



# **CHEHALIS BASIN PARTNERSHIP**

**Zoom Call with Screen Share**

**Friday, March 26, 2021**

**9:30am - Noon**

## **Meeting Summary**

### **MEMBERS\* and ALTERNATES' PRESENT**

Jill Warne\*, *Grays Harbor County*

Sean Swope\*, *Lewis County*

Lee Napier', *Lewis County*

Kaitlynn Nelson', *Thurston County*

Dave Windom\*, *Mason County*

Alissa Shay', *Port of Grays Harbor*

Kim Ashmore\*, *City of Centralia*

Andy Olen', *City of Centralia*

Rick Eaton', *City of Centralia*

Terry Harris\*, *City of Chehalis*

Brian Shay\*, *City of Hoquiam*

Chris Stearns\*, *Thurston PUD*

Lauren MacFarland', *Quinault Indian Nation*

Jim Hill\*, *Lewis County Citizen*

Paula Holroyde\*, *Citizen, League of Women Voters Thurston County*

Mike Noone\*, *Ecology Water Resources*

Megan Tuttle\*, *Washington Department of Fish and Wildlife*

Bob Johnson\*, *Washington Department of Natural Resources*

Brian Thompson\*, *Lewis County Farm Bureau*

Jason Walter\*, *Weyerhaeuser*

Jan Robinson\*, *Chehalis River Basin Land Trust*

### **GUESTS**

Mark Biever, Charissa Waters, Elena Fernandez, *Thurston County*; Jeni Bennett, *Evergreen MES candidate/CBP intern*; Jill Van Hulle, Jon Turk, *Aspect Consulting, contractor to Grays Harbor County*; Joel Massmann, *Keta Waters, contractor to Quinault Indian Nation*, Josh Giuntoli, *Washington Conservation Commission*; Sarah Moorehead, *Thurston Conservation District*; Rachel Stendahl, *Chehalis Basin Education Consortium*; Bob Amrine, *Lewis CD*; Larry Phillips, Brian Calkins, Kessina Lee, Cynthia Wilkerson, *WDFW*

### **STAFF**

Kirsten Harma, *Partnership Watershed Coordinator*; Cynthia Carlstad, *Facilitator, NHC*; Bridget August, *GeoEngineers*

### **FOR MORE INFORMATION**

- Meeting summaries are available on the Chehalis Basin Partnership website: [www.chehalisbasinpartnership.org](http://www.chehalisbasinpartnership.org)
- PowerPoint presentations from this meeting are available on the Chehalis Basin Partnership website: [www.chehalisbasinpartnership.org/presentations](http://www.chehalisbasinpartnership.org/presentations)

### **MEETING**

#### **1. Welcome, Introductions**

The Chair convened the meeting and welcomed new Grays Harbor County Commissioner Warne. Participants introduced themselves.

#### **2. Approval of February Meeting Summary**

The meeting summary was accepted with no edits.

Ms. Carlstad reviewed the agenda, noting the two decision items – (1) guidelines for support letters from the Partnership, and (2) letter of support for TransAlta Water Right Marking Strategy grant application.

### **3. Guidelines for Support Letters**

Ms. Harma reviewed edits included in the draft Letter of Support Guidelines distributed to members with meeting materials:

- Added language that members can condition their support as part of their response when reviewing a draft support letter
- Reduced scenarios when CBP Coordinator may issue a letter of support without explicitly bringing it to the CBP to only items that have been previously approved but are now being submitted to another grant program.
- Added CBP consensus gradient for reference.

Ms. MacFarland commented that she will not be able to vote today on the TransAlta grant application letter of support because she does not have permission from her leadership. Discussion occurred around different situations that could occur around this type of scenario, and how those could be navigated by members. Chair Harris, Mr. Hill, and Ms. Warne suggested changing the review period for a draft letter of support from “72 hours” to “3 business days.” This edit was made to the document.

Ms. MacFarland asked further what would happen under the guidelines if concerns are raised during the review period for the support letter. Discussion occurred around this topic. Members determined that a clause needs to be added to the guidelines addressing what would occur if concerns are raised during the letter review period. Mr. Stearns noted that any changes to the draft letter after the review period need to be circulated again for a second member review. Ms. Harma cautioned that extended review periods could result in letters of support not being issued under timelines needed by project proponents.

