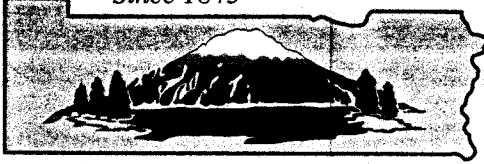


Since 1845

LEWIS COUNTY COMMISSIONERS



Lewis County, Washington

LEWIS COUNTY COURTHOUSE
351 NW NORTH STREET
CHEHALIS, WA 98532-1900
(360) 740-1120 • FAX: (360) 740-1475
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RON AVERILL
First District

RICHARD GRAHAM
Second District

F. LEE GROSE
Third District

Sheila Unger
Board Administrator

May 1, 2008

Chehalis Flood Authority Group:

Attached is a copy of the Interlocal Agreement with all signature pages from the cities and the counties. Again, the Lewis County Board of County Commissioners would like to thank all the parties for their participation and willingness to complete the Interlocal Agreement. We believe this is a good start of things to come for our surrounding communities.

As you know the next meeting of this group will be **Friday, May 9, 2008, at 9:00 a.m.** in the Lewis County Commissioners Hearing Room, 351 NW North Street, Historic Courthouse, 2nd Floor, Chehalis, WA. Keith Phillips and the others from the state agencies are also invited to the this meeting. We hope to have a draft of the RFQ for a facilitator at that time.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY WASHINGTON

A handwritten signature in black ink, appearing to read 'Ron Averill', is written over the printed name of the Board of County Commissioners.

Ron Averill, Chairman

RA:smu

Enclosure (Interlocal Agreement)

CHEHALIS RIVER BASIN FLOOD AUTHORITY

AN INTERLOCAL AGREEMENT AMONG THE COMMUNITIES OF THE CHEHALIS RIVER BASIN FOR STUDY, ANALYSIS, AND IMPLEMENTATION OF FLOOD CONTROL PROJECTS TO PROTECT THE CHEHALIS RIVER BASIN

- A. WHEREAS, the Chehalis River Basin in Southwestern Washington State has been experiencing a chronic flooding problem from the Chehalis River over the past several years; and
- B. WHEREAS, many Chehalis River Basin communities in Southwestern Washington, natural resources, commercial industries, private property, and human life are being threatened with each flood event; and
- C. WHEREAS, the basin communities are interested in finding cost-effective, long-term and environmentally responsible methods to protect their resources from flood events; and
- D. WHEREAS, in December 2007, a series of storms caused flood damage in southwest Washington. On December 8th, the President declared a major disaster in the counties of Grays Harbor, Kitsap, Lewis, Mason, Pacific and Thurston. Federal funding assistance was made available following this declaration.
- E. WHEREAS, the Legislature in the 2008 legislative session through House Bills # 3374 and 3375 appropriated \$50 million in state general obligation bonds to the Office of Financial Management (OFM), working with and through other state agencies, the Chehalis Basin Flood Control Authority, and other local governments, to participate in flood hazard mitigation projects for the Chehalis River basin.
- F. WHEREAS, HB 3374 and 3375 restricts the allotment of construction funds until an agreement between nonfederal project partners has been signed and submitted to the Governor and the Legislature delineating responsibility for the ongoing operations and maintenance of the projects.
- G. WHEREAS, up to \$2.5 million of the appropriation is for the Chehalis Basin Flood Control Authority or other authorized local government groups to develop or participate in the development of flood hazard mitigation measures throughout the basin.

- H. WHEREAS, the OFM is directed to participate as the non-federal sponsor of United States Army Corps of Engineers flood hazard mitigation projects for the Chehalis River basin area for projects that are mutually agreed to between the federal government, the OFM, and the Chehalis Basin Flood Control Authority, or other authorized local government group. The OFM must prepare the necessary agreements to ensure an active partnership with federal and state agencies, local governments, the Chehalis River Flood Control Authority, and others as needed.
- I. WHEREAS, Construction funds may not be allotted for flood hazard mitigation projects until a project agreement between non-federal project partners has been signed and submitted to the Governor and the Legislature delineating responsibility for the ongoing operations and maintenance of the projects. The agreement must also include a plan to meet applicable flood plain management requirements and to address any applicable federal requirements for managing the effect of future land use developments on the extent and severity of flooding.
- J. WHEREAS, authorization has been approved by Congress in the water Resources Development Act of 2007 (WRDA) (U S House Resolution #1495) to fund the "project for flood damage reductions, Centralia, Chehalis River, Lewis County, Washington: Report of the Chief Engineers dated September 27, 2004."
- K. WHEREAS, pursuant to HB 3375, the OFM shall participate as the nonfederal sponsor of the Corps of Engineers flood hazard mitigation projects for the Chehalis river basin area, including the project authorized by the WRDA, if such projects are mutually agreed to between the federal government, the OFM and the Chehalis basin flood control authority or other authorized local government group. The OFM must prepare the necessary agreements to ensure an active partnership with federal and state agencies, local governments, the Chehalis River Flood Control Authority, and others as needed.

NOW, THEREFORE, we hereby create the Chehalis River Basin Flood Authority and the members will be the municipal corporations of Lewis County, Grays Harbor County, Thurston County, the City of Centralia, the City of Chehalis, and Town of Pe Ell, the City of Aberdeen, the City of Montesano, Town of Bucoda and the Confederated Tribes of the Chehalis Reservation ("Basin Governments"), who hereby enter into this Interlocal Agreement ("Agreement") pursuant to RCW 39.34.030 and mutually promise to agree to the terms and conditions described herein.

