

IMPORTANT NOTICE

Due to regulations pertaining to in-person meetings listed in the Governor's Open Public Meetings Act Proclamation(s), this meeting will be held remotely.

There are two options for viewing/listening to the meeting:

1. Live-Stream

View and listen through live streaming by using the following link –

<https://www.ci.chehalis.wa.us/citycouncil/live-streaming-and-demand-viewing-city-council-meetings>

or

2. Telephone

Dial: 1-253-215-8782

Meeting ID: 836 7602 5420

Passcode: 373372

Citizens wishing to provide public comments in general and on agenda items should submit comments by 4:00 pm on the day of the meeting. All comments received will be acknowledged by the Mayor under the Citizens Business portion of the meeting agenda. Please use the following form to submit comments – <https://www.ci.chehalis.wa.us/contact>. If you do not have computer access or would prefer to submit a comment verbally, please contact City Clerk Caryn Foley at 360-345-1042 or at cfoley@ci.chehalis.wa.us. Citizens Business comments will be limited to five (5) minutes.

If you have any questions about live streaming the meeting or submitting a comment, please contact City Clerk Caryn Foley at cfoley@ci.chehalis.wa.us or 360-345-1042.

**The City truly appreciates the community's cooperation
and patience during this challenging time.**

CHEHALIS CITY COUNCIL AGENDA

CITY HALL
350 N MARKET BLVD | CHEHALIS, WA 98532

Dennis L. Dawes, Position at Large
Mayor

Jerry Lord, District 1
Daryl J. Lund, District 2
Dr. Isaac S. Pope, District 4

Anthony E. Ketchum Sr., District 3
Chad E. Taylor, Position at Large, Mayor Pro Tem
Robert J. Spahr, Position at Large

Regular Meeting of Monday, October 12, 2020 5:00 p.m.

1. Call to Order. (Mayor)

CITIZENS BUSINESS

Citizens wishing to provide public comments in general and on agenda items should submit comments by 4:00 pm on the day of the meeting. All comments received will be acknowledged by the Mayor under Citizens Business of this meeting agenda. Please use the following form to submit comments – <https://www.ci.chehalis.wa.us/contact>. If you do not have computer access or would prefer to submit a comment verbally, please contact City Clerk Caryn Foley at 360-345-1042 or at cfoley@ci.chehalis.wa.us. Citizens Business comments will be limited to five (5) minutes.

2. Lewis County Lollipop Guild. (Kyle Wheeler)

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
CONSENT CALENDAR		
3. <u>Minutes of the Regular City Council Meeting of September 28, 2020.</u> (City Clerk)	APPROVE	1
4. <u>Vouchers and Transfers – Accounts Payable in the Amount of \$427,931.48 Dated September 30, 2020.</u> (City Manager, Finance Director)	APPROVE	4
5. <u>Vouchers and Transfers – Payroll in the Amount of \$876,507.30 Dated September 30, 2020.</u> (City Manager, Finance Director)	APPROVE	5
6. <u>Reject All Bids for the 12th & William Rechannelization Project.</u> (City Manager, Public Works Director)	APPROVE	6
7. <u>Resolution No. 11-2020, First and Final Reading – Approving an Addendum to the Chehalis Basin Watershed Management Plan in Response to the 2018 Streamflow Restoration Act (RCW 90.94).</u> (City Manager, Public Works Director)	ADOPT	8

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
UNFINISHED BUSINESS		
8. <u>Lodging Tax Advisory Funding Review and Recommendations.</u> (Budget Committee)	APPROVE	75

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
NEW BUSINESS		
9. <u>Chehalis CARES Community Program Funding Review and Recommendations.</u> (City Manager, CARES Program Review Committee)	APPROVE	79

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
ADMINISTRATION AND CITY COUNCIL REPORTS		
10. <u>Administration Reports.</u>	INFORMATION ONLY	---
a. 2020 Parks & Facilities Update. (Parks & Facilities Manager)		
b. City Manager Update. (City Manager)		
11. <u>Councilor Reports/Committee Updates.</u> (City Council)	INFORMATION ONLY	---

EXECUTIVE SESSION		
12. Pursuant to RCW:		
a. 42.30.110(1)(c) – Sale/Lease of Real Estate		
b. 42.30.110(1)(i) – Litigation/Potential Litigation		

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, OCTOBER 26, 2020.**

September 28, 2020

The Chehalis city council met in regular session on Monday, September 28, 2020. Mayor Dennis Dawes (present in the council chambers) called the meeting to order at 5:00 pm with the following council members present via Zoom: Tony Ketchum, Daryl Lund; Dr. Isaac Pope; Bob Spahr; and Chad Taylor. Councilor Jerry Lord arrived at 5:11 pm. Staff present included: Jill Anderson, City Manager; Tammy Baraconi, Planning & Building Manager; Caryn Foley, City Clerk; Kiley Franz, City Manager's Administrative Assistant; Erin Hillier, City Attorney; Brandon Rakes, Airport Operations Coordinator; and Chun Saul, Finance Director. Due to orders from the Governor's office relating to COVID-19, members of the public and the press were able to view the meeting via live streaming or via telephone through Zoom. The public was also provided a process for submitting comments prior to the meeting.

1. **Proclamations/Presentations – Chehalis Foundation.** Councilor Pope introduced Jenny Collins, the new Executive Director for the Chehalis Foundation. Ms. Collins stated the Foundation received money from a generous donor to be used for new fingerprint technology for the Police Department.

2. **Citizens Business – Lewis County Lollipop Guild.** Mayor Dawes stated a letter was received from Kyle Wheeler with the Lewis County Lollipop Guild, which would be placed in the file relating to property at 201 Hannah Lane, Chehalis.

3. **Consent Calendar.** Councilor Spahr moved to approve the consent calendar comprised of the following:

- a. Minutes of the regular city council meeting of September 14, 2020;
- b. September 15, 2020 Claim Vouchers No. 129998 – 130131 and Electronic Funds Transfer Check Nos. 931 - 949 and 82020 in the amount of \$844,236.47;
- c. Resolution No. 10-2020, first and final reading – declaring city property to be surplus;
- d. Debt management and post-issuance compliance update for fiscal year 2019; and
- e. Amendment No. 2 to professional services agreement with Precision Approach Engineering for the Taxiway Realignment Project.

The motion was seconded by Councilor Pope and carried unanimously.

4. **Ordinance No. 1010-B, Second and Final Reading – Amending the Comprehensive Plan Relating to Modifications to Chapter 3 – Land Use and Adding Land to the City's Urban Growth Area.** City Manager Anderson stated a full report was provided at the last council meeting.

Councilor Spahr moved to pass Ordinance No. 1010-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

5. **Lodging Tax Advisory Committee (LTAC) Recommendations for 2021 Tourism Funds and Reappointment of Committee Members.** Councilor Taylor provided the projected beginning fund balance (\$53,148) and revenues for 2021 (\$246,600) for the Tourism Fund. Minus a reserve for projects/activities that may come up during the year (\$50,000) and the dedicated debt service fund for the Recreation Park bond payment (\$63,396), a total of \$186,352 was estimated for lodging tax requests. Councilor Taylor reviewed the requests for 2021 tourism funds and the LTAC's recommendations.

<u>Organization</u>	<u>Request</u>	<u>Recommendation</u>
1. ARTrails	\$ 5,000	\$ 2,500
2. Centralia-Chehalis Chamber	\$ 50,000	\$ 50,000
3. Chehalis-Centralia Railroad & Museum – Marketing	\$ 35,000	\$ 35,000
4. Chehalis-Centralia Railroad & Museum – Personnel	\$ 15,000	\$ 15,000
5. Chehalis Community Renaissance	\$ 32,900	\$ 24,852
6. City of Chehalis – RV Park Restrooms	\$ 20,000	\$ 0
7. City of Chehalis – Youth Athletic Tournaments	\$ 20,000	\$ 20,000
8. Lewis County Historical Museum	\$ 45,000	\$ 11,000
9. Veterans Memorial Museum	\$ 30,000	\$ 28,000

September 28, 2020

City Manager Anderson stated that at the time the LTAC meeting was held, the bond estimate for the Recreation Park Improvement Project debt service was underreported by about \$8,000, which would reduce the reserve fund from \$50,000 to \$41,833.

Councilor Taylor stated that due to COVID-19 the Lewis County Historical Museum would not be using about \$20,000 of their 2020 tourism funding and asked that it be carried over to 2021. The LTAC was recommending that request to the council and was why the 2021 awarded amount was only \$11,000.

Several concerns and comments were discussed by the council:

- Allowing organizations to carry-over funds from one year to the next. It was noted that tourism funds were reimbursable. If funds were not spent by an organization those funds remained in the city's reserves.
- Was the projected beginning fund balance of \$53,148 accurate? It was suggested that the budget committee meet with staff to review the figures.

Councilor Ketchum moved to table the matter until the actual fund projections could be reviewed to make sure they were accurate. The motion was seconded by Councilor Lund.

Continued concerns and comments:

- What contributions were being applied for and made by Lewis County and Centralia to the chamber?
- Duplication of services between the chamber and the CCRT.

Mayor Dawes asked City Attorney Hillier if it would be a violation of the Open Public Meetings Act (OPMA) if individual council members provided comments/concerns to the City Manager to share with the budget committee. City Attorney Hillier stated it would not if the comments were not taken in a public meeting, or what would be deemed a public meeting, where there was a quorum of council members discussing city business in one place. Individual comments on a topic for consideration by the budget committee would not be a violation of the OPMA.

Councilor Taylor asked if he could contact individual council members to answer any further questions. City Attorney Hillier advised that the council needed to be careful about creating a serial meeting by having continuous phone calls or email chains that go back and forth even if they are not "reply all" but include the same content. That was a very close area of a potential OPMA violation.

Continued concerns and comments:

- Where was the proposed kiosk to be located that the chamber was proposing? It was noted that the kiosk would be located at the chamber.
- Does Lewis County collect any of Chehalis' tourism tax revenues? Chun Saul didn't believe they did.
- Could the city not give out as much money and use the funds for the debt payment for Recreation Park. It was noted that that was already set up to be done.

City Attorney Hillier reiterated concern about potential violations of the OPMA. She advised that the council should use the budget committee to address their comments/concerns; notify the LTAC that they handled the allocation recommendations correctly; and then bring the matter back before the council.

Councilor Spahr asked if the motion to table should have an end date. Mayor Dawes stated the motion should be to hold off on the matter and refer it back to the budget committee for review and response back to the council. Councilor Ketchum stated he was okay with using the Mayor's recommendation to hold off instead of table. Councilor Lund was okay with that change to the motion, as well.

The motion carried unanimously.

September 28, 2020

6. **Policy Regarding Collection of Credit Card Fees Associated with Permit/Event Management Program.** City Manager Anderson stated the council approved new permitting and event management software to provide additional services to the city's recreation and planning customers. At the time of approval, staff indicated they would bring back to council the discussion of whether or not the city should collect a convenience fee or whether it should be absorbed by the city.

Tammy Baraconi stated the city currently used Official Payments for credit card services, which fee was \$5.95 per transaction. Staff would like to switch to Point and Pay. The fees would be 3% for credit cards with a \$2.00 minimum and a flat rate of \$2.00 for e-checks, which was not available with Official Payments. The question before council was whether the fees should be passed onto customers or should the city absorb the fees. She stated staff was recommending that the fees be passed onto the customer as was done with Official Payments.

Councilor Lord asked if there were additional fees the city would be subject to. Ms. Baraconi stated the city would pay \$50.00 per year for the service.

Councilor Lund stated Centralia's fees were higher, so Chehalis' customers would be getting a deal.

Councilor Spahr moved to authorize that the convenience fees associated with Point and Pay online payment services, including credit card convenience fees, be paid by the customers using the service. The motion was seconded by Councilor Lund and carried unanimously.

7. **Administration Reports.**

a. **City Manager Update.** City Manager Anderson stated the application process for CARES funds was open for non-profits to apply. Applications will be accepted through 9:00 am on Friday. The committee formed to review the proposals will meet to form a recommendation to the full council at the October 12 council meeting.

8. **Councilor Reports/Committee Updates.**

a. **Councilor Taylor.** Councilor Taylor appreciated the council's comments/concerns on the lodging tax issue.

b. **Mayor Dawes.** Mayor Dawes stated the National Avenue project looked very nice. He looked forward to all city entrances being improved as time and money allowed. Mayor Dawes stated the executive session listed on the agenda was not needed.

There being no further business to come before the council, the meeting was adjourned at 5:59 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director
Michelle White, Accounting Tech II

MEETING OF: October 12, 2020

SUBJECT: Vouchers and Transfers – Accounts Payable in the Amount of \$427,931.48

ISSUE

City Council approval is requested for Vouchers and Transfers dated September 30, 2020.

DISCUSSION

The September 30, 2020 claim vouchers have been reviewed by a committee of three councilors prior to the release of payments. The administration is requesting City Council approval for Claim Vouchers No. 130132 – 130236 and Electronic Funds Transfer Check Nos. 950 -964, 820201 and 820202 in the amount of \$427,931.48 dated September 30, 2020 which includes the transfer of:

- \$ 51,469.35 from the General Fund
- \$ 10,936.14 from the Dedicated Street Fund – 4% Sales Tax
- \$ 10,474.50 from the Transportation Benefit District Fund
- \$ 182,000.00 from the Tourism Fund
- \$ 2,796.05 from the LEOFF 1 OPEB Reserve Fund
- \$ 300.00 from the 2011 G.O. Bond Fund
- \$ 3,373.01 from the Public Facilities Reserve Fund
- \$ 520.97 from the Garbage Fund
- \$ 46,792.42 from the Wastewater Fund
- \$ 24,323.73 from the Water Fund
- \$ 6,658.22 from the Storm & Surface Water Utility Fund
- \$ 87,572.12 from the Airport Fund
- \$ 714.97 from the Firemen’s Pension Fund

RECOMMENDATION

It is recommended that the City Council approve the September 30, 2020 Claim Vouchers No. 130132 – 130236 and Electronic Funds Transfer Check Nos. 950 – 964, 820201 and 820202 in the amount of \$427,931.48.

SUGGESTED MOTION

I move that the City Council approve the September 30, 2020 Claim Vouchers No. 130132 – 130236 and Electronic Funds Transfer Check Nos. 950 – 964, 820201 and 820202 in the amount of \$427,931.48.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director
Betty Brooks, Payroll Accountant

MEETING OF: October 12, 2020

SUBJECT: Vouchers and Transfers – Payroll in the Amount of \$876,507.30

ISSUE

City Council approval is requested for Payroll Vouchers and Transfers dated September 30, 2020.

DISCUSSION

The administration requests City Council approval for Payroll Vouchers No. 41432-41464, Direct Deposit Payroll Vouchers No. 12585-12694, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 311-314 dated September 30, 2020 in the amount of \$876,507.30, which include the transfer of:

- \$568,962.24 from the General Fund
- \$7,488.29 from the Arterial Street Fund
- \$5,940.00 from the LEOFF1 OPEB Reserve Fund
- \$116,891.58 from the Wastewater Fund
- \$121,424.08 from the Water Fund
- \$25,109.57 from the Storm & Surface Water Utility Fund
- \$30,691.54 from the Airport Fund

RECOMMENDATION

It is recommended that the City Council approve the September 30, 2020 Payroll Vouchers No. 41432-41464, Direct Deposit Payroll Vouchers No. 12585-12694, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 311-314 in the amount of \$876,507.30.

SUGGESTED MOTION

I move that the City Council approve the September 30, 2020, Payroll Vouchers No. 41432-41464, Direct Deposit Payroll Vouchers No. 12585-12694, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 311-314 in the amount of \$876,507.30.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Jill Anderson, City Manager
BY: Trent Lougheed, Public Works Director
MEETING OF: October 12, 2020
SUBJECT: Reject All Bids for the 12th & William Rechannelization Project

ISSUE

The administration recently solicited bids using the Small Works Roster for the 12th & William Rechannelization Project. Due to a procedural error in the bidding process, staff is recommending that the bids be rejected.

DISCUSSION

This project is intended to remove the non-conforming “triangle” intersection at this location and to rechannel the intersection to a 90-degree intersection with an additional paved parking area for Recreation Park. The improvements will result in an intersection that meets the requirements of the WSDOT Design Manual and the Manual for Uniform Traffic Control Devices (MUTCD) and will provide an additional 20 parking spaces.

The paving and improvements on the park property will be paid for by the Recreation Park renovation project funds, and the right-of-way improvements will be paid for with Transportation Benefit District funds.

The rechannelization project includes pavement and curb removal, roadway excavation, new hot-mix asphalt, utility adjustments, new curb and gutter, new concrete sidewalk, paint striping, and traffic control.

The project was originally scheduled to be constructed in 2021; however, the Pacific Avenue Reconstruction Project is delayed until 2021 to allow “undergrounding” of power and communication utilities, which allows for this project to be moved up on the schedule. The project is relatively small and should be able to be constructed quickly to avoid the winter weather.

This project was bid utilizing the Small Works Roster. Five contractors were contacted to determine interest in bidding – Lakeside Industries, Quigg Brothers, Barcott Construction, Northfork Asphalt Paving, and KBH Construction. Bids were opened on October 1, 2020 and two bids were received.

Bidder	Amount*
KBH Construction	\$137,602.90
Barcott Construction	\$151,502.00

KBH Construction appeared to be able to complete the job and was the lowest bidder; however, Barcott Construction submitted a Letter of Protest due to an error in procedure of accepting the KBH bid at Public Works building that morning. KBH was at the Public Works building signing documents for an existing project, and the Public Works Director offered to take the bid to City Hall to save the bidder the trip. It was a misunderstanding that a bid could not be accepted at a different location than that specified in the bid documents. The project did not have a scheduled "public" bid opening; simply a deadline for when bids were due as is typically the case for Small Works Roster projects.

Additionally, there was an insignificant variation in the signature notarization of the Non-Collusion form for KBH, and that, together with the procedural error, requires the City to clear any concern or potential liability with a new request for bids.

The project will be re-bid utilizing the same Contractor List with a recommendation for award at a future Council meeting.

FISCAL IMPACT

None by this action.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the City Council reject all bids for the 12th & William Rechannelization Project.

SUGGESTED MOTION

I move that the City Council reject all bids for the 12th & William Rechannelization Project.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Trent Lougheed, Public Works Director

MEETING OF: October 12, 2020

SUBJECT: Resolution No. 11-2020, First and Final Reading – Approving an Addendum to the Chehalis Basin Watershed Management Plan in Response to the 2018 Streamflow Restoration Act (RCW 90.94).

INTRODUCTION

The City of Chehalis has historically supported balanced and basin-wide solutions for people, fish, and aquatic species. Further, the City supports the Chehalis Basin Partnership which identifies a plan to accomplish both.

A resolution approving an addendum to the Chehalis Basin Watershed Management Plan (CBWMP) in response to the 2018 Streamflow Restoration Act (RCW 90.94) has been prepared for City Council action.

Kirsten Harma and Terry Harris presented information regarding the proposed addendum to the CBWMP at the August 24, 2020 City Council meeting.

DISCUSSION

The City of Chehalis supports collaboration among Chehalis Basin Watershed communities to implement a comprehensive strategy for balancing competing demands for water, while at the same time preserving and enhancing the future integrity of the Chehalis Basin Watershed.

The City is required to plan under the Growth Management Act (RCW 36.70A), and its Comprehensive Plan must include a plan to “provide for the protection of the quality and quantity of groundwater used for public supplies” (RCW 36.70A.070). The Washington State Watershed Management Act (RCW 90.82) established a framework for water resource management in the State of Washington focusing on water availability and quality, and protecting habitat for fish and wildlife; and established the boundary of Water Resource Inventory Areas 22 and 23 (WRIAs 22 and 23) for the Chehalis Basin Watershed.

The City was one of the Participating Governments of the Chehalis Basin Planning Unit, known as the Chehalis Basin Partnership, and participated in the development of the 2004 Chehalis Basin Watershed Management Plan.

On January 18, 2018, the Washington State Legislature passed Engrossed Substitute Senate Bill (ESSB 6091), an act addressing procedures for ensuring water is available to support development in response to the Washington State Supreme Court case *Whatcom v. Hirst*. ESSB 6091 was codified as the Streamflow Restoration Act, RCW 90.94.

RCW 90.94.020 directed the Washington State Department of Ecology to work with the initiating governments and Planning Unit of WRIAs 22 and 23 to review the existing watershed plan to identify the potential impacts of exempt well use, identify evidence-based conservation measures, and identify projects to improve watershed health with a deadline of February 1, 2021, whereby the Department of Ecology must adopt said watershed plan amendment.

In July 2019, Planning Unit Members signed a Charter Addendum to the 2004 Operating Procedures with one exception from the Quinault Indian Nations who provided a written state to include with the final charter. The Chehalis Basin Watershed Planning Unit met regularly and created several subgroups to develop an Addendum that addresses the requirements of RCW 90.94.

The Chehalis Basin Partnership intends approved the Addendum to the Chehalis Basin Watershed Management Plan to address the requirements of RCW 90.94 on or soon after November 17, 2020. A Determination of Non-significance (DNS) and Adoption of Existing Environmental Document for the original Chehalis Basin Watershed Management Plan was issued by Grays Harbor County in their role as Lead Agency.

By passing the proposed resolution, the City Council finds that the strategies identified in the plan, if adequately funded and implemented, will be sufficient to offset the impacts of future projected growth in the rural area of the Chehalis Basin Watershed on streamflows, and further will support the recovery of endangered salmon species and overall ecosystem health while allowing options for future rural development.

FISCAL IMPACT

There are no direct fiscal impacts associated with acting on the resolution.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 11-2020 on first and final reading, and grant Terry Harris, as the City's Chehalis Basin Partnership Representative, voting authority on behalf of the City of Chehalis for actions related to the addendum to the Chehalis Basin Watershed Management Plan.

SUGGESTED MOTION

I move that the City Council adopt Resolution No. 11-2020 on first and final reading, and grant Terry Harris, as the City's Chehalis Basin Partnership Representative, voting authority on behalf of the City of Chehalis for actions related to the addendum to the Chehalis Basin Watershed Management Plan.

