



Washington Department of Ecology

2018 Supplemental Capital Budget



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

PO Box 47600 • Olympia, WA 98504-7600 • 360-407-6000
TTY 711 or 800-833-6388 (for the speech or hearing impaired)

October 9, 2017

TO: David Schumacher, Director
Office of Financial Management

FROM: Maia D. Bellon, Director 

SUBJECT: 2018 Supplemental Capital Budget Request

As the lead environmental agency in Washington, the Department of Ecology (Ecology) is dedicated to addressing many challenges facing our natural resources. Making smart investments with fewer resources in priority areas is important to both the economic success and environmental health of our state. At Ecology, we are specifically focused on:

- Reducing and preparing for climate impacts
- Preventing and reducing toxic threats
- Delivering integrated water solutions
- Protecting and restoring Puget Sound

Attached are Ecology's 2018 Supplemental Capital Budget requests. Since the Legislature did not pass a 2017-19 Capital Budget for new projects, we are resubmitting our capital requests for priority environmental and public health projects, along with two new emergent requests: (1) Water Availability, and (2) Mount Baker Properties Cleanup and Affordable Housing Development.

The requests are supported primarily by dedicated environmental funds, federal funds, and direct charges to customers for services provided, or requested from state bonds for capital projects that:

- Improve water quality
- Deliver water for fish, farms, and people
- Protect the environment, property, and infrastructure from flood hazards
- Address air toxics and public health issues
- Address enterprise risk management priorities
- Protect or restore state owned facilities
- Create jobs

Our budget request also addresses the \$69 million shortfall projected for Model Toxics Control Act (MTCA) revenue in the 2017-19 Biennium as detailed below.

Capital Budget Request

Ecology's Capital Budget request totals \$713 million for new projects, and requests \$69.3 million in backfill funding to cover the MTCA revenue shortfall for 2017-19 Biennial expenditures. These capital investments will:

- Promote local economic development (e.g. wastewater treatment plants, and cleaning up contaminated sites for re-development)
- Create jobs
- Address local environmental and public health priorities
- Provide core funding for many local government programs

New Requests Not Included in Original 2017-19 Biennial Submittal

Water Availability – Several communities across the state are facing challenges in providing water supply availability determinations for new exempt water wells due to the Supreme Court decision known as “Hirst”. This has created uncertainty related to legal water availability and associated local government permit decisions. This new water availability request will fund basin-wide assessments and mitigation projects that help address water supply challenges in the 15 watershed areas impacted by the Hirst Decision. Implementing this program will support the regional economy and protect the environment.

Mount Baker Properties Cleanup and Affordable Housing Development – The new Mount Baker Properties Cleanup request will help provide affordable housing by funding the MTCA cleanup of five sites in southeast Seattle with high levels of chlorinated solvents, petroleum chemicals, and other contaminants that hinder development and safe future use. The Mount Baker Housing Association has been an active partner with Ecology in the redevelopment and reuse of the sites for transit-oriented affordable housing.

Placeholders

2018 Drought Declaration – Each year, Ecology assesses the need for emergency drought funding to assist local government. While the water year begins November 1 of each year, conditions can change rapidly throughout the winter and spring, which means a decision about drought and its severity often cannot be made until early April. If a drought is projected, Ecology will submit a request during the 2018 legislative session. This potential need is normally highlighted in Ecology’s budget submittal, as no base appropriations exist in the agency budget to implement drought response activities.

Volkswagen (VW) Settlement Funding – Ecology is in the process of finalizing two additional capital budget requests related to settlements reached with Volkswagen for clean air act violations: (1) Implementing Washington’s Volkswagen Mitigation Plan under federal consent decrees, and (2) Investing the State Air Quality Penalty Paid by Volkswagen.

Implementing Washington’s Volkswagen Mitigation Plan – In 2017, the Department of Justice (DOJ) entered into consent decrees with VW to settle federal Clean Air Act violations for selling 2.0 and 3.0 liter diesel engines with emission control defeat systems. As part of the settlement to lessen the harm caused by the excess emissions, VW agreed to pay \$2.7 billion into a national Environmental Mitigation Trust. The trust will fund projects that reduce emissions to offset damage caused by the violating vehicles. Under the consent decrees, Washington is eligible to receive \$112.7 million to be spent over ten years. The VW settlement provides a transformational opportunity to reduce diesel pollution, significantly improve public health for Washington residents, and help prevent violations of federal air quality standards by replacing old, high-polluting engines with new near-zero- and zero-emission vehicles. The amount of funding, approach, and conditions for using the funds are specified within the consent decrees.

Washington has formed a VW State Team Steering Committee that consists of representatives from the Governor's policy staff, Ecology, WSDOT, Commerce, and the Office of Financial Management (OFM). The Steering Committee will guide development of the state's mitigation plan, Ecology's VW grant program guidelines, and the final project selection for funding. While the VW program is being developed, the Steering Committee will regularly seek, consider, and incorporate input from the Legislature, stakeholders, and the public.

The Governor has appointed Ecology as the lead agency to develop the mitigation plan and administer the VW settlement funds. Washington will be eligible to request funding from the Trust after Washington becomes certified as a beneficiary. Ecology plans to submit a capital budget request for appropriation authority once the timeline is more certain and stakeholders have had additional opportunity to provide input.

Implementing the State Air Quality Penalty Paid by Volkswagen – In late 2015, Ecology penalized Volkswagen AG (VW) for selling vehicles that violated state clean air laws. VW has agreed to pay \$28.4 million to Ecology to settle those violations. The settlement has not been approved by the Pollution Control Hearings Board. Once approval is assured and final conditions are known, Ecology will submit a budget request to invest in a grant program to replace older, high-polluting vehicles across the state with clean, low-emission technology, with a focus on school and transit buses.

Addressing the \$69 Million Shortfall in the MTCA Accounts

Since the February 2014 revenue forecast, actual and projected revenue for the MTCA accounts has dropped by \$388 million—a \$187 million drop in the 2015-17 Biennium, and \$201 million drop in 2017-19 Biennium. This has left a projected overall MTCA fund balance for 2017-19 of negative \$69 million, as of the September 2017 forecast.

The major source of funding for these accounts is the Hazardous Substance Tax (HST), a 0.7 percent tax on the wholesale value of the first possession of hazardous substances in Washington. The HST has not been increased or adjusted for inflation in 28 years. HST is both a volume and value based tax with about 90 percent of the revenue coming from petroleum products. With the significant drop in petroleum prices over the last two years, forecasted revenue collections are substantially down, and projected revenue is insufficient to cover the reappropriations required for the 2017-19 Biennium.

MTCA provides core funding for long-standing environmental and public health work carried in both the operating and capital budgets. Many state agencies, local governments, and communities count on these dollars for this work. Without a short-term funding solution, Ecology will have to continue to delay projects vital to protecting the environment, public health, and economic development. The repercussions of delay are multiplied significantly at the local government level where projects have already started or are ready to proceed, and the state investment is needed to finish. There are also some projects that Ecology has legal requirements to fund.

Following the general approach taken by both the House and Senate in the 2017 legislative capital budgets proposed at the end of the third special session, we are asking for \$69.3 million in backfill funding from the State Building Construction Account for estimated 2017-19 capital expenditures so that the MTCA-funded projects can proceed (this request will be updated based on the November revenue forecast).

David Schumacher, Director

October 9, 2017

Page 4

Ecology appreciates that the enacted 2017-19 Operating Budget included a provision in section 980 that allows transfers between the three MTCA accounts to maintain positive cash balances. In addition, we are requesting that a provision from the latest House Capital Budget Proposal [ESHB 1075section 7022 (1) (b)] be included in 2018 Supplemental Budget per the updated language below:

- If the Department of Ecology determines that reductions are needed to maintain positive account balances in the State Toxics Control Account, the Local Toxics Control Account, and the Environmental Legacy Stewardship Account, the department is authorized to delay the start of cleanup and stormwater projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution.

Since no revenue or other budget solution has been provided, Ecology continues to delay cleanup and stormwater projects to address the MTCA shortfall. These two provisions will help the state maintain sufficient cash balances in the accounts this biennium. Ecology looks forward to engaging with the Governor's Office, the Office of Financial Management, legislative members, and other stakeholders on more long-term solutions in managing the MTCA accounts.

It is important to note the MTCA operating budget for Ecology included reductions of \$11.2 million in the enacted 2017-19 Biennium Operating Budget, including a significant \$5 million and 20 FTE reduction for MTCA funded staff across the agency. Ecology is working to achieve the cut by holding MTCA funded positions as vacancies occur. Solving this shortfall is a very important operating budget issue for Ecology since the three MTCA funds taken together are the largest source of operating funds supporting the public health and environmental protection work in the agency.

Thank you for considering our requests and keeping our emerging budget issues in mind as the Governor's budget is developed. We will work with our assigned budget analysts as they review this request in detail. Please let us know if you have questions.

Attachment

cc: Myra Baldini, Budget Assistant to the Governor, OFM
Jim Cahill, Senior Budget Assistant to the Governor, OFM
Rob Duff, Senior Policy Advisor, Office of the Governor
Erik Fairchild, Chief Financial Officer, Department of Ecology
Jed Herman, Fiscal Analyst, Senate Ways & Means Committee
Dan Jones, Fiscal Analyst, House Appropriations/Natural Resources Committee
Steve Masse, Fiscal Analyst, House Capital Budget Committee
Lisa McCollum, Legislative Assistant, House Appropriations Committee
Melissa Palmer, Capital Budget Coordinator, House Capital Budget Committee
Keith Phillips, Policy Director, Office of the Governor
Richard Ramsey, Capital Budget Coordinator, Senate Ways and Means Committee
Linda Steinmann, Budget Assistant to the Governor, OFM

Washington Department of Ecology

2018 Supplemental Budget

Capital Budget

Table of Contents

Tab A Summary Information

| | |
|---|----|
| 1. Capital Budget Proposal Summary (Spreadsheet)..... | 11 |
| 2. Capital Budget Summary Ranking (Spreadsheet)..... | 13 |
| 3. Ten Year Capital Plan Summary | 15 |
| 4. Capital FTE Summary | 21 |
| 5. Capital FTEs by Project..... | 25 |
| 6. Capital Requests Related to Puget Sound Action Agenda..... | 27 |
| 7. Fund Transfers List..... | 31 |

Tab B Preservation Projects

| | |
|---|----|
| 1. 30000713 Lacey Headquarters Facility Preservation Projects | 35 |
|---|----|

Tab C Programmatic Projects

| | |
|--|----|
| 1. 30000741 Eastern Regional Office Improvements and Stormwater Treatment..... | 47 |
|--|----|

Tab D Grant/Other Projects

| | |
|---|----|
| Table of Contents for D1, D-2, D-3, D-4 | 57 |
|---|----|

Tab D-1 MTCA Delayed Projects Bond Backfill to address MTCA Revenue Shortfall

| | |
|--|-----|
| 1. Solving the MTCA Revenue Shortfall..... | 61 |
| 2. 30000458 Delayed 2015-17 Remedial Action Grants..... | 63 |
| 3. 30000535 Delayed 2015-17 Stormwater Financial Assistance | 99 |
| 4. 92000076 Delayed 2013-15 Stormwater Financial Assistance | 113 |
| 5. 30000542 Delayed 2015-17 Cleanup Toxics Sites Puget Sound..... | 123 |
| 6. 30000432 Delayed 2015-17 Eastern WA Clean Sites Initiative..... | 135 |

Tab D-2 Protect and Restore Puget Sound

1. 30000763 2015-17 Restored Clean Up Toxic Sites – Puget Sound 159
2. 30000749 Clean Up Toxic Sites – Puget Sound..... 185

Tab D-3 Deliver Integrated Water Solutions

1. 30000710 Water Pollution Control Revolving Program 213
2. 30000797 2015-17 Restored Stormwater Financial Assistance 219
3. 30000706 Floodplains by Design 237
4. 30000705 Centennial Clean Water Program 285
5. 40000064 Catastrophic Flood Relief 365
6. 30000796 2017-19 Stormwater Financial Assistance Program..... 373
7. 30000712 Columbia River Water Supply Development Program 385
8. 30000711 Yakima River Basin Water Supply..... 421
9. 40000104 Water Availability 441
10. 30000673 Sunnyside Valley Irrigation District Water Conservation 447
11. 30000714 Watershed Plan Implementation and Flow Achievement..... 461
12. 30000740 Water Irrigation Efficiencies Program..... 471