Mr. Swope expressed discomfort about approving anything at this meeting and asked that the group be given time to discuss within their own entities before proceeding. Ms. Napier commented that the timing of seeking approval on the guidelines coincides with some very controversial issues being discussed in Lewis County, and asked the group to respect the concerns expressed by the County.

Chair Harris reminded the group that when Partnership letters of support are issued, it is expected that all members support the item. In addition, individual member entities may issue their own letters of support. Mr. Hill commented that he believes it’s important to try out the guidelines and then adapt as the Partnership sees what works and what doesn’t. Mr. Stearns commented that he respects the concerns being expressed. He also noted that all members participate to focus on the goals of the whole group while at the same time being responsible to their individual organizations’ priorities.

Ms. Carlstad recommended tabling approval of the guidelines for this month, distributing the slightly revised version to the Partnership, and seeking approval at the May meeting. Discussion on the topic was tabled.

### **4. Letter of Support for TransAlta Water Right Water Marketing Strategy grant proposal**

Ms. Carlstad introduced the topic, stating that while the Partnership had tabled approval for the letter of support guidelines because of concerns about the TransAlta grant application and WDFW land acquisition proposal, she feels they should have the opportunity to hear from TransAlta about the grant proposal and formally decide as a group whether they want to issue a letter of support.

Ms. Van Hulle presented information about the grant proposal being pursued by TransAlta. She stated that TransAlta is in the final stages of establishing a water bank with part of its large water right that will no longer be used for the coal-fired power plant. The grant being pursued is a federal grant through the Bureau of Reclamation (BOR) called WaterSMART specific to water marketing. The grant would fund a water banking strategy – a framework to implement water marketing activities:

- Outreach and partnership building
- Scoping and planning activities – e.g. hydrologic, economic, legal and other types of analysis; and
- Development of a water marketing strategy document describing how water marketing activities will be implemented.

Some ideas for how they may use the funding include:

- Develop better tracking tools – both for TransAlta to make sure transactions don't ever exceed water banking limitations – AND for Ecology to manage the interruptible water rights.
- Explore smaller irrigation-based water banks that are administered by a different entity – maybe Conservation Districts – and pre-vet them to streamline permitting.
- Outreach to entities interested streamflow – Trout Unlimited, Washington Water Trust, - maybe even Ecology directly
- Improve the accuracy of Suitability Map – makes permitting easier, reduces costs to buyers and risks to tributaries.

She explained that there is no competition for the water under discussion, showing a graph that illustrated the quantity that has been requested by the Partnership for streamflow and the quantity being discussed with the City of Centralia.

The grant application is due on April 7. The BOR likes to see letters of support, which is why TransAlta is asking the Partnership for one.

#### Questions and Comments

1. Chair Harris suggested that Ms. Harma draft a template letter of support for members to use if they choose to issue letters of support from their individual entities.
2. Ms. Moorehead commented the Thurston CD issued a letter of support. She further stated that the Thurston CD is very interested in the nuanced ways that water can be utilized, including a schedule that benefits instream flow and economic viability. She said that farmland in Thurston County is being converted to higher density at a rapid pace and having access to irrigation water would help make farming more viable.
3. Ms. Shay asked if the quantity listed for streamflow is what was requested by the Partnership (4 cfs.) and Ms. Van Hulle confirmed it is.
4. Ms. MacFarland asked about the topics listed in Ms. Van Hulle's presentations – will these all be part of the grant application? Ms. Van Hulle confirmed yes, and perhaps more ideas; they are still writing the application.
5. Mr. Stearns commented that the water derives from one of two coal plants that are being retired. Any transfer of water right must go downstream, not upstream, so geographically, the portion of the basin downstream from the current Skookumchuck diversion is the area where the water could be used.