RESOLUTION NO. 11- 2020

**A RESOLUTION OF THE CITY OF CHEHALIS, WASHINGTON,
APPROVING AN ADDENDUM TO THE CHEHALIS BASIN
WATERSHED MANAGEMENT PLAN IN RESPONSE TO THE 2018
STREAMFLOW RESTORATION ACT (RCW 90.94)**

WHEREAS, the City Council of City of Chehalis supports collaboration among Chehalis Basin Watershed communities to implement a comprehensive strategy for balancing competing demands for water, while at the same time preserving and enhancing the future integrity of the Chehalis Basin Watershed; and

WHEREAS, City of Chehalis is required to plan under the Growth Management Act (RCW 36.70A), and its Comprehensive Plan must include a plan to “provide for the protection of the quality and quantity of groundwater used for public supplies” (RCW 36.70A.070); and

WHEREAS, the Washington State Watershed Management Act (RCW 90.82) established a framework for water resource management in the State of Washington focusing on water availability and quality, and protecting habitat for fish and wildlife; and established the boundary of Water Resource Inventory Areas 22 and 23 (WRIAs 22 and 23) for the Chehalis Basin Watershed; and

WHEREAS, City of Chehalis was one of the Participating Governments of the Chehalis Basin Planning Unit, known as the Chehalis Basin Partnership, and participated in the development of the 2004 Chehalis Basin Watershed Management Plan; and

WHEREAS, on January 18, 2018, the Washington State Legislature passed Engrossed Substitute Senate Bill (ESSB 6091), an act addressing procedures for ensuring water is available to support development in response to the Washington State Supreme Court case *Whatcom v. Hirst*; and

WHEREAS, ESSB 6091 was codified as the Streamflow Restoration Act, RCW 90.94; and

WHEREAS, RCW 90.94.020 directed the Washington State Department of Ecology to work with the initiating governments and Planning Unit of WRIAs 22 and 23 to review the existing watershed plan to identify the potential impacts of exempt well use, identify evidence-based conservation measures, and identify projects to improve watershed health with a deadline of February 1, 2021, whereby the Department of Ecology must adopt said watershed plan amendment; and

WHEREAS, the Planning Unit members included the implementing governments as identified in Intergovernmental Agreement dated August 31, 1998; and

WHEREAS, Grays Harbor County was the lead agency for the planning process; and

WHEREAS, in July 2019, Planning Unit Members signed a Charter Addendum to the 2004 Operating Procedures with one exception from the Quinault Indian Nations who provided a written statement to include with the final charter; and

WHEREAS, the Chehalis Basin Watershed Planning Unit met regularly and created several subgroups to develop an Addendum that addresses the requirements of RCW 90.94; and

WHEREAS, the Chehalis Basin Partnership intends approved the Addendum to the Chehalis Basin Watershed Management Plan to address the requirements of RCW 90.94 on or soon after November 17, 2020; and

WHEREAS, a Determination of Nonsignificance (DNS) and Adoption of Existing Environmental Document for the original Chehalis Basin Watershed Management Plan was issued by Grays Harbor County in their role as Lead Agency; and

WHEREAS, the City Council finds that the strategies identified in the plan, if adequately funded and implemented, will be sufficient to offset the impacts of future projected growth in the rural area of the Chehalis Basin Watershed on streamflows, and further will support the recovery of endangered salmon species and overall ecosystem health while allowing options for future rural development;

THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO HEREBY RESOLVE AS FOLLOWS:

Section 1. Chehalis Basin Watershed Management Plan Addendum Approval. The City of Chehalis City Council approves the Addendum to the Chehalis Basin Watershed Management Plan as shown in Exhibit A attached hereto and incorporated herein by reference.

Section 2. Well Fee and Recording Requirements. Applicants for building permits in WRIs 22 and 23 shall continue to pay relevant fees and record any relevant restrictions or limitations associated with water supply with the property title, as required by ESSB 6091, until such time as the City adopts an alternative approach to addressing the requirements of RCW 90.94.

Section 3. Implementation. Ongoing implementation of the strategies identified in the plan Addendum will require the City's continued participation in the Chehalis Basin Partnership and is contingent upon adequate available funding and staff resources.

Section 4. Severability. If any section, subsection, sentence, clause, phrase or other portion of this Resolution or its application to any person is, for any reason, declared invalid, illegal or unconstitutional in whole or in part by any court or agency of competent jurisdiction, said decision shall not affect the validity of the remaining portions hereof.

Section 5. Effective Date. This Resolution shall take effect immediately upon adoption.

ADOPTED by the City Council of the City of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this _____ day of _____, 2020.

Mayor

Attest:

City Clerk

Approved as to form:

City Attorney

**CHEHALIS WATERSHED (WRIA 22/23) RESPONSE TO 2018
STREAMFLOW RESTORATION LAW**

ADDENDUM TO THE CHEHALIS WATERSHED MANAGEMENT PLAN

Prepared for:

Chehalis Basin Partnership

Prepared by:

Northwest Hydraulic Consultants Inc.

Seattle, WA

August 26, 2020

ACKNOWLEDGEMENTS

Chehalis Basin Partnership members, tribes and stakeholders came together to quickly respond to requirements under the Streamflow Restoration law. The Partnership is grateful to the people and organizations listed below who played key roles in developing this Watershed Plan Addendum.

Chehalis Basin Partnership

Terry Harris, City of Chehalis (Chair)
 Alissa Shay, Port of Grays Harbor
 Andy Oien, City of Centralia
 Bob Johnson, Washington Department of Natural Resources
 Bobby Cox, Town of Pe Ell
 Bobby Jackson, Lewis County
 Brad Murphy, Thurston County
 Brian Shay, City of Hoquiam
 Brian Thompson, Lewis County Farm Bureau
 Caprice Fasano, Quinault Indian Nation
 Chris Lunde, Port Blakely
 Chris Stearns, Thurston PUD
 Colleen Suter, Chehalis Tribe
 Dan Wood, City of Montesano
 Dave Windom, Mason County
 Dave Vasilauskas, City of Chehalis
 Dusty Guenther, Boistfort Valley Water
 Ed Moch, City of Aberdeen
 Glen Connelly, Chehalis Tribe
 Jan Robinson, Chehalis River Basin Land Trust
 Jane Hewitt, Grays Harbor County
 Jaron Heller, City of McCleary
 Jason Walter, Weyerhaeuser
 Jim Hill, Citizen, Lewis County
 John Bryson, Quinault Indian Nation
 Kaitlynn Nelson, Thurston County
 Kim Ashmore, City of Centralia
 Kris Koski, City of Aberdeen
 Lauren MacFarland, Quinault Indian Nation
 Lee Napier, Lewis County
 Mark Cox, Grays Harbor County
 Megan Tuttle, Washington Department of Fish and Wildlife
 Nick Bird, City of Ocean Shores
 Paula Holroyde, Citizen, League of Women Voters, Thurston County
 Phil Papac, Port of Grays Harbor
 Rick Eaton, City of Centralia
 Terry Willis, Citizen, Grays Harbor County
 Tye Menser, Thurston County
 Wes Cormier, Grays Harbor County

Demand Forecast Work Group

Brad Murphy, Thurston County
 Caprice Fasano, Quinault Indian Nation
 Colleen Suter, Chehalis Tribe
 Dave Windom, Mason County
 Jane Hewitt, Grays Harbor County
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 Joel Massman, contractor to Quinault Indian Nation
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EXECUTIVE SUMMARY

This Addendum to the Chehalis Basin Watershed Management Plan was developed under the guidance of the Chehalis Basin Partnership (Partnership) to comply with the State Streamflow Restoration law (Chapter 90.94 RCW). It addresses a core issue identified in the adopted 2004 Chehalis Basin Watershed Management Plan (Plan), which was developed by the Chehalis Basin Partnership (Chehalis Basin Partnership, 2004) – evaluating and managing the effects associated with water uses from permit-exempt domestic water wells. The Streamflow Restoration law mandated that the Partnership develop and approve a Watershed Plan Update that addresses the following elements:

- Estimates of consumptive domestic water use from future permit-exempt domestic groundwater withdrawals over the planning timeframe (through 2040)
- Identify the potential impacts of those forecasted withdrawals on streamflows
- Develop projects and actions to offset those impacts. Offsets are also required to provide a Net Ecological Benefit (NEB) to the entire basin.

The deadline for Ecology adoption of the Plan Addendum is February 1, 2021, after which Ecology is required to initiate an instream flow rule amendment. This Addendum adds to the original Watershed Plan; it does not replace it.

The Partnership divided WRIAs 22/23 into 19 subbasins and developed projections for new permit-exempt wells and associated consumptive use through 2040. Permit-exempt well projections are shown in Table ES-1 and the distribution of consumptive use estimates is shown in Figure ES-1. Chapter 90.94 RCW only requires that projected consumptive water use from new permit-exempt wells be offset at the basin scale rather than at the subbasin scale. However, to be protective of stream flow, the Partnership focused on developing projects in subbasins with the highest projected consumptive use. That emphasis is illustrated in Figure ES-2, which shows the four highest projected streamflow impact subbasins – Black, Newaukum, Scatter Creek, and Skookumchuck – have water offset projects in respective subbasins ranging from 145 percent of impact (Black) to 2,762 percent of impact (Skookumchuck).

Streamflow is a major component and foundation of the ecology of the basin. However, other conditions such as healthy riparian areas and instream habitat diversity are also necessary to the overall ecosystem function, structure, and composition. The NEB evaluation utilized ecological priorities identified by the two major aquatic habitat restoration programs in the basin:

- Chehalis Basin Salmon Restoration and Preservation Strategy (Lead Entity Program)
- Chehalis Basin Aquatic Species Restoration Program

Table ES-2 summarizes the instream habitat improvements that will be provided the aquatic species through the suite of habitat projects in this Addendum, totaling 108 miles of instream restoration, 2,180 acres of riparian and upland habitat protected, and over 38 miles of reconnected habitat.

The Partnership finds that this Addendum complies with the Streamflow Restoration law requirements to identify projects and actions to offset streamflow impacts from new permit-exempt well connections

and provide a NEB to the basin. This finding is based on the combined value of medium/high certainty water offset projects, aquatic habitat restoration projects that address key aquatic needs distributed throughout the basin, and the framework of cooperative partnerships already in place in the Chehalis Basin. Nearly 70 percent of the consumptive use from new permit-exempt wells is anticipated to occur in four of the 19 subbasins, and water offset projects in those four subbasins exceed subbasin-level consumptive use estimates. In addition, the largest water offset project – acquisition of a portion of surface water right from the retiring TransAlta coal-fired power plant – is located in one of these subbasins (Skookumchuck) and could provide four times the estimated consumptive use in these high growth areas. It will contribute to cooler water temperatures in the mainstem Chehalis where most salmon in the Chehalis Basin must migrate through, and in some cases hold, during the summer.

The Partnership intends to continue its work with implementation and adaptive management for the Streamflow Restoration law response described in this Addendum. However, the Partnership does not have dedicated funding and will need permanent, stable, administrative support. The Partnership requests base administrative funding from the state to enable the CBP to transition seamlessly into implementation. The CBP recommends that the state Legislature provide administrative support funding and a structure to monitor plan implementation (including tracking of new permit-exempt wells and project implementation by subbasin) and develop a process consistent with the approach described above to adaptively manage implementation if NEB is not being met as envisioned by this Plan Addendum. In the interim, the CBP requests that available well fees be directed to Grays Harbor County as fiscal agent to fund the watershed coordinator position and costs related to CBP meetings and coordination.

Table ES-1 Permit-Exempt Well Projections

Subbasins	Projection for New Permit-Exempt Well Connections by 2040
Black River	1,215
Chehalis - Salzer	76
Chehalis Headwaters	50
Cloquallum - N Delezene	333
W Capitol Forest	18
Elk - Johns	25
East Willapa	350
Hanaford	35
Hoquiam	49
Humptulips	13
Mox Chehalis	51
Newaukum	703
Satsop	289
Scatter	526
Curtis	168
Skookumchuck	539
Northeast Willapa	95
Wishkah	2
Wynoochee	18
Total WRIA 22 & 23	4,555

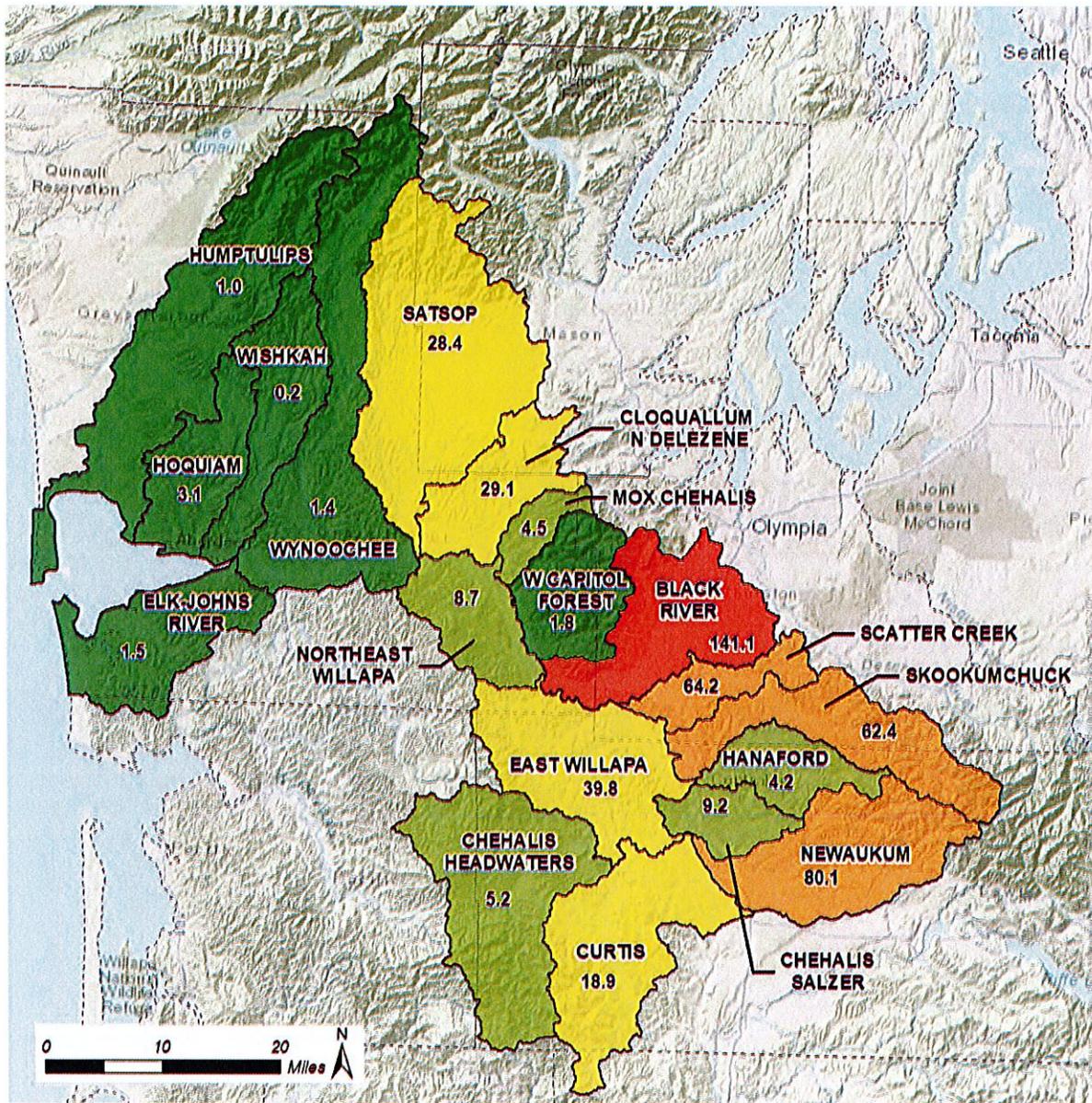


Figure ES-1 Consumptive Use Estimates for Chehalis Basin Subbasins

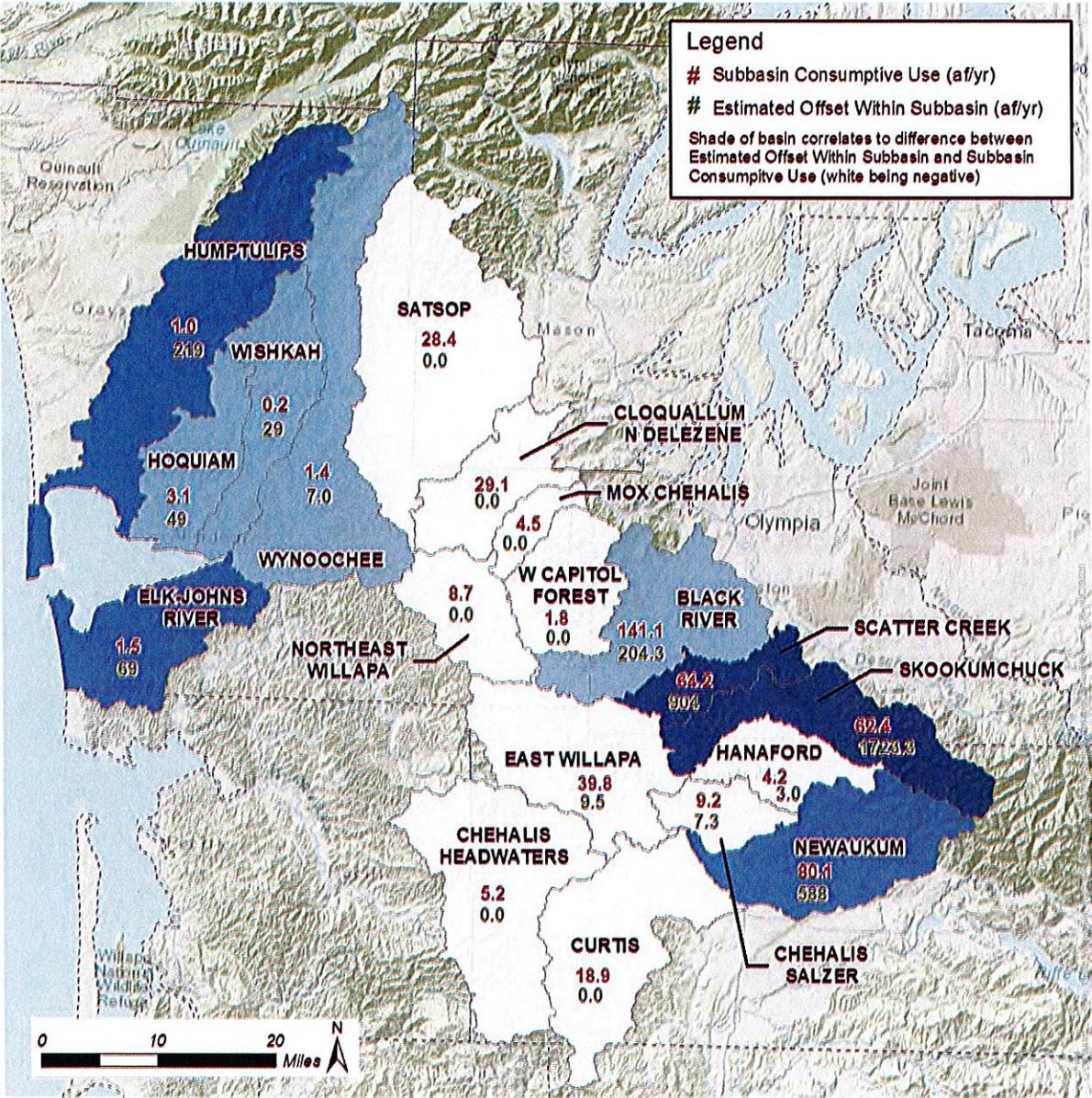


Figure ES-2 Water Offset vs. Consumptive Use by Subbasin

Table ES-2 Other Ecological Benefits for Listed Projects

Subbasin	Proposed Habitat Projects	Reach Length Enhanced/ Restored ¹ (mi)	Riparian/ Upland Area Protected ² (ac)	Habitat Reconnected ³ (mi)
Black River	6	0.0	55.0	5.0
Chehalis - Salzer	4	0.2	11.3	1.8
Chehalis Headwaters	1	0.3	0.0	0.0
Cloquallum - N Delezene	5	1.0	15.6	8.3
W Capitol Forest	0	0.0	0.0	0.0
Elk - Johns River	1	0.0	178.7	0.0
East Willapa	2	0.0	0.0	0.8
Hanaford	2	0.7	33.0	0.0
Hoquiam	6	0.3	394.4	3.5
Humptulips	2	0.0	157.1	5.3
Mox Chehalis	0	0.0	0.0	0.0
Newaukum	9	36.1	0.0	13.4
Satsop	4	6.8	137.0	0.0
Scatter Creek	5	13.8	788.0	0.0
Curtis	1	2.6	0.0	0.0
Skookumchuck	2	40.3	17.0	0.0
Northeast Willapa	0	0.0	0.0	0.0
Wishkah	1	0.0	75.2	0.0
Wynoochee	3	3.8	17.5	0.0
WRIA 22/23 Total⁴	59	120.9	2,180	38.1

1. Actions include instream restoration, large wood addition, etc.
2. Actions include protecting land for conservation purposes, riparian restoration, floodplain reconnection and habitat creation
3. Actions include fish passage improvements
4. Includes basinwide projects not assigned to individual subbasins.

