



## Lake Whatcom Policy Group

### July 17, 2017 Meeting

### Brief Digest of Presentations and Discussion

**Policy Group members in attendance:** Todd Donovan, Satpal Sidhu (Whatcom County Council); Dan Hammill (Bellingham City Council). Bruce Ford (Lake Whatcom Water and Sewer District; Larry Brown (Sudden Valley). Other Council or Board members present: Todd Citron (Lake Whatcom Water and Sewer District Board); Carl Weimer (Whatcom County Council).

#### 1. Whatcom County Flood Control District – Process for Reviewing Revenue Options

Staff discussed major Public Works activities that receive funding from the Flood Control Zone District fund, which is under stress and seeing depleted reserves. This information was presented to the County Council in spring. There are three divisions in Public Works that are involved: the River and Flood Program; the Natural Resources Program; and the Stormwater/NPDES Program.

**The River and Flood program** administers the National Flood Insurance Program, an emergency flood response program, maintenance and repair of flood control facilities, floodplain planning, and the Comprehensive Flood Hazard Management Plan (CFHMP). The CHFMP is the long-term comprehensive plan for river management and includes capital projects that integrate flood hazard reduction, salmon restoration, and agricultural viability for the lower Nooksack basin. There is a 1-2 decade time horizon for this plan, and the current planning process is expected to take about 2 years to complete. The current plan was completed in 1999. The Flood capital program includes projects identified in the CHFMP as well as projects that have been identified in the System-wide Improvement Framework (SWIF). The SWIF includes a list of improvements that are necessary to bring the levees up to US Army Corp of Engineers standards. Levees need to be maintained to Corps standards in order to qualify for an 85% reimbursement rate from the federal government for repairs from flood damage.

**The Natural Resources Division** oversees water quality programs, including identification of pollution and fecal coliform sources. There are focus zones for Drayton Harbor, Birch Bay, and Portage Bay. Work includes monitoring, data, outreach, working with landowners, and enforcement. About a third of the water quality program is funded by an EPA grant. The division is also involved in water rights and watershed planning, salmon recovery, and the Aquatic Invasive Species (AIS) Program. There is also a Marine Resources Committee, which is a grant-funded citizen's science group looking at marine ecosystem issues.

The third division is the **Stormwater and the National Pollution Discharge Elimination System (NPDES) program**. NPDES includes inspection, repair, and reporting for stormwater management activities required under the NPDES stormwater permit. NPDES activities are funded out of the Road fund since most of the County's stormwater infrastructure is associated with County roads. The remainder is funded by Flood funds. The County's contributions to the Lake Whatcom Management Program is also included in stormwater division. Programmatic activities are funded by the Flood fund, while capital projects are funded by Real Estate Excise Tax (REET) and state grants. The County's contribution to the Homeowners Incentive Program comes from the Flood

fund. There is also a Birch Bay Water and Aquatic Resources Management Program (BBWARM) that is a sub-flood zone and has its own funding source.

A 2014 Water Action Plan was created in response to growing concerns about countywide water issues. The plan includes the following elements.

- a. Creation of a formal NPDES program, funded by Road and Flood funds.
- b. An enhanced Pollution Identification and Correction (PIC) program that monitors water quality affecting shellfish beds.
- c. Lake Whatcom phosphorus reduction commitments to meet city and County goals of achieving the TMDL within 50 years
- d. Update of the Comprehensive Flood Hazard Management Plan.

The Flood Control Zone District is a separate district created in 1992. The County Council acts as the District Board of Supervisors. Funding is from a countywide property tax. The fund can be used for wide range of water quality and resource investments.

Expenditures have been trending up, especially in 2017 because of capital and Water Action Plan projects. Current spending is depleting the reserve which will be gone sometime in 2018. There is a \$5 million minimum balance for the Flood Fund which was set by resolution to provide a minimum level of funds for a flood emergency.

Four options for Levels of Service (LOS) are being evaluated to help inform decisions on revenue levels:

- **LOS 1** involves no action to increase revenues. This would reduce the rural water quality program, cease AIS program contributions, and continue the Marine Resources Committee with grant funds. There would be minimal water rights work. The update of the Flood Hazard Management Plan would be halted, and capital projects spending would be reduced, resulting in a triage for levee repair projects. Some levees would no longer be eligible for Army Corp of Engineers funding. Current HIP funding and Lake Whatcom capital projects would be maintained so that the County can meet its obligations under the 50-year TMDL schedule and NPDES permit. Salmon recovery work would continue.
- **LOS 2** would maintain current levels of activity and would require an additional \$1.3 million of funding above current revenues. This would allow continuance of the rural water quality programs, allow minimal participation in Nooksack Basin water rights work, and provide for funding of AIS and the development of additional salmon recovery improvements. The CHFMP update would continue and capital projects would continue to be constructed; however, the current rate of levee repairs is not sufficient to meet Corps standards so some levees could become ineligible for Corp reimbursement program.
- **LOS 3** maintains current spending and adds funds to achieve current stated commitments. An additional \$1.7 million would be required. This would provide more staff capacity for water resources, especially for water rights mitigation projects. Levees would remain in compliance with the Army Corp program, and there would be more money to do stormwater work outside of the public right of way, which cannot be funded by road funds.