6. Mr. Swope asked what would change with the water right if the Skookumchuck Dam were removed. Ms. Van Hulle responded that there is no plan currently to remove the Skookumchuck Dam but recognized that the stored water in the reservoir is needed to fulfill the surface water diversion water right. Mr. Stearns added that the dam is located in Thurston County.
7. Mr. Amrine asked if changes are made to the water right, then does that create a precedent that makes dam removal more difficult? Ms. Van Hulle responded again that there is no plan to remove the dam. It also supplies water to the hatchery.
8. Ms. MacFarland expressed concerns that the Quinault Indian Nation has. She has also discussed these with Ms. Van Hulle. They are concerned that this grant has the potential to create more competition for the portion of the water right that the Partnership is seeking to acquire and/or make it more expensive. That seems counter to the interest of the Partnership in its Streamflow Plan implementation.
9. Ms. Harma asked what is the CBP's commitment if they issued a letter. Ms. Van Hulle stated that the water bank will be put in place regardless of whether TransAlta receives this grant. The grant would help flesh out the water bank to make it more robust with tracking, outreach, etc.

Ms. Carlstad took an informal poll on whether the Partnership wants to issue a letter of support for the TransAlta grant application.

- A few members indicated they are not comfortable approving a letter of support.
- Mr. Swope asked Mr. Ashmore to speak to the City of Centralia's perspective. Mr. Ashmore stated that the City has not decided whether it will issue a letter of support yet, they are considering it internally and it will be a city council decision. Regarding the dam, he noted that the dam provides benefits for the hatchery, streamflow, power, and some flood control.
- Ms. Napier asked what exactly the grant would fund; she is not clear from what Ms. Van Hulle presented. Ms. Van Hulle clarified that the grant would fund a strategic plan, and the ideas presented are just some of their initial thoughts about what that plan would include. Creation of the water bank is separate from this grant; it is actually a prerequisite to getting the grant.
- Mr. Swope explained that he is not ready to support this, in part because of the difficulties in the past of getting water authorized for IPAT (Industrial Park at TransAlta) and uncertainties going forward, including the future fate of Skookumchuck Dam. The IPAT parcels are areas donated to Lewis County by TransAlta after the coal mine closed in 2006.
- Mr. Stearns commented that the dam is used for power production at a level to remain below FERC regulation. It is an earthen dam which is typically less expensive to remove than concrete dams.

Mr. Duncan joined the meeting from an earlier engagement that went long and expressed that TransAlta is seeking to build out their water bank as best as possible. He noted to Mr. Swope's earlier point that water rights for the IPAT is an unrelated issue.

Ms. Carlstad stated that it is clear there is not a Partnership consensus to issue a letter of support, so asked Ms. Harma if she could take lead on developing the template letter suggested by Chair Harris for member entities to use for their own letters if they choose to issue one. Ms. Harma will attempt to provide the letter on Monday, and Ms. Van Hulle will assist her.

## 5. Watershed Plan Addendum Implementation Projects Update

Ms. Carlstad announced that two implementation projects will be featured today – Managed Aquifer Assessment (MAR) and the USGS Groundwater Discharge Zone Delineation. She then introduced Ms. August to present the MAR Assessment work.

- MAR Assessment – Ms. August began by displaying a map of the Chehalis Basin and noted that she has focused on public lands to screen best opportunities where soils and geologic may be suitable. Suitable soils and underlying geology includes hydrologic groups A and B which indicates they have infiltration rates of 2 inches or more per hour, and sand and gravel or outwash. She excluded areas of low permeability, lakes, wetlands and high groundwater areas. She also used the distance of half mile or less to water source as a screening criteria. Depth to groundwater is not readily available and she excluded areas in the 100-year floodplain.

GeoEngineers examined 71 projects, 20 of which met the above criteria. She displayed the map showing all sites, including those screened out. She reviewed sites by subbasin, and indicated that she would like to review these sites in detail with the Projects Team. In terms of next steps, Ms. August plans the following:

- Quality control review of GIS public ownership data
- Review with Projects Team
- More detailed investigation into promising sites – depth to groundwater and aquifer thickness if available, reviewing parcel ownership (some parcels are listed as WDNR managed land, but may be owned by someone else, site development restrictions, water source and availability, evaluate property size in relation to available water.

Mr. Stearns noted that Lake Macintosh just outside the headwaters of Scatter Creek used to overflow into Scatter Creek and there is an old dump site that could be a candidate for aquifer recharge.

- USGS Groundwater Discharge Zone Delineation – Ms. Carlstad introduced that this project, while it is a study, is focused on optimizing where work is done to restore streamflow so it directly supports effective implementation of the Streamflow Restoration Plan. Then Mr. Turk presented the work that the project team has been doing. The goal of the study is to identify cold-water reaches and streamflow contributions from groundwater. Scatter Creek is ideal for this since it is projected for rapid development, some data for gaining and losing reaches exists, and Thurston County and the USGS have other good data available to start with in characterizing groundwater in the watershed.