TABLE OF CONTENTS

1	INTRODUCTION AND BACKGROUND	1
1.1	Chehalis Watershed Planning History	1
1.2	Scope of this Watershed Plan Addendum	2
2	WATERSHED OVERVIEW	3
2.1	Hydrology, Geology, and Hydrogeology	3
2.2	Land Use and Development	3
2.3	Subbasin Delineation	4
3	PROJECTION FOR NEW PERMIT-EXEMPT WELL CONNECTIONS	6
3.1	Introduction	6
3.2	Population Growth Projections	6
3.3	Domestic Permit-Exempt Well Connections Projection Approach	6
3.4	Final Permit-Exempt Well Projection for Plan Addendum	9
4	CONSUMPTIVE USE ESTIMATES	11
4.1	Methods and Assumptions	11
	Indoor Consumptive Use	11
	Outdoor Consumptive Use	11
4.2	Consumptive Use Forecast	12
5	APPROACH TO OFFSETTING STREAMFLOW IMPACTS	14
5.1	Assumptions Used for Determining Streamflow Impacts from Groundwater Pumping	14
5.2	Geographic Distribution of Streamflow Impacts	14
5.3	Consideration of Ecological Needs	17
6	OFFSET PROJECTS AND ACTIONS	18
6.1	Chehalis Basin Offset Projects - Types of Projects and Actions	18
	Water Rights Acquisitions	19
	Water Infrastructure Improvements	20
	Groundwater Recharge	21
	Floodplain Storage	22
	Beaver Dam Analogs	23
	Conservation and Land Acquisition	24
	Stream and Riparian Restoration	25
	Fish Passage	26
6.2	Offset Project Priorities	27
7	NET ECOLOGICAL BENEFIT EVALUATION	31
7.1	Water Offset Evaluation	31
7.2	Additional Benefits to Instream Resources	34
7.3	NEB Summary	38
8	IMPLEMENTATION AND ADAPTIVE MANAGEMENT	39
8.1	Lead Organization for Implementation	39
8.2	Implementation Approach	39
8.3	Adaptive Management Approach	40
8.4	Resources Needed for Implementation and Adaptive Management	41

9 REFERENCES 43

APPENDIX A Permit-Exempt Well and Consumptive Use Projections

APPENDIX B Project Descriptions

APPENDIX C Net Ecological Benefit Summary Table

LIST OF TABLES

Table 1 Projected New Permit-Exempt Well Connections for Chehalis Subbasins	8
Table 2 Permit-Exempt Well Projections	10
Table 3 Annual Consumptive Use for One Home with Average-Sized Yard	13
Table 4 Streamflow Impacts Assumptions.....	14
Table 5 Chehalis Basin Salmon/Aquatic Species Priority Strategies	17
Table 6 Chehalis Basin Water Right Acquisition Projects	20
Table 7 Chehalis Basin Water Infrastructure Improvement Projects	21
Table 8 Chehalis Basin Groundwater Recharge Projects	22
Table 9 Chehalis Basin Floodplain Storage Projects	23
Table 10 Chehalis Basin Beaver/Beaver Dam Analog Projects	24
Table 11 Conservation/Land Acquisition Projects	24
Table 12 Stream and Riparian Restoration Projects	25
Table 13 Fish Barrier Removal Projects	26
Table 14 Implementation and Benefits Certainty Ratings for Water Offset Projects	28
Table 15 Highest Certainty Projects Water Offset Evaluation	30
Table 16 Water Offset Summary for Projects.....	33
Table 17 Level of Concern for Salmonid Limiting Factors.....	35
Table 18 Aquatic Species Restoration Plan Priority Needs ¹	36
Table 19 Other Ecological Benefits for Listed Projects	37
Table 20 Water Offset Summary for Proposed Projects in Areas of Highest Anticipated New Water Use	38

LIST OF FIGURES

Figure 1 Chehalis Watershed Planning Subbasins	5
Figure 2 Consumptive Use Estimates for Chehalis Basin Subbasins	15
Figure 3 Distribution of Single Family Residential Homes on Permit-Exempt Wells Built 2008-2018	16
Figure 4 Proposed Project Locations	19
Figure 5 Water Offset vs. Consumptive Use by Subbasin.....	32

LIST OF ACRONYMS

ASRP	Aquatic Species Restoration Plan
BDA	Beaver Dam Analog
CBP	Chehalis Basin Partnership
EDT	Ecosystem Diagnosis and Treatment salmon habitat model
ESSB	Engrossed Substitute Senate Bill
MAR	Managed Aquifer Recharge
NEB	Net Ecological Benefit (RCW 90.94.020)
OFM	Office of Financial Management
RCO	Recreation and Conservation Office (State of Washington)
RCW	Revised Code of Washington
SFR	Single Family Residences
SRP	Salmon Recovery Portal
TRPC	Thurston Regional Planning Council
UGA	Urban Growth Areas
WAIG	Washington Irrigation Guide
WAU	Watershed Administrative Unit
WDFW	Washington Department of Fish and Wildlife
WNR Group	Water and Natural Resource Group
WRIA	Water Resource Inventory Areas
USGS	United States Geological Survey

1 INTRODUCTION AND BACKGROUND

This Addendum to the Chehalis Basin Watershed Management Plan was developed under the guidance of the Chehalis Basin Partnership (Partnership) to comply with the State Streamflow Restoration law (Chapter 90.94 RCW). It addresses a core issue identified in the adopted 2004 Chehalis Basin Watershed Management Plan (Plan), which was developed by the Chehalis Basin Partnership (Chehalis Basin Partnership, 2004) – evaluating and managing the effects associated with water uses from permit-exempt domestic water wells.

1.1 Chehalis Watershed Planning History

The Partnership was formed through an intergovernmental agreement on August 31, 1998 and consists of tribes, counties, cities, water supply utilities, state agencies, major stakeholder interests, and citizens-at-large from each county. The Partnership works collaboratively on water management issues to promote environmentally sound, economical, and equitable management of the water in the Chehalis Basin (Water Resource Inventory Areas [WRIA] 22 and 23). The Partnership is unique in the Chehalis Basin, with inclusive membership that spans governmental agencies, tribes, and stakeholder interests and a full consensus decision-making model.

Acting under authority of the 1998 Watershed Management Act (chapter 90.82 RCW), with Grays Harbor County as the Lead Agency, the Chehalis Basin Partnership developed and approved the Plan on April 13, 2004 (Chehalis Basin Partnership, 2004), which was adopted by each of its participating counties. It was the second watershed plan adopted by a local Planning Unit in the state, highlighting the successful collaborative nature of the Partnership. As a follow-up to the Plan, the Partnership developed and approved the Detailed Implementation Plan in June 2009 (Chehalis Basin Partnership, 2009), further outlining a comprehensive approach for accomplishing the 2004 Plan’s goals through prioritized strategies and interim milestones.

Between 2009 and 2018, the Partnership continued to meet, providing a cooperative forum for members to engage and advise on water, flood, and habitat-related topics. However, the lack of state support for watershed plan implementation hampered progress on many of the Plan’s recommendations.

In January 2018, the Washington State Legislature passed ESSB 6091, a new law addressing the 2016 Whatcom County vs. Western Washington Growth Management Hearings Board Washington Supreme Court decision, commonly referred to as the “Hirst Decision”. The Hirst Decision required counties, not the Department of Ecology (Ecology), to independently determine that the impacts from proposed new domestic permit-exempt well connections required for development applications would not impair senior water rights, including established minimum instream flow rules. The Legislature responded to the court ruling by passing the Streamflow Restoration law, which was codified in Chapter 90.94 Revised Code of Washington (RCW). The law directs Planning Units in each WRIA with approved watershed plans, such as the Partnership, to assess potential streamflow impacts from future permit-exempt well

use, and to identify projects and actions to offset those impacts, resulting in a Net Ecological Benefit (NEB) to the WRIA.

The Streamflow Restoration law directs Ecology to work with the Partnership to develop the watershed plan addendum. The law also requires that each county in the Partnership record limitations associated with water supply with the property title, collect a fee of \$500 from each building permit application (\$350 of which is transmitted to Ecology), record the number of building permits and transmit an account of building permits and subdivision approvals subject to the law annually, and limit the withdrawal exemption for an application to a maximum annual average of 3,000 gallons per day (gpd)/connection.

The Partnership responded to the Streamflow Restoration law by re-engaging its full original membership, updating membership for stakeholder and citizen representatives, and developing its response through this Addendum. As one of the few watersheds in the state with a locally-approved and adopted watershed plan, this Addendum complies with state requirements with projects and actions that are tailored to the Chehalis Basin ecological needs and values of Partnership members.

1.2 Scope of this Watershed Plan Addendum

The Streamflow Restoration law mandated that the Partnership, acting under the authority of RCW 90.82, update the Chehalis Basin Watershed Management Plan to provide estimates of consumptive domestic water use from future permit-exempt domestic groundwater withdrawals over the planning timeframe (through 2040), identify the potential impacts of those forecasted withdrawals on streamflows, and strategies to offset those impacts. Offsets are also required to provide a NEB to the entire basin, as determined by the Partnership. The deadline for Partnership approval and Ecology adoption of the Plan Addendum is February 1, 2021. This Addendum adds to the original Watershed Plan; it does not replace it.

2 WATERSHED OVERVIEW

The Chehalis Basin is the largest river basin in western Washington, extending over eight counties and encompassing approximately 2,800 square miles. Grays Harbor County makes up approximately 50 percent of the basin area, followed by Lewis County covering 28 percent of the area, and Thurston and Mason Counties comprising 12- and 8-percent of the area, respectively. Pacific, Cowlitz, Jefferson, and Wahkiakum Counties combined make up less than 5-percent of the basin area. The basin is bounded on the west by the Pacific Ocean, on the east by the Deschutes Basin, the north by the Olympic Mountains, and the south by the Cowlitz Basin. Elevations vary from sea level at Grays Harbor to approximately 5,000 feet on Capitol Peak in the Olympic Mountains.

2.1 Hydrology, Geology, and Hydrogeology

The Chehalis Basin drainage system is comprised of the Chehalis River and several major river tributaries – the South Fork Chehalis, Newaukum, Skookumchuck, Black, Satsop, Wynoochee, Wishkah, and Hoquiam Rivers – and numerous tributary creeks. In addition, the Humptulips, Grays, Johns, and Elk Rivers flow directly into Grays Harbor and are part of the Chehalis Basin. Grays Harbor is the terminus for all rivers within the Chehalis Basin.

The region experiences mild winters with rare snow accumulation apart from the portion of the basin in the Olympic Mountains. The basin is characterized by wet winters and dry summers with a large variation in annual precipitation between the central lowlands of Lewis County (40 inches) and the Grays Harbor County headwaters of the Humptulips and Wynoochee Rivers in the Olympic Mountains (220 inches). River discharge peaks between December and March. Approximate average annual discharge of the entire basin is 11,208 cubic feet/second (cfs). Delayed runoff from snowmelt is relatively minor and is typically restricted to the Wynoochee, Satsop, and Humptulips Rivers.

The geology and associated hydrogeologic conditions of the Chehalis Basin vary widely and reflect the complex geologic history of the area, as explained in the 2004 Watershed Plan Supplement Section III (Chehalis Basin Partnership, 2004). The basin has three distinct eco-regions: the Cascade ecoregion, the Puget Lowlands, and the Coast Range. The Cascade region and Coast Range are characterized by bedrock of both sedimentary and volcanic origin that is exposed on hill slopes and ridges. More recent depositions of glacial and alluvial sediments overlie these rock units in the Puget Lowlands. Groundwater is present in substantial quantities in the glacial deposits as well as alluvial sediments in the major river valleys.

2.2 Land Use and Development

Land use in the Chehalis Basin is primarily forest with development largely concentrated in areas close to streams and rivers. Approximately 80 percent of the basin is forestland with the remainder consisting of agricultural, urban, or industrial areas (Washington State Department of Ecology, 2017).

Commercial dairy, livestock, and crop farming operations are located mainly in the low-lying valleys adjacent to the Chehalis River and its major tributaries, including the South Fork Chehalis, Newaukum, Skookumchuck, Black, Satsop, and Wynoochee Rivers, and Scatter Creek. Principal crops include hay and silage, with some vegetables and small grains. Land is also used for pasture.

The remaining land base is spread among rangelands, lakes and reservoirs, urban and rural residential, commercial, industrial, and other minor categories. The major population centers are Chehalis and Centralia in the upper basin with development along the I-5 corridor and around Black Lake in Thurston County. In the lower basin, Aberdeen and Hoquiam are the main population centers at the mouth of the Chehalis River. The Chehalis Indian Reservation is located near the mouth of the Black River. Although the Quinault Indian Nation's reservation was established outside the Chehalis Basin boundaries, the Nation holds treaty rights for the Chehalis Basin as its Usual and Accustomed fishing area.

Industrial development is focused mostly in the Chehalis/Centralia and Aberdeen/Hoquiam areas with isolated industrial facilities located throughout the basin. The principal industrial use of water is in the manufacturing of wood, pulp, and paper products. Grays Harbor has historically provided access to cities and ports up the Chehalis River for commercial shipping.

2.3 Subbasin Delineation

Consistent with Ecology guidance for the Streamflow Restoration law, the Partnership divided WRIAs 22/23 into 19 subbasins (Figure 1) specifically for this Addendum's planning purposes. These subbasins are adapted from the Washington State Department of Natural Resources Watershed Administrative Unit (WAU) boundaries, which also form the basis for Salmon Recovery Funding Board Lead Entity watersheds. Variations from the WAU boundaries were determined by the Partnership based on the following guiding principles:

- Watershed boundaries
- Projected permit-exempt well densities (excludes most urban areas and remote forest land where development is unlikely or would be sparse)
- Practicality of lumping areas where projected permit-exempt well densities are low.

The 19 subbasins were delineated to geographically organize permit-exempt well projections, impact determinations, and offset projects.

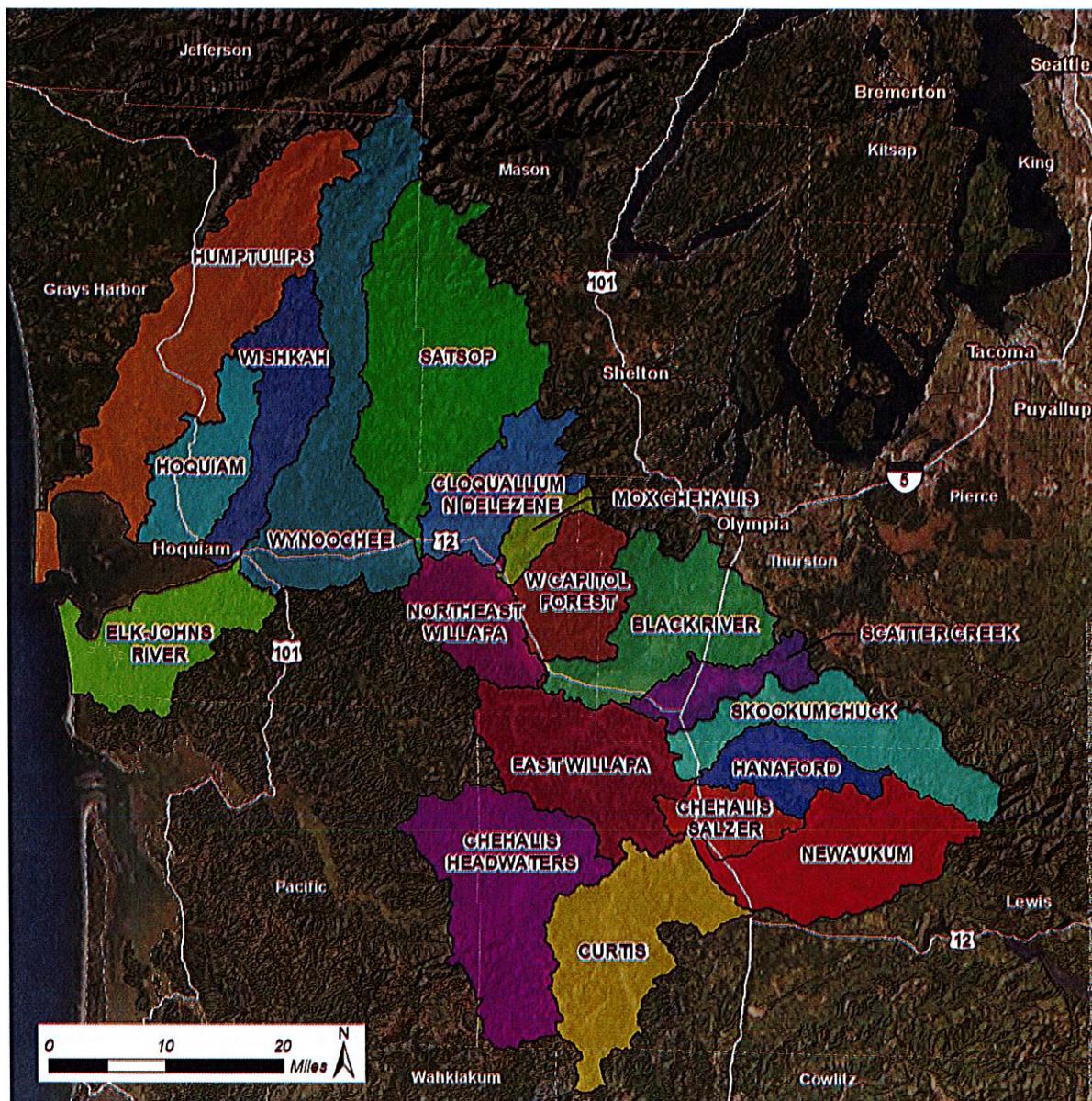


Figure 1 Chehalis Watershed Planning Subbasins

3 PROJECTION FOR NEW PERMIT-EXEMPT WELL CONNECTIONS

3.1 Introduction

The Watershed Plan Addendum must estimate the number of new permit-exempt well connections expected in the basin for the period January 2018 through January 2038 (at a minimum). For the Chehalis Basin, the Partnership selected the planning horizon to be through the year 2040 to more closely align with Washington State Office of Financial Management (OFM) forecasting. The methods used to estimate new permit-exempt well connections address two primary questions:

- How many new single family permit-exempt domestic well connections will be installed throughout the basin by 2040?, and
- Where will the well connections be installed (at the subbasin level)?

3.2 Population Growth Projections

Population growth projections are a foundational data source for estimating future permit-exempt well connections. The increase (or decrease) in number of people represents a predictable number of new single family residences (SFRs) that can be expected in each subbasin. The methodology used to project the distribution of these expected new homes is described in Section 3.3.

In Thurston County, the Thurston Regional Planning Council (TRPC), a public agency governed by a 22-member council, develops population and employment forecasts for the Thurston Region to meet the monitoring and evaluation provisions of the Growth Management Act through a Buildable Lands Program. TRPC develops countywide forecasts consistent with those prepared by the OFM; their population and households forecast is based on demographic trends, labor force participation, migration patterns, zoning regulations, and buildable land supply. A more detailed description of the model methods and assumptions used to develop the Buildable Lands can be obtained through TRPC (<https://www.trpc.org/236/Population-Employment-Forecasting>).

For Grays Harbor, Lewis, and Mason Counties, population projections were based directly on estimates provided by the OFM. Low, medium, and high estimates are provided on a countywide level. The medium level is the calculated estimate and the low and high estimates are considered lower and upper bounds of predicted error.

3.3 Domestic Permit-Exempt Well Connections Projection Approach

The Partnership used available forecasting, data on building and development trends, and local knowledge to develop its permit-exempt well connections projections. Three separate methods were used to develop permit-exempt well projections:

- Past trends based on building permit data - Past building permit data for SFRs in areas reliant on permit-exempt wells for residential water supply or sometimes within water service areas
- Washington State Office of Financial Management population projections
- TRPC projections - As described above, TRPC provided tailored and detailed projections for Thurston County areas. Like county comprehensive plans, TRPC uses OFM population projections as base data.

The Partnership considered additional data and local knowledge to evaluate projections from each of the three methods. The following data and information were used to cross-check projection results:

- County comprehensive planning, where available to inform where future growth may be expected. Lewis, Mason, and Thurston Counties conduct comprehensive planning under the State Growth Management Act, which requires identification and protection of critical areas and natural resource lands, as well as areas expected to eventually be within city limits (urban growth areas or “UGAs”). Most county comprehensive plans utilize OFM projections as base data combined with other county-specific data.
- Land capacity or “developable lands” assessment that focuses on the amount of available rural land that could be developed for SFRs. Unless full buildout is expected to occur within the 20-year RCW 90.94 (Streamflow Restoration law) planning horizon, land capacity would only provide an upper limit for what that 20-year projection could be. There are many uncertainties associated with a land capacity or developable lands assessment, including possible zoning changes to enable more dense development to occur and a buildable lands analysis confirming that a site is buildable (and has water available).
- Well logs for single domestic water wells were screened to identify areas within city boundaries, UGAs, and water purveyor service boundaries where permit-exempt wells are used by SFRs.
- Local knowledge about groundwater conditions and rural residential water sources – portions of Lewis County are known to have poor groundwater, both in quantity and quality (Brattain and Kennedy, 2020).

Each of the four counties participating in the Partnership Watershed Plan Addendum development have different sets of factors that affect which data sources and methods are the most appropriate. Comprehensive plans are foundational documents that describe the County’s vision for long-range land use and development. For the purposes of Streamflow Restoration law planning, areas within UGAs should be more likely to receive public water over the planning horizon, and designated critical areas and natural resource areas are unlikely to develop. For Grays Harbor County, which does not have a comprehensive plan, projections relied more on past building rates, OFM projections, and the knowledge of County planning staff.

Most rural homes reliant on permit-exempt wells will be located outside of city boundaries in unincorporated county regions. However, in some cases SFRs within city boundaries or water service areas may rely on a permit-exempt well if water service to the site is not available. Based on well log screening in water services areas, the final permit-exempt well projections include connections to new wells in several water services areas.

Detailed descriptions of methods are provided in Appendix A. Projections based on each method are shown in Table 1.