Tab D-4 Prevent and Reduce Toxic Threats

1. 30000704 2015-17 Restored Eastern Washington Clean Sites Initiative 499
2. 30000707 2017-19 Remedial Action Grants 515
3. 30000670 ASARCO Cleanup..... 561
4. 40000062 Coord. Prevention Grants – Local Solid Waste Fin. Assistance..... 571
5. 40000096 Mount Baker Properties Cleanup & Affordable Housing Dev. 581
6. 30000742 Eastern Washington Clean Sites Initiative..... 587
7. 30000671 Reducing Toxic Diesel Emissions 605
8. 30000674 Reducing Toxic Woodstove Emissions 613
9. 30000669 Leaking Tank Model Remedies 619
10. 30000708 Swift Creek Natural Asbestos Flood Control and Cleanup 659
11. 30000672 Waste Tire Pile Cleanup and Prevention 673

Electronic Decision Package Confirmation 677

**Department of Ecology
2018 Supplemental Capital Budget**

Table of Contents

Tab A Summary Information

| | |
|---|----|
| 1. Capital Budget Proposal Summary (Spreadsheet)..... | 11 |
| 2. Capital Budget Summary Ranking (Spreadsheet)..... | 13 |
| 3. Ten Year Capital Plan Summary | 15 |
| 4. Capital FTE Summary | 21 |
| 5. Capital FTEs by Project..... | 25 |
| 6. Capital Requests Related to Puget Sound Action Agenda..... | 27 |
| 7. Fund Transfers List..... | 31 |

Department of Ecology

| Capital | | 2018 Supplemental Budget Request | | | | |
|---|---|---|----------------|-----------------|----------------|----------------|
| 10/02/17 \$ in thousands - Annual FTEs | | FTE | SBCA | MTCA | Other | Total |
| MTCA Reappropriation Bond Swap (does not include total reappropriation amount- only the amount requested for bond backfill.) | | | | | | |
| 1 | 30000458 Remedial Action Grants | | 23,822 | (24,572) | | (750) |
| 2 | 30000535 Stormwater Financial Assistance | 5.18 | 26,536 | (26,536) | | - |
| 3 | 92000076 Stormwater Financial Assistance | | 12,347 | (12,347) | | - |
| 4 | 30000542 Clean Up Toxic Sites- Puget Sound | | 4,400 | (4,400) | | - |
| 5 | 30000432 Eastern WA Clean Sites Initiative | | 2,200 | (2,200) | | - |
| Subtotal MTCA Bond Swap | | 5.18 | 69,305 | (70,055) | | (750) |
| Protect and Restore Puget Sound | | | | | | |
| 6 | 2015-17 Restored Clean Up Toxics Sites Puget Sound | | 5,412 | | | 5,412 |
| 7 | Clean Up Toxics Sites Puget Sound | | 20,140 | | | 20,140 |
| Deliver Integrated Water Solutions | | | | | | |
| 8 | Water Pollution Control Revolving Program | | | | 210,000 | 210,000 |
| 9 | 2015-17 Restored Stormwater Financial Assistance | 7.77 | 30,100 | | | 30,100 |
| 10 | Floodplains by Design | 4.60 | 70,000 | | | 70,000 |
| 11 | Centennial Clean Water Program | | 60,000 | | | 60,000 |
| 12 | Catastrophic Flood Relief | 11.27 | 50,000 | | 10,000 | 60,000 |
| 13 | Stormwater Financial Assistance Program | | 44,200 | | | 44,200 |
| 14 | Columbia River Water Supply Development Program | 4.45 | 4,500 | | 30,500 | 35,000 |
| 15 | Yakima River Basin Water Supply | 2.19 | 31,100 | | | 31,100 |
| 16 | Water Availability | 3.45 | 20,000 | | | 20,000 |
| 17 | Sunnyside Valley Irrigation District Water Conservation | 0.23 | 4,684 | | | 4,684 |
| 18 | Watershed Plan Implementation and Flow Achievement | 1.50 | 10,000 | | | 10,000 |
| 19 | Water Irrigation Efficiencies Program | 1.15 | 6,128 | | | 6,128 |
| Prevent and Reduce Toxic Threats | | | | | | |
| 20 | 2015-17 Restored Eastern WA Clean Sites Initiative | | 2,936 | | | 2,936 |
| 21 | Remedial Action Grants | 2.88 | 28,643 | | | 28,643 |
| 22 | ASARCO Cleanup | 14.38 | | | 28,760 | 28,760 |
| 23 | Coord. Prevention Grants - Local Solid Waste Financial Assistance | | 15,000 | | | 15,000 |
| 24 | Mount Baker Properties Cleanup & Affordable Housing Development | | 5,100 | | | 5,100 |
| 25 | Eastern WA Clean Sites Initiative | | 5,233 | | | 5,233 |
| 26 | Reducing Toxic Diesel Emissions | 1.15 | 5,000 | | | 5,000 |
| 27 | Reducing Toxic Woodstove Emissions | 0.29 | 4,000 | | | 4,000 |
| 28 | Leaking Tank Model Remedies | | 1,887 | | | 1,887 |
| 29 | Swift Creek Natural Asbestos Flood Control & Cleanup | | 5,813 | | | 5,813 |
| 30 | Waste Tire Pile Cleanup and Prevention | 1.15 | | | 1,000 | 1,000 |
| Facilities Related | | | | | | |
| 31 | Eastern Regional Office Improvements & Stormwater Treatment | | 1,920 | | | 1,920 |
| 32 | Lacey HQ Facility Preservation Projects | | 2,084 | | | 2,084 |
| Total Proposed Capital Budget | | 61.64 | 503,185 | (70,055) | 280,260 | 713,390 |

Ecology's 2018 Supplemental Budget Summary

As of October 2, 2017

Purpose: To provide Ecology's ranking for all 2018 Supplemental Budget requests as required by OFM instructions. The first five reappropriation requests are for bond backfill funding to address the Model Toxics Control Act (MTCA) revenue shortfall projected in the 2017-19 Biennium. The third ranked items are requests to restore MTCA funding cut in the 2016 Supplemental Capital Budget. Proviso language in the budget bill specifies that the Legislature intends to restore those reductions in future biennia. The remainder are for new or next phases of funding for capital projects.

| Rank | Type | CAPITAL REQUEST TITLE | Fund | \$ in 000s |
|---|-----------|---|----------|-------------------|
| Capital Bond Backfill Requests to address MTCA Revenue Shortfall | | | | |
| 1 | Cap- Reap | Delayed 2015-17 Remedial Action Grants (30000458) <i>Ecology will lapse one project for \$750,000 that no longer requires funding.</i> | SBCA | \$ 23,822 |
| | Cap- Reap | Delayed 2015-17 Stormwater Financial Assistance (30000535) | SBCA | \$ 26,536 |
| | Cap- Reap | Delayed 2013-15 Stormwater Financial Assistance (92000076) | SBCA | \$ 12,347 |
| | Cap- Reap | Delayed 2015-17 Cleanup Toxics Sites Puget Sound (30000542) | SBCA | \$ 4,400 |
| | Cap- Reap | Delayed 2015-17 Eastern WA Clean Sites Initiative (30000432) | SBCA | \$ 2,200 |
| Total | | | | \$ 69,305 |
| New Capital Requests | | | | |
| 2 | Cap - New | Water Pollution Control Revolving Program | WPCRA | \$210,000 |
| 3 | Cap - New | 2015-17 Restored Clean Up Toxics Sites PS | SBCA | \$ 5,412 |
| | Cap - New | 2015-17 Restored Eastern WA Clean Sites Initiative | SBCA | \$ 2,936 |
| | Cap - New | 2015-17 Restored Stormwater Financial Assistance | SBCA | \$ 30,100 |
| 4 | Cap - New | Floodplains by Design | SBCA | \$ 70,000 |
| 5 | Cap - New | Centennial Clean Water Program | SBCA | \$ 60,000 |
| 6 | Cap - New | Catastrophic Flood Relief | SBCA/Fed | \$ 60,000 |
| 7 | Cap - New | 2017-19 Stormwater Financial Assistance Program | SBCA | \$ 44,200 |
| 8 | Cap - New | 2017-19 Remedial Action Grants | SBCA | \$ 28,643 |
| 9 | Cap - New | Columbia River Water Supply Development Program | Multiple | \$ 35,000 |
| 10 | Cap - New | Yakima River Basin Water Supply | SBCA | \$ 31,100 |
| 11 | Cap - New | NEW: Water Availability | SBCA | \$ 20,000 |
| 12 | Cap - New | 2017-19 Clean Up Toxics Sites Puget Sound | SBCA | \$ 20,140 |
| 13 | Cap - New | ASARCO Cleanup | CSA | \$ 28,760 |
| 14 | Cap - New | Coordinated Prevention Grants | SBCA | \$ 15,000 |
| 15 | Cap - New | Sunnyside Valley Irrigation District Water Conservation | SBCA | \$ 4,684 |
| 16 | Cap - New | NEW: Mount Baker Properties C/U & Affordable Housing Development | SBCA | \$ 5,100 |
| 17 | Cap - New | 2017-19 Eastern WA Clean Sites Initiative | SBCA | \$ 5,233 |
| 18 | Cap - New | Watershed Plan Implementation and Flow Achievement | SBCA | \$ 10,000 |
| 19 | Cap - New | Reducing Toxic Diesel Emissions | SBCA | \$ 5,000 |
| 20 | Cap - New | Reducing Toxic Woodstove Emissions | SBCA | \$ 4,000 |
| 21 | Cap - New | Water Irrigation Efficiencies Program | SBCA | \$ 6,128 |
| 22 | Cap - New | Leaking Tank Model Remedies | SBCA | \$ 1,887 |
| 23 | Cap - New | Swift Creek Natural Asbestos Flood Control and Cleanup | SBCA | \$ 5,813 |
| 24 | Cap - New | Lacey HQ Facility Preservation Projects | SBCA | \$ 2,084 |
| 25 | Cap - New | Eastern Regional Office Improvements and Stormwater Treatment | SBCA | \$ 1,920 |
| 26 | Cap - New | Waste Tire Pile Cleanup and Prevention | WTRA | \$ 1,000 |
| Total | | | | \$ 713,390 |

**461 - Department of Ecology
Ten Year Capital Plan by Project Priority**
2017-19 Biennium *

Version: S1 2018 Supplemental

Report Number: CBS001
Date Run: 10/3/2017 11:18AM

| Priority | Project by Account-EA Type | Estimated Total Expenditures | Prior Expenditures | Current Expenditures | Reapprop 2017-19 | New Approp 2017-19 | Estimated 2019-21 | Estimated 2021-23 | Estimated 2023-25 | Estimated 2025-27 |
|----------|---|------------------------------|--------------------|----------------------|------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| 1 | 30000458 Remedial Action Grants | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 23,822,000 | | | | 23,822,000 | | | | |
| | 174-1 Local Toxics Control-State | 35,478,000 | | 60,050,000 | | (24,572,000) | | | | |
| | Project Total: | 59,300,000 | | 60,050,000 | | (750,000) | | | | |
| 2 | 30000535 Stormwater Financial Assistance Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 26,536,000 | | | | 26,536,000 | | | | |
| | 174-1 Local Toxics Control-State | 4,664,000 | | 31,200,000 | | (26,536,000) | | | | |
| | Project Total: | 31,200,000 | | 31,200,000 | | | | | | |
| 3 | 92000076 Storm Water Improvements | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 32,347,000 | | 20,000,000 | | 12,347,000 | | | | |
| | 19G-1 ELS Account-State | 64,653,000 | 15,337,000 | 61,663,000 | | (12,347,000) | | | | |
| | Project Total: | 97,000,000 | 15,337,000 | 81,663,000 | | | | | | |
| 4 | 30000542 Cleanup Toxics Sites - Puget Sound | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 4,400,000 | | | | 4,400,000 | | | | |
| | 173-1 State Toxics Control-State | 14,150,000 | | 18,550,000 | | (4,400,000) | | | | |
| | Project Total: | 18,550,000 | | 18,550,000 | | | | | | |
| 5 | 30000432 Eastern Washington Clean Sites Initiative | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 2,200,000 | | | | 2,200,000 | | | | |
| | 173-1 State Toxics Control-State | 8,800,000 | | 11,000,000 | | (2,200,000) | | | | |
| | Project Total: | 11,000,000 | | 11,000,000 | | | | | | |
| 6 | 30000710 Water Pollution Control Revolving Program | | | | | | | | | |