- **LOS 4** would allow achievement of current commitments, plus add additional spending for the Lake Whatcom program. This would require filling a funding gap of \$2 million. This would allow the County to match the City's funding levels for the HIP program (\$400,000) and also provide funding for additional small residential area public stormwater retrofit projects.

Options for increasing revenues include an increase in the flood tax. To achieve LOS 3, taxes would be raised to levels that would result in an additional \$20 per year for a \$300,000 house. An alternative funding mechanism would be creation of a utility district such as a stormwater utility, a sub-flood control district, or a shellfish protection district. These would allow assessment of fees on property according to amounts of impervious surfaces at each property. For example, in 2009 and 2010 a Lake Whatcom surcharge was considered. If a fee was set at \$60 per property per year, this would bring in about \$400,000 for work in the Lake Whatcom basin. These options have been presented before at a number of meetings and groups around the County.

There could be a combination of new funding sources to meet desired funding levels. The County Council will be the decision-making authority on funding, and in identifying projects with the highest spending priority.

Staff was asked what the main impacts of a lower level of service would be. The NPDES and TMDL programs would be maintained under a no action alternative since they are mandated. The County would not be able to update the flood plan. Some rural water programs would go away, such as those that seek to keep shellfish beds open. With lower levels of spending, some grant dollars would go down, since grants usually require a match using local funding.

## 2. Lake Whatcom Program Area Updates

### a. Stormwater: Whatcom County Capital Program Planning

County staff and Herrera Engineering presented an overview on the process for updating the capital projects section of the stormwater plan. The original Lake Whatcom stormwater plan was adopted in 2008. The focus of the updated section of the plan is on capital projects to reduce phosphorus flowing into the lake, and will be presented to the County Council for adoption this Fall. The updated plan will identify capital projects for the next 10 to 15 years. The goal is to identify the most effective capital projects for meeting phosphorus reduction required by the TMDL.

The planning process includes information gathering, public input, evaluation of potential sites, creation of preliminary designs, and site evaluation by engineers. Potential projects are being mapped. Dollars per pound of phosphorus removed will be calculated for all projects.

Everyone in the county watershed received a mailing indicating opportunities for input. Project selection criteria include areas with known problems, areas of concentrated urban development, and areas with large impervious surfaces that are not currently being treated.

A total of 39 new projects are identified and a summary sheet is being created for each potential project. Predesign reports are being created for some projects, which will assist in applications for grant funding.

Fieldwork involves looking at different drainage areas, including photo documentation and notes regarding constraints and impediments. Measures under consideration include the following: media filter drains with a pipe network; underground treatment systems with filtration cartridges; planted treatment systems; and stream bank stabilization to minimize erosion.

The plan will not include projects that are part of the HIP program. Most projects will be in the public right of way, except for a few in Sudden Valley and some creek drainage areas. To review the plan, see <http://www.co.whatcom.wa.us/2329/Capital-Project-Plan-Update>.

b. Stormwater: City and County 2017 Capital Projects

The City is working on two projects in 2017, one at E. North St. and the other at E. Oregon St. These projects combined will treat about 40 acres. At the E. North site, a pre-filter will be used to trap debris and sediment, piping will be upgraded to better manage and control runoff flowing directly to Lake, and a non-proprietary system will be installed to replace a grassy ditch. A proprietary system will also be added to capture, recycle, and neutralize phosphorus and bacteria.

For the E. Oregon project, a new drainage infrastructure will connect a County ditch to the City system. Piping will be upgraded to better manage and control runoff flowing directly to Silver Beach Creek, and three proprietary systems will be installed to treat for phosphorus and bacteria. Buffer plantings will reduce stream erosion.

Treatments systems are constructed so they can be rebuilt in the future if more effective measures are developed. Proprietary systems use Best Available Technology that is approved by the Department of Ecology. Construction will begin in July. All earthwork will be completed by September 30. Some planting work may occur into the fall.

The construction of the ditches will occur on the side of roads where there may be some parking, and are constructed to withstand a moderate amount of car traffic. Pipes are protected and angular gravel is used to reduce displacement. These areas will be monitored to ensure they are not being degraded.