Table 1 Projected New Permit-Exempt Well Connections for Chehalis Subbasins

Subbasin	Projected New Homes by 2040					Total Projected PE Wells ^{4,5}
	Past Trends ¹	OFM Forecast ²			TRPC Forecast ³	
	Total	Low	Medium	High	Total	
Black River	414	-120	61	273	1,172	1,215
Chehalis - Salzer	44	-6	61	164	N/A	76
Chehalis Headwaters	16	-5	50	136	N/A	50
Cloquallum - N Delezene	115	-530	331	1,322	0	333
W Capitol Forest	5	-34	18	79	0	18
Elk - Johns River	25	-50	25	114	N/A	25
East Willapa	71	-18	126	346	218	350
Hanaford	12	-1	13	35	22	35
Hoquiam	21	-93	47	211	N/A	49
Humtulpips	9	-1	1	3	N/A	13
Mox Chehalis	21	-100	51	228	2	51
Newaukum	209	-74	697	1,883	N/A	703
Satsop	62	-141	289	731	N/A	289
Scatter Creek	359	See note 6 below			526	526
Curtis	92	-18	168	454	N/A	168
Skookumchuck	87	-21	199	538	306	539
Northeast Willapa	25	-185	95	423	N/A	95
Wishkah	2	-6	3	13	N/A	2
Wynoochee	18	-16	8	36	N/A	18
WRIA 22/23 Total	1,608	-1,419	2,243	6,988	2,246	4,555

1. SFR building permit data obtained from OFM for 2009-2018. This data was intersected with subbasin areas and filtered to only consider SFR permits outside of UGAs and Group A water service areas. The average number of permits granted per year was calculated and multiplied to project new homes by 2040.
2. OFM forecasts prepared using data for each county provided by OFM in 2019; filters out households expected to be within UGAs and Group A water service areas. For Lewis and Mason Counties, OFM forecast was distributed based on proportion of historical building permits issued within WRIAs 22/23 over last ten years.
3. Forecasts provided by TRPC for each subbasin in 2019; filters out households expected to be within UGAs and large water service areas.
4. TRPC projections for Thurston County areas; greater of "Past Trends" and "OFM Medium" for other areas.

-
5. Subbasins that cross Thurston County boundaries use a weighted estimate of number of households combining TRPC forecast estimates for areas within the County, and the greater of either the Current Trend or OFM forecast for areas outside of Thurston County.
 6. Scatter Creek subbasin is entirely within Thurston County; OFM projections were not calculated.

3.4 Final Permit-Exempt Well Projection for Plan Addendum

The Partnership considered each of the three methods and results described above, and evaluated which method and resulting projection they felt was the most appropriate. While no projection can provide certainty, the Partnership sought to use a projection that was both realistic to the local community and protective of streamflow impacts.

The selected permit-exempt well projections are shown in Table 2. For Thurston County, TRPC-based projections were selected, as these align with the population and growth planning forecasts that are used by Thurston County. There are clear development hot spots within the Thurston County portion of the basin based on TRPC projections. These projections are supported by the high level of active development occurring in the Grand Mound and Rochester vicinities, which are located in the Scatter Creek and Black River subbasins respectively.

For Lewis, Mason, and Grays Harbor Counties, the Partnership evaluated the building permit-based projections versus OFM-based projections. The Partnership had greater confidence in the building permit-based projections, with data showing that building permits have tracked reasonably well with well fee data collected over the past two years. Actual growth in these three counties has tended to be at or below the OFM Medium Forecast historically, and periods of more rapid growth, as was forecast following the 2007 recession, did not materialize in Lewis County (State of Washington Office of Financial Management, 2018). To be more protective of streamflow, the Partnership selected the higher of the OFM medium and building permit-based projection for the Lewis, Grays Harbor, and Mason County portions of the basin.

Table 2 Permit-Exempt Well Projections

Subbasins	Projection for New Permit-Exempt Well Connections by 2040
Black River	1,215
Chehalis - Salzer	76
Chehalis Headwaters	50
Cloquallum - N Delezene	333
W Capitol Forest	18
Elk - Johns	25
East Willapa	350
Hanaford	35
Hoquiam	49
Humptulips	13
Mox Chehalis	51
Newaukum	703
Satsop	289
Scatter	526
Curtis	168
Skookumchuck	539
Northeast Willapa	95
Wishkah	2
Wynoochee	18
Total WRIA 22 & 23	4,555

4 CONSUMPTIVE USE ESTIMATES

Methods and assumptions recommended by Ecology were utilized in estimating consumptive water use from new permit-exempt well connections. The methods and results of this analysis are summarized below and described in detail in Appendix A.

4.1 Methods and Assumptions

Direct measurement of consumptive water use in any setting is difficult, and it is virtually impossible for residential groundwater use, which must account for both indoor and outdoor use. Permit-exempt wells are generally unmetered, so supply to each home is usually unknown, let alone the amount that is lost to the groundwater system. Therefore, the Partnership was limited to estimating consumptive use based upon projections of future growth, local patterns and trends in water use, and generally accepted and reasonable assumptions. Water use data from local water purveyors provided a useful check on calculated estimates though was used with caution. Homes that pay for municipal water tend to exhibit different water use behaviors, including water saving appliances and reduced landscape watering, that reduce usage compared to homes on wells.

The two major categories of household consumptive water use are indoor use and outdoor use. The methodology used to estimate these quantities for WRIA 22/23 are described in the following sections.

Indoor Consumptive Use

Indoor consumptive use was estimated consistent with Ecology guidance. There are two basic elements to estimating indoor consumptive use:

- Amount of total water used. Ecology's guidance recommends an assumption of 60 gallons per person per day as a reasonable estimate of indoor total water use. To estimate indoor usage per well, the per capita usage was multiplied by the average rural household size, which was estimated by each county: 2.5 people per household for Thurston and Grays Harbor Counties, 2.4 for Lewis County, and 2.75 for Mason County. For subbasins spanning multiple counties, a weighted value was estimated based on the number of projected permit-exempt well connections in each county.
- Percentage of consumptive water used. Ecology guidance recommends that 10 percent of the total indoor water use be considered consumptive when a home is on a septic system. (All indoor water use is considered consumptive for homes with sewer connections.) Areas projected to be served by permit-exempt wells are outside of sewer service areas, so the 10 percent assumption was applied for all projected indoor water use.

Outdoor Consumptive Use

Outdoor water use is typically the larger portion of domestic single family residential water use, with irrigation of lawn and garden being the dominant outdoor water use component. The Partnership

conducted a subbasin-specific assessment (see Appendix A for more detail) to determine typical size of irrigated lawn, garden, and landscaping areas associated with newer residential development and irrigation water needs, which vary by crop and climate. The consumptive use estimate assumes that current rural residential landscaping practices will continue over the planning horizon.

The amount of irrigation water required to grow and maintain vegetation depends on the crop, season, and local climate (temperature and precipitation) and thus varies by location throughout each WRIA. The Washington Irrigation Guide (WAIG) (Natural Resources Conservation Service (NRCS), 1997) includes an appendix listing net irrigation requirements for various common crops for 89 locations throughout Washington, derived from water use and meteorological data from the 1970s and 1980s. Since lawn is a fairly water-intensive crop and a common target of residential irrigation, irrigation requirements for commercial turf production were used to estimate outdoor water needs. As commercial turf production is generally more water-use intensive than residential lawn water use, estimates based upon commercial turf water use rates will likely be more conservative than estimates based on residential lawn watering expected in the basin.

The irrigation requirement provided in the WAIG is the net amount of external water required by the crop, accounting for precipitation inputs. Since irrigation systems are not 100 percent efficient, additional water must be supplied to ensure that crop needs are met. The application efficiency varies by the type of system (drip irrigation, microsprinklers, pivot sprinklers, etc.). For the Chehalis Basin, the Ecology-recommended value of 75 percent was used to determine the water applied for irrigation.

Outdoor water use for each home was then estimated as the applied water for irrigation (computed as a depth) times the average irrigation area. Typical residential irrigated area was estimated through an aerial photo analysis, using methods described in Appendix A. Based on that analysis, the average irrigated lawn size used for the basin was 0.074 acres. The consumptive use fraction is substantially higher for outdoor use than indoor use (to a septic system) because most of the applied water is taken up by plants or evaporated. Based on the Ecology guidance, a consumptive use fraction of 80 percent was applied to the total outdoor water use, meaning that 80 percent of water used for outdoor watering does not return to the local groundwater system.

4.2 Consumptive Use Forecast

The Partnership considered two consumptive use estimate scenarios:

1. One home with average irrigated yard size of 0.074 acres per permit-exempt well. Assumes 60 gallons per day per person indoor use.
2. One home with legal maximum 0.5-acre irrigated lawn area per permit-exempt well. Assumes 60 gallons per day per person indoor use and 0.5-acre outdoor irrigation use.

Daily usage rates calculated in the consumptive use scenarios represent annual average values. While indoor use generally does not vary much from month to month, outdoor water needs range from zero

during the winter rainy season to more than three times the annual average during the peak of the summer because of yard irrigation during summer months.

Table 3 summarizes the selected consumptive use estimate, which assumes one home with the estimated basin-average yard area (0.074 acres), per permit-exempt well. Because the average yard size basinwide is small, the consumptive use scenario using 0.5 acres of irrigated yard per permit-exempt well connection was considered to be unrealistically high to the Partnership. The total consumptive use projected for the Chehalis Basin, based upon the measured average irrigated yard is 504.8 acre-feet per year. A detailed description of the consumptive use estimation methods and results is provided in Appendix A.

Table 3 Annual Consumptive Use for One Home with Average-Sized Yard

Subbasin	# PE Wells Anticipated in Subbasin	Irrigated Area per Well (ac)	Per Well Consumptive Use (gpd)			Total Consumptive Use (af/yr)
			Indoor	Outdoor	Total	
Black River	1,215	0.074	15.0	88.7	103.7	141.1
Chehalis - Salzer	76	0.074	14.4	93.5	107.9	9.2
Chehalis Headwaters	50	0.074	14.4	77.7	92.1	5.2
Cloquallum - N Delezene	333	0.074	15.2	62.7	77.9	29.1
W Capitol Forest	18	0.074	15.0	74.1	89.1	1.8
Elk - Johns River	25	0.074	15.0	38.5	53.5	1.5
East Willapa	350	0.074	14.5	87.0	101.4	39.8
Hanaford	35	0.074	14.4	91.9	106.3	4.2
Hoquiam	49	0.074	15.0	42.2	57.2	3.1
Humtulpis	13	0.074	15.0	53.4	68.4	1.0
Mox Chehalis	51	0.074	15.0	63.9	78.9	4.5
Newaukum	703	0.074	14.4	87.3	101.7	80.1
Satsop	289	0.074	15.9	71.9	87.9	28.4
Scatter Creek	526	0.074	15.0	93.9	108.9	64.2
Curtis	168	0.074	14.4	86.0	100.4	18.9
Skookumchuck	539	0.074	14.6	88.8	103.4	62.4
Northeast Willapa	95	0.074	15.0	67.0	82.0	8.7
Wishkah	2	0.074	15.0	54.3	69.3	0.2
Wynoochee	18	0.074	15.0	56.1	71.1	1.4
WRIA 22/23 Aggregated	4,555	0.074	14.8	84.1	98.9	504.8

5 APPROACH TO OFFSETTING STREAMFLOW IMPACTS

Chapter 4 of this Addendum describes the consumptive use estimate by 2040 for new domestic permit-exempt well connections; however, the actual impact to streamflow must be considered as an additional step. Water drawn from groundwater that is connected to streams is assumed to have an impact on streamflow; however, the magnitude and timing of that impact is not straightforward to estimate. This section describes the approach used to evaluate and plan for offsetting streamflow impacts from new permit-exempt well connections through 2040.

5.1 Assumptions Used for Determining Streamflow Impacts from Groundwater Pumping

As stated above, using water from groundwater is not the same as using water directly from a stream or river, though in most cases they are connected. Under the short timeframe and limited funding for developing this Watershed Plan Addendum, simplifying assumptions were necessary to determine how consumptive use from permit-exempt well pumping would be equated to streamflow impacts. These assumptions and the probable effect are summarized in Table 4.

Table 4 Streamflow Impacts Assumptions

Assumption	Uncertainties and Potential Consequences
Streamflow impact is equal to consumptive use	In most cases, there will be a muted effect on streamflow from pumping hydraulically-connected groundwater. This assumption likely overestimates impact.
Subbasin total consumptive use is assumed to impact all streams in subbasin along entire length	New wells will be distributed throughout the subbasins; they will not create point source impacts. If wells are evenly distributed within a subbasin, the impacts to streamflow may be spread along significant lengths of streams. However, in areas where wells are clustered in one area, the impacts may be focused and a high impact assumption would be more accurate.
Pumping impacts to streamflow are assumed to be “steady state” or spread evenly through the year	This assumption is consistent with Ecology’s guidance, which is based, in part, on USGS analysis (Barlow and Leake, 2012), and is most applicable when wells are at least 3,000 feet away from a stream. Since we do not know where future wells will be, applying this assumption could underestimate streamflow impacts in some instances such as where a high concentration of wells are located close to smaller streams. If these homes also had large irrigated yards, the underestimate would be even greater. The CBP sought to identify more offset projects in such areas to provide a safety margin to ensure that impacts would be fully offset.

5.2 Geographic Distribution of Streamflow Impacts

Projected new consumptive use from domestic permit-exempt wells is not evenly distributed across the basin and neither are the streamflow impacts from those new uses (Figure 2) . The Black River, Scatter Creek, Skookumchuck, and Newaukum subbasins are projected to have the greatest increase in

consumptive water use from domestic permit-exempt wells, while most of Grays Harbor County is projected to have a very small increase.

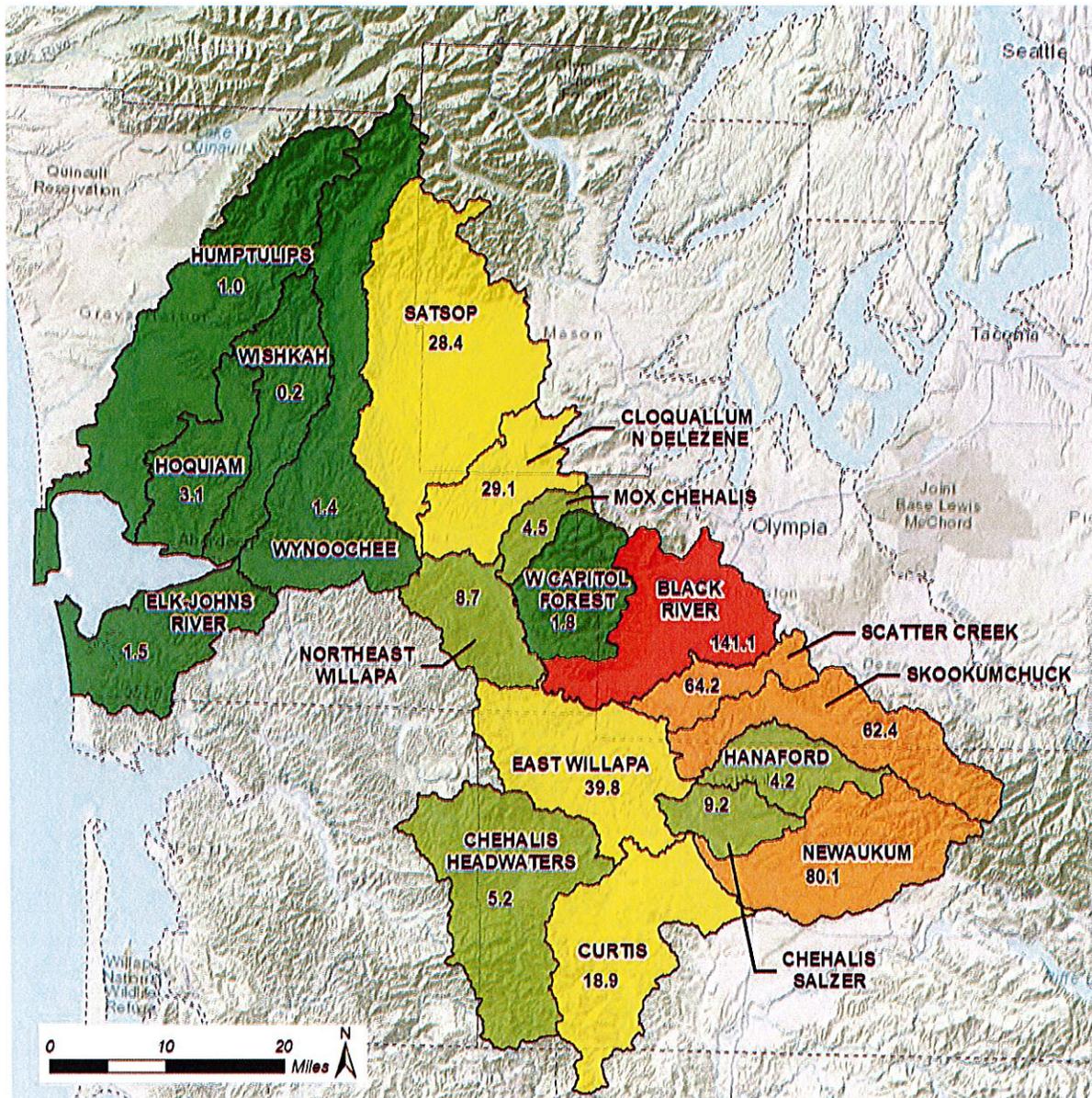


Figure 2 Consumptive Use Estimates for Chehalis Basin Subbasins

Within specific subbasins, the expected development patterns will vary. The distribution of single family residential building permits from 2009 to 2018 (Figure 3) was used to project expected geographic distribution of new permit-exempt wells. In the Black River and Scatter Creek subbasins, the relatively flat topography has led to distributed development, while in the Skookumchuck and Newaukum subbasins, rural residential development has tended to cluster in floodplain areas in the lower half of the

subbasin due to steep valley sides, and the upper subbasins that are often in managed forest land use. Development also tends to cluster in floodplain areas in Grays Harbor County (Humptulips, Hoquiam, Wishkah, Wynoochee, and Satsop subbasins) and within the upper basin (Chehalis Headwaters and Curtis subbasins). The Cloquallum-Delezene and eastern Curtis subbasins are also areas where more dense clusters of new permit-exempt wells are projected.

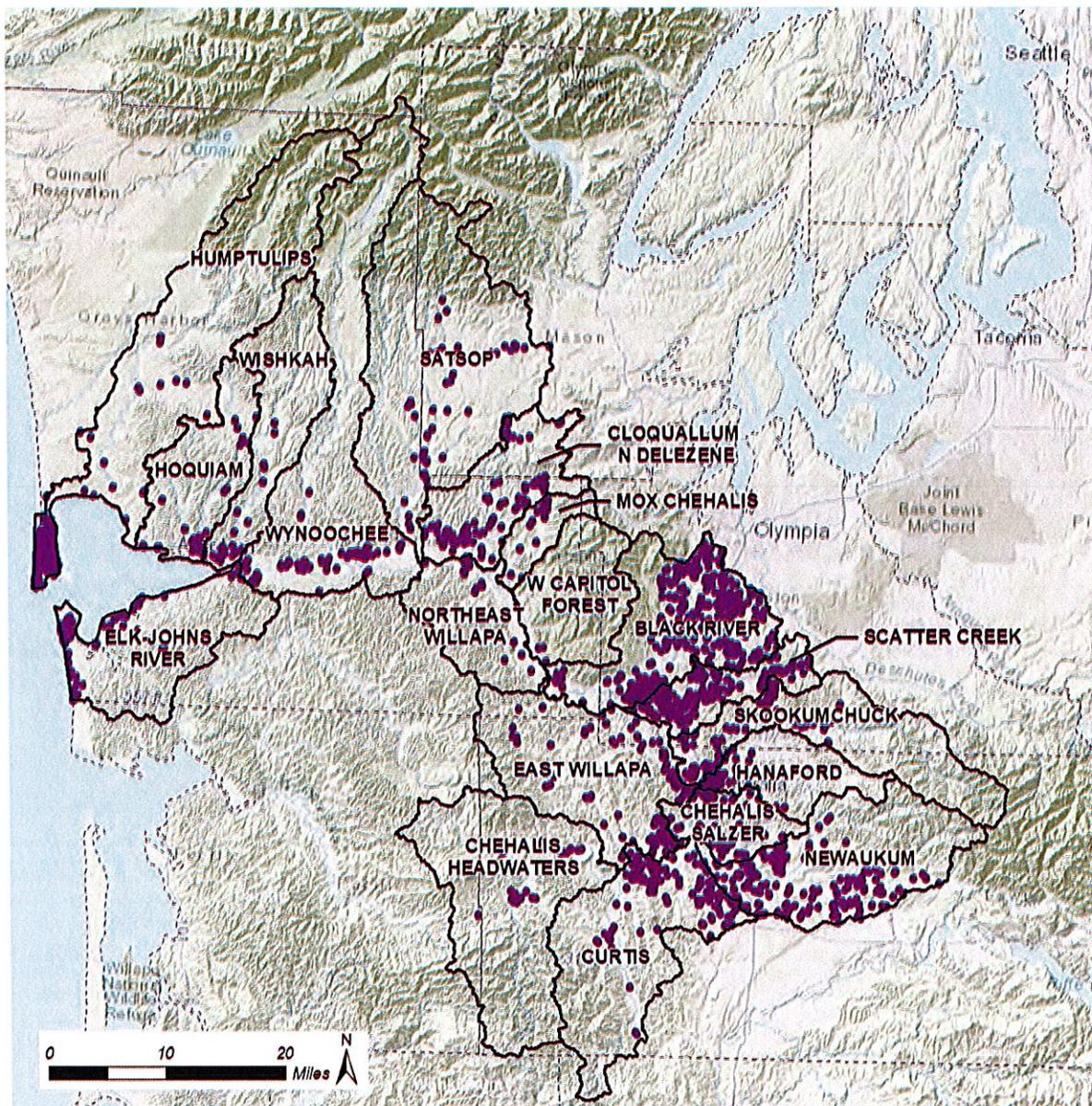


Figure 3 Distribution of Single Family Residential Homes on Permit-Exempt Wells Built 2008-2018

Chapter 90.94 RCW only requires that projected consumptive water use from new permit-exempt wells be offset at the basin scale rather than at the subbasin scale. However, to be protective of stream flow,

the Partnership focused on developing projects in subbasins with the highest projected consumptive use. This is reflected in the offset project portfolio described in Chapter 6: the four highest projected streamflow impact subbasins – Black, Newaukum, Scatter Creek, and Skookumchuck – have water offset projects in respective subbasins ranging from 145 percent of impact (Black) to 2,762 percent of impact (Skookumchuck).

5.3 Consideration of Ecological Needs

Streamflow is a major component and foundation of the ecology of the basin. Other conditions such as healthy riparian areas and instream habitat diversity are also necessary to the overall ecosystem function, structure, and composition. These conditions, and actions that improve them, directly add to NEB. In the Chehalis Basin, numerous related programs have inventoried and characterized conditions and ecological needs. These include the following:

- Chehalis Basin Salmon Restoration and Preservation Strategy (Lead Entity Program)
- Chehalis Basin Aquatic Species Restoration Program

Both programs have established priority needs for salmon and other aquatic species. The major strategies are summarized in Table 5.