He described that identification of groundwater seepage zones is needed to identify areas with greatest risk of impact from increased groundwater consumptive use and identify locations where greatest benefits may be achieved through habitat restoration and enhancement.

Objectives of the current work are to:

- Develop a framework for technical study
- Establish scope of work and planning-level budget estimates for subbasin scale study
- Identify current and future funding opportunities
- Support adaptive management process.

Scatter Creek is projected for a relatively high level of permit-exempt well development. He showed a map of the overall Chehalis Basin that illustrates gaining and losing reaches of the Chehalis River. He then displayed a map of Scatter Creek watershed that showed

gaining and losing reaches of Scatter Creek and public water systems. They want to extend this work to cover the entire watershed and have identified various data collection techniques to accomplish that.

As a draft scope of work, they are proposing:

- Desktop assessments
- FLIR thermal survey
- Field investigations
  - Visual observations and citizen science
  - Thermal profiling
  - Seepage runs
  - Isotope tracer study

Desktop Assessment work that could be done include

- GIS mapping
  - Land ownership and tributary access constraints
  - Canopy cover may limit FLIR data
- Improve conceptual hydrogeological model
  - Well log review and preliminary geologic mapping
  - Water level analysis

With time running short in the meeting, Ms. Carlstad recommended bringing this project back for more discussion in May.

## **6. WDFW Proposed Land Acquisition at TransAlta Site**

Ms. Harma introduced the topic, stating that when she learned about the potential acquisition and distributed the announcement to the Partnership WDFW was in the middle of a public comment period which has now closed. She felt the Partnership would be interested to hear more and have the opportunity to engage on the topic. She introduced Ms. Wilkerson from WDFW who will present the proposal to the Partnership.

Ms. Wilkerson thanked everyone for the invitation to speak at the meeting and recognized several other WDFW staff in attendance for the topic: Larry Phillips, Brian Calkins, and Kessina Lee. She also recognized Cody Duncan from TransAlta.

Ms. Wilkerson explained that the public comment period referenced by Ms. Harma was associated with an annual review of the Lands2020 WDFW process where they review opportunities that may match with WDFW priorities. So, there is plenty of time to engage on this opportunity as they are early in the process.

She displayed a map showing site features and the land under discussion for acquisition by WDFW. The power plant footprint, industrial plant development, and several IPAT parcels are not part of WDFW's proposed acquisition. This would be a phased acquisition if WDFW pursues it.

The acquisition could be up to 9,800 acres and contains a diverse array of habitats that already exist on the site. It would also support establishing wildlife corridors and provide recreational opportunities. It has value for species recovery for western pond turtle, Oregon spotted frog, and streaked horned lark. The project is supported by several organizations, and Lewis County and several local cities have stated opposition to the acquisition. Several cities have also raised concerns but not formally stated opposition.

Ms. Carlstad asked Mr. Duncan if he wanted to say a few words. He indicated that he is very available to answer questions and wants participants to understand that TransAlta is completing full due diligence in closing and reclaiming the site as required by federal regulators. They are not simply handing the site off to anyone. They are excited to partner with WDFW; they are early in the process and want to work with the local community to make it all fit together well. They recognize opposition to the acquisition and intend to work with the local community.

## Questions and Comments

Mr. Stearns asked what stage the reclamation is at. Mr. Duncan described that reclamation in the northern part of the site is nearly complete, but the central and southern part is pretty early in reclamation. They foresee being actively reclaiming the site until approximately 2035.

Mr. Swope complimented and thanked Mr. Duncan for how he is working with the community.

Ms. Shay noted that where she works, at the Satsop Business Park has some similarities in that there is a large amount of conservation and also economic development potential. Is the economic development potential to be considered? Mr. Duncan responded yes, there are about 450 acres outside the proposed acquisition area that will continue to function and be available for industrial development. Mr. Phillips added that the IPAT lands are also available for economic development. These areas total approximately \$12 million in infrastructure.

