

# MEMORANDUM

**Date:** April 2, 2019  
**To:** Chehalis Basin Board Members  
**From:** Andrea McNamara Doyle, Office of Chehalis Basin Director  
**Re:** Capital and Operating Budget Update

The Senate has released its 2019-21 Operating Budget proposal, and included Ecology's request for \$1.4 million in general fund support to cover core OCB/Board operations and staffing costs for next biennium. This is the full amount of the operating budget support from the Board recommendation and that the Governor included in his Operating Budget proposal.

Below is an updated comparison table that shows where OCB stands heading into the final weeks of the 2019 session.

Chehalis Basin Strategy 2019-21 Proposed Budget Comparisons				
OCB Budgets for 2019-21 (in millions)	CBB RECOMMENDED ECOLOGY REQUESTED	GOVERNOR PROPOSED	HOUSE PROPOSED	SENATE PROPOSED
<b>Capital Budget</b>				
On-the-Ground	\$49.45	\$31	\$59.45	\$33.75
Long-Term Strategy	\$23.76	\$19	\$23.76	\$16.25
<b>Total</b>	<b>\$73.2</b>	<b>\$50*</b>	<b>\$83.2**</b>	<b>\$50*</b>
<b>Operating Budget</b>				
OCB Operations	\$1.46	\$1.46	\$0	\$1.46

\*Provides discretion for the Board to move funds between elements to meet program objectives.

\*\*Provides discretion for the Board to move funds between elements so long as \$25M is dedicated to the Aberdeen Hoquiam North Shore Levee.

Each of these different proposals would impact the Board's priorities for next biennium in different ways. The top line summary of those impacts are highlighted here for your consideration:

- The Senate Operating Budget and House Capital Budget are closest to what you have recommended.
- The House Capital Budget provides 93 percent (\$68.2 million of the \$73.2 million) the Board recommended for its top priorities related to both on-the-ground and long-term strategy work for the ASRP, early action reach restoration projects, local flood projects, CFAR, and completion of the EIS. It also directs \$25 million toward the North Shore Levee, which is \$15 million more than what the Board assumed when it developed its budget priorities. While the House added

\$10 million more than what the Board recommended (\$83.2 instead of \$73.2 m), this budget would still require the Board to re-direct \$5 million from other strategy elements to comply with the proviso to provide \$25 million to the North Shore Levee.

- The Senate Capital Budget would fund the Chehalis Basin Strategy at the same level as the current biennium. This would leave the Board \$23.2 million short of what you have identified as being needed to aggressively pursue both the full suite of early action reach restoration projects that are currently in design and the long-term strategy elements next biennium, including things such as completing the EIS analysis for the SEPA/NEPA review of the Flood Control Zone District's proposed flood retention facility and airport levee improvements, and beginning implementation of the Community Flood Assistance and Resilience (CFAR) program.
- The Senate Operating Budget fully funds the Board's recommendation for \$1.4 million to support ongoing Board operations and core staffing for the OCB. The House Operating Budget includes no general fund support for the ongoing operations of the OCB and Board, which would require the Board to re-direct \$1.4 million from its Capital appropriations for this purpose.