**461 - Department of Ecology
Ten Year Capital Plan by Project Priority**
2017-19 Biennium *

Version: S1 2018 Supplemental

Report Number: CBS001
Date Run: 10/3/2017 11:18AM

Project by Agency Priority

| Priority | Project by Account-EA Type | Estimated Total Expenditures | Prior Expenditures | Current Expenditures | Reapprop 2017-19 | New Approp 2017-19 | Estimated 2019-21 | Estimated 2021-23 | Estimated 2023-25 | Estimated 2025-27 |
|----------|---|------------------------------|--------------------|----------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 6 | 30000710 Water Pollution Control Revolving Program | 800,000,000 | | | | 160,000,000 | 160,000,000 | 160,000,000 | 160,000,000 | 160,000,000 |
| | 727-1 Water Pollution Cont-State | 800,000,000 | | | | 160,000,000 | 160,000,000 | 160,000,000 | 160,000,000 | 160,000,000 |
| | 727-2 Water Pollution Cont-Federal | 250,000,000 | | | | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| | Project Total: | 1,050,000,000 | | | | 210,000,000 | 210,000,000 | 210,000,000 | 210,000,000 | 210,000,000 |
| 7 | 30000763 2015-17 Restored Clean Up Toxics Sites - Puget Sound | | | | | 5,412,000 | | | | |
| | 057-1 State Bldg Constr-State | 5,412,000 | | | | 5,412,000 | | | | |
| 8 | 30000704 2015-17 Restored Eastern Washington Clean Sites Initiative | | | | | 2,936,000 | | | | |
| | 057-1 State Bldg Constr-State | 2,936,000 | | | | 2,936,000 | | | | |
| 9 | 30000797 2015-17 Restored Stormwater Financial Assistance | | | | | 30,100,000 | | | | |
| | 057-1 State Bldg Constr-State | 30,100,000 | | | | 30,100,000 | | | | |
| 10 | 30000706 Floodplains by Design | | | | | 70,000,000 | 70,000,000 | 70,000,000 | 70,000,000 | 70,000,000 |
| | 057-1 State Bldg Constr-State | 350,000,000 | | | | 70,000,000 | 70,000,000 | 70,000,000 | 70,000,000 | 70,000,000 |
| 11 | 30000705 2017-19 Centennial Clean Water program | | | | | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |
| | 057-1 State Bldg Constr-State | 300,000,000 | | | | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |
| 12 | 40000064 Catastrophic Flood Relief | | | | | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| | 001-2 General Fund-Federal | 50,000,000 | | | | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| | 057-1 State Bldg Constr-State | 250,000,000 | | | | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| | Project Total: | 300,000,000 | | | | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |
| 13 | 30000796 2017-19 Stormwater Financial Assistance Program | | | | | 44,200,000 | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |
| | 057-1 State Bldg Constr-State | 284,200,000 | | | | 44,200,000 | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |
| 14 | 30000707 2017-19 Remedial Action Grants | | | | | 28,643,000 | | | | |
| | 057-1 State Bldg Constr-State | 103,643,000 | | | | 28,643,000 | | | | |

**461 - Department of Ecology
Ten Year Capital Plan by Project Priority**
2017-19 Biennium *

Version: S1 2018 Supplemental

Report Number: CBS001
Date Run: 10/3/2017 11:18AM

| Priority | Project by Account-EA Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2017-19 | New Approp 2017-19 | Estimated 2019-21 | Estimated 2021-23 | Estimated 2023-25 | Estimated 2025-27 |
|----------|---|--------------------|--------------------|----------------------|------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| 14 | 30000707 2017-19 Remedial Action Grants | 225,000,000 | | | | | | 75,000,000 | 75,000,000 | 75,000,000 |
| | 174-1 Local Toxics Control-State | | | | | | | | | |
| | Project Total: | 328,643,000 | | | | 28,643,000 | 75,000,000 | 75,000,000 | 75,000,000 | 75,000,000 |
| 15 | 30000712 Columbia River Water Supply Development Program | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 72,500,000 | | | | 4,500,000 | 17,000,000 | 17,000,000 | 17,000,000 | 17,000,000 |
| | 10P-1 Col River Water-State | 12,500,000 | | | | 12,500,000 | | | | |
| | 296-1 Col River Bas Wtr Su-State | 10,000,000 | | | | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| | 355-1 St. Bld Const Acct-State | 80,000,000 | | | | 16,000,000 | 16,000,000 | 16,000,000 | 16,000,000 | 16,000,000 |
| | Project Total: | 175,000,000 | | | | 35,000,000 | 35,000,000 | 35,000,000 | 35,000,000 | 35,000,000 |
| 16 | 30000711 Yakima River Basin Water Supply | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 171,100,000 | | | | 31,100,000 | 35,000,000 | 35,000,000 | 35,000,000 | 35,000,000 |
| 17 | 40000104 Water Availability | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 100,000,000 | | | | 20,000,000 | 20,000,000 | 20,000,000 | 20,000,000 | 20,000,000 |
| 18 | 30000749 Clean Up Toxic Sites – Puget Sound | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 140,140,000 | | | | 20,140,000 | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 |
| 19 | 30000670 ASARCO Cleanup | | | | | | | | | |
| | 15H-1 Cleanup Set Acct-State | 51,359,000 | | | | 28,760,000 | 18,191,000 | 4,408,000 | | |
| 20 | 4000062 Coord. Prevention Grants - Local Solid Waste Financial Assistance | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 15,000,000 | | | | 15,000,000 | | | | |
| 21 | 30000673 Sunnyside Valley Irrigation District Water Conservation | | | | | | | | | |
| | 057-1 State Bldg Constr-State | 24,684,000 | | | | 4,684,000 | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 |
| 22 | 4000096 Mount Baker Properties Cleanup and Affordable Housing Development | | | | | | | | | |

**461 - Department of Ecology
Ten Year Capital Plan by Project Priority**
2017-19 Biennium *

Version: S1 2018 Supplemental

Report Number: CBS001
Date Run: 10/3/2017 11:18AM

Project by Agency Priority

| Priority | Project by Account-EA Type | Estimated Total Expenditures | Prior Expenditures | Current Expenditures | Reapprop 2017-19 | New Approp 2017-19 | Estimated 2019-21 | Estimated 2021-23 | Estimated 2023-25 | Estimated 2025-27 |
|----------|--|------------------------------|--------------------|----------------------|------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| 22 | 40000096 Mount Baker Properties Cleanup and Affordable Housing Development 057-1 State Bldg Constr-State | 7,015,000 | | | | 5,100,000 | 1,915,000 | | | |
| 23 | 30000742 Eastern Washington Clean Sites Initiative 057-1 State Bldg Constr-State | 45,233,000 | | | | 5,233,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| 24 | 30000714 Watershed Plan Implementation and Flow Achievement 057-1 State Bldg Constr-State | 50,000,000 | | | | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| 25 | 30000671 Reducing Toxic Diesel Emissions 057-1 State Bldg Constr-State | 25,000,000 | | | | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 |
| 26 | 30000674 Reducing Toxic Woodstove Emissions 057-1 State Bldg Constr-State | 20,000,000 | | | | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |
| 27 | 30000740 Water Irrigation Efficiencies Program 057-1 State Bldg Constr-State | 46,128,000 | | | | 6,128,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| 28 | 30000669 Leaking Tank Model Remedies 057-1 State Bldg Constr-State | 9,687,000 | | | | 1,887,000 | 1,950,000 | 1,950,000 | 1,950,000 | 1,950,000 |
| 29 | 30000708 Swift Creek Natural Asbestos Flood Control and Cleanup 057-1 State Bldg Constr-State | 17,013,000 | | | | 5,813,000 | 11,200,000 | | | |
| 30 | 30000713 Lacey Headquarters Facility Preservation Projects 057-1 State Bldg Constr-State | 2,084,000 | | | | 2,084,000 | | | | |
| 31 | 30000741 Eastern Regional Office Improvements and Stormwater Treatment 057-1 State Bldg Constr-State | 3,602,000 | | | | 1,920,000 | 1,682,000 | | | |
| 32 | 30000672 Waste Tire Pile Cleanup and Prevention 08R-1 Waste Tire Removal A-State | 5,000,000 | | | | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |

**461 - Department of Ecology
Ten Year Capital Plan by Project Priority**
2017-19 Biennium *

Version: S1 2018 Supplemental

Report Number: CBS001

Date Run: 10/3/2017 11:18AM

| | | | | | | | | |
|--------------|----------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Total | 3,776,386,000 | 15,337,000 | 202,463,000 | 713,390,000 | 734,938,000 | 706,358,000 | 701,950,000 | 701,950,000 |
|--------------|----------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|

Total Account Summary

| Account-Expenditure Authority Type | Estimated Total | Prior Expenditures | Current Expenditures | Reapprop 2017-19 | New Approp 2017-19 | Estimated 2019-21 | Estimated 2021-23 | Estimated 2023-25 | Estimated 2025-27 |
|------------------------------------|----------------------|--------------------|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | | | | | | | | |
| 001-2 General Fund-Federal | 50,000,000 | | | | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| 057-1 State Bldg Constr-State | 2,164,782,000 | | 20,000,000 | | 503,185,000 | 477,747,000 | 387,950,000 | 387,950,000 | 387,950,000 |
| 08R-1 Waste Tire Removal A-State | 5,000,000 | | | | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| 10P-1 Col River Water-State | 12,500,000 | | | | 12,500,000 | | | | |
| 15H-1 Cleanup Set Acct-State | 51,359,000 | | | | 28,760,000 | 18,191,000 | 4,408,000 | | |
| 173-1 State Toxics Control-State | 22,950,000 | | 29,550,000 | | (6,600,000) | | | | |
| 174-1 Local Toxics Control-State | 265,142,000 | | 91,250,000 | | (51,108,000) | | 75,000,000 | 75,000,000 | 75,000,000 |
| 19G-1 ELS Account-State | 64,653,000 | 15,337,000 | 61,663,000 | | (12,347,000) | | | | |
| 296-1 Col River Bas Wtr Su-State | 10,000,000 | | | | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| 355-1 St. Bld Const Acct-State | 80,000,000 | | | | 16,000,000 | 16,000,000 | 16,000,000 | 16,000,000 | 16,000,000 |
| 727-1 Water Pollution Cont-State | 800,000,000 | | | | 160,000,000 | 160,000,000 | 160,000,000 | 160,000,000 | 160,000,000 |
| 727-2 Water Pollution Cont-Federal | 250,000,000 | | | | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| Total | 3,776,386,000 | 15,337,000 | 202,463,000 | 713,390,000 | 734,938,000 | 706,358,000 | 701,950,000 | 701,950,000 | 701,950,000 |