1.0 PURPOSE

The purpose of this Agreement is to be the designated Chehalis Basin Flood Control Authority identified in HB 3375 to receive the 2.5 million dollars to develop and participate in the development of flood hazard mitigation measures throughout the basin, and provide a formal and organized process to ensure:

- 1.1 That flood control projects are identified and implemented that address the flood problems in the basin.
- 1.2 That good public policy supports environmentally sensitive responses to protect communities and their residents from flooding, if the responses provide benefits which exceed costs, including costs associated with a no action response.
- 1.3 That state and federal funding sources are well-informed of Basin Government options and needs.
- 1.4 That the design for basin flood control projects incorporate options, features and betterments that may benefit the basin communities and the Basin Governments.
- 1.5 That the Chehalis River Basin Flood Authority will oversee moving current and future Chehalis River Basin Flood reduction projects forward until such time as a Flood Control District is formed and adopted by the stakeholders' legislative authorities.

2.0 GOALS

The Basin Governments shall work together throughout the term of this Agreement to achieve the following specific goals:

- 2.1 To create a Basin Flood Control District as soon as is practicable.
- 2.2 To inform state and federal funding sources of project options and the needs of the basin communities.
- 2.3 To work with the State of Washington to develop appropriate policy for a basin-wide flood control project.
- 2.4 To seek adequate funding for the Basin Governments to identify, study and permit projects for localized problems.

- 2.5 To disseminate information to residents about options and alternatives.
- 2.6 To coordinate flood control activities, actions and responses.

3.0 LEAD AGENCY

For the purposes of this Agreement, Lewis County shall act as Lead Agency. The Lead Agency shall be responsible for approved projects and authorized to perform the following tasks:

- 3.1 Negotiate and execute agreements with state agencies for grant funds.
- 3.2 Receive and disburse funds from the state and federal agencies, the counties and the basin communities.
- 3.3 In the event any work must be performed by or on behalf of the counties or the basin communities pursuant to this Agreement, solicit statements of qualifications, negotiate scope of work, and execute contracts to perform the work by or on behalf of the counties or the basin governments pursuant to this agreement. The Lead Agency shall not obligate any of the Basin Governments to any financial responsibilities without prior written approval and agreement from the appropriate Basin Governments.
- 3.4 Prepare and maintain proper records for accounting and administration.
- 3.5 Arrange and facilitate regular meetings of the basin governments.
- 3.6 Provide legal support as necessary.

The Lead Agency shall report regularly to the parties to this Agreement and shall provide them with a full accounting on the receipt and expenditure of funds that may be provided, pursuant to this Agreement.

4.0 MEMBERSHIP AND REPRESENTATION

Each of the Basin Governments shall designate in writing to the Lead Agency one official representative. Regardless of the number of official representatives designated in writing to the Lead Agency, each Basin Government shall be

entitled to one vote on all matters requiring group action or direction to the Lead Agency. In addition, the Counties shall act as the coordinators and representatives of the basin communities within their respective jurisdictions which are not otherwise represented.

The Lead Agency will arrange and facilitate regular meetings of the Basin Governments, not less than once every three months, to discuss the status, progress, funding and schedule of the basin flood control projects, and to consider the advancement towards the goals stated herein. Designated representatives of Basin Governments shall use best efforts to attend the meetings.

5.0 VOTING

Each represented entity shall be entitled to cast one (1) vote. Measures proposed to the represented entities shall seek consensus as a goal. In the event a consensus cannot be reached, then a super majority vote of sixty (60) percent of the voting members shall decide the issue, provided that any amendments to this agreement, must be approved by unanimous vote.

6.0 FUNDING

It is anticipated that funding sources for creating a basin flood control district, and for the planning, optimization, preliminary engineering and permitting of basin flood control projects will be different from the funding sources for construction. A strategy will be developed by the Basin Governments for continued funding for design, engineering and permitting, and a different strategy will be developed by the Basin Governments for funding construction.

The activities of the Basin Governments shall be funded from the following sources:

- 6.1 Funds made available from state allocated sources.
- 6.2 Funds made available from federal sources.
- 6.3 Funds from the Basin Governments, but only pursuant to other agreements, if made.

Funds from the Basin Governments may be required, if necessary for matching or providing a local share for other funding sources that become available, or if additional funds are required in excess of state and federal funding. Since the benefits to be derived from the basin flood control project and its features vary among the Basin Governments, the Basin Governments will contribute to the

needs of the project in varying amounts, based upon their respective benefits and ability to pay. Any funds required from the Basin Governments to cover funding requirements or to cover costs for projects developed as a result of research and development, pursuant to this Agreement, will be shared as agreed upon by the Basin Governments as set forth in future Interlocal Agreements. Nothing in this Agreement shall obligate, or be construed to obligate, any of the Basin Governments to enter into future Interlocal Agreements.

7.0 TERM OF AGREEMENT

Each of the Basin Governments may opt out of this Agreement by written notification to the Lead Agency with 90 days prior notice, provided that no joint debt has been incurred by the Basin Governments.

8.0 MODIFICATION

This Agreement may be modified or amended only by written amendments signed by each of the parties to this Agreement.

9.0 PRIOR AGREEMENTS

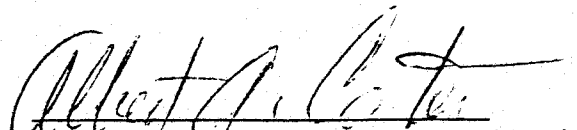
This document embodies the entire agreement between and among the parties. There are no agreements, promises, terms, conditions or obligations other than those contained herein. This Agreement shall supersede all previous communications, representations, agreements, written or oral, among the parties relating to the subject matter contained herein.

IN WITNESS HEREOF, the undersigned have executed original copies of this Agreement on the dates shown below.

LEWIS COUNTY

GRAYS HARBOR COUNTY

Ron Averill, Chairman (date)


Albert A. Carter, Chairman (date)