The County is wrapping up projects at Academy Road and Cedar Hills. A major project planned for Agate Bay has encountered legal issue and is being postponed until 2018. The Agate Bay project is expected to include vaults, filter drains, and channel restoration. In 2019 some stormwater control projects may occur in conjunction with Sudden Valley.

c. Land use: Wildwood Resort.

There is an active application for an expansion of the Wildwood resort at the south end of the Lake. The County has not issued a final SEPA threshold of determination. The standard of review is no net loss for shoreline function. A variance needed if there is an expansion of nonconforming uses. The original comment period closed on July 5. The County has received 55 comments, with most focusing on AIS, water quality, shoreline erosion concerns, and water quality impacts from boats.

Staff and Policy Group members discussed the notification process for this type of proposal. The Lake Whatcom Water and Sewer District was not directly informed by the

County, nor was the City of Bellingham Watershed Advisory Board (WAB). The WAB has submitted a letter documenting their concerns with this project. In the current SEPA process there are options for notice, and the County published a notice in the Herald. People or groups can get on a list to receive all County SEPA notifications. No decisions have been made on this project. There will be a second comment period after the threshold of determination for SEPA has been made. More information on the project can be found at: <http://www.whatcomcounty.us/2597/Wildwood-Resort-Expansion-Project>.

d. Monitoring and data: Tributary and lake monitoring

Programs administered by the Lake Whatcom Program data team include the annual Lake Whatcom monitoring program, hydrological model analysis, and the tributary monitoring program. The WWU Institute for Watershed Studies provides long term baseline water quality monitoring for Lake Whatcom and major tributaries. The 2015 and 2016 reports are on the WWU water studies web site. The jurisdictions are working to select a consultant to review the modeling of the total phosphorus flow into Lake Whatcom. For the tributary monitoring, an RFP was issued and an existing contract for Brown and Caldwell was extended. Brown and Caldwell completed two prior phases starting in 2008. The goal is to optimize current monitoring of streams and identify needed new monitoring sites.

e. Aquatic Invasive Species: Year to date

Staff reported program activity as of July 10, 2017. The annual program review will be presented at the October meeting of the Policy Group. The season opened in April. Activity started out slow due to weather but has now exceeded levels seen in 2016. Four check stations are open in 2017, including a new station at Sudden Valley that is staffed on weekends. Permit sales and inspections are all ahead of July last year. To date, 4763 permits have been sold, and 7277 inspections have been completed.

The program has intercepted a number of high risk boats this year. A boat from Texas that had been launched in a lake infested with Zebra mussels had water in its ballast tank and had to be fully decontaminated. Boats with solid ballast tanks need to be flushed with hot water. Another boat from Wisconsin was observed with Zebra mussel shells in a sea strainer and also received a full decontamination. A boat from Arizona was inspected with no evidence of mussels, but it was decontaminated because it had recently been in Lake Havasu, which is infested with Quagga Mussels. A boat from Utah was decontaminated after it has been launched in an area where nearby lakes are contaminated. Some kayaks from infested areas with mussel shells have also been intercepted and decontaminated. There is a decontamination charge of \$25 dollars but the main goal is to get the boats clean, and the fee may be waived if the owner cooperates in the process, which can take up to 5 to 6 hours for more complex boats. The program has received a number of favorable comments from participants in the inspection process, who stated that it is professionally run and provides efficient customer service.

f. Administration: TMDL Implementation Plan

A 10 year report indicating milestones for achieving the TMDL requirements is due to the State Department of Ecology on October 31. The first 5 years of the report will be aligned

	with the current Lake Whatcom Management Plan and the current NPDES permit, and will indicate specific tasks for each jurisdiction. Meeting the TMDL milestones will be a condition of the NPDES permit. The second 5 years of the report will describe programs and projects in more general terms to set the stage for future planning.
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<b>3. Topics for last meeting of the year</b>	
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	The Policy Group selected the following topics for discussion at the October Policy Group meeting:
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|  | <ul style="list-style-type: none"><li>• AIS Annual Program Review</li><li>• Review of the 2017 HIP Program</li><li>• Review of Land Acquisition Program</li><li>• Update on Proposals for the flood control district fund</li><li>• Overview of City/County efforts to regulate vacation rentals in the watershed</li><li>• Update on County Parks Planning</li><li>• LWWSD septic research project – findings</li></ul> |
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<i>Upcoming Meetings:</i>	
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<b>Lake Whatcom Policy Group</b> October 16, 2017, 3:00 PM, Fireplace Room, 625 Halleck Street.	
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