**461 - Department of Ecology
Capital FTE Summary
2017-19 Biennium**

*

Version: S1 2018 Supplemental

Report Number: CBS004
Date Run: 10/2/2017 9:18AM

FTEs by Job Classification

| <u>Job Class</u> | <u>Authorized Budget</u> | | | |
|----------------------------------|--------------------------|----------------|-------------------------|----------------|
| | <u>2015-17 Biennium</u> | | <u>2017-19 Biennium</u> | |
| | <u>FY 2016</u> | <u>FY 2017</u> | <u>FY 2018</u> | <u>FY 2019</u> |
| Budget Analyst 3 | | | 0.0 | 0.5 |
| Comm Outreach & Enviro Ed Spec 3 | | | 2.0 | 2.0 |
| Communications Consultant 5 | | | 0.0 | 0.3 |
| Contract Specialist 3 | | | 0.0 | 1.0 |
| Economic Analyst 3 | | | 0.0 | 0.2 |
| EMS 4 | | | 0.8 | 1.9 |
| Environmental Engineer 2 | | | 2.0 | 2.0 |
| Environmental Engineer 3 | | | 3.5 | 3.5 |
| Environmental Engineer 4 | | | 0.4 | 0.4 |
| Environmental Engineer 5 | | | 1.3 | 1.8 |
| Environmental Planner 3 | | | 3.3 | 4.2 |
| Environmental Planner 4 | | | 5.3 | 7.3 |
| Environmental Planner 5 | | | 0.8 | 3.8 |
| Environmental Specialist 3 | | | 8.5 | 8.5 |
| Environmental Specialist 4 | | | 7.4 | 8.1 |
| Environmental Specialist 5 | | | 2.0 | 2.0 |
| Fiscal Analyst 2 | | | 4.1 | 5.3 |
| Hydrogeologist 2 | | | 0.0 | 1.4 |
| Hydrogeologist 3 | | | 1.0 | 1.4 |
| Hydrogeologist 4 | | | 0.9 | 0.9 |
| Hydrogeologist 5 | | | 0.3 | 0.3 |
| IT Specialist 2 | | | 2.0 | 2.7 |
| Management Analyst 5 | | | 1.0 | 1.0 |
| Natural Resources Scientist 3 | | | 0.0 | 0.1 |
| Secretary Senior | | | 0.0 | 0.5 |
| WMS 2 | | | 0.3 | 0.5 |
| Total FTEs | | | 46.9 | 61.6 |

Account

| <u>Account - Expenditure Authority Type</u> | <u>Authorized Budget</u> | | | |
|---|--------------------------|----------------|-------------------------|------------------|
| | <u>2015-17 Biennium</u> | | <u>2017-19 Biennium</u> | |
| | <u>FY 2016</u> | <u>FY 2017</u> | <u>FY 2018</u> | <u>FY 2019</u> |
| 057-1 State Bldg Constr-State | | | 2,899,877 | 4,626,887 |
| 08R-1 Waste Tire Removal A-State | | | 94,000 | 94,000 |
| 10P-1 Col River Water-State | | | 697,883 | 697,883 |
| 15H-1 Cleanup Set Acct-State | | | 1,430,700 | 1,430,700 |
| Total Funding | | | 5,122,460 | 6,849,470 |

Narrative

461 - Department of Ecology
Capital FTE Summary
2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS004

Date Run: 10/2/2017 9:18AM

Narrative

40000064 Catastrophic Flood Relief

This project requires a total of 11.27 FTEs a year for the activities identified below. Actual FTEs may vary depending on the timing of the enacted budget.

The OCB requires 6.03 FTEs for staff support consistent with the Work Group recommendation for office management and administration, Board coordination, Strategic Planning, communications, and project coordination.

Ecology also requires 5.24 FTEs for consultation and support of the integrated strategy as follows:

1. A project-specific State Environmental Policy Act (SEPA) EIS, now that the programmatic EIS is complete, to include scoping, development of a draft EIS, and engaging permitting agencies for the federal EIS (1.50 FTEs).
2. To guide and participate in developing and reviewing technical products and reports to include input on modeling approaches, applicability of state standards, interpretation of results, and economic evaluation; communicating and presenting materials; attending meetings and workshops; and ensuring interagency coordination and timely delivery on commitments (2.82 FTEs).
3. To provide dam safety and water supply/water rights consultation (0.92 FTE).

40000104 Water Availability

This project requires a total of 3.45 FTEs a year to implement this work. Actual FTEs may vary depending on the timing of the enacted budget. Staff will establish program guidance, initiate outreach to recipients, provide technical assistance to impacted watersheds, and oversee contract and project management.

30000671 Reducing Toxic Diesel Emissions

This request requires a total of 1.15 FTEs to implement the diesel emission reduction grant program, including evaluating client needs and solutions, soliciting applications, contracting with grant recipients, contracting with technology and service vendors, providing technical assistance, processing vendor/recipient payments, and closing grant awards. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

30000674 Reducing Toxic Woodstove Emissions

This project requires a total of 0.29 FTE for the 2017-19 Biennium to administer the grant program, evaluate client needs and solutions, solicit applications, and provide technical assistance. This is the same level of staffing supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

30000706 Floodplains by Design

This project requires a total of 4.6 FTEs for the 2017-19 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

FbD program staff provide outreach to local floodplain management agencies, coordination with our partners the Puget Sound Partnership and The Nature Conservancy, advise local project sponsors on the expectations of the program and project development, manage active projects, coordinate with other grant programs and Ecology's Coordinated Strategic Initiative, and assist with Ecology policy and budget development. Since the inception of the program, Ecology has slowly increased the amount of staff time involved in FbD to align with the number of projects and effort involved in efficient and effective project and financial management. Staffing needs are dependent on many factors including the number of grants, the complexity of the projects funded, and technical support needs.

30000670 ASARCO Cleanup

This project requires a total of 14.38 FTEs to continue to support the ASARCO remediation activities as part of the 10-year cleanup plan and maintain existing staff levels. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

30000707 Remedial Action Grants

This project requires a total of 2.88 FTEs to manage the project and provide agencywide capital budget coordination and cash management. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

461 - Department of Ecology
Capital FTE Summary
2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS004

Date Run: 10/2/2017 9:18AM

Narrative

The RA grant program has two full-time grant administrators managing approximately 80 grants. They are responsible for grant writing, invoice review and approval and grant status reporting. This core work assures prudent oversight and careful financial management of state funds. The grant administrators also provide technical expertise to program development and policy work and to agencywide projects. This includes their input and review on policy documents and active participation in the management of Ecology's grant and loan system (EAGL).

30000672 Waste Tire Pile Cleanup and Prevention

This project requires a total of 1.15 FTEs. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. Staff is required to manage and coordinate tire grant efforts and provide technical support for prevention, enforcement, and removal efforts. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

30000535 Stormwater Financial Assistance Program

Ecology requires 5.18 FTEs in this project, from the total 12.95 FTEs required for SFAP technical, budget and financial management. The remaining 7.77 FTEs are requested in the new Restore Stormwater project. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

30000797 2015-17 Restored Stormwater Financial Assistance

Ecology requires 7.77 FTEs in this project, from the total 12.95 FTEs required for SFAP technical, budget and financial management. The remaining 5.18 FTEs are requested in the reappropriation request for project 30000535. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

30000673 Sunnyside Valley Irrigation District

This project requires a total of 0.23 FTE to continue implementing Sunnyside Valley Irrigation District and Yakima River Basin Water Enhancement projects, contract management, oversight, and technical assistance. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

30000711 Yakima River Basin Water Supply Program

This project requires 2.19 FTEs to provide project management, scientific expertise, contract oversight and support to implement Plan projects. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. The Office of Columbia River manages both Columbia River and Yakima Integrated Plan project portfolios.

30000712 Columbia River Water Supply Development Program

This project requires a total of 4.45 FTEs to provide project oversight and management, technical assistance, and stakeholder coordination to individual projects. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

30000714 Watershed Plan Implementation and Flow Achievement

This project requires a total of 1.50 FTEs to oversee project management of the individual conservation projects and provide technical expertise for storage feasibility studies and water acquisition. The increase from 2015-17 levels is due to anticipated increase in funding levels and the number of projects implemented that will require additional project management and oversight responsibility for staff managing the agreements. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

30000740 Water Irrigation Efficiency Program

This project requires a total of 1.15 FTEs to continue working with conservation districts for a preliminary review of applicant water

**461 - Department of Ecology
Capital FTE Summary
2017-19 Biennium**

*

Version: S1 2018 Supplemental

Report Number: CBS004

Date Run: 10/2/2017 9:18AM

Narrative

rights. This will determine the validity of the water rights and assess the net water savings calculation for the irrigation efficiency improvements. This is the same level of FTEs supporting this capital project in prior biennia. This request also supports 2.0 FTEs at SCC through the funds Ecology passes through to SCC in an interagency agreement. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

Capital FTEs by Project for the 2018 Supplemental Budget

October 2, 2017

Purpose: The purpose of this report is to identify Ecology's requested Capital FTEs for the 2018 Supplemental Budget.

| Project Title | Project # | Program | Annual FTEs | Account | Explanation |
|---|-----------|---------|-------------|---------|---|
| New Capital Requests | | | | | |
| Catastrophic Flood Relief | 40000064 | SEA | 11.27 | 057-1 | This project requires a total of 11.27 FTEs a year for the activities identified below. Actual FTEs may vary depending on the timing of the enacted budget. The OCB requires 6.03 FTEs for staff support consistent with the Work Group recommendation for office management and administration, Board coordination, Strategic Planning, communications, and project coordination. Ecology also requires 5.24 FTEs for consultation and support of the integrated strategy as follows: 1. A project-specific State Environmental Policy Act (SEPA) EIS, now that the programmatic EIS is complete, to include scoping, development of a draft EIS, and engaging permitting agencies for the federal EIS (1.50 FTEs). 2. To guide and participate in developing and reviewing technical products and reports to include input on modeling approaches, applicability of state standards, interpretation of results, and economic evaluation; communicating and presenting materials; attending meetings and workshops; and ensuring interagency coordination and timely delivery on commitments (2.82 FTEs). 3. To provide dam safety and water supply/water rights consultation (0.92 FTE). |
| Water Availability | 40000104 | WR | 3.45 | 057-1 | This project requires a total of 3.45 FTEs a year to implement this work. Actual FTEs may vary depending on the timing of the enacted budget. Staff will establish program guidance, initiate outreach to recipients, provide technical assistance to impacted watersheds, and oversee contract and project management. |
| New Capital Requests Same as Requested for the 2017-19 Biennial Budget | | | | | |
| Reducing Toxic Diesel Emissions | 30000671 | AQ | 1.15 | 057-1 | This request requires a total of 1.15 FTEs to implement the diesel emission reduction grant program, including evaluating client needs and solutions, soliciting applications, contracting with grant recipients, contracting with technology and service vendors, providing technical assistance, processing vendor/recipient payments, and closing grant awards. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| Reducing Toxic Woodstove Emissions | 30000674 | AQ | 0.29 | 057-1 | This project requires a total of 0.29 FTE for the 2017-19 Biennium to administer the grant program, evaluate client needs and solutions, solicit applications, and provide technical assistance. This is the same level of staffing supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| Floodplains by Design | 30000706 | SEA | 4.60 | 057-1 | This project requires a total of 4.6 FTEs for the 2017-19 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. FbD program staff provide outreach to local floodplain management agencies, coordination with our partners the Puget Sound Partnership and The Nature Conservancy, advise local project sponsors on the expectations of the program and project development, manage active projects, coordinate with other grant programs and Ecology's Coordinated Strategic Initiative, and assist with Ecology policy and budget development. Since the inception of the program, Ecology has slowly increased the amount of staff time involved in FbD to align with the number of projects and effort involved in efficient and effective project and financial management. Staffing needs are dependent on many factors including the number of grants, the complexity of the projects funded, and technical support needs. |
| ASARCO Cleanup | 30000670 | TCP | 14.38 | 15H-1 | This project requires a total of 14.38 FTEs to continue to support the ASARCO remediation activities as part of the 10-year cleanup plan and maintain existing staff levels. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| Remedial Action Grants | 30000707 | TCP | 2.88 | 057-1 | This project requires a total of 2.88 FTEs to manage the project and provide agencywide capital budget coordination and cash management. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. The RA grant program has two full-time grant administrators managing approximately 80 grants. They are responsible for grant writing, invoice review and approval and grant status reporting. This core work assures prudent oversight and careful financial management of state funds. The grant administrators also provide technical expertise to program development and policy work and to agencywide projects. This includes their input and review on policy documents and active participation in the management of Ecology's grant and loan system (EAGL). |