Table 5 Chehalis Basin Salmon/Aquatic Species Priority Strategies

Program	Priority Strategies
Chehalis Basin Salmon Restoration and Preservation Strategy (Lead Entity Program)	<ul style="list-style-type: none"> • Attain healthy and diverse population of wild salmonids • Restore, enhance, and protect the Grays Harbor Estuary • Restore and preserve properly functioning riparian areas • Restore habitat access • Restore properly functioning hydrology • Restore floodplain and stream channel function • Prioritize habitat projects and activities within subbasins that provide the highest benefit to priority stocks
Chehalis Basin Aquatic Species Restoration Plan	<p>ASRP is able to benefit native aquatic and semi-aquatic species over time through implementing projects that maintain and increase:</p> <ul style="list-style-type: none"> ○ Protection of intact habitat and function ○ Floodplain function ○ Natural habitat forming processes ○ Access to quality habitats

Key basinwide limiting factors targeted by both programs include water temperature, low flows, instream wood, channel complexity, riparian and floodplain habitat, and barriers. Subbasin-specific needs and how offset projects address those needs are described in Chapter 7.

6 OFFSET PROJECTS AND ACTIONS

The WRIA 22/23 Plan Addendum's offset project portfolio was developed through a collaboration of CBP members, partners, and stakeholders. This process was guided by the CBP's direction, and is summarized by the following:

- Focus on developing projects that provide water offset in areas of the basin where projected consumptive use is highest.
- Seek to include projects in all areas of the basin where impacts are projected, recognizing that in some areas those projected impacts are very small and NEB may best be attained through habitat projects.
- Support project sponsors with good projects throughout the basin that will contribute to NEB even if those projects do not provide water offsets. Project sponsors who are committed to implementing projects increase the likelihood that projects will be delivered in a timely manner.

6.1 Chehalis Basin Offset Projects - Types of Projects and Actions

All projects proposed for the Addendum were categorized into the three broad categories identified in Ecology's NEB Guidance (Ecology, 2019):

- Water right acquisitions
- Non-acquisition water projects
- Habitat and Other project types

The first two of these categories have associated water offsets that have been quantified, where possible, to count toward the target of matching or exceeding new consumptive use from permit-exempt wells. In some cases, project concepts have not been sufficiently developed to allow for a confident estimate of potential water offset. Those projects are classified as water offset projects, but not counted toward the offset target. Habitat and Other projects do not typically provide water offset but benefit aquatic resources in other ways. Some projects are expected to have both water offset and habitat benefits. In total, the project portfolio contains 71 separate projects, distributed over 17 of the 19 subbasins as shown in Figure 4 (basinwide concepts not shown). The following sections describe the general types of projects included in the Addendum and provide the list of projects classified under each project type. For projects included in water offset calculations for the Plan Addendum, the individual project contribution is listed. Full project summaries and the full project list are provided in Appendix B.

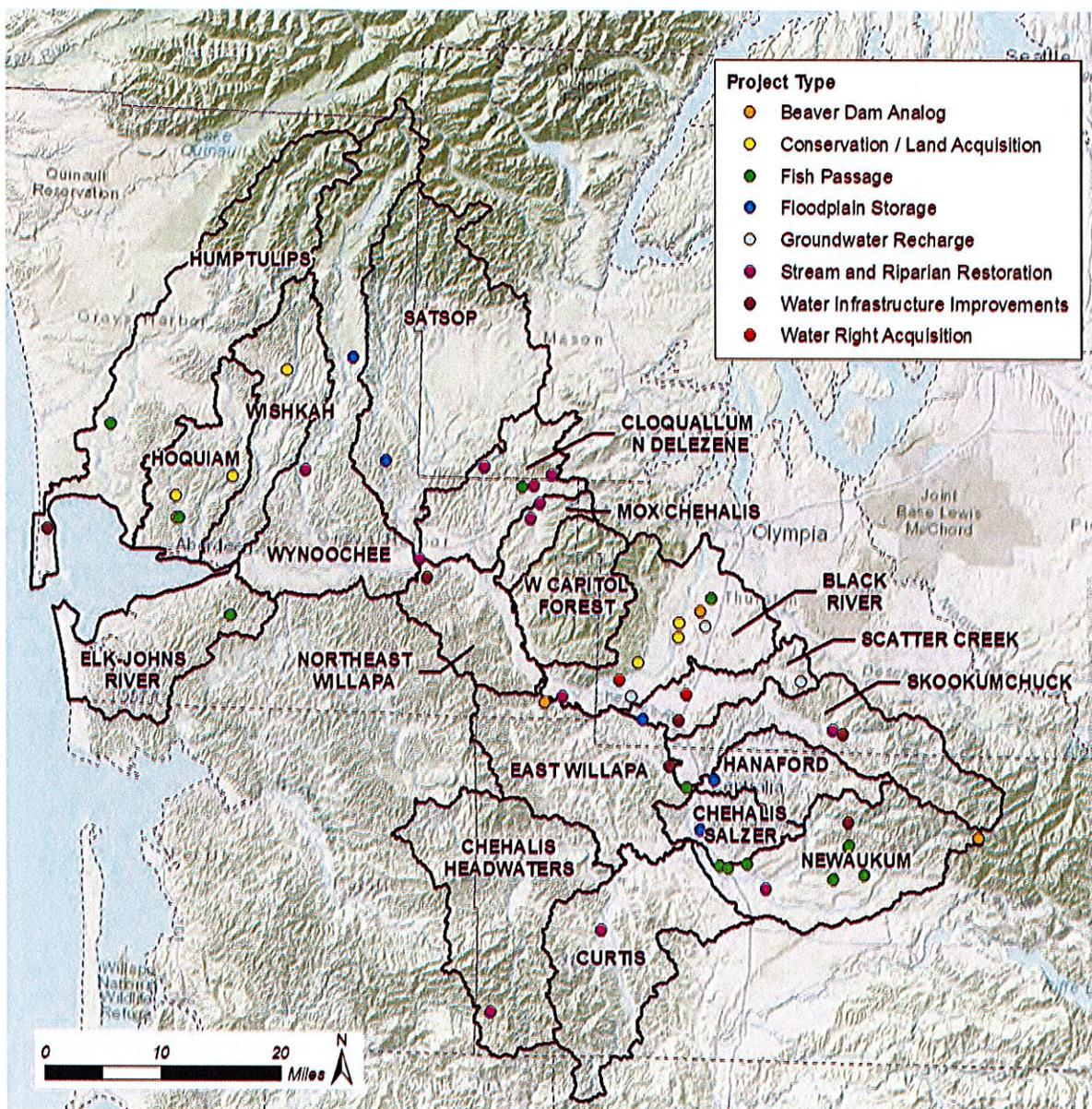


Figure 4 Proposed Project Locations

Water Rights Acquisitions

Water right acquisitions with permanent dedication to instream flow purposes directly add to and restore instream flows. These projects acquire (usually through purchase) active water rights and retire all or a portion from active consumptive uses. Water associated with these rights is no longer used consumptively and remains in the stream, making offset determination very straightforward. Complexities associated with this project category include:

- Legal and administrative process to demonstrate that all or a portion of a water right is valid, has been actively used within the required timeframe, and is eligible for a change of use to instream flow
- Identification and negotiations with water right holders willing to engage in such a transaction

Chehalis Basin water right acquisition projects are listed in Table 6. The largest and highest certainty water right acquisition is SK-00 TransAlta water right acquisition from the Skookumchuck River. This water right is associated with a coal-fired power plant that is undergoing a phased closure. The Quinault Indian Nation has sponsored a streamflow restoration grant proposal for feasibility study with intent to propose acquisition of a portion of the water right. Projects B-02 and SC-00 are two water rights owned by Cooke Aquaculture for fish rearing facilities. Both rights are currently in a temporary trust water right status. The final project in this category (BW-06 Other Potential Water Right Acquisitions) represents a collection of potential water right acquisitions currently in the trust water right program and identified by Washington Water Trust (Washington Water Trust, 2020) as potential opportunities. These projects do not yet have a sponsor.

Table 6 Chehalis Basin Water Right Acquisition Projects

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)
Black River	B-02	Cooke Aquaculture Water Right- Black River Reach	141
		TC #118/119 Cooke Aquaculture Water Right- Scatter Creek	
Scatter Creek	SC-00	Middle Reach	700
Skookumchuck	SK-00	TransAlta water right acquisition	1400
Basinwide	BW-06	Other potential water right acquisitions	NQ
Totals			2,241

Water Infrastructure Improvements

These projects transfer water sources for existing water uses in order to provide benefit to streams in critical times or locations. Examples include converting existing areas served by permit-exempt wells to municipal water (within existing water rights) or relocating diversion points for existing water rights to maintain higher flow in a sensitive stream or reach. Although the latter example provides no net addition of water to the system as a whole, flow increases can be significant—and provide significant benefit at the subbasin scale. Water offset quantities for these type of projects are estimated based on the rate of replaced or relocated water use and the time period over which the shift would occur. These projects generally do not provide direct habitat or other aquatic resource benefits beyond flow.

Water infrastructure improvement projects are listed in Table 7. The most developed of these projects is N-00 City of Chehalis Water Supply Diversion Relocation, which is sponsored by the City of Chehalis. This project would relocate an active diversion from the North Fork Newaukum River to the mainstem Chehalis closer to the City. While it would not decrease consumptive use of water, it would return

streamflow to a stream segment that suffers from low flows and high water temperatures, and is one of the few core areas for the basin’s most depressed salmon stock – spring Chinook.

Project BW-02 Agricultural Irrigation Efficiencies & Water Conservation is a technical assistance program sponsored by the Conservation Districts (CDs) in Lewis, Thurston, and Grays Harbor Counties. The CDs will work with landowners who are interested in improving on-farm practices for water management. The CBP believes water conservation will result from this engagement; however, the expected conservation has not been quantified because of the uncertainties at this time.

The remaining projects are conceptual and would require a sponsor and significant technical, permitting, and legal agreements to be implemented.

Table 7 Chehalis Basin Water Infrastructure Improvement Projects

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)
East Willapa	EW-01	Convert Galvin area permit-exempt wells to City water	4.5
Humtulpis	HT-02	Ocean Shores Water Reclamation and Reuse	160
Newaukum	N-00	City of Chehalis Water Supply Diversion Relocation	280
Skookumchuck	SK-01	Skookumchuck Dam Release	323
Northeast Willapa	NW-00	Satsop Business Park Process Water Recycling	NQ
Basinwide	BW-02	Agricultural irrigation efficiencies & water conservation	NQ
Totals			768

Groundwater Recharge

Groundwater recharge projects benefit streams by directing surface water flow (e.g. flood flows, stormwater runoff) into the ground, thus providing additional storage and more gradual release to streams. New water is not added to the system, but shifting winter runoff to groundwater increases aquifer storage so that baseflow contributions can be enhanced and extended longer into the summer, which is the critical flow period for most of the streams. Managed aquifer recharge (MAR) and stormwater infiltration projects fall into this category. Water offset quantities for these types of projects can be estimated based upon anticipated increases in flow to an aquifer (based upon surface diversion for MAR or infiltration rate and area for infiltration facilities) and groundwater flow characteristics. More sophisticated, site-specific estimates can be developed where surface and/or groundwater models are available. These projects generally do not provide habitat benefits (they can be distant from the stream corridor), other than increased groundwater contribution that provides temperature as well as water quantity benefits to streamflow.

Groundwater recharge projects are listed in Table 8. Project B-05 Albany Street Stormwater Pond has already been implemented; it was supported through the first round of Streamflow Restoration grant

funding and implemented by Thurston County. Thurston County is interested in three MAR projects in the permeable soils of the Scatter Creek and Black River subbasins. A screening level-assessment basinwide indicated MAR opportunities in the Newaukum subbasin and the potential for additional opportunities in the Curtis and Chehalis River Headwaters, and East Willapa subbasins.

Table 8 Chehalis Basin Groundwater Recharge Projects

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)
Black River	B-01	Allen Creek MAR	26
Black River	B-05	Albany Street Stormwater Pond	23.8
Newaukum	N-09	Newaukum MAR Concepts	298
Scatter Creek	SC-03	TC #89 Upper Scatter Creek MAR	80
Scatter Creek	SC-05	TC #81 Sampson Wetlands Restoration and MAR	104
Basinwide	BW-04	Managed aquifer recharge opportunity assessment	200
Basinwide	BW-05	Stormwater recharge opportunity assessment	10
Totals			742

Floodplain Storage

Floodplain storage projects involve construction or enhancement of storage capacity in floodplains with the ability to control the timing of releases of flood storage back to the stream. Flows from large floods, particularly from late season storms, can be detained in floodplain reservoirs and slowly metered back to a stream. In many areas, a portion of the stored floodwater will also infiltrate and return to the stream via groundwater. Water offsets from this type of project can be difficult to estimate without some type of modeling, as total storage volume is not a reliable indicator of water available for dry season release. Storage may be designed for large events and not fill every year or may fill and release multiple times per year.

For this Addendum, offsets were estimated using modeling where available, or were based upon modeled results for similarly-sized projects. Project H-00 China Creek Phase 2 Wetland Restoration, which is currently under construction, is a project example where hydraulic modeling developed for the project design was available. The City of Centralia is the owner and sponsor for the China Creek project.

Because they are in similar settings, NHC extrapolated model results to projects CS-00 (Berwick), CS-01 (Coal Creek), and CS-03 (Chehalis Wastewater Treatment Plan). These estimates assume only surface flow back to the stream and do not claim groundwater infiltration, which would also occur in these projects and likely benefit streamflow as described above.

Water temperature can be a concern for this type of project, as shallow surface storage warms quickly in the spring and summer if not shaded by riparian vegetation. Floodplain storage is often a component of larger floodplain restoration and reconnection projects that can also provide significant habitat benefits.

Floodplain storage projects are listed in Table 9. Three projects in the Satsop and Wynoochee subbasins employ large wood installations instream to raise the streambed and induce shallow aquifer recharge and storage. Several similar projects have been implemented statewide, but results on extent of aquifer recharge and contribution to streamflow are inconclusive at this time, hence the CBP did not quantify water benefit for these projects.

Table 9 Chehalis Basin Floodplain Storage Projects

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)
Chehalis-Salzer	CS-00	Berwick Creek Flood Reduction Restoration (Port of Chehalis)	1.3
Chehalis-Salzer	CS-01	Coal Creek - City of Chehalis	3
Chehalis-Salzer	CS-03	Flood Hazard Reduction Master Plan and Chehalis Wastewater Treatment Plant Project	3
Hanaford	H-00	China Creek Phase 2 wetland restoration	3
Satsop	S-00	Satsop/Wynoochee Tributary Restoration Strategy Development and Implementation	NQ
Satsop	S-02	Lower Satsop Restoration, Protection, and Aquifer Recharge-Phase II	NQ
Scatter Creek	SC-01	TC #90 Weins Farm Restoration	20
Wynoochee	WY-02	Satsop/Wynoochee Tributary Restoration Strategy Development and Implementation	NQ
Totals			30

Beaver Dam Analogs

Beaver dam analogs (BDAs) seek to replicate the natural floodplain wetland setting created by beaver dams. Strategic addition of wood raises water levels and floods low-lying areas, promoting lateral infiltration into banks that effectively raises the local groundwater table. Engineered BDAs are a relatively new concept, but monitoring studies have demonstrated measurable benefits to baseflow (Yokel et al., 2018). One outstanding question is how long BDAs will last and therefore what long-term benefits they will provide. Water offset for these projects was assumed to be 2.5 acre-feet per year for each BDA complex, based on scientific study and monitoring (Dittbrenner, 2019). Beaver dam analogs also offer measurable benefits to aquatic habitat extent and quality.

Beaver and BDA projects are listed in Table 10. Several sites have been identified for BDA installation; these are in projects B-00, EW-00, and N-02. The two basinwide projects are aimed at developing projects and installing BDAs at additional locations (BW-00) and working with landowners to find compatible areas for beaver ponds (BW-03).

Table 10 Chehalis Basin Beaver/Beaver Dam Analog Projects

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)
Black River	B-00	TC #91 Holm Farm BDA	13.5
East Willapa	EW-00	Garrard Creek BDAs	5
Newaukum	N-02	Newaukum Lake Restoration & Enhancement Planning	10
Basinwide	BW-00	Beaver Dam Analog Implementation	12.5
Basinwide	BW-03	Eager Beaver Collaboration	5
Totals			46

Conservation and Land Acquisition

Conservation and land acquisition projects preserve and restore natural land cover and ecological function through protection of land for that purpose. These projects are generally not assumed to provide a direct water offset; however, they do contribute to NEB through protection against future development impacts, preserving existing ecological function that contributes to aquatic habitat formation and connectivity. In addition, protection of natural land cover supports hydrologic function for streamflow benefit, including delaying and storing rainwater for baseflow restoration.

Conservation and land acquisition projects are listed in Table 11. HQ-01 and S-01 have already been funded through other grant programs. Nine acquisition or easement projects, totaling 376 acres, likely have some water benefit, but the Partnership did not quantify or claim water benefits. Five forest management projects in Grays Harbor and Thurston Counties do include quantified water benefits. These projections are based on analysis of hydrologic effects of mature coniferous forest, which supports the theory that increasing stand age and lengthening harvest rotations to at least 40 years can have significant impacts on increasing streamflow (Hall, et al., 2018).

Table 11 Conservation/Land Acquisition Projects

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)
Black River	B-03	Black River Basin Project Development: Oregon Spotted Frogs, farms & Wetlands Project	0
Black River	B-06	Beaver Creek Easement	0
Black River	B-07	Seiler/Mima Creek Easement	0
Elk - Johns River	EJ-01	Grays Harbor County Forest Management	69
Hanaford	H-01	Port Blakely Hanaford Acquisition	0
Hoquiam	HQ-00	Port Blakely West Hoquiam Acquisition	0
Hoquiam	HQ-01	2020 West Hoquiam Acquisitions	0
Hoquiam	HQ-03	Grays Harbor County Forest Management	49

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)
Hoquiam	HQ-04	East Hoquiam - Granberg Acquisition	0
Hoquiam	HQ-05	East Hoquiam - Griswold Acquisition	0
Humtulpis	HT-01	Grays Harbor County Forest Management	59
Satsop	S-01	Tree Fever Conservation Easement	0
Scatter Creek	SC-04	TC #127 Scatter Creek Upper Basin Forestry	0
Wishkah	W-00	Grays Harbor County Forest Management	29
Wynoochee	WY-01	Grays Harbor County Forest Management	7
Totals			213

Stream and Riparian Restoration

These projects encompass instream and riparian corridor habitat restoration and enhancement projects, including introduction of large wood, floodplain reconnection, backwater and side channel habitat enhancement, and riparian plantings, among other actions. Some of these projects may provide limited water offset values through mechanisms similar to floodplain storage or BDAs, but offset quantities were not counted toward the Addendum target offset amount unless sufficient information was available to quantify offset based on methods like those discussed above. These projects are included in the Addendum to ensure net ecological benefit distributed throughout the subbasins.

Stream and riparian restoration projects are listed in Table 12. Projects N-04, S-03, C-00, SK-02, and WY-00 are reach-scale restoration projects already in design or construction (SK-02 – Skookumchuck) and address key ecological needs as described in Chapter 7. Project CH-00 (Marker 19 Oxbow Restoration) is fully funded through a partnership between ASRP and the Weyerhaeuser Corporation, and planned for construction in 2021. The remaining projects are in development with committed sponsors.

Table 12 Stream and Riparian Restoration Projects

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)
Black River	B-04	Black River Confluence	0
Chehalis Headwaters	CH-00	Marker 19 Oxbow Restoration	0
Cloquallum - N. Delezene	CD-00	Cloquallum Creek LWD Construction	0
Cloquallum - N. Delezene	CD-02	Sam's Canal Culvert Removal and Restoration	0
Cloquallum - N. Delezene	CD-03	McConkey Lane Channel Naturalization	0
Cloquallum - N. Delezene	CD-04	Upper Middle Fork Wildcat Creek Restoration	0
Newaukum	N-04	South Fork Newaukum Early Action Reach	0
Satsop	S-03	East Fork Satsop RM 8 Early Action Reach	0
Curtis	C-00	South Fork/Stillman Creek Early Action Reach	0
Skookumchuck	SK-02	Skookumchuck Early Action Reach	0

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)
Wynoochee	WY-00	Wynoochee River RM 14 Early Action Reach	0
Basinwide	BW-01	Chehalis Basin Cooperative Weed Management	0
Basinwide	BW-06	USGS Groundwater Discharge Zone Delineation	0
Totals			0

Fish Passage

Fish passage barrier removals can provide significant benefit to salmonids and other aquatic species by opening up high quality habitat areas that fish were previously unable to reach. These projects do not provide water offset benefits but are included in the Addendum to help ensure net ecological benefits are distributed throughout the basin. Fourteen barrier removal projects are included in the Plan Addendum (Table 13) distributed throughout the basin in the Newaukum, Humptulips, Hoquiam, East Willapa, Elk-Johns River, Cloquallum-North Delezene, Chehalis Headwaters, Chehalis, and Black River subbasins adding a total of 38.5 miles of accessible stream habitat length. As with all other projects included in the Addendum, these fish barrier removal projects are not mandated as a result of some other legal requirement (such as Washington State’s culvert case). All fish passage projects have been developed through at least preliminary design, and have a committed sponsor; many are already funded for final design and/or construction. So while these projects do not contribute water offset quantities, they do contribute to other NEB factors with high certainty of implementation.