Mr. Shay asked about the plans for the industrial property outside the proposed donation footprint. Mr. Duncan responded that TransAlta will stay; they are looking for ways to generate power at the site, including natural gas.

Mr. Shay asked if TransAlta has considered donating the land to anyone other than the state. Mr. Duncan responded that their donation plan has to be reviewed by the federal regulatory agency, so it is complicated and must meet their criteria. They intend to continue working with WDFW on the donation.

Mr. Shay asked what is expected for management of the timber lands. Ms. Wilkerson responded that they are too early in the process to have a plan. She also noted that their mandate is not revenue generation, however the agency does do forest management as part of its land management activities elsewhere. Ms. Lee emphasized that these specific questions are decided after an acquisition is made. WDFW would then form a wildlife management advisory committee through which they process these management decisions. She also acknowledged the concern expressed in the chat about noxious weed management.

Mr. Stearns commented that regarding commercially used land for energy production, there is usually continued use for energy production because of the investment in energy infrastructure.

Chair Harris asked Mr. Duncan what is the financial savings of turning the land over to the state, and what is the cost to the state in the management of the land. Thirdly, is there potential for introducing endangered species into a new area which would then be more heavily regulated? Mr. Duncan responded that they do not have a firm estimate of whether there is a financial savings to TransAlta. He also reiterated that TransAlta is fully responsible for the site reclamation. Mr. Caulkins added that WDFW is collaborating with TransAlta on what they envision the eventual use will be and reclaiming to meet that vision. Regarding species – the three listed are very specific to what habitats they use and are not likely to expand. WDFW is able to execute agreements to address assurances should species habitat expansion occur beyond its natural extent. Mr. Swope emphasized that the County would want assurances for landowners related to any endangered species expansion. Ms. Wilkerson described that for the lark those assurance would be in the form of a Safe Harbor Agreement which would hold a landowner not accountable if an endangered species was found on their land. They could also consider utilizing a “10(j) experimental population” vehicle that would place any occurrence outside of ESA protections.

Mr. Swope asked who would be considered a stakeholder. Ms. Wilkerson responded that this is open to anyone who is interested. Ms. Lee added that consulting with local governments and tribes is important to WDFW; that coordination is above and beyond routine stakeholder engagement.

With no more questions, Ms. Carlstad closed discussion on the topic and thanked the WDFW team and Mr. Duncan for joining the Partnership today to discuss the acquisition proposal.

## **7. For the Good of the Order / Public Comment**

Chair Harris opened public comment and partner updates.

Mr. Stearns commented that reclamation of the TransAlta site is not dissimilar to the upper Black River which is now part of the Nisqually Wildlife Refuge.

## **ADJOURNMENT**

With there being no further business, Chair Terry Harris adjourned the meeting.

## **RECORD OF DECISIONS:**

1. June 28, 2019 – Members voted by full consensus to review the Charter Addendum as edited at this meeting within their organizations and be prepared for a second reading and approval at the July 26, 2019 meeting.
2. July 26, 2019 – Members voted by full consensus to approve the Charter Addendum to the 2004 Operating Procedures. The Quinault Indian Nation voted “Formal Disagreement, but Willing to Go with Majority” and will provide a written statement to include with the final charter.
3. April 24, 2020 – Members voted by full consensus to approve the permit-exempt well projection of 4555 new permit-exempt well connections by 2040 with an estimated consumptive use of 504.8 acre-feet per year. Absent members: City of McCleary, City of Napavine, Town of Pe Ell, Terry Willis (Grays Harbor citizen member), WDNR, Brian Thompson (Lewis County Farm Bureau); Abstaining members: Weyerhaeuser, City of Aberdeen
4. October 29, 2020 – First approval of Watershed Plan Addendum by full consensus. Abstaining members: Boistfort Water District, City of Montesano; Absent members: City of Napavine, Town of Pe Ell, Terry Willis (Grays Harbor Citizen Representative),
5. November 17, 2020 – Final approval of Watershed Plan Addendum by full consensus. Abstaining members: Boistfort Water District, City of Montesano; Absent members: City of Napavine, Town of Pe Ell, Terry Willis (Grays Harbor Citizen Representative)
6. February 26, 2021 – Approval to develop guidelines for how project proponents may obtain letters of support from the Partnership.

**NEXT MEETING:** April 23, 2021