| Project Title | Project # | Program | Annual FTEs | Account | Explanation |
|--|-----------|---------|-------------|---------|---|
| Waste Tire Pile Cleanup and Prevention | 30000672 | W2R | 1.15 | 08R-1 | This project requires a total of 1.15 FTEs. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. Staff is required to manage and coordinate tire grant efforts and provide technical support for prevention, enforcement, and removal efforts. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| Stormwater Financial Assistance Prgm | 30000535 | WQ | 5.18 | 057-1 | Ecology requires 5.18 FTEs in this project, from the total 12.95 FTEs required for SFAP technical, budget and financial management. The remaining 7.77 FTEs are requested in the new Restore Stormwater project. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| 2015-17 Restored Stormwater Financial Assistance | 30000797 | WQ | 7.77 | 057-1 | Ecology requires 7.77 FTEs in this project, from the total 12.95 FTEs required for SFAP technical, budget and financial management. The remaining 5.18 FTEs are requested in the reappropriation request for project 30000535. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| Sunnyside Valley Irrigation District | 30000673 | WR | 0.23 | 057-1 | This project requires a total of 0.23 FTE to continue implementing Sunnyside Valley Irrigation District and Yakima River Basin Water Enhancement projects, contract management, oversight, and technical assistance. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| Yakima River Basin Water Supply Program | 30000711 | WR | 2.19 | 057-1 | This project requires 2.19 FTEs to provide project management, scientific expertise, contract oversight and support to implement Plan projects. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| Columbia River Water Supply Development Program | 30000712 | WR | 4.45 | 10P-1 | The Office of Columbia River manages both Columbia River and Yakima Integrated Plan project portfolios. This project requires a total of 4.45 FTEs to provide project oversight and management, technical assistance, and stakeholder coordination to individual projects. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| Watershed Plan Implementation and Flow Achievement | 30000714 | WR | 1.50 | 057-1 | This project requires a total of 1.50 FTEs to oversee project management of the individual conservation projects and provide technical expertise for storage feasibility studies and water acquisition. The increase from 2015-17 levels is due to anticipated increase in funding levels and the number of projects implemented that will require additional project management and oversight responsibility for staff managing the agreements. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| Water Irrigation Efficiency Program | 30000740 | WR | 1.15 | 057-1 | This project requires a total of 1.15 FTEs to continue working with conservation districts for a preliminary review of applicant water rights. This will determine the validity of the water rights and assess the net water savings calculation for the irrigation efficiency improvements. This is the same level of FTEs supporting this capital project in prior biennia. This request also supports 2.0 FTEs at SCC through the funds Ecology passes through to SCC in an interagency agreement. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget. |
| Total FTEs NEW Appropriations | | | 61.6 | | |

2018 Supplemental Capital Budget Requests Supporting the Puget Sound Action Agenda

October 2, 2017

| Project Request | Sub-strategy | Ongoing Program | Regional Priorities | Near Term Action | Puget Sound Dollars | Total Dollars |
|--|---|--|------------------------------|------------------|---------------------|---------------|
| 1. 30000458 Remedial Action Grants (MTCA Bond Backfill) | 21.2 Clean up contaminated sites within and near Puget Sound 10.3 Fix problems caused by existing development | | 10.3-2 | | \$17,867,000 | \$23,822,000 |
| 2. 30000535 Storm Water Financial Assistance Program (MTCA Bond Backfill) | 10.3 Fix problems caused by existing development | Stormwater Programs (NPDES Phase 1 and 11 implementation)-Municipal stormwater discharge permit holders-Cities and Counties | 10.3-1, 10.3-4 | | \$15,921,600 | \$26,536,000 |
| 3. 92000076 Storm Water Improvements (MTCA Bond Backfill) | 10.3 Fix problems caused by existing development | Stormwater Programs (NPDES Phase 1 and 11 implementation)-Municipal stormwater discharge permit holders-Cities and Counties | 10.3-1, 10.3-4 | | \$7,408,000 | \$12,347,000 |
| 4. 30000542 Cleanup Toxics Sites Puget Sound (MTCA Bond Backfill) | 21.2 Clean up contaminated sites within and near Puget Sound 10.3 Fix problems caused by existing development | | 10.3-2 | | \$4,400,000 | \$4,400,000 |
| 5. 30000710 Water Pollution Control Revolving Program | 10.1 AAIP (C2.1) – Manage urban runoff at the basin and watershed scale (STORMWATER) | Puget Sound Watershed Characterization Assessment-Ecology | 10.1-1; 10.1-2; 10.1-3 | | \$117,180,000 | \$210,000,000 |
| | 13.3 AAIP (C5.3) – Improve and expand funding for small and local onsite sewage systems (SHELLFISH) | Septic Systems Improvement Loan Program-Department of Ecology Onsite Sewage Financial Assistance- Department of Ecology, Regional Onsite Sewage system Loan Program- Department of Ecology | | | \$7,560,000 | |
| | 11.1 AAIP (C3.1) – Target voluntary and incentive-based programs that help working farms contribute to Puget Sound recovery (SHELLFISH) | Nutrient Management plans, technical assistance, local conservation districts | | | \$1,260,000 | |
| 6. 30000763 Restore 2015-17 Clean Up Toxics Sites - Puget Sound | 21.2 Clean up contaminated sites within and near Puget Sound 10.3 Fix problems caused by existing development | | 10.3-2 | | \$5,074,000 | \$5,412,000 |
| 7. 30000797 Restore 2015-17 Stormwater Financial Assistance | 10.3 AAIP (C2.3) – Fix problems caused by existing development (STORMWATER) | Stormwater Programs (NPDES Phase 1 and 11 implementation)-Municipal stormwater discharge permit holders-Cities and Counties | 10.3-1, 10.3-4 | | \$21,070,000 | \$30,100,000 |

2018 Supplemental Capital Budget Requests Supporting the Puget Sound Action Agenda

October 2, 2017

| Project Request | Sub-strategy | Ongoing Program | Regional Priorities | Near Term Action | Puget Sound Dollars | Total Dollars |
|--|---|--|------------------------|------------------|---------------------|---------------|
| 8. 30000706 Floodplains by Design | 5.4 AAIP (A5.4) – Implement and maintain priority floodplain restoration projects (HABITAT) | | | 2016-0019 | \$63,000,000 | \$70,000,000 |
| 9. 30000705 Centennial Clean Water Program | 10.1 AAIP (C2.1) – Manage urban runoff at the basin and watershed scale (STORMWATER) | Puget Sound Watershed Characterization Assessment-Ecology | 10.1-1, 10.1-2, 10.1-3 | | \$3,600,000 | \$60,000,000 |
| | 13.3 AAIP (C5.3) – Improve and expand funding for small and local onsite sewage systems (SHELLFISH) | Septic Systems Improvement Loan Program-Department of Ecology Onsite Sewage Financial Assistance- Department of Ecology, Regional Onsite Sewage system Loan Program- Department of Ecology | | | \$1,800,000 | |
| | 11.1 AAIP (C3.1) – Target voluntary and incentive-based programs that help working farms contribute to Puget Sound recovery (SHELLFISH) | Nutrient Management plans, technical assistance, local conservation districts | | | \$4,320,000 | |
| 10. 30000796 Stormwater Financial Assistance Program (SFAP) | 10.3 AAIP (C2.3) – Fix problems caused by existing development (STORMWATER) | Stormwater Programs (NPDES Phase 1 and 11 implementation)-Municipal stormwater discharge permit holders-Cities and Counties | 10.3-1, 10.3-4 | | \$30,940,000 | \$44,200,000 |
| 11. 30000707 Remedial Action Grants | 21.2 Clean up contaminated sites within and near Puget Sound 10.3 Fix problems caused by existing development | | 10.3-2 | | \$15,421,000 | \$28,643,000 |
| 12. 40000104 Water Availability | 7.1 - Update Puget Sound Instream Flow Rules to Encourage Conservation | | | | \$13,340,000 | \$20,000,000 |
| 13. 30000749 Clean Up Toxic Sites Puget Sound | 21.2 Clean up contaminated sites within and near Puget Sound 10.3 Fix problems caused by existing development | | 10.3-2 | | \$20,140,000 | \$20,140,000 |
| 14. 30000670 ASARCO Cleanup | 21.2 Clean up contaminated sites within and near Puget Sound | | | | \$28,760,000 | \$28,760,000 |
| 15. 30000714 Watershed Plan Implementation and Flow Achievement | 7. Protect and conserve freshwater resources to increase and sustain water availability for instream flows | | | | \$2,500,000 | \$10,000,000 |
| 16. 30000671 Reducing Toxic Diesel Emissions | 9.3 Adopt and implement plans and control strategies to reduce pollutant releases into Puget Sound from air emissions | | | | \$3,350,000 | \$5,000,000 |

2018 Supplemental Capital Budget Requests Supporting the Puget Sound Action Agenda

October 2, 2017

| Project Request | Sub-strategy | Ongoing Program | Regional Priorities | Near Term Action | Puget Sound Dollars | Total Dollars |
|---|---|-----------------|---------------------|------------------|----------------------|---------------|
| 17. 30000674 Reducing Toxic Woodstove Emissions | 9.3 Adopt and implement plans and control strategies to reduce pollutant releases into Puget Sound from air emissions | | | | \$2,680,000 | \$4,000,000 |
| 18. 30000669 Leaking Tank Model Remedies | 21.2 Clean up contaminated sites within and near Puget Sound 10.3 Fix problems caused by existing development | | 10.3-5 | | \$760,000 | \$1,887,000 |
| Total Capital Requests in Support of the Puget Sound Action Agenda | | | | | \$388,351,600 | |

2018 Supplemental Capital Budget Fund Transfers

Department of Ecology

September 2017

Purpose: This table summarizes Treasurer fund transfers identified by Ecology for inclusion in the 2018 Supplemental Capital Budget.

| Item | Budget Reference | Account From | Account To | FY 18 Amt | FY 19 Amt | Bien Total | Explanation & Statutory Citation |
|------|-----------------------------|--|--|-------------|-------------|--------------|---|
| 1 | Capital Project 30000710 | State Taxable Building Construction Account (355) | Water Pollution Control State Revolving Account – Federal (727) | \$5 million | \$5 million | \$10 million | The Washington State Water Pollution Control Revolving Fund (SRF), established under Chapter 90.50A RCW , implements the state's loan program to provide low- interest loans to public entities for high priority water quality projects statewide. Twenty percent state match toward federal capitalization dollars is required. The state provides the match funds as federal dollars are actually spent. Ecology bases the \$10 million requested match on the full 20 percent match needed for new appropriations and reappropriations of federal SRF loans and including the carry-forward match from the 2015-17 Biennium budget. For the 2017-19 Biennium, a total of \$50 million is the basis for the required 20 percent state match. |

**Department of Ecology
2018 Supplemental Capital Budget**

Table of Contents

Tab B Preservation Projects

1. 30000713 Lacey Headquarters Facility Preservation Projects35

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:14PM

Project Number: 30000713

Project Title: Lacey Headquarters Facility Preservation Projects

Description

Starting Fiscal Year: 2018

Project Class: Preservation

Agency Priority: 30

Project Summary

Ecology's Lacey HQ facility is more than 20 years old. Regular maintenance is required to keep this facility in good functional and structural condition and ensure building operations are safe and efficient. The specific projects included in this request address critical needs that cannot be deferred to a later time. These include: preserving the facility's parking garage; improving the condition of asphalt surfaces on access roads and parking areas and adjacent stormwater infrastructure; and, replacing failing Heating, Ventilating, and Air Conditioning (HVAC) fan motor components. Completing these projects will preserve the condition of the HQ facility, help maintain its value over time, and protect the building from needing more costly repairs at a later date. (State Building Construction Account)

Project Description**What is the proposed project?**

This request for \$2,084,000 will help Ecology make the following improvements to the HQ facility in Lacey:

HQ Parking Garage Preservation: \$1,449,000 (See attached C100 for a detailed breakdown.)

The parking garage at Ecology's Lacey HQ facility has undergone regular maintenance and minor repairs since being constructed in 1993. Major renovation is required to preserve the condition of the parking garage and prevent the facility from losing value and becoming unusable. Specific problems identified by a September 30, 2013 *Parking Deck Condition Evaluation*, completed by engineering consultants Weatherholt and Associates, include:

- Deteriorated concrete surfaces,
- Exposed wire mesh on driving and parking surfaces,
- Degraded joints,
- Cracked concrete slabs and columns, and
- Water intrusion to the lower floors through the concrete decks.

The 2013 evaluation provides specific recommendations and cost estimates that were used as a basis for this proposal. This project will preserve the condition of the Lacey HQ parking garage and help avoid major repairs for several biennia. If this project is delayed, further deterioration is likely, the garage may become unusable and repairs would be more costly, or the garage may become structurally unstable and need to be replaced. The garage provides 60 percent of parking at the HQ building. Due to the location of the facility there are few options to replace this parking if lost. The garage also sits atop 17,000 square feet of the building's basement that houses the mail room, laboratory space, the state printer copy center, and various equipment repair and storage facilities. These areas could also become unusable.

Over the past several years, water has continued to seep through the concrete upper garage parking deck. Continued washing of minerals out of the concrete has contributed to an overall weakening and degrading of the garage structure. As the photos in Attachment A demonstrate, continued leaking has resulted in cracks forming in the garage structure of the top parking deck. Recently, the agency had to replace parts of the fire sprinkler system due to corrosion from the leaks. Water continues to leak into joints between structural members of the garage contributing to an overall deterioration of the structure, and reinforcing steel is protruding through the concrete on the upper deck, creating hazards to people and vehicles.

Unless immediate remedial action is taken, the garage structure and concrete surfaces will continue to deteriorate, and at some point, structural elements of the garage will degrade to the point of failure.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:14PM

Project Number: 30000713

Project Title: Lacey Headquarters Facility Preservation Projects

Description

HQ Minor Works Projects: \$635,000 Total

HQ Asphalt Surfaces Maintenance & Stormwater Preservation (\$450,000)

Asphalt surfaces at Ecology's Lacey HQ are degraded and require significant maintenance and repair. These surfaces are located in the back parking lot and on the entrance and fire access roads for a total of 173,226 square feet. Adjacent stormwater infrastructure including bioswales and retention ponds need excavation to remove sediments that have accumulated over time.

This request differs from Ecology's 2015-17 Maintenance Backlog Reduction Plan in that the estimate back then for \$150,000 was only for basic sealing and re-stripping the asphalt parking lot and did not include preservation costs for the stormwater system. Since then, the asphalt has further deteriorated in various places and must be repaired to stop further weather damage and ensure a safe walking surface.

HQ Variable Air Volume (VAV) Box Fan Motor Replacement (\$185,000)

The Heating, Ventilating, and Air Conditioning (HVAC) system at Ecology's Lacey HQ includes VAV boxes with fan motor components, some of which are past their life expectancy. Five of these motors failed during March through April 2016; another 20 motors failed in May through June, and there are about 276 fan motor components that need to be replaced in VAV boxes throughout the building. Failing fan motors have caused costly repairs that had to be done during business hours, resulting in disruption to staff working at the facility. In one instance, a failing fan motor caused smoke that led to a lengthy building evacuation. Building contractor McKinstry has provided Ecology with cost estimates for this project. Completing this project will ensure efficient and safe operation of the Lacey HQ facility's HVAC system.

These VAV boxes were not repaired or replaced as part of the HVAC project funded in the 2016 Supplemental Operating Budget through a Certificate of Participation; during an audit of the old HVAC system's performance in 2013 it was determined that this was not a critical part of that project. VAV fan motors did not start to fail at a regular rate until 2015.

What opportunity or problem is driving this request?**The reason for the project:**

Ecology's Lacey HQ facility is more than 20 years old. Regular maintenance is required to keep this facility in good condition and ensure building operations are safe and efficient. Completing the preservation projects included in this request will reduce needs on Ecology's deferred maintenance backlog. For example, preserving the condition of the parking garage by fixing known deficiencies will prevent further deterioration, loss of use and help avoid more costly repairs down the road. Work proposed to the stormwater infrastructure is needed to preserve this system and prevent it from becoming out of compliance with local and state water quality requirements.

The effects of non-funding:

If these projects are not funded, the Lacey HQ facility would be at risk from degradation and loss of value, and the safety of employees, building tenants, and visitors could be compromised by a failing parking garage structure and HVAC components.

How does the project support the agency and statewide results?

This request is essential to implementing Ecology's strategic plan— specifically, to Deliver Efficient and Effective Services and provide well-maintained, safe, and efficient facilities. The repairs and improvements included in this request are critical steps to keeping Ecology's HQ facility in good condition so that it may continue to provide a safe and efficient operating base for Ecology's programs, administration, and public visitors.

This request supports the Governor's Results Washington Goal 5 Efficient, Effective, and Accountable Government by ensuring

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:14PM

Project Number: 30000713

Project Title: Lacey Headquarters Facility Preservation Projects

Description

Ecology facilities are safe, well-maintained, and operate efficiently.

What are the specific benefits of this project?

The HQ facility is Ecology's home base, providing office space and infrastructure for more than 900 employees. This building is also an important link to the community and Ecology's stakeholders, who come here for information on Ecology's environmental programs and to do business with us. This includes environmental permit approvals, public meetings, and projects and policy initiatives that also involve local and federal government agencies. This request is an investment in Ecology's important environmental work and an investment in the community.

How will clients be affected and services change if this project is funded?

Funding this request will allow Ecology to continue providing services to stakeholders, including citizens, businesses, and government partners. If this request is not funded, Ecology's services could be impacted negatively as the condition of the HQ facility continues to degrade.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

Funding this request will positively impact Ecology and other agencies and government entities that work closely with us. The Lacey HQ facility provides a safe and efficient operating base for Ecology environmental programs, administration in Lacey and Southwest Washington, and houses partner agencies like the Washington Conservation Commission, the federal Environmental Protection Agency (EPA), and the Pollution Liability Insurance Agency. Maintaining the HQ facility in good condition will benefit these agencies directly.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

This request includes repairs and improvements that will maintain the good condition of Ecology's Lacey HQ facility and prevent it from losing value over time.

HQ PARKING GARAGE PRESERVATION

Delaying this project is not a good alternative—delaying these critical repairs would only create the need for more costly repairs in the near future or lead to structural failure. The specific problems identified by the *Parking Deck Condition Evaluation* completed in 2013 will get worse over time, and other deterioration is likely.

HQ ASPHALT SURFACES MAINTENANCE & STORMWATER PRESERVATION

If this project is delayed or eliminated, the condition of asphalt roads and parking surfaces at Lacey HQ would continue to degrade, potentially causing unsafe driving conditions for employees, contractors, and the public. Delaying this project would also allow additional sediment to accumulate in the stormwater infrastructure, reducing the performance of this system.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:14PM

Project Number: 30000713

Project Title: Lacey Headquarters Facility Preservation Projects

Description

Excavation cannot be delayed because the facility's stormwater system capacity is limited by sediment accumulation. The system has already reached capacity and water is bypassing the first stage of treatment swales. This causes sediment to go directly into the stormwater ponds and fills them. It also causes sediment buildup and standing water in parts of the parking lot, creating a slipping hazard when it freezes. This work will keep the Lacey HQ facility in compliance with local and state regulations by ensuring best management practices for stormwater management can be followed properly.

HQ VAV BOX FAN MOTOR REPLACEMENT

There is no reasonable alternative to this project—fan motors in VAV boxes throughout the Lacey HQ facility are failing at an alarming rate and have already caused significant disruption to staff and building tenants. Five fan motors failed during March through April 2016. One of these failures caused smoke that led to a lengthy building evacuation, affecting approximately 925 building occupants. The five motors that failed were replaced during business hours by building contractor McKinstry Mechanical at an average cost of \$1,522 each. The cost of repairing VAV boxes depends on their size, accessibility of the box, and restoring the location once repaired. For example, moving furniture, setting up scaffolding, and repairing sheet rock and other building infrastructure adds to the cost of the repair. Ecology received \$8,000 in emergency repair funding from the Office of Financial Management to help cover the cost of replacing these motors through Section 1078 of the 2015-17 Capital Budget.

The twenty motors that failed in May through June 2016 were replaced during business hours at a total cost of \$19,458, an average of \$973 each. Delaying this project is not possible, because these motors are a critical component of the building's HVAC system and are needed for the system to perform safely and efficiently. Completing this work as one project in advance of fan motors failing will allow the work to take place outside of business hours which is less costly (at approximately \$671 per motor) and will avoid the cost of further disruption to staff who work in the Lacey HQ facility.

What is the agency's proposed funding strategy for the project?

The proposed option for the parking garage preservation is long-term bond funding. The proposed option for other projects included in this request is short-term, minor works funding. If funded, these project components will be completed within the 2017-19 Biennium.

Location

City: Lacey

County: Thurston

Legislative District: 022

Project Type

Facility Preservation (Minor Works)

Remodel/Renovate/Modernize (Major Projects)

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 2,084,000 | | | | 2,084,000 |
| | Total | 2,084,000 | 0 | 0 | 0 | 2,084,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Kelly Susewind</u> | Email: | <u>ksus461@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-6829</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>HQ Parking Garage Preservation</u> |
| Project Number: | <u>30000713</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

STATE OF WASHINGTON
AGENCY / INSTITUTION PROJECT COST SUMMARY

| | | |
|--------------------|-----------------------------|--|
| Agency | Ecology | |
| Project Name | Parking Garage Preservation | |
| OFM Project Number | | |

| Contact Information | | |
|---------------------|--|--|
| Name | Kelly Susewind | |
| Phone Number | 360-407-6829 | |
| Email | ksus461@ecy.wa.gov | |

| Statistics | | | |
|----------------------------------|--------------------------|---------------------------------|--------|
| Gross Square Feet | 47,446 | MACC per Square Foot | \$19 |
| Usable Square Feet | N/A | Escalated MACC per Square Foot | \$22 |
| Space Efficiency | | A/E Fee Class | C |
| Construction Type | Parking structures and g | A/E Fee Percentage | 11.86% |
| Remodel | Yes | Projected Life of Asset (Years) | 50 |
| Additional Project Details | | | |
| Alternative Public Works Project | | Art Requirement Applies | No |
| Inflation Rate | 2.80% | Higher Ed Institution | No |
| Sales Tax Rate % | 8.90% | Location Used for Tax Rate | Lacey |
| Contingency Rate | 10% | | |
| Base Month | September-13 | | |
| Project Administered By | DES | | |

| Schedule | | | |
|-----------------------|----------|------------------|--------------|
| Pre-design Start | March-13 | Pre-design End | September-13 |
| Design Start | July-18 | Design End | October-18 |
| Construction Start | May-19 | Construction End | September-19 |
| Construction Duration | 4 Months | | |

Green cells must be filled in by user

| Project Cost Estimate | | | |
|-----------------------|--------------------|-------------------------|--------------------|
| Total Project | \$1,221,217 | Total Project Escalated | \$1,448,563 |
| | | Rounded Escalated Total | \$1,449,000 |

STATE OF WASHINGTON
AGENCY / INSTITUTION PROJECT COST SUMMARY

| | | |
|--------------------|-----------------------------|--|
| Agency | Ecology | |
| Project Name | Parking Garage Preservation | |
| OFM Project Number | | |

Cost Estimate Summary

| Acquisition | | | |
|-----------------------------|------------|---------------------------------------|------------|
| Acquisition Subtotal | \$0 | Acquisition Subtotal Escalated | \$0 |

| Consultant Services | | | |
|-------------------------------------|------------------|---|------------------|
| Predesign Services | \$0 | | |
| A/E Basic Design Services | \$80,476 | | |
| Extra Services | \$20,000 | | |
| Other Services | \$36,156 | | |
| Design Services Contingency | \$13,663 | | |
| Consultant Services Subtotal | \$150,294 | Consultant Services Subtotal Escalated | \$176,248 |

| Construction | | | |
|--|--------------------|--|--------------------|
| Construction Contingencies | \$89,400 | Construction Contingencies Escalated | \$106,708 |
| Maximum Allowable Construction Cost (MACC) | \$894,000 | Maximum Allowable Construction Cost (MACC) Escalated | \$1,061,625 |
| Sales Tax | \$87,523 | Sales Tax Escalated | \$103,982 |
| Construction Subtotal | \$1,070,923 | Construction Subtotal Escalated | \$1,272,315 |

| Equipment | | | |
|---------------------------|------------|-------------------------------------|------------|
| Equipment | \$0 | | |
| Sales Tax | \$0 | | |
| Non-Taxable Items | \$0 | | |
| Equipment Subtotal | \$0 | Equipment Subtotal Escalated | \$0 |

| Artwork | | | |
|-------------------------|------------|-----------------------------------|------------|
| Artwork Subtotal | \$0 | Artwork Subtotal Escalated | \$0 |

| Agency Project Administration | | | |
|--|------------|--|------------|
| Agency Project Administration Subtotal | \$0 | | |
| DES Additional Services Subtotal | \$0 | | |
| Other Project Admin Costs | \$0 | | |
| Project Administration Subtotal | \$0 | Project Administration Subtotal Escalated | \$0 |

| Other Costs | | | |
|-----------------------------|------------|---------------------------------------|------------|
| Other Costs Subtotal | \$0 | Other Costs Subtotal Escalated | \$0 |

| Project Cost Estimate | | | |
|-----------------------|--------------------|-------------------------|--------------------|
| Total Project | \$1,221,217 | Total Project Escalated | \$1,448,563 |
| | | Rounded Escalated Total | \$1,449,000 |

[30000713 Lacey HQ Facility Preservation Projects](#)

HQ Garage Parking - Photos of Damage and Continuing Structural Deterioration



Photo 1: Water seeping through the concrete upper parking deck washing the minerals out of the structural concrete elements weakening the overall structure.



Photo 2: The bright colored pipe is part of the fire sprinkler system and was replaced recently due to corrosion from the leaks. Also cracks in the structural elements of the garage are forming and growing due to the water intrusion.



Photo 3: Cracks forming in the structural members of the top parking deck. Continued water intrusion causes the cracks to grow weakening the structure and will eventually cause failure of the structure.



Photo 4: Joints between precast structural members showing water intrusion. Continued intrusion. Will cause failure of the joint.



Photos 5 - 7: Reinforcing steel protruding through the top surface of the parking deck causing corrosion and weakening of the top concrete layer of the parking deck structure.

**Department of Ecology
2018 Supplemental Capital Budget**

Table of Contents

Tab C Programmatic Projects

1. 30000741 Eastern Regional Office Improvements and Stormwater Treatment.....47

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:25PM

Project Number: 30000741

Project Title: Eastern Regional Office Improvements and Stormwater Treatment

Description

Starting Fiscal Year: 2018

Project Class: Program

Agency Priority: 31

Project Summary

Ecology's Eastern Regional Office (ERO) facility in Spokane is a state-owned office building that has been occupied since the 1980s. The parking lot is degraded so severely that it is a safety hazard. The parking lot repairs needed are extensive enough to trigger the City of Spokane's regulatory requirements for stormwater, so Ecology must add onsite treatment with this project. Ecology proposes to purchase two adjacent land parcels to reconstruct the parking lot, install a stormwater treatment system, and complete landscaping as required by Spokane Municipal Code. This project will also provide space for future improvements to consolidate business operations and eliminate off-site leases. (State Building Construction Account)

Project Description**What is the proposed project?**

This request for \$1,920,000 will improve the ERO facility in Spokane through securing space for current property needs and future improvements; resurfacing the parking lot; installing landscaping; and addressing stormwater treatment requirements. The components of this request include:

- \$463,000 to purchase neighboring properties.
- \$218,124 for consultant services, including environmental review and planning.
- \$1,100,445 for construction, including demolition; site preparation; parking surface renovation; installing stormwater treatment components; landscaping; and installing six dual-head electric vehicle (EV) charging stations.
- \$138,494 for project management.

Ecology consulted with ALSC Architects to update the ERO Site Master Plan in July 2016. Updates in the plan include costs for improvements to parking surfaces and stormwater treatment infrastructure. Parking surfaces at ERO are severely deteriorated and need major renovation after more than 30 years of use and periodic patching. Completing this project will repair the ERO parking surfaces and add the required stormwater treatment that will benefit the Spokane River Watershed and the Spokane Valley-Rathdrum Prairie Aquifer (Spokane Aquifer).

This request will enlarge ERO's land base to repair the parking area and allow for required landscaping and stormwater improvements without losing an already limited number of parking spaces. There is currently no stormwater treatment at ERO. Spokane Municipal Code (SMC) requires stormwater treatment and landscaping be included with any projects that involve the addition or replacement of any impervious surface (SMC References listed at the end of this section). Engineers from the City of Spokane's Planning & Development Department have indicated that the planned reconstruction of parking surfaces at ERO is extensive enough to require installing stormwater treatment as specified by SMC and the Spokane Regional Stormwater Manual. Adding pervious surface area will allow us to select cost-effective and environmentally-preferred treatment options, like weirs, berms, and bioswales.

The parcels identified for purchase are located on the southwest corner of the same city block as the ERO facility, at 4508 and 4502 N Madison Street (refer to attached map). Ecology has completed an initial scoping review of these properties to identify any environmental and land use planning concerns that might come up during the development process, with the following results:

- Properties are currently zoned RSF (Residential Single Family).
- Each parcel has a residential structure that will need to be demolished.
- One of the properties is a rental, the other is owner-occupied.
- Both parcels are flat, previously developed urban lots.
- Existing utilities include domestic water, sewer, electric, natural gas, telephone/data, cable TV.
- No surface water resources.
- Not located in floodplain areas.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:25PM

Project Number: 30000741

Project Title: Eastern Regional Office Improvements and Stormwater Treatment

Description

- Consultation with State Department of Archaeology and Historic Preservation (DAHP) database indicates no archaeological or historical resources nearby.
- Search of Ecology Toxics Control Program database indicates no nearby contaminated sites or known environmental hazards.
- No known sensitive environmental resources onsite or nearby.

Ecology will work with Department of Enterprise Services (DES) Real Estate Services to purchase the properties once the Legislature approves funding. The agencies will then submit a rezoning request to the City of Spokane Planning Department; requests are due in October of each year. The City has expressed support for Ecology's planned improvements to ERO.

If Ecology is not able to acquire adjacent properties, stormwater treatment and landscaping will have to be addressed within the existing footprint of the parking lot at ERO. The lack of space and pervious surface area available would limit the options for managing stormwater at ERO, and would likely require on-site stormwater storage with more expensive ongoing operation and maintenance costs for periodic pumping and sediment removal. This option would result in the loss of approximately 30 parking spaces. ERO currently has a total of 149 parking spaces—97 for staff, 42 for official vehicles, 8 for visitors, and 2 Americans with Disabilities Act spaces. This loss of parking capacity would impact the more than 130 employees who work at ERO, and ERO visitors as well.

If Ecology does acquire the adjacent properties, future improvements (not part of this request) include adding space at ERO for equipment storage and laboratory services. These improvements will provide needed space for fieldwork gear storage, a suitable environment for field sample preparation and analysis (laboratory services), secure chain-of-custody storage for laboratory samples, and storage space for spill response equipment and hazardous materials storage. Space for these mission-critical activities is currently leased at six properties around the Spokane area. A cost-benefit analysis indicates that consolidating these activities onsite at Ecology's ERO facility will be considerably more efficient, saving lease costs and staff travel time and fuel. Having equipment onsite will also improve response time in the event of an emergency hazardous spill. The ERO Site Master Plan includes constructing a \$1,682,000 annex facility during the 2019-2021 Biennium that would allow Ecology to consolidate program functions in Spokane. Ecology will consider requesting funding for the annex after the properties are purchased and improvements to the parking and stormwater treatment are complete.

Refer to Spokane Municipal Code sections 17D.060.030 (Standards), 17D.060.140 (Runoff and Infiltration Controls), and 17D.060.300 (Low Impact Development) and Spokane Regional Stormwater Manual sections 2.1.1 (Regulatory Threshold), 2.1.3 (Redevelopment), and 2.2 (Basic Requirements).

What opportunity or problem is driving this request?**The reason for the project:**

Parking surfaces at Ecology's ERO are severely degraded, and the current site does not provide any treatment for stormwater runoff. This request will improve safety of parking surfaces onsite and address the lack of stormwater treatment at the ERO facility. The improvements needed to the parking lot are extensive enough that the City of Spokane will require Ecology to install onsite stormwater treatment. If we don't purchase adjacent land parcels to add pervious surface area, Ecology would not have adequate space to provide the required onsite stormwater treatment. Untreated runoff may contain contaminants that can adversely affect water quality in the Spokane Aquifer and Spokane River Watershed. Ecology will install onsite stormwater treatment before runoff reaches local water sources, providing environmental protection as required by the Spokane Municipal Code and the Spokane Regional Stormwater Manual. Renovated parking surfaces at ERO will also improve safety for drivers and pedestrians.

The effects of non-funding:

Ecology cannot safely defer total renovation of the ERO parking lot, because it has degraded to the point that minor patching and sealing no longer work. The consequences of not funding improvements to ERO's parking lot would be continued degradation of parking surfaces, increasing the severity of unsafe conditions for drivers and pedestrians. Not funding the stormwater treatment infrastructure would allow polluted runoff to continue flowing into local water systems. Ecology would also

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:25PM

Project Number: 30000741

Project Title: Eastern Regional Office Improvements and Stormwater Treatment

Description

forgo the future opportunity to consolidate space, implement program efficiencies, and improve response times.

How does the project support the agency and statewide results?

This request is essential to implementing Ecology's strategic plan—specifically, to Deliver Efficient and Effective Services and provide well-maintained, safe, and efficient facilities. Improving the safety of ERO's parking lot is a critical step toward keeping this facility in good condition so it will continue to provide a safe and efficient operating base for Ecology's programs and administration in Eastern Washington.

This request supports the Governor's Results Washington Goal 5 Efficient, Effective, and Accountable Government by ensuring Ecology facilities are safe, well-maintained, and operate efficiently.

This request also supports the priority of Sustainable Energy and a Clean Environment by adding stormwater treatment and infiltration at ERO, helping improve water quality in the Spokane River Watershed and Spokane Aquifer.

Funding this request will also help meet the Governor's goals under the Electric Fleets Initiative by adding charging capacity for 12 electric vehicles.

What are the specific benefits of this project?

This request is an investment in important environmental work and in the community. The ERO facility is Ecology's home base in Eastern Washington, providing office space and supporting business needs for more than 130 employees. This building is a critical link to the community, stakeholders, and government entities that do business with Ecology for environmental permit approvals, public meetings, projects, policy initiatives, etc.

Installing stormwater treatment at the ERO facility as required by Spokane Municipal Code and the Spokane Regional Stormwater Manual will provide environmental benefits and bolster relationships with local government partners that are working to improve water quality.

Purchasing and developing adjacent land parcels will benefit Ecology and the local community by adding safety and security. In June 2016 alone, the neighborhood (within a half mile radius of the ERO facility) experienced 42 reported crime events—mostly theft, malicious mischief, burglary, and vehicle prowling. Other crimes that have been recorded in the area include assault and drug arrests. This request will include security measures to deter crime—these may include fencing, landscaping, and closing alleys that provide access to the ERO facility.

How will clients be affected and services change if this project is funded?

Funding this request will allow Ecology to improve the services we provide to citizens, businesses, government partners, and others. The parking lot will be safer for drivers and pedestrians; and the security measures will improve overall safety for our employees, customers, and the community. Purchasing the adjacent parcels will allow Ecology to make important customer service improvements in the future, including consolidating space to save on lease costs, implementing program efficiencies, and improving emergency response times.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

Funding this project will have a positive effect on all of Ecology's programs and on other agencies and government units that work closely with Ecology in Eastern Washington by increasing safety and operational efficiency.

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:25PM

Project Number: 30000741

Project Title: Eastern Regional Office Improvements and Stormwater Treatment

Description

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

The parking lot at ERO is so severely degraded that delaying this project is an unsafe alternative that would be more expensive in the long run, and polluted runoff would continue to flow into local water systems. If the adjoining parcels are not purchased, Ecology would lose a significant number of already limited parking spaces, because the city requires the installation of stormwater treatment when extensive repairs are made. If Ecology renovated parking surfaces at ERO without including stormwater treatment, the City of Spokane could issue costly fines or require Ecology to tear up parking surfaces to complete stormwater treatment installation.

The best alternative is to purchase the adjacent properties, demolish existing structures, resurface the parking area, and add the required stormwater treatment.

What is the agency's proposed funding strategy for the project?

Ecology requests State Building Construction Account funding be provided for this request that will be completed within the 2017-19 Biennium.

Proviso

N/A

Location

City: Spokane

County: Spokane

Legislative District: 003

Project Type

Acquisition - Land

Remodel/Renovate/Modernize (Major Projects)

Growth Management impacts

N/A

New Facility: No

How does this fit in master plan

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reappropr | New Approps |
| 057-1 | State Bldg Constr-State | 3,602,000 | | | | 1,920,000 |

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:25PM

Project Number: 30000741

Project Title: Eastern Regional Office Improvements and Stormwater Treatment

| Funding | | | | | |
|-------------------------------|-----------------------|----------|----------|----------|-----------|
| | Total | | | | |
| | 3,602,000 | 0 | 0 | 0 | 1,920,000 |
| | Future Fiscal Periods | | | | |
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 State Bldg Constr-State | 1,682,000 | | | | |
| Total | 1,682,000 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|------------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Fran Huntington</u> | Email: | <u>fhun461@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7028</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>ERO Improvements and Stormwater Treatment</u> |
| Project Number: | <u>30000741</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.



STATE OF WASHINGTON

DEPARTMENT OF ARCHAEOLOGY & HISTORIC PRESERVATION

1063 S. Capitol Way, Suite 106 • Olympia, Washington 98501
Mailing address: PO Box 48343 • Olympia, Washington 98504-8343
(360) 586-3065 • Fax Number (360) 586-3067 • Website: www.dahp.wa.gov

August 22, 2006

Mr. Fran Huntington
Facilities Management
Department of Ecology
PO Box 47600
Olympia, Washington 98504-7600

Re: Ecology Regional Office Addition / Spokane
Log No.: 082206-24-ECY

Dear Mr. Huntington:

Thank you for contacting our department pursuant to Executive Order 0505. We have reviewed the materials you provided for the proposed Ecology Regional Office Addition at N. 4601 Monroe, Spokane, Spokane County, Washington.

Based upon this information we concur with the finding the proposed project will have no effect upon cultural properties included in the National and State Registers of Historic Places and the Washington State Archaeological and Historic Sites Inventories. Thus, no historic properties are affected.

These comments are based on the information available at the time of this review and on behalf of the State Historic Preservation Officer in conformance with Executive Order 05-05.

Should additional information become available, our assessment may be revised, including information regarding historic properties that have not yet been identified. In the event that archaeological or historic materials are discovered during project activities, work in the immediate vicinity must stop, the area secured, and the concerned tribe's cultural staff and cultural committee and this department notified. Thank you for the opportunity to comment and a copy of these comments should be included in subsequent environmental documents.

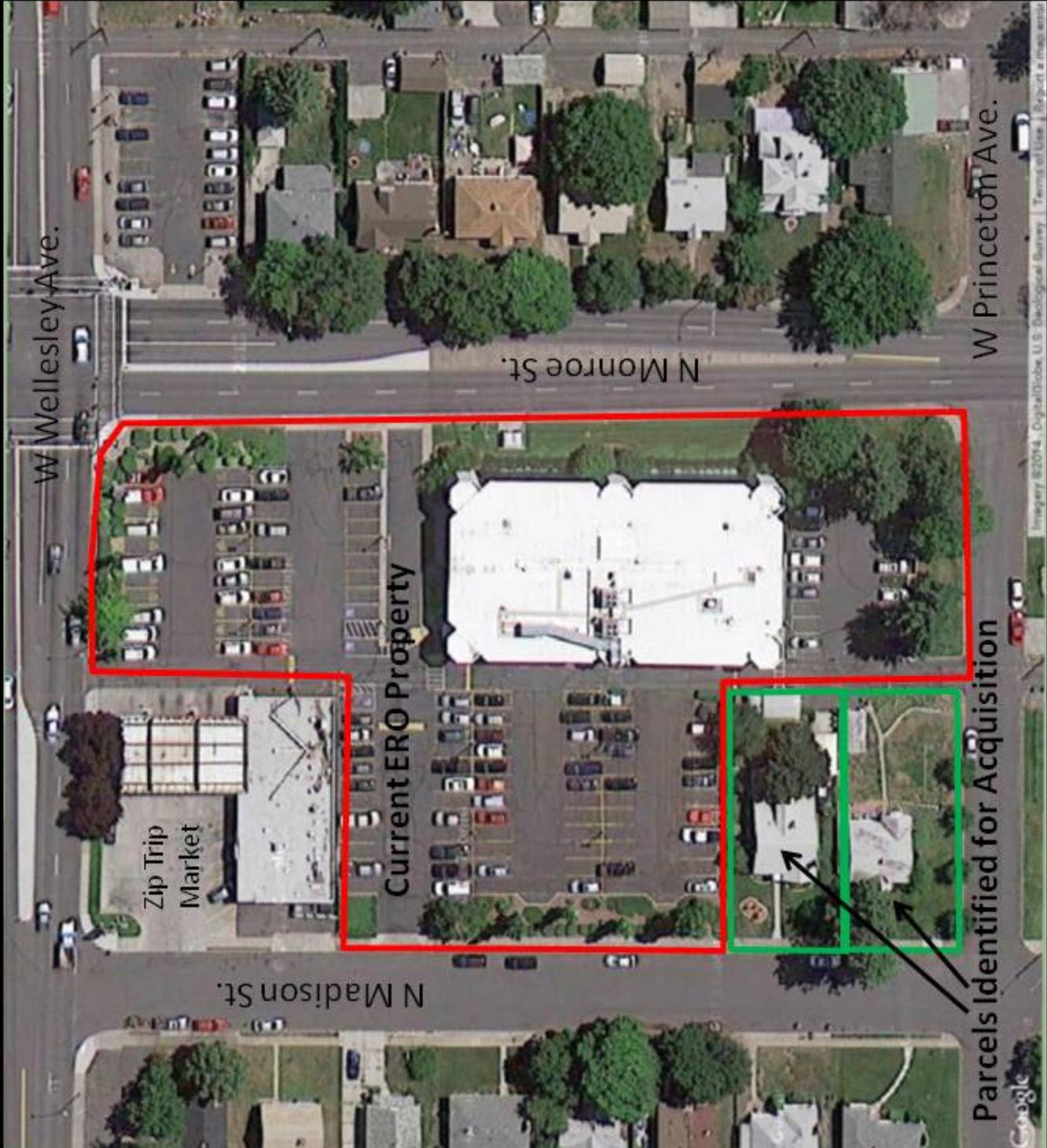
Sincerely,

Robert G. Whitlam, Ph.D.
State Archaeologist
(360)586-3080
email: rob.whitlam@dahp.wa.gov



WA
Department
of Ecology

Eastern
Regional
Office (ERO)



STATE OF WASHINGTON
AGENCY / INSTITUTION PROJECT COST SUMMARY

| | | |
|--------------------|--|--|
| Agency | Department of Ecology | |
| Project Name | Eastern Regional Office 2017-2019 Capital Projects | |
| OFM Project Number | | |

| Contact Information | | |
|---------------------|--|--|
| Name | Fran Huntington | |
| Phone Number | 360-407-7028 | |
| Email | fhun461@ecy.wa.gov | |

| Statistics | | | |
|--------------------|--------------------|---------------------------------|--------|
| Gross Square Feet | NA | MACC per Square Foot | |
| Usable Square Feet | | Escalated MACC per Square Foot | |
| Space Efficiency | | A/E Fee Class | C |
| Construction Type | Civil Construction | A/E Fee Percentage | 11.88% |
| Remodel | | Projected Life of Asset (Years) | |

| Additional Project Details | | | |
|----------------------------------|---------|----------------------------|-----------------|
| Alternative Public Works Project | | Art Requirement Applies | no |
| Inflation Rate | 2.80% | Higher Ed Institution | no |
| Sales Tax Rate % | 8.70% | Location Used for Tax Rate | City of Spokane |
| Contingency Rate | 10% | | |
| Base Month | July-16 | | |
| Project Administered By | DES | | |

| Schedule | | | |
|-----------------------|-----------|------------------|------------|
| Predesign Start | June-16 | Predesign End | July-16 |
| Design Start | August-17 | Design End | October-17 |
| Construction Start | March-18 | Construction End | July-18 |
| Construction Duration | 4 Months | | |

Green cells must be filled in by user

Project Cost Estimate

| | | | |
|---------------|--------------------|-------------------------|--------------------|
| Total Project | \$1,849,081 | Total Project Escalated | \$1,920,063 |
| | | Rounded Escalated Total | \$1,920,000 |

STATE OF WASHINGTON
AGENCY / INSTITUTION PROJECT COST SUMMARY

| | | |
|--------------------|--|--|
| Agency | Department of Ecology | |
| Project Name | Eastern Regional Office 2017-2019 Capital Projects | |
| OFM Project Number | | |

Cost Estimate Summary

| Acquisition | | | |
|-----------------------------|------------------|---------------------------------------|------------------|
| Acquisition Subtotal | \$463,000 | Acquisition Subtotal Escalated | \$463,000 |

| Consultant Services | | | |
|-------------------------------------|------------------|---|------------------|
| Pre-design Services | \$12,000 | | |
| A/E Basic Design Services | \$96,862 | | |
| Extra Services | \$40,000 | | |
| Other Services | \$41,431 | | |
| Design Services Contingency | \$19,029 | | |
| Consultant Services Subtotal | \$209,322 | Consultant Services Subtotal Escalated | \$218,124 |

| Construction | | | |
|--|--------------------|--|--------------------|
| Construction Contingencies | \$87,460 | Construction Contingencies Escalated | \$92,463 |
| Maximum Allowable Construction Cost (MACC) | \$874,600 | Maximum Allowable Construction Cost (MACC) Escalated | \$919,905 |
| Sales Tax | \$83,699 | Sales Tax Escalated | \$88,077 |
| Construction Subtotal | \$1,045,759 | Construction Subtotal Escalated | \$1,100,445 |

| Equipment | | | |
|---------------------------|------------|-------------------------------------|------------|
| Equipment | \$0 | | |
| Sales Tax | \$0 | | |
| Non-Taxable Items | \$0 | | |
| Equipment Subtotal | \$0 | Equipment Subtotal Escalated | \$0 |

| Artwork | | | |
|-------------------------|------------|-----------------------------------|------------|
| Artwork Subtotal | \$0 | Artwork Subtotal Escalated | \$0 |

| Agency Project Administration | | | |
|--|------------------|--|------------------|
| Agency Project Administration Subtotal | \$0 | | |
| DES Additional Services Subtotal | \$0 | | |
| Other Project Admin Costs | \$0 | | |
| Project Administration Subtotal | \$131,000 | Project Administration Subtotal Escalated | \$138,494 |

| Other Costs | | | |
|-----------------------------|------------|---------------------------------------|------------|
| Other Costs Subtotal | \$0 | Other Costs Subtotal Escalated | \$0 |

| Project Cost Estimate | | | |
|-----------------------|--------------------|-------------------------|--------------------|
| Total Project | \$1,849,081 | Total Project Escalated | \$1,920,063 |
| | | Rounded Escalated Total | \$1,920,000 |

**Department of Ecology
2018 Supplemental Capital Budget**

Table of Contents

| | | |
|----------------|--|-----|
| Tab D-1 | MTCA Delayed Projects Bond Backfill to address MTCA Revenue Shortfall | |
| 1. | Solving the MTCA Revenue Shortfall..... | 61 |
| 2. | 30000458 Delayed 2015-17 Remedial Action Grants..... | 63 |
| 3. | 30000535 Delayed 2015-17 Stormwater Financial Assistance | 99 |
| 4. | 92000076 Delayed 2013-15 Stormwater Financial Assistance | 113 |
| 5. | 30000542 Delayed 2015-17 Cleanup Toxics Sites Puget Sound..... | 123 |
| 6. | 30000432 Delayed 2015-17 Eastern WA Clean Sites Initiative..... | 135 |
| Tab D-2 | Protect and Restore Puget Sound | |
| 1. | 30000763 2015-17 Restored Clean Up Toxic Sites – Puget Sound | 159 |
| 2. | 30000749 Clean Up Toxic Sites – Puget Sound..... | 185 |
| Tab D-3 | Deliver Integrated Water Solutions | |
| 1. | 30000710 Water Pollution Control Revolving Program | 213 |
| 2. | 30000797 2015-17 Restored Stormwater Financial Assistance | 219 |
| 3. | 30000706 Floodplains by Design | 237 |
| 4. | 30000705 Centennial Clean Water Program | 285 |
| 5. | 40000064 Catastrophic