Table 13 Fish Barrier Removal Projects

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)	Added Length of Accessible Stream Habitat (mi)
Elk - Johns River	EJ-00	Newskah Road Fish Passage Construction	0	1.3
Black River	B-08	Jones Road Barrier Construction	0	5
Chehalis-Salzer	CS-02	Berwick Creek at Labree Fish Passage Design	0	1.8
Cloquallum - N. Delezene	CD-01	Wildcat Road Barrier Construction	0	7.3
East Willapa	EW-02	Hamilton Barrier Construction	0	0.8
Hoquiam	HQ-02	Middle Fork Hoquiam Tidal Restoration	0	3.5
Humptulips	HT-00	Kirkpatrick Road Fish Passage Construction	0	5.3
Newaukum	N-01	MF Newaukum Trib at Kruger Rd MP 1.201 Fish Passage	0	3.1
Newaukum	N-03	MF Newaukum at Centralia Alpha Rd MP 15.79 Lucas Creek Trib MP 4.39 - Fish Passage	0	3.5
Newaukum	N-05	Construction	0	1.9
Newaukum	N-06	Lucas Creek Trib MP 4.24 - Fish Passage Construction	0	1.4

Subbasin	Project ID	Project Name	Estimated Water Offset (af/yr)	Added Length of Accessible Stream Habitat (mi)
Newaukum	N-07	Hogue Barrier Construction	0	3.3
Newaukum	N-08	Berwick Creek at Borovec Fish Passage Construction	0	0.3
Totals			0	38.5

6.2 Offset Project Priorities

Projects that provide water offset benefits are the highest priority for the CBP because these projects directly address the legal requirements of the Streamflow Restoration law. The CBP considered the offset projects qualitatively in terms of the certainty of implementation prior to 2040 and certainty of expected benefits.

In casting a wide net for water offset projects, CBP project sponsors were interested in thinking holistically about the water gained from various types of habitat restoration, water infrastructure, and flood damage reduction projects. Most of these project types have been developed only to the concept level, such as working with irrigators to implement water conservation measures and adjusting dam releases for increased streamflow from Skookumchuck Dam. Other project types are the subject of active scientific debate regarding the streamflow benefit, and while specific projects have been identified by the CBP, project monitoring will be required to confirm streamflow and other ecological benefits. A few projects such as forest management for streamflow restoration require long lead times to realize benefits and are therefore less certain. All projects were developed and analyzed by technical experts in hydrology, hydrogeology, and water resources engineering.

Implementation and benefits certainty ratings were assigned qualitatively based on the CBP coordinator’s (Kirsten Harma) understanding about project readiness, project sponsor commitments, and funding. Benefits certainty ratings were assigned in consultation with Ecology, WDFW, and Quinault Indian Nation specialists and are based on current research related to project types and physical characteristics of the Chehalis Basin where projects are to be sited. The results of this classification are shown in Table 14.

Table 14 Implementation and Benefits Certainty Ratings for Water Offset Projects

Project ID	Project Name	Estimated Water Offset (af/yr)	Certainty of Implementation	Certainty of Benefits
Black River		204.3		
B-00	TC #91 Holm Farm BDA	13.5	M	H
B-01	Allen Creek MAR	26	L	H
B-02	Cooke Aquaculture Water Right- Black River Reach	141	L	H
B-05	Albany Street Stormwater Pond	23.8	H ¹	M
Chehalis-Salzer		7.3		
CS-00	Berwick Creek Flood Reduction Restoration (Port of Chehalis)	1.3	H	M
CS-01	Coal Creek - City of Chehalis	3	L	L
CS-03	Flood Hazard Reduction Master Plan and Chehalis Wastewater Treatment Plant Project	3	M	M
Elk - Johns River		69		
EJ-01	Grays Harbor County Forest Management	69	L	M
East Willapa		9.5		
EW-00	Garrard Creek BDAs	5	H	H
EW-01	Convert Galvin area permit-exempt wells to City water	4.5	L	H
Hanford		3		
H-00	China Creek Phase 2 wetland restoration	3	H	M
Hoquiam		49		
HQ-03	Grays Harbor County Forest Management	49	L	M
Humtulpis		219		
HT-01	Grays Harbor County Forest Management	59	L	M
HT-02	Ocean Shores Water Reclamation and Reuse	160	M	L
Newaukum		588		
N-00	City of Chehalis Water Supply Diversion Relocation	280	L	H
N-02	Newaukum Lake Restoration & Enhancement Planning	10	L	H
N-09	Newaukum MAR Concepts	298	L	M
Satsop		0		
S-00	Satsop/Wynoochee Tributary Restoration Strategy	NQ	H	M
S-02	Lower Satsop Restoration, Protection, and Aquifer Recharge-Phase II	NQ	H	M
Scatter Creek		904		
SC-00	TC #118/119 Cooke Aquaculture Water Right- Scatter Creek Middle Reach	700	L	H
SC-01	TC #90 Weins Farm Restoration	20	M	H

Project ID	Project Name	Estimated Water Offset (af/yr)	Certainty of Implementation	Certainty of Benefits
SC-02	TC #89 Upper Scatter Creek MAR	80	M	M
SC-03	TC #127 Scatter Creek Upper Basin Forestry	NQ	L	H
SC-04	TC #81 Sampson Wetlands Restoration and MAR	104	M	H
Skookumchuck		1,723		
SK-00	TransAlta water right acquisition	1400	H	H
SK-01	Skookumchuck Dam Release	323	L	H
Northeast Willapa		0		
NW-00	Satsop Business Park Process Water Recycling	?	L	L
Wishkah		29		
W-00	Grays Harbor County Forest Management	29	L	M
Wynoochee		7		
WY-01	Grays Harbor County Forest Management	7	L	M
WY-02	Satsop/Wynoochee Tributary Restoration Strategy	NQ	H	M
Basinwide Concepts		227.5		
BW-00	Beaver Dam Analog Implementation	12.5	H	H
BW-02	Agricultural irrigation efficiencies & water conservation	NQ	L	L
BW-03	Eager Beaver Collaboration	5	H	H
BW-04	Managed aquifer recharge opportunity assessment	200	L	H
BW-05	Stormwater recharge opportunity assessment	10	M	H
BW-06	Other potential water right acquisitions	NQ	M	H
Totals		4,040		
1 - Albany Street Stormwater Pond is already implemented.				
2 - NQ: Water offset expected; insufficient data to quantify				

The certainty ratings shown in Table 14 are not project rankings. All projects listed in this Plan Addendum are supported by the CBP, and one is not valued more highly than another. The intent is to support all project sponsors in implementing their listed projects. However, to facilitate Ecology review and adoption of this Plan Addendum, the project list shown in Table 15 was used to evaluate reasonable assurance that adequate offset projects have been identified with medium to high certainties to offset future streamflow impacts from new permit-exempt well connections.

The total anticipated water offset benefit from projects rated High or Medium for implementation certainty is 1,841 acre-feet per year, over three times the projected streamflow impact of 504.8 acre-feet per year. The bulk of this comes from the TransAlta water right acquisition (project SK-00), located in the Skookumchuck subbasin. This is the highest priority project for the CBP, and the Quinault Indian

Nation has submitted a Streamflow Restoration grant application to begin feasibility work on the water right acquisition in 2021.

Table 15 Highest Certainty Projects Water Offset Evaluation

Project ID	Project Name	Estimated Water Offset (af/yr)	Certainty of Implementation	Certainty of Benefits
Black River		37.3		
B-00	TC #91 Holm Farm BDA	13.5	M	H
B-05	Albany Street Stormwater Pond	23.8	H ¹	M
Chehalis-Salzer		4.3		
CS-00	Berwick Creek Flood Reduction Restoration (Port of Chehalis)	1.3	H	M
CS-03	Flood Hazard Reduction Master Plan and Chehalis Wastewater Treatment Plant Project	3	M	M
East Willapa		5.0		
EW-00	Garrard Creek BDAs	5	H	H
Hanaford		3		
H-00	China Creek Phase 2 wetland restoration	3	H	M
Humptulips		160		
HT-02	Ocean Shores Water Reclamation and Reuse	160	M	L
Satsop		0		
S-00	Satsop/Wynoochee Tributary Restoration Strategy Development and Implementation	NQ	H	M
S-02	Lower Satsop Restoration, Protection, and Aquifer Recharge-Phase II	NQ	H	M
Scatter Creek		204		
SC-01	TC #90 Weins Farm Restoration	20	M	H
SC-02	TC #89 Upper Scatter Creek MAR	80	M	M
SC-04	TC #81 Sampson Wetlands Restoration and MAR	104	M	H
Skookumchuck		1400		
SK-00	TransAlta water right acquisition	1400	H	H
Wynoochee		0		
WY-02	Satsop/Wynoochee Tributary Restoration Strategy Development and Implementation	NQ	H	M
Basinwide Concepts		27.5		
BW-00	Beaver Dam Analog Implementation	12.5	H	H
BW-03	Eager Beaver Collaboration	5	H	H
BW-05	Stormwater recharge opportunity assessment	10	M	H
BW-06	Water right acquisitions	NQ	M	H
Totals		1,841		
1 - Albany Street Stormwater Pond is already implemented.				
2 - NQ: Water offset expected; insufficient data to quantify				

7 NET ECOLOGICAL BENEFIT EVALUATION

According to RCW 90.94, watershed plan updates must result in a NEB in addition to offsetting new consumptive use from permit-exempt well connections over the planning horizon. Ecology's *Final Guidance for Determining Net Ecological Benefit* (Ecology, 2019) does not provide specific metrics to determine ecological benefit but recommends that each Planning Unit conduct a systematic NEB evaluation including:

1. Comparison of water offset benefits from all planned projects and actions with projected impacts of new consumptive use on streamflow.
2. Assessment of water offset benefits versus streamflow impacts within each subbasin.
3. Identification of projects and impacts that provide additional benefit to instream resources beyond offsetting consumptive use.
4. Consideration of adaptive management actions to address uncertainty.
5. A clear statement describing the basis for whether the Plan Addendum does or does not provide NEB.

The following sections describe the CBP's approach to providing NEB for the Chehalis basin and its subbasins through the Plan Addendum. Implementation and adaptive management are discussed in Chapter 8.

7.1 Water Offset Evaluation

Chapter 6 presents and describes the suite of projects identified to meet the requirements of RCW 90.94.20 for the Chehalis Basin. Table 16 summarizes the anticipated water offsets provided by these projects for each subbasin and the basin as a whole. The table includes offsets by subbasin for all projects, along with the group of projects with the highest certainty of implementation. Figure 5 indicates the same information, with the consumptive water use numbers (in red) and estimated offset project quantities (in green) by subbasin throughout the basin. As noted in Chapter 6, water offsets were estimated conservatively for projects without detailed information or modeling, and potential offsets were not counted toward the Plan total for projects with insufficient information to develop a confident estimate. Estimated water offsets for individual projects are listed in Chapter 6 and Appendix C.

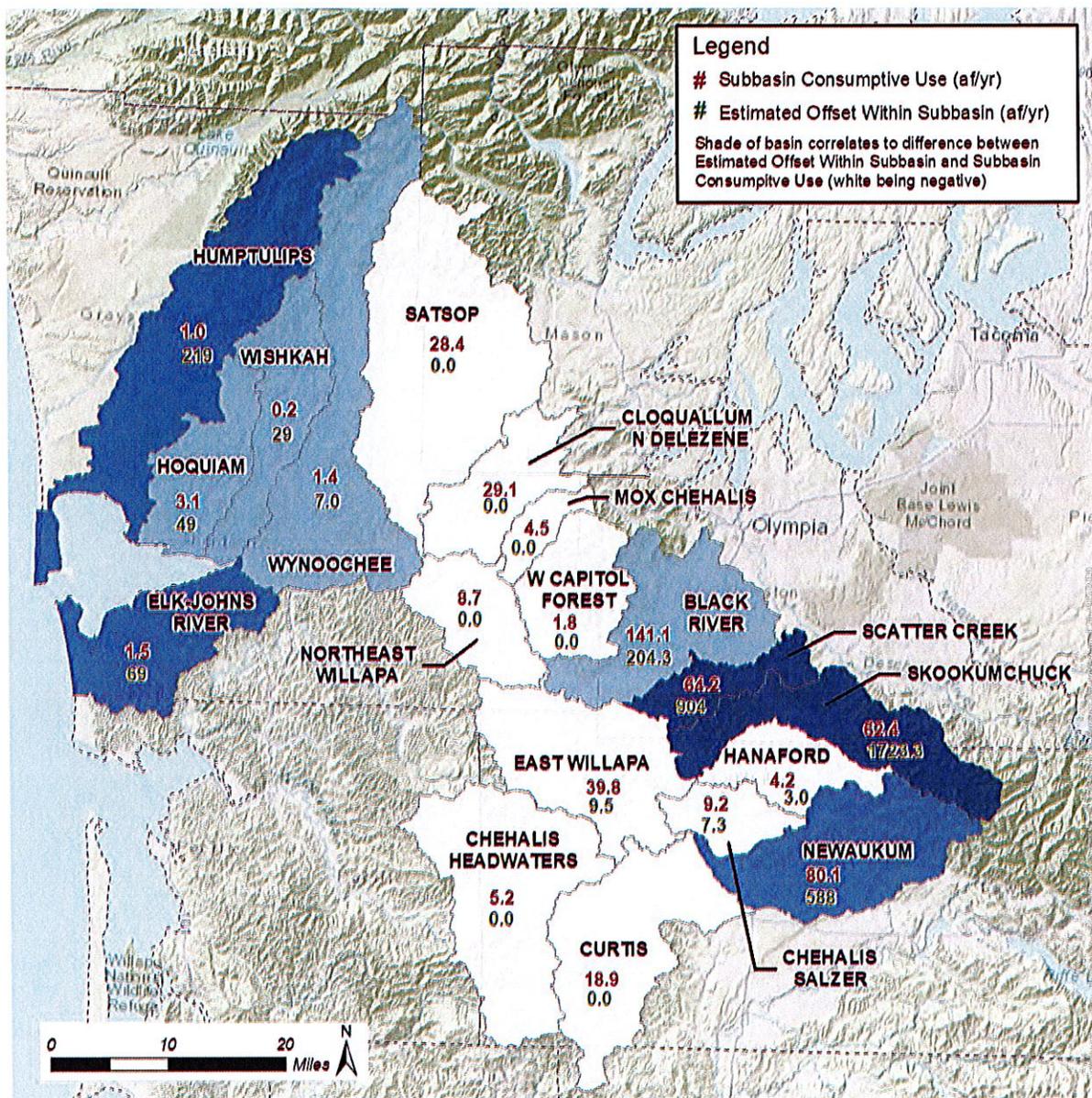


Figure 5 Water Offset vs. Consumptive Use by Subbasin

Projected new consumptive water use is concentrated in a limited number of subbasins: there are just four subbasins with 60 acre-feet per year or more of anticipated new consumptive water use, and the amount of anticipated use in those comprises nearly 70 percent of all anticipated new consumptive water use. The Addendum has large water offset projects located in some of the upper reaches of the basin that will produce downstream benefits for significant portions of the basin and in some of the most critical areas for depressed salmon stocks (spring Chinook).

At the basin scale, anticipated water offsets significantly exceed projected consumptive use, even when considering only those projects already on track for implementation (over three times consumptive use estimate). Considering the entire project suite, water offset benefit is provided for over six times the estimated consumptive use.

Water offset projects are well distributed throughout the basin: 14 of 19 subbasins have at least one identified water offset project, and the four subbasins with the highest projected consumptive use impacts each have projects expected to provide offsets exceeding the target. While there are some subbasins with no water offset projects anticipated, the unmet consumptive water use in those subbasins is generally small. The fact that such subbasins exist is a consequence of the planning unit's decision to split the basin into many subbasins (19).

Table 16 Water Offset Summary for Projects

Subbasin	Consumptive Use Estimate (af/yr)	Number of Proposed Projects		Estimated Water Offset (af/yr)	
		Water Offset ¹	Habitat/ Other	All Projects	Highest Certainty Projects
Black River	141.1	4	6	204	37.3
Chehalis - Salzer	9.2	3	4	7.3	4.3
Chehalis Headwaters	5.2	0	1	0.0	0.0
Cloquallum - N Delezene	29.1	0	5	0.0	0.0
W Capitol Forest	1.8	0	0	0.0	0.0
Elk - Johns River	1.5	1	1	69	0.0
East Willapa	39.8	2	2	9.5	5.0
Hanaford	4.2	1	2	3.0	3.0
Hoquiam	3.1	1	6	49	0.0
Humptulips	1.0	2	2	219	160
Mox Chehalis	4.5	0	0	0.0	0.0
Newaukum	80.1	3	9	588	0.0
Satsop	28.4	2	4	0.0	0.0
Scatter Creek	64.2	5	5	904	204
Curtis	18.9	0	1	0.0	0.0
Skookumchuck	62.4	2	2	1723	1400
Northeast Willapa	8.7	1	0	0.0	0.0
Wishkah	0.2	1	1	29	0.0
Wynoochee	1.4	2	3	7.0	0.0
WRIA 22/23 Total²	504.8	36	59	4,040	1,841

1. Includes water right acquisitions and non-acquisition water offset projects.
2. Includes basinwide projects not assigned to individual subbasins.

7.2 Additional Benefits to Instream Resources

Two major salmon and aquatic species restoration programs in the Chehalis Basin identify priority needs for instream resources, and this Addendum will consider these the best source of scientifically-based ecological needs and priority protection and restoration actions for instream resources:

- Chehalis Basin Salmon Restoration and Preservation Strategy (Salmon Recovery Funding Board Lead Entity Program)
- Chehalis Basin Strategy Aquatic Species Restoration Plan (ASRP)

The Chehalis Basin Salmon Restoration and Preservation Strategy identified levels of concern for seven salmonid limiting factors for more than 30 drainage basins throughout the Chehalis basin. These ratings are aggregated by subbasin in Table 17; for subbasins with multiple rated drainages, all levels are shown. Tier 1 indicates the highest level of concern and greatest need for ecological improvement.

Water quantity is a Tier 1 level of concern in the Black, Cloquallum-N. Delezene, Hanaford, Scatter, Newaukum, and Satsop subbasins; all of these except Satsop are also expected to receive the majority of new permit-exempt well connections. While not called out by the Lead Entity limiting factors ratings, water temperature is also a key issue in the Chehalis Basin (included in water quality limiting factor) and closely linked to water quantity. Actions that help cool water temperature, such as shade from riparian trees and instream restoration to create channel complexity, are high priorities for spring Chinook and other aquatic species. Detailed project summary sheets (Appendix B) describe whether each project addresses the water quantity (and hence temperature) limiting factor.

Table 17 Level of Concern for Salmonid Limiting Factors

Lead Entity Tiers ¹ by Indicator (Chehalis Basin Salmon Habitat Restoration and Preservation Strategy, 2011)							
Subbasin	Water Quantity	Water Quality	Riparian	Floodplain	Large Woody Debris	Fish Passage	Sediment
Black	1	1	1	3	2	2	3
Chehalis-Salzer	1/3 ²	2	1	2	3	1/2 ²	1
Chehalis Headwaters	3	2	1	3	2	1	1
Cloquallum - N. Delezene	1	3	1	2	3	1	2
W Capitol Forest	3	3	1	2	1	1	2
East Willapa	2/3 ²	1/2/3 ²	1/2 ²	1/2/3 ²	2/3 ²	1	1
Elk-Johns	3	3	1	2	2	1	1
Hanaford	1	1	1	3	3	2	2
Hoquiam	3	1/2 ²	1/2 ²	2/3 ²	2/3 ²	1	1/2 ²
Humptulips	3	1	2	2	3	1	1
Mox Chehalis	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Newaukum	1/2/3 ²	1/2 ²	1	2/3 ²	2/3 ²	1/2 ²	1/3 ²
Satsop	1/3 ²	1/2/3 ²	1/2 ²	1/3 ²	2/3 ²	1/2 ²	1/3 ²
Scatter	1	1	1	3	3	2	2
Curtis	2	1	1	3	3	2	1
Skookumchuck	2	2	1	1	3	1	1
Northeast Willapa	2	2	2	1	2	1	1
Wishkah	3	3	1	2	2	1	1
Wynoochee	3	2	1	1	3	1	2

¹ – Tier 1 indicates highest level of concern and greatest need for ecological improvement.

² - Two or more Lead Entity management units that have different limiting factors tier ratings were included in the CBP subbasins.

The ASRP is a multispecies-focused restoration plan for aquatic and semi-aquatic species. The draft plan (Phase 1) released in 2019 presented three levels of restoration/protection scenarios with corresponding expected aquatic species benefits at each level. The ASRP is currently being refined, including development of detailed priorities and sequencing for implementation. Priority protection and restoration actions for each CBP subbasin are shown in Table 18, based on working products from the refinement effort.

Table 18 Aquatic Species Restoration Plan Priority Needs¹

Subbasin	Priority Protection and Restoration Actions
Black	Large wood addition, floodplain reconnection, beaver ponds
Chehalis-Salzer	Floodplain reconnection, large wood addition, riparian restoration
Chehalis Headwaters	Large wood addition, fish passage improvements
Cloquallum - N. Delezene	Large wood addition, fish passage improvements, riparian restoration
W Capitol Forest	Large wood addition, fish passage improvements
East Willapa	Large wood addition, fish passage improvements, floodplain reconnection, beaver ponds
Elk-Johns	Large wood placement, fish passage improvements, beaver ponds
Hanaford	Fish passage improvements, riparian restoration, beaver ponds
Hoquiam	Large wood addition
Humptulips	Large wood addition, floodplain reconnection, riparian restoration
Mox Chehalis	Riparian restoration
Newaukum	Large wood addition, floodplain reconnection, riparian restoration, fish passage improvements, and beaver ponds in tributaries
Satsop	Large wood addition, floodplain reconnection, and beaver ponds in tributaries
Scatter	Large wood addition, floodplain reconnection, riparian restoration, beaver ponds
Curtis	Large wood addition (primarily in upper South Fork Chehalis), riparian restoration, fish passage improvements (primarily in Stearns Creek)
Skookumchuck	Large wood addition, floodplain reconnection, riparian restoration
Northeast Willapa	Large wood addition, floodplain reconnection, riparian restoration
Wishkah	Large wood addition, floodplain reconnection
Wynoochee	Large wood addition, fish passage improvements in tributaries

¹ – Source: Working products from ASRP Science and Technical Review Team, Aug, 2020.

In addition to water offsets, which will help address water quantity limitations, the Plan Addendum includes nearly 60 projects targeted primarily at addressing the ecological needs described by the Lead Entity Program for restoring, enhancing, and providing access to stream and riparian habitat throughout the Chehalis basin. The identified projects align with the priority restoration and protection actions identified by the ASRP, and benefit habitat and instream resources by:

- Improving riparian shading and increasing groundwater contributions to reduce stream temperatures
- Improving diversity of native riparian vegetation
- Reconnecting and creating floodplain and side channel habitat
- Improving instream habitat with large woody debris, vegetated side slopes, and natural sediment transport
- Increasing groundwater storage and wetland function.

These projects include the restoration, conservation, fish passage, and floodplain storage/beaver dam analog project categories identified in Chapter 6 and Appendix B. To facilitate Ecology’s determination of NEB, the Planning Unit compiled several metrics to help quantify the ecological benefit anticipated from these projects, summarized in Table 19. Ecological benefit metrics for individual projects are listed in Appendix C.

Table 19 Other Ecological Benefits for Listed Projects

Subbasin	Proposed Habitat Projects	Reach Length Enhanced/ Restored ¹ (mi)	Riparian/ Upland Area Protected ² (ac)	Habitat Reconnected ³ (mi)
Black River	6	0.0	55.0	5.0
Chehalis - Salzer	4	0.2	11.3	1.8
Chehalis Headwaters	1	0.3	0.0	0.0
Cloquallum - N Delezene	5	1.0	15.6	8.3
W Capitol Forest	0	0.0	0.0	0.0
Elk - Johns River	1	0.0	178.7	0.0
East Willapa	2	0.0	0.0	0.8
Hanaford	2	0.7	33.0	0.0
Hoquiam	6	0.3	394.4	3.5
Humtulpis	2	0.0	157.1	5.3
Mox Chehalis	0	0.0	0.0	0.0
Newaukum	9	36.1	0.0	13.4
Satsop	4	6.8	137.0	0.0
Scatter Creek	5	13.8	788.0	0.0
Curtis	1	2.6	0.0	0.0
Skookumchuck	2	40.3	17.0	0.0
Northeast Willapa	0	0.0	0.0	0.0
Wishkah	1	0.0	75.2	0.0
Wynoochee	3	3.8	17.5	0.0
WRIA 22/23 Total⁴	59	121	2,180	38.1

1. Actions include instream restoration, large wood addition, etc.
2. Actions include protecting land for conservation purposes, riparian restoration, floodplain reconnection and habitat creation
3. Actions include fish passage improvements
4. Includes basinwide projects not assigned to individual subbasins.

Habitat-related projects were identified in 16 of the 19 subbasins, ensuring that ecological benefits will be distributed throughout the basin. The listed projects will enhance more than 120 miles of stream and riparian habitat, mostly in the more heavily impacted Newaukum and Skookumchuck basins; preserve 2,180 acres of forested uplands and riparian wetlands; and reconnect more than 38 miles of salmonid habitat by removing fish barriers. Many of the fish barrier and restoration projects included in the

Addendum were identified through the Partnership’s Salmon Restoration and Preservation Strategy and ASRP and are already funded through various stages of design and construction.

7.3 Net Ecological Benefit Summary

The Planning Unit finds that this Addendum estimates future permit-exempt domestic water use from 2018 to 2040 and identifies actions to offset the impacts of new consumptive use and provide additional ecological benefits. This Addendum provides a net ecological benefit to the Chehalis River Basin as required by RCW 90.94.020 by proposing projects that will fully offset, and substantially exceed, the consumptive use impacts while also addressing habitat and temperature issues in the basin in conjunction with other basinwide planning efforts.

This finding is based on the combined value of medium/high certainty water offset projects, aquatic habitat restoration projects that address key aquatic needs distributed throughout the basin, and the framework of cooperative partnerships already in place in the Chehalis Basin.

Nearly 70 percent of the consumptive use from new permit-exempt wells is anticipated to occur in four of the 19 subbasins shown in Table 20. Water offset projects in those four subbasins exceed subbasin-level consumptive use estimates. In addition, the largest water offset project—acquisition of a portion of surface water right from the retiring TransAlta coal-fired power plant—is located in one of these subbasins (Skookumchuck) and could provide four times the estimated consumptive use in these high growth areas. While that project would not benefit the Black River, Newaukum, or Scatter Creek subbasins directly, it will contribute to cooler water temperatures in the mainstem Chehalis, where most salmon in the Chehalis Basin must migrate through, and in some cases hold, during the summer.

The suite of habitat projects is well grounded in science-based modeling and analysis. This includes limiting factors analysis conducted for the Lead Entity Program (Smith and Wenger, 2001) and Ecosystem Diagnosis and Treatment (EDT) and NOAA Life Cycle habitat modeling conducted for the ASRP. The community of habitat sponsors and practitioners including the Lead Entity Program, ASRP, and many dedicated project sponsor organizations is the institutional foundation that will advance implementation of the project list and adaptive management to ensure that the projected benefits are attained.

Table 20 Water Offset Summary for Proposed Projects in Areas of Highest Anticipated New Water Use

Subbasin	Consumptive Use Estimate (af/yr)	Number of Proposed Projects		Estimated Water Offset (af/yr)	
		Water Offset	Habitat/ Other	All Projects	Highest Certainty Projects
Black River	141.1	4	6	204	37
Newaukum	80.1	3	9	588	0
Scatter Creek	64.2	5	5	904	204
Skookumchuck	62.4	2	3	1,723	1,400
Total	347.8			3,419	1,561

8 IMPLEMENTATION AND ADAPTIVE MANAGEMENT

When the Chehalis Basin Watershed Plan Addendum is approved by the CBP and adopted by Ecology, the Planning Unit will move into Implementation Phase. The Streamflow Restoration law does not specify requirements and support during implementation beyond the following:

- A description about who will actively implement and adaptively manage the work laid out in this Watershed Plan Addendum to offset streamflow impacts from future permit-exempt well connections is considered as part of Ecology’s evaluation of “reasonable assurance” that impacts will be offset.
- The state Legislature authorized \$300 million for streamflow restoration grants over the next 20 years to partially support implementation of offset projects through a competitive statewide grant program.
- The CBP may request that up to \$350 of the \$500 well fees collected by counties within the Chehalis Basin be provided to the Planning Unit (or implementation lead organization).

8.1 Lead Organization for Implementation

The CBP will continue to lead and coordinate implementation and adaptive management for this Watershed Plan Addendum. With its membership and participation, including the four counties with projected new permit-exempt well connections, most cities, Chehalis Tribe, Quinault Indian Nation, and stakeholder representatives, the CBP is well-suited to this role. Ecology has indicated commitment to continuing its support to the CBP through policy and technical staff participation.

8.2 Implementation Approach

This Watershed Plan Addendum lays out projections for future permit-exempt well connections and associated streamflow impacts and a portfolio of projects to offset those impacts and provide NEB to the basin. To ensure that the Addendum achieves its intended purpose, the following needs exist during implementation:

1. Work with project sponsors to implement offset projects. At a project level, this will require cultivating sponsor interest, project development, administrative support for acquiring project design and construction funding, and support during project implementation. At a program level, there will be needs to assist the CBP in prioritizing projects and geographic areas within the basin to further support project implementation.
2. Track new permit-exempt well connections basinwide (these are identified and recorded by counties at the building permit stage) and compare magnitude and locations against projections. If actual numbers vary significantly from projections, the CBP will adapt project implementation

priorities to address impacts in areas with higher densities of new permit-exempt well connections.

3. Monitor project effectiveness in achieving expected benefits and adapt to address identified deficiencies. Monitoring is a crucial, but difficult-to-fund element of project implementation. The CBP will continue to collaborate with the Lead Entity Program and ASRP to leverage monitoring efforts within the basin and apply learnings to new projects.
4. Integrate learnings from studies conducted inside and outside the basin that reflect on the effectiveness of project types in this Watershed Plan Addendum. For example, scientists and practitioners are actively researching, testing, and monitoring the effects from BDAs, alluvial aquifer storage, managed aquifer recharge, and wet meadow restoration. Understanding about the water and overall ecological benefits from these project types is expected to advance substantially over the next ten years.

As described above, the CBP has identified the need to track streamflow restoration projects and new domestic permit-exempt well connections. The CBP recommends piloting the Salmon Recovery Portal (SRP) (<https://srp.rco.wa.gov/about>), managed by the Recreation and Conservation Office (RCO) to aid with tracking. The CBP understands that the implementation of project tracking through a pilot program using the Salmon Recovery Portal will be coordinated by WDFW in collaboration with Ecology and RCO. University of Washington data stewards will be employed to conduct data entry, quality assurance, and quality control. The CBP/Lead Entity Coordinator, Kirsten Harma, is already actively engaged in quality assurance of Chehalis Basin projects in the SRP. Use of this tool for tracking will allow:

- Tracking progress towards meeting project and plan goals
- Assessing project's role in meeting salmon recovery goals
- Alignment with salmon recovery projects funded through other sources
- Accounting for streamflow benefits from non-salmon recovery-related projects.

8.3 Adaptive Management Approach

Additional needs will undoubtedly arise during implementation, and maintaining the CBP as the implementing body will enable its ability to adaptively manage plan implementation and provide the best assurances that future impacts to streamflow from permit-exempt wells will be offset and that a NEB is provided to the basin.

The CBP supports an adaptive management process for implementation of this Watershed Plan Addendum. Adaptive management is defined in the Net Ecological Benefit Guidance as:

'an interactive and systematic decision-making process that aims to reduce uncertainty over time and help meet project, action, and plan performance goals by learning from the implementation and outcomes of projects and actions.'

Adaptive management will help address uncertainty and provide more reasonable assurance for plan implementation. This includes adding and/or reshaping existing projects to better address the impacts and most effective restoration methods as knowledge is gained. The basinwide conceptual projects and programs in the project suite describe the general range within which adaptation is likely to occur; specific projects and actions may be developed adaptively as needs and opportunities evolve over the 20-year plan timeframe.

Focusing more detailed assessment and characterization studies in potentially vulnerable areas of the basin is another adaptive management need. Project BW-07 – USGS Groundwater Discharge Zone Delineation – was included in the project suite to help the CBP hone its understanding about where groundwater use potentially has more impact to streamflow. Additional studies, not yet identified, may be needed to further refine knowledge about streamflow impacts from groundwater use and the most effective strategies to mitigate for those impacts.

8.4 Resources Needed for Implementation and Adaptive Management

The CBP does not have dedicated funding and will need permanent, stable, administrative support to coordinate the tasks described above. The CBP requests base administrative funding from the state to enable the CBP to transition seamlessly into implementation. The CBP recommends that the state Legislature provide administrative support funding and a structure to monitor plan implementation (including tracking of new permit-exempt wells and project implementation by subbasin) and develop a process consistent with the approach described above to adaptively manage implementation if NEB is not being met as envisioned by this Plan Addendum.

In the interim, the CBP requests that available well fees be directed to Grays Harbor County as fiscal agent to fund the watershed coordinator position and costs related to CBP meetings and coordination. The CBP is a valued organization by its member groups; it has a history of meeting monthly and would like to continue to do so.

The CBP understands that a local financial or in-kind match demonstrates member commitment to the value of a strong watershed-based organization to facilitate shared efforts and obligations. Informal polling suggests that member organizations prefer flexible support options for any local match, including in-kind contributions (such as providing meeting space). Member contributions would likely be voluntary and scaled to the size and capabilities of member organizations.

Time commitment is also needed from CBP members to shepherd this Addendum through implementation. While the CBP hopes to continue meeting monthly, a minimum commitment for members to participate in semi-annual plan implementation status oversight meetings is envisioned.

Without financial support from the State, it will be tenuous for the CBP to adequately track, promote, and adaptively manage implementation. In that scenario, project sponsor entities will continue to pursue state grants on an individual basis, but there is no certainty that projects that are highest value and are a priority in this Addendum will go forward for funding. There will also be a lost opportunity for

leveraging funding from multiple sources to implement priority projects in the plan and to adapt to improve projects as new science becomes available.

9 REFERENCES

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APPENDIX B - Project List

Project ID	Project Name	Project Type		
		Water Right Acquisition	Non-Acquisition Water	Habitat/Other
Black River		1	3	6
B-00	TC #91 Holm Farm BDA		x	x
B-01	Allen Creek MAR		x	
B-02	Cooke Aquaculture Water Right- Black River Reach	x		
B-03	Black River Basin Project Development: Oregon Spotted Frogs, farms & Wetlands Project			x
B-04	Black River Confluence			x
B-05	Albany Street Stormwater Pond		x	
B-06	Beaver Creek Easement			x
B-07	Seiler/Mima Creek Easement			x
B-08	Jones Road Barrier Construction			x
Chehalis-Salzer		0	3	4
CS-00	Berwick Creek Flood Reduction Restoration (Port of Chehalis)		x	x
CS-01	Coal Creek - City of Chehalis		x	x
CS-02	Berwick Creek at Labree Fish Passage Design			x
CS-03	Flood Hazard Reduction Master Plan and Chehalis Wastewater Treatment Plant Project		x	x
Chehalis Headwaters		0	0	1
CH-00	Marker 19 Oxbow Restoration			x
Cloquallum - N. Delezene		0	0	5
CD-00	Cloquallum Creek LWD Construction			x
CD-01	Wildcat Road Barrier Construction			x
CD-02	Sam's Canal Culvert Removal and Restoration			x
CD-03	McConkey Lane Channel Naturalization			x
CD-04	Upper Middle Fork Wildcat Creek Restoration			x
West Capitol Forest		0	0	0
WC-				
Elk - Johns River		0	1	1
EJ-00	Newskah Road Fish Passage Construction			x
EJ-01	Grays Harbor County Forest Management		x	x
East Willapa		0	2	2
EW-00	Garrard Creek BDAs		x	x
EW-01	Convert Galvin area permit-exempt wells to City water		x	
EW-02	Hamilton Barrier Construction			x
Hanaford		0	1	2
H-00	China Creek Phase 2 wetland restoration		x	x
H-01	Port Blakely Hanaford Acquisition			x
Hoquiam		0	1	6
HQ-00	Port Blakely West Hoquiam Acquisition			x
HQ-01	2020 West Hoquiam Acquisitions			x
HQ-02	Middle Fork Hoquiam Tidal Restoration			x
HQ-03	Grays Harbor County Forest Management		x	x
HQ-04	East Hoquiam - Granberg Acquisition			x

APPENDIX B - Project List

Project ID	Project Name	Project Type		
		Water Right Acquisition	Non-Acquisition Water	Habitat/Other
HQ-05	East Hoquiam - Griswold Acquisition			x
Humptulips		0	2	2
HT-00	Kirkpatrick Road Fish Passage Construction			x
HT-01	Grays Harbor County Forest Management		x	x
HT-02	Ocean Shores Water Reclamation and Reuse		x	
Mox Chehalis		0	0	0
MC-				
Newaukum		0	3	9
N-00	City of Chehalis Water Supply Diversion Relocation		x	x
N-01	MF Newaukum Trib at Kruger Rd MP 1.201 Fish Passage			x
N-02	Newaukum Lake Restoration & Enhancement Planning		x	x
N-03	MF Newaukum at Centralia Alpha Rd MP 15.79			x
N-04	South Fork Newaukum Early Action Reach			x
N-05	Lucas Creek Trib MP 4.39 - Fish Passage Construction			x
N-06	Lucas Creek Trib MP 4.24 - Fish Passage Construction			x
N-07	Hogue Barrier Construction			x
N-08	Berwick Creek at Borovec Fish Passage Construction			x
N-09	Newaukum MAR Concepts		x	
Satsop		0	2	4
S-00	Satsop/Wynoochee Tributary Restoration Strategy		x	x
S-01	Tree Fever Conservation Easement Lower Satsop Restoration, Protection, and Aquifer Recharge-Phase			x
S-02	II		x	x
S-03	East Fork Satsop RM 8 Early Action Reach			x
Scatter Creek		1	4	5
SC-00	TC #118/119 Cooke Aquaculture Water Right- Scatter Creek Middle Reach	x		x
SC-01	TC #90 Weins Farm Restoration		x	x
SC-02	TC #89 Upper Scatter Creek MAR		x	x
SC-03	TC #127 Scatter Creek Upper Basin Forestry		x	x
SC-04	TC #81 Sampson Wetlands Restoration and MAR		x	x
Curtis		0	0	1
C-00	South Fork/Stillman Creek Early Action Reach			x
Skookumchuck		2	0	2
SK-00	TransAlta water right acquisition	x		
SK-01	Skookumchuck Dam Release	x		x
SK-02	Skookumchuck Early Action Reach			x
Northeast Willapa		1	0	0
NW-00	Satsop Business Park Process Water Recycling	x		
Wishkah		0	1	1
W-00	Grays Harbor County Forest Management		x	x
Wynoochee		0	2	3
WY-00	Wynoochee River RM 14 Early Action Reach			x
WY-01	Grays Harbor County Forest Management		x	x

APPENDIX B - Project List

Project ID	Project Name	Project Type		
		Water Right Acquisition	Non-Water Acquisition	Habitat/Other
WY-02	Satsop/Wynoochee Tributary Restoration Strategy		x	x
Basinwide Concepts		1	5	5
BW-00	Beaver Dam Analog Implementation		x	x
BW-01	Chehalis Basin Cooperative Weed Management			x
BW-02	Agricultural irrigation efficiencies & water conservation		x	x
BW-03	Eager Beaver Collaboration		x	x
BW-04	Managed aquifer recharge opportunity assessment		x	
BW-05	Stormwater recharge opportunity assessment		x	
BW-06	Trust water rights acquisitions	x		
BW-07	USGS Groundwater Discharge Zone Delineation			x

APPENDIX C - NEB Summary Table

Project ID	Project Name	Project Type			Water Offsets		Streamflow Benefits			Other Ecological Benefits			
		Water Right Acquisition	Non-Acquisition Water Offset	Habitat/Other	Subbasin Consumptive Use Estimate (af/yr)	Estimated Water Offset (af/yr)	Directly Adds Streamflow in Critical Period(s)	Recharges Groundwater	Shifts Flow to Critical Period(s)	Enhances Habitat for Critical Periods/Species	Provides Temperature Reduction or Refugia	Preserves/Restores Natural Land Cover	Increases Habitat Connectivity
									Reach Length (ft)	Reach Length (ft)	Area (ac)	Added Length (mi)	
Black River		1	3	6	141.1	204.3				-	0	55.0	5.0
B-00	TC #91 Holm Farm BDA		x	x		13.5		x	x				
B-01	Allen Creek MAR		x			26		x	x				
B-02	Cooke Aquaculture Water Right- Black River Reach	x				141	x						
B-03	Black River Basin Project Development: Oregon Spotted Frogs, farms & Wetlands Project			x									
B-04	Black River Confluence			x									
B-05	Albany Street Stormwater Pond		x			23.8		x					
B-06	Beaver Creek Easement			x							27		
B-07	Seiler/Mima Creek Easement			x				x			28		
B-08	Jones Road Barrier Construction			x									5
Chehalis-Salzer		0	3	4	9.2	7.3				1,000	0	11.3	1.8
CS-00	Berwick Creek Flood Reduction Restoration (Port of Chehalis)		x	x		1.3			x	1,000		1.3	
CS-01	Coal Creek - City of Chehalis		x	x		3		x	x				1.79
CS-02	Berwick Creek at Labree Fish Passage Design			x									
CS-03	Flood Hazard Reduction Master Plan and Chehalis Wastewater Treatment Plant Project		x	x		3		x	x		10		
Chehalis Headwaters		0	0	1	5.2	0				1,500	0	0.0	7.0
CH-00	Marker 19 Oxbow Restoration			x						1,500			7
Cloquallum - N. Deleze		0	0	5	29.1	0				5,461	0	15.6	8.3
CD-00	Cloquallum Creek LWD Construction			x						3,696			
CD-01	Wildcat Road Barrier Construction			x									7.29
CD-02	Sam's Canal Culvert Removal and Restoration			x						1,765			1.0
CD-03	McConkey Lane Channel Naturalization			x									
CD-04	Upper Middle Fork Wildcat Creek Restoration			x					x	0	15.6		
West Capitol Forest		0	0	0	1.8	0				-	-	0.0	0.0
WC-													
Elk - Johns River		0	1	1	1.5	69				-	0	178.7	0.0
EJ-00	Newskah Road Fish Passage Construction			x									1.34
EJ-01	Grays Harbor County Forest Management		x	x		69			x		179		
East Willapa		0	2	2	39.8	9.5				-	0	0.0	0.8
EW-00	Garrard Creek BDAs		x	x		5		x	x				
EW-01	Convert Galvin area permit-exempt wells to City water		x			4.5		x	x				
EW-02	Hamilton Barrier Construction			x									0.79
Hanaford		0	1	2	4.2	3				3,500	0	33.0	0.0
H-00	China Creek Phase 2 wetland restoration		x	x		3			x	3,500			
H-01	Port Blakely Hanaford Acquisition			x							33		
Hoquiam		0	1	6	3.1	49				1,320	0	394.4	3.5
HQ-00	Port Blakely West Hoquiam Acquisition			x								34	
HQ-01	2020 West Hoquiam Acquisitions			x						1,320		39	
HQ-02	Middle Fork Hoquiam Tidal Restoration			x								113	3.5
HQ-03	Grays Harbor County Forest Management		x	x		49			x			127	
HQ-04	East Hoquiam - Granberg Acquisition			x								78	
HQ-05	East Hoquiam - Griswold Acquisition			x								3	
Humtulpis		0	2	2	1.0	219				-	0	157.1	5.3
HT-00	Kirkpatrick Road Fish Passage Construction			x									5.31
HT-01	Grays Harbor County Forest Management		x	x		59			x			157	
HT-02	Ocean Shores Water Reclamation and Reuse		x			160							
Mox Chehalis		0	0	0	4.5	0				-	0	0.0	0.0

APPENDIX C - NEB Summary Table

Project ID	Project Name	Project Type			Water Offsets		Streamflow Benefits			Other Ecological Benefits			
		Water Right Acquisition	Non-Acquisition Water Offset	Habitat/Other	Subbasin Consumptive Use Estimate (af/yr)	Estimated Water Offset (af/yr)	Directly Adds Streamflow in Critical Period(s)	Recharges Groundwater	Shifts Flow to Critical Period(s)	Enhances Habitat for Critical Periods/Species	Provides Temperature Reduction or Refugia	Preserves/Restores Natural Land Cover	Increases Habitat Connectivity
									Reach Length (ft)	Reach Length (ft)	Area (ac)	Added Length (mi)	
MC-													
Newaukum													
		0	3	9	80.1	588			100,848	89,760	0.0	13.4	
N-00	City of Chehalis Water Supply Diversion Relocation		x	x		280			89,760	89,760			
N-01	MF Newaukum Trib at Kruger Rd MP 1.201 Fish Passage			x								3.09	
N-02	Newaukum Lake Restoration & Enhancement Planning		x			10		x					
N-03	MF Newaukum at Centralia Alpha Rd MP 15.79			x								3.5	
N-04	South Fork Newaukum Early Action Reach			x					11,088				
N-05	Lucas Creek Trib MP 4.39 - Fish Passage Construction			x								1.88	
N-06	Lucas Creek Trib MP 4.24 - Fish Passage Construction			x								1.36	
N-07	Hogue Barrier Construction			x								3.29	
N-08	Berwick Creek at Borovec Fish Passage Construction			x								0.32	
N-09	Newaukum MAR Concepts		x			298							
Satsop													
		0	2	4	28.4	0			36,040	0	137.0	0.0	
S-00	Satsop/Wynoochee Tributary Restoration Strategy		x	x				x					
S-01	Tree Fever Conservation Easement			x					7,000		137		
S-02	Lower Satsop Restoration, Protection, and Aquifer Recharge-Phase II		x	x					12,144				
S-03	East Fork Satsop RM 8 Early Action Reach			x					16,896				
Scatter Creek													
		1	4	5	64.2	904			72,912	0	788	0.0	
SC-00	TC #118/119 Cooke Aquaculture Water Right- Scatter Creek Middle Reach	x		x		700	x		68,112				
SC-01	TC #90 Weins Farm Restoration		x	x		20							
SC-02	TC #89 Upper Scatter Creek MAR		x	x		80							
SC-03	TC #127 Scatter Creek Upper Basin Forestry		x	x				x			778		
SC-04	TC #81 Sampson Wetlands Restoration and MAR		x	x		104		x	4,800		10		
Curtis													
		0	0	1	18.9	0			13,725	0	0.0	0.0	
C-00	South Fork/Stillman Creek Early Action Reach			x					13,725				
Skookumchuck													
		2	0	2	62.4	1723			129,888	82,896	17.0	0.0	
SK-00	TransAlta water right acquisition	x				1400	x		41,184				
SK-01	Skookumchuck Dam Release	x		x		323	x		82,896	82,896			
SK-02	Skookumchuck Early Action Reach			x					5,808		17		
Northeast Willapa													
		1	0	0	8.7	0			-	0	0.0	0.0	
NW-00	Satsop Business Park Process Water Recycling	x					x						
Wishkah													
		0	1	1	0	29			-	0	75	0.0	
W-00	Grays Harbor County Forest Management		x	x		29					75		
Wynoochee													
		0	2	3	1.4	7			10,032	10,032	17.5	0.0	
WY-00	Wynoochee River RM 14 Early Action Reach			x					10,032				
WY-01	Grays Harbor County Forest Management		x	x		7					17		
WY-02	Satsop/Wynoochee Tributary Restoration Strategy		x	x				x					
Basinwide Concepts													
		1	5	5		227.5			79,200	0	300.0	0.0	
BW-00	Beaver Dam Analog Implementation		x	x		12.5			79,200		300		
BW-01	Chehalis Basin Cooperative Weed Management			x									
BW-02	Agricultural irrigation efficiencies & water conservation		x	x									
BW-03	Eager Beaver Collaboration		x	x		5		x			x		
BW-04	Managed aquifer recharge opportunity assessment			x		200		x					
BW-05	Stormwater recharge opportunity assessment		x			10		x					
BW-06	Trust water rights acquisitions	x					x						
BW-07	USGS Groundwater Discharge Zone Delineation			x									

74

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Budget Review Committee
Dennis Dawes, Mayor
Jerry Lord, Councilor
Bob Spahr, Councilor

BY: Jill Anderson, City Manager
Kiley Franz, Administrative Assistant

MEETING OF: October 12, 2020

SUBJECT: Lodging Tax Funding Review and Recommendation

ISSUE

The Lodging Tax Advisory Committee (LTAC) presented recommendations to the City Council at the September 28, 2020 meeting. After discussion regarding projected revenues and unused funds, it was decided to have the Council Budget Committee review the recommendations from the LTAC.

DISCUSSION

The Budget Committee met on October 5, 2020 to review the 2021 proposed draft budget. During this meeting, the 2021 recommendations from the LTAC were reviewed. Projected revenues were originally estimated to be \$246,600; revenue projections were revised to \$219,500. In addition, the Budget Committee was desirous to maintain a reserve of at least \$50,000.

Prior to the meeting, agencies awarded funding in 2020 were contacted to inquire if they anticipated any funds to remain unused. A total of \$33,900.52 was anticipated to remain unused at the end of 2020.

SUMMARY OF REQUESTS SUBMITTED

With a projected beginning fund balance of \$53,148, plus projected revenues of \$219,500, and unused funds in the amount of \$33,900.52, the estimated revenues for 2021 totaled \$306,548.52. A \$50,000 reserve was set aside for projects/activities that may come up during the year. The dedicated debt service fund for the Recreation Park bond payment schedule totaled \$71,563 for 2021. A total of \$184,985.52 estimated revenue was appropriated for lodging tax recipients.

The Budget Committee unanimously agreed to make the following recommendations to the City Council:

<u>Organization</u>	<u>Request</u>	<u>Recommendation</u>
1. ARTrails	\$ 5,000	\$ 2,500
2. Centralia-Chehalis Chamber	\$ 50,000	\$ 35,000
3. Chehalis-Centralia Railroad & Museum – Marketing	\$ 35,000	\$ 30,000
4. Chehalis-Centralia Railroad & Museum – Personnel	\$ 15,000	\$ 10,000
5. Chehalis Community Renaissance	\$ 32,900	\$ 32,500

6. City of Chehalis – RV Park Restrooms	\$ 20,000	\$ 0
7. City of Chehalis – Youth Athletic Tournaments	\$ 20,000	\$ 15,000
8. Lewis County Historical Museum	\$ 45,000	\$ 35,000
9. Veterans Memorial Museum	\$ 30,000	\$ 25,000
Total	\$252,900	\$185,000

City of Chehalis – Recreation Park Debt Service

The Recreation Park Improvement Project debt service, not to exceed \$75,000/year, was approved by the City Council at the October 14, 2019 meeting. The corrected amount set aside for this fund is \$71,563.

Lewis County Historical Museum

The Lewis County Historical Museum had previously requested that unused funds from 2020 be carried over for use in 2021. After discussion with the Finance Director, it was clarified that funds cannot be carried over from year to year. The funds that the museum projected to remain unused have been included as unused funds, which have been added to revenue projections for 2021. In lieu of the requested carry over funding (which would have resulted in \$20,000 carry over funding and \$11,000 2021 funding), the budget committee is recommending that \$35,000 be allocated in 2021.

City of Chehalis – Reuse of Funds in 2020

City staff stated that funding approved for Youth and Athletic Tournaments in 2020 would not be able to be utilized due to the COVID-19 pandemic. They requested to use \$8,000 of the awarded \$15,000 for a ductless heat pump to be installed at the concession stand at Recreation Park. In 2021, the park will be hosting tournaments from February until October (as allowed by COVID restrictions) and a heat and air conditioning unit was needed for the second floor, where meetings are often held. The LTAC voted to recommend this request to the City Council for approval.

AWARD PROCESS

The governing body (City Council) may award amounts different from the LTAC, but only after satisfying procedural requirements of the state statute. The City Council must submit its proposed change(s) to the LTAC for review and comment at least 45 days before final action on the proposal.

Attached to this report is the revised chart for 2021 tourism fund projections, requests, and recommended funding amounts. Funding request applications are available for review upon request.

With City Council approval, the recommendations of the Budget Committee will be submitted to the LTAC for review and comment, which submission will occur at least 45 days before final action is taken on the proposals (RCW.67.28.1817(2)). Final action on the 2021 allocations would occur as part of the adoption of the City’s 2021 Annual Budget, which typically occurs in November.

Upon City Council approval, all recipients must enter into an agreement with the city for use of the funds. They are required to report for reimbursement of funds on a quarterly basis. All expenses are reviewed for accuracy before reimbursements are disseminated.

LTAC MEMBERSHIP

According to the resolution establishing the LTAC, the City Council is to review membership on an annual basis and make changes as appropriate. In accordance with state law, the committee must have at least five members, appointed by the City Council. Membership must include at least two representatives of businesses required to collect hotel-motel tax, two people involved in activities that are authorized to be

funded by the tax, and one elected official who serves as chairperson. The number of persons representing businesses that collect the tax and the number of persons involved in activities authorized to be funded by the tax must be equal. There is no established term of membership.

Committee members include Todd Chaput, Holiday Inn Express & Suites; Gloria Choi, OYO Hotel, and Trent Henning, Riverside Golf Club, representing businesses required to collect the tax. Members representing activities funded by the tax are Alicia Bull, Centralia-Chehalis Chamber of Commerce; Rick Burchett, Chehalis-Centralia Railroad & Museum; and Chip Duncan, Veterans Memorial Museum. Mayor Pro Tem Chad Taylor is the City Council representative and acts as committee chair.

RECOMMENDATION

The budget committee recommends that the City Council approve its recommendations individually and collectively for use of lodging tax funds for 2021, including the reuse of funding for the City of Chehalis Youth and Athletic Tournaments. As noted above, this recommendation will be submitted to the LTAC for review and comment, which submission will occur at least 45 days before final action is taken on the proposals (RCW.67.28.1817(2)). Final action on the 2021 allocations would occur as part of the adoption of the City's 2021 Annual Budget, which typically occurs in November.

It is also recommended that the City Council reappoint Todd Chaput, Gloria Choi, Trent Henning, Alicia Bull, Rick Burchett, and Chip Duncan to the City's Lodging Tax Advisory Committee.

SUGGESTED MOTION

I move that the City Council approve:

- The allocations recommended by the City Council Budget Committee for use of lodging tax funds in 2021; and
- The annual debt service payment for the Recreation Park Improvement Project in the amount of \$71,563; and
- The reuse of \$8,000 of the awarded \$15,000 of 2020 funding for the City designated to the Youth and Athletic Tournaments to be utilized for an HVAC system in the Recreation Park concession stand to be used in 2020; and
- The reappointments of Todd Chaput, Gloria Choi, Trent Henning, Alicia Bull, Rick Burchett, and Chip Duncan to the Lodging Tax Advisory Committee.

2021 Chehalis Tourism Fund Projections and Requests

Revised 10-5-20

Projected Beginning Fund Balance	\$	53,148		
Estimated Unused in 2020	\$	33,901		
Estimated Revenue (revised 10/2/2020)	\$	219,500	Lodging Tax @ 85% of 2019 Actual (Reduction of \$25,800)	
Total Estimated Funds	\$	306,549		
Recommended Ending Fund Balance	\$	(50,000)		
Dedicated Debt Service for Recreation Park (Corrected)	\$	(71,563)	Corrected from \$63,396 to \$71,563 (difference \$8,167)	
Total Estimated Available Revenue	\$	184,986		\$ 184,986

	2020 Original Awarded	2020 Possible Adjusted Award	2021 Requests	2021 Secondary Funding Request	2021 Recommendations	Budget Committee Recommendation for 2021 Award	Difference from Secondary Request
Facilities							
Chehalis-Centralia Railroad and Museum - Personnel	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 10,000.00	\$ 15,000.00	\$ 10,000	\$ -
Lewis County Historical Museum	\$ 40,000.00	\$ 20,000.00	\$ 45,000.00	\$ 40,000.00	\$ 11,000.00	\$ 35,000	\$ (5,000)
Veterans Memorial Museum	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 25,000.00	\$ 28,000.00	\$ 25,000	\$ -
Chamber Building/City Utilities	\$ 50,000.00	\$ 50,000.00	-	N/A	N/A		
Events							
Southwest Washington Fair	\$ 10,000.00	\$ 10,000.00	-	N/A	N/A		
ARTrails	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500	\$ -
Marketing/Tourism							
Chehalis-Centralia Railroad and Museum - Marketing	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 30,000.00	\$ 35,000.00	\$ 30,000	\$ -
Chehalis Community Renaissance Team	\$ 27,000.00	\$ 21,000.00	\$ 32,900.00	\$ 24,900.00	\$ 24,852.00	\$ 32,500	\$ 7,600
Centralia-Chehalis Chamber of Commerce	\$ 40,000.00	\$ 40,000.00	\$ 50,000.00	\$ 40,000.00	\$ 50,000.00	\$ 35,000	\$ (5,000)
Discover Lewis County	-	-	-	N/A	N/A		
City							
Chehalis Wedding Show	\$ 12,435.00	\$ 11,534.48	-	N/A	N/A		\$ -
Recreation - Youth and Athletic Tournaments	\$ 15,000.00	\$ 8,000.00	\$ 20,000.00	\$ 15,000.00	\$ 20,000.00	\$ 15,000	\$ -
Parks - RV Park Restrooms/Shower Building Renovation	-	-	\$ 20,000.00	-	-		\$ -
Pool liner Project (re-appropriation of 2019 award)	\$ 182,000	\$ 182,000		-			
LTGO Bond 2019 (Recreation Park Project) Debt Service	\$ 63,396	\$ 63,396		\$ 71,563			
Other							
Chehalis-Centralia Railroad and Museum - Locomotive Repairs	\$ 37,652.09	\$ 37,652.09	-	N/A	N/A		
Totals	\$ 562,483.09	\$ 528,582.57	\$ 252,900.00	\$ 258,963.00	\$ 186,352.00	\$ 185,000	\$ (73,963)
Est. Unused: \$		33,900.52	Access (deficiency) over Available Funds		\$ (1,366.48)	\$	(14)

Note on Unused Funds/Adjusted Awards

Unused funds include the \$20,000 requested by the Historical Museum as 'carry-over' (Listed as a \$20,000 Adjusted Award)

Adjusted Award amounts reflect what awardees have estimated will remain unused for 2020, bold amounts are those that have predicted unused funds will remain

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: CARES Program Review Committee
Chad Taylor, Mayor Pro Tem
Daryl Lund, Councilor
Dr. Isaac Pope, Councilor

BY: Jill Anderson, City Manager
Kiley Franz, Administrative Assistant

MEETING OF: October 12, 2020

SUBJECT: Chehalis CARES Community Program Funding Review and Recommendation

ISSUE

Five applications for funding were submitted to the City Manager's office for the Chehalis CARES Community Program. The CARES Program Review Committee met on October 8, 2020 to review these requests and make a recommendation to the City Council for funding allocations.

BACKGROUND

The State of Washington received Federal Funds through the COVID-19 CARES ACT and made a portion of those funds available to municipalities. In order to access the funds, cities have to sign a contract with the Department of Commerce and submit reimbursement requests for costs directly related to response to the COVID -19. If the State deems the costs eligible, the City will receive reimbursement.

Initially, the City was eligible to receive up to \$226,050 for costs deemed eligible, with a deadline of October 31, 2020. On September 1, Governor Inslee announced that additional funds would be made available for eligible expenses. An additional \$113,025 was made available to the City of Chehalis.

At the September 28, 2020 meeting, the City Council authorized the creation of a program to make \$125,000 of the COVID CARES funds available on a reimbursement basis to Chehalis non-profits that provide or continue to provide services in response to the COVID-19 pandemic.

DISCUSSION

The CARES Program Review Committee met on October 8, 2020 to review the applications; however, Councilor Pope was not able to attend the meeting due to an unexpected situation. Eligibility of the applications was determined by the standards set forth by the Washington State Department of Commerce. The Eligible Cost Test provided by the Washington State Department of Commerce has been provided as an attachment to this agenda report.

Applications were received from the following organizations

Organization	Requests
Centralia-Chehalis Chamber of Commerce	\$ 75,000.00
Chehalis Community Renaissance Team	\$ 75,000.00
Lewis County Seniors	\$ 125,000.00
The Salvation Army	\$ 29,209.51
United Way	\$ 27,500.00
Totals	\$ 331,709.51

OVERVIEW OF PROGRAMS

Centralia-Chehalis Chamber of Commerce

The Centralia-Chehalis Chamber of Commerce submitted an application for funding to ensure their ability to continue to provide PPE to Chehalis businesses in the amount of \$25,000. Funding in the amount of \$50,000 was also requested for operation of the Chamber facility. After discussion, it was decided that the operation of the Chamber facility would not be considered an eligible expense per the Washington State Department of Commerce guidelines. ***Funding of additional reimbursable funds for PPE provided to Chehalis businesses in the amount of \$37,500 is recommended by the committee.***

Chehalis Community Renaissance Team

The Chehalis Community Renaissance Team (CCRT) submitted an application for \$75,000 for a small business grant program. The grant program would provide fifteen (15) \$5,000 grants to small businesses with no more than twenty (20) employees, which have been negatively affected by the COVID-19 pandemic. ***Funding in the amount of \$50,000 for this project is recommended by the committee.***

Lewis County Seniors

The Lewis County Seniors submitted an application to assist with the increased demand for meals delivered to seniors and at-risk individuals. Due to the pandemic, a 500% increase in meals served has occurred in the last six (6) months. After discussion regarding the eligibility of staff time and operational supplies, ***it was decided to recommend funding in the amount of \$37,500 for food and operating supplies needed to provide this service.***

The Salvation Army

The Salvation Army submitted an application for a set of commercial capacity washer and dryers to provide free laundry service to citizens that are struggling during the pandemic. Since the location of this washer and dryer would be located in the City of Centralia, it was decided that this application was not eligible for the Chehalis CARES Community Program.

United Way

United Way submitted an application to assist in their effort to provide high-speed internet access to children participating in remote learning during the school closures. The program outlined that the requested funds would be added to a larger fund to provide internet access to students throughout Lewis County. Since the funding requested was not for a specific program or equipment to benefit Chehalis students that could be identified as a reimbursable expense, there was not enough information to determine if it could be funded with the City's program.

Applications are available for review at the City Manager's office upon request.

SUMMARY OF REQUESTS SUBMITTED

The CARES Program Review Committee participants recommend that the City Council make the following allocations, which will be distributed on a reimbursement basis.

Organization	Requests	Recommendations
Centralia-Chehalis Chamber of Commerce	\$ 75,000.00	\$ 37,500.00
Chehalis Community Renaissance Team	\$ 75,000.00	\$ 50,000.00
Lewis County Seniors	\$ 125,000.00	\$ 37,500.00
The Salvation Army	\$ 29,209.51	\$ -
United Way	\$ 27,500.00	\$ -
Totals	\$ 331,709.51	\$ 125,000.00

RECOMMENDATION

The CARES Program Review Committee recommends that the City Council approve its recommendations individually and collectively for use of Chehalis CARES Community Program funding, which shall be distributed on a reimbursement basis after they are determined to meet the applicable federal requirements. It is also recommended that the City Council authorize the City Manager to execute contracts with each organization eligible to receive the program funding to set forth program terms and conditions and the responsibilities of each party.

SUGGESTED MOTION

I move that the City Council approve the funding amounts, both individually and collectively, of the CARES Program Review Committee for use of Chehalis CARES Community Program funding, which shall be distributed on a reimbursement basis; and that the City Council authorize the City Manager to execute contracts with each organization eligible to receive the program funding to set forth program terms and conditions, as well as the responsibilities of each party.

Coronavirus Relief Funds for Local Governments Eligible Cost Test

Instructions:

Each jurisdiction is charged with determining whether or not an expense is eligible based on the [US Treasury's Guidance](#) and as provided in their contract scope of work with Commerce.

To assist jurisdictions with this determination, Commerce has developed an eligibility cost test. This test gives each jurisdiction full authority to make the appropriate call for each circumstance.

If all responses for the particular incurred cost are "true" for all five statements below, then a jurisdiction can feel confident the cost is eligible:

1.	The expense is connected to the COVID-19 emergency.	<input type="checkbox"/> True <input type="checkbox"/> False
2.	The expense is "necessary".	<input type="checkbox"/> True <input type="checkbox"/> False
3.	The expense is not filling a short fall in government revenues.	<input type="checkbox"/> True <input type="checkbox"/> False
4.	The expense is not funded thru another budget line item, allotment or allocation, as of March 27, 2020.	<input type="checkbox"/> True <input type="checkbox"/> False
5.	The expense wouldn't exist without COVID-19 OR would be for a "substantially different" purpose.	<input type="checkbox"/> True <input type="checkbox"/> False

It is the responsibility of each jurisdiction to define "**necessary**" or "**substantially different**", giving the jurisdiction the authority and flexibility to make their own determination.

Additional consideration – The intent of these funds is to help jurisdictions cover the *immediate impacts* of the COVID-19 emergency. Both direct costs to the jurisdiction and costs to their communities.

There are many possible eligible costs. Many costs are clearly eligible and others are in more grey areas. One could probably justify some of the "grey area" costs based on the test, but are they directly addressing the *immediate impacts*? Possibly not.

In these situations it may be safer and more appropriate to utilize the funds in one of the many other eligible cost categories that more clearly meet the intent of the funds. Again, each jurisdiction has the full authority to make the final call based on their individual circumstances.

ELIGIBLE COSTS

Eligible costs based on the [US Treasury's Guidance](#) and as provided in the contract scope of work with Commerce are as follows:

1. **Medical expenses** such as:
 - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
 - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
 - Costs of providing COVID-19 testing, including serological testing.
 - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
 - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. **Public health expenses** such as:
 - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
 - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
 - Expenses for disinfection of public areas and other facilities, *e.g.*, nursing homes, in response to the COVID-19 public health emergency.
 - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
 - Expenses for public safety measures undertaken in response to COVID-19.
 - Expenses for quarantining individuals.
3. **Payroll expenses** for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
4. **Expenses of actions to facilitate compliance with COVID-19-related public health measures**, such as:
 - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
 - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
 - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
 - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
 - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
 - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. **Expenses associated with the provision of economic support** in connection with the COVID-19 public health emergency, such as:
 - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
 - Expenditures related to a state, territorial, local, or Tribal government payroll support program.
 - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
6. **Any other COVID-19-related expenses** reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.