Board Handbook presented at the January 10, 2019 meeting. The updates to the Board Handbook were provided in 'track changes' and include updates regarding public records, public disclosure requests, and reporting to the Public Disclosure Commission, as well as other updates to contact information, organizational charts, regular meeting times, and compensation and travel reimbursement procedures.

BOARD DECISION: Board members approved updates to the Board Handbook.

Updated Board Road Map

OCB Director McNamara Doyle presented an overview of the Programmatic EIS and its relationship to the suite of actions now in progress and under consideration by the OCB and Chehalis Basin Board. She then provided a summary of the current status of the major flood damage reduction and aquatic species restoration work elements and their relationship to development of a comprehensive, integrated long-term strategy and investment plan.

Chrissy Bailey (OCB) provided a more detailed summary of updates to the Board Work Plan through 2021. By summer 2020, the Board will have reached several major milestones to inform the Board's recommendations on a long-term strategy and investment plan, including:

- Provide input on Phase 3 ASRP
- Incorporate comments on Draft EISs
- Approve basin-wide CFAR program strategy
- Public outreach, engagement, and public meetings for draft long-term strategy assessment
- Develop 2021-2023 budget recommendations

Based on the updated Road Map, in fall 2020 the Board will be ready to approve a comprehensive Chehalis Basin Strategy including an investment plan, implementation schedule, and quantified measures for evaluating the success of implementation. This will require the Board to continue working with stakeholders to advocate for funding to aggressively pursue full implementation, and by early 2021, the OCB can begin full-scale implementation of the Chehalis Basin Strategy.

OCB Director McNamara Doyle noted that the Chehalis Basin Board will need to consider a number of key issues in order to achieve consensus by fall 2020 on the broader Chehalis Basin Strategy, including:

- Feasibility & detailed options for mitigation of flood retention facility
- Relationship of EIS mitigation to ASRP projects & results
- Landowner willingness (ASRP & CFAR)
- Long-term governance structure & adaptive management
- Overall level of investment, sequencing of actions, implementation schedule, quantified measures for evaluating the success of implementation.

Key comments and discussion topics included:

- Board members acknowledged the need to consider sources of investment for the long-term strategy, in addition to the overall level of investment.
- Board members discussed the importance of developing and agreeing on an overall mitigation approach for the Strategy, and the potential need to develop a working group on this topic.
- Board members suggested more work is needed on the question of political linkages and how to line up continued political support for the Strategy.

Updates on FEMA FMA Grant Application

Chrissy Bailey (OCB) provided updates on the FEMA Flood Mitigation Assistance (FMA) grant application. The purpose of the FMA program is to provide resources to assist states, tribal governments, territories and local communities in efforts to reduce or eliminate the risk of repetitive flood damage to buildings and structures insurable under the National Flood Insurance Program (NFIP). The FMA program is focused on mitigating repetitive loss (RL) and severe repetitive loss (SRL) properties.

In FY 2018, \$160 million is available in the FMA program:

- \$70M for specific community flood mitigation projects & advance assistance
- \$90M for remaining FMA priorities

State and local governments must have a FEMA-approved mitigation plan in order to apply and properties must be NFIP-insured and commit to maintaining flood insurance for the life of the structure. The final application for the Chehalis Basin, after filtering a longer list of potential properties, included 5 properties in Lewis and Grays Harbor Counties.

The State's application was submitted to FEMA on 1/30/2019. The anticipated funding selection date is 05/01/2019, and the anticipated award date is 12/30/2019. OCB staff will consider this experience and the feedback from FEMA while developing the Community Flood Assistance and Resilience (CFAR) program.

Legislative Session Updates

OCB Director McNamara Doyle provided updates on pending legislation related to the Chehalis Basin Strategy. SB 5135, which would establish a large-scale water infrastructure program, had a public hearing but has not been scheduled for executive action. Testimony at the hearing was generally supportive or neutral. SB 5135 expresses the legislature's intent to provide \$500 million in bond funding per biennium up to \$5 billion total over ten years. The new program would be a competitive grant program to fund projects that promote four categories of water infrastructure: (1) water availability, (2) flood protection, (3) fish passage, and (4) stormwater management. The statewide flood protection category of the grant program would be overseen by the Office of Chehalis Basin, which would be

responsible for reviewing, ranking, and managing all the flood-related project grants throughout the state. The highest priority for flood-damage reduction projects would be given to implementing the Chehalis Basin strategy. A companion bill, HB 1809, was created in the House and has not been set for a hearing.

HB 1154, related to financing of Chehalis Basin flood damage reduction and habitat restoration projects, would authorize the sale of up to \$480 million in general obligation bonds to fund Chehalis Basin flood damage reduction and aquatic species habitat restoration projects. New bond proceeds would be appropriated in phases over five biennia, beginning with the 2019-2021 biennium, and deposited into the existing Chehalis Basin account created when the Office of Chehalis Basin was established. This bill has not been set for a public hearing.

OCB Director McNamara Doyle and Board members also provided a report out on recent legislative briefings. Board members have completed 14 legislator briefings, including 9 of 12 basin legislators and 5 new legislators. The meetings have been useful in educating legislators on the Board's budget recommendations and how they compare to the Governor's budget. Tyson Johnston (QIN) noted that the QIN has adopted the Board's 2019-2021 Capital Budget recommendations and he had personally met with 16 legislators in two days, including all basin legislators and several others from the Senate and House.

Next Steps and Closing

The next Board meeting is scheduled for March 7, 2019 in Centralia at the Train Depot Multi-Purpose Room.

Justin Allegro (Fish and Wildlife) noted he has accepted a new position with the Nature Conservancy and this will be his last Board meeting. Justin is working with WDFW staff on a transition strategy given his departure. Board members expressed their appreciation for Justin's contributions to the Chehalis Basin Strategy over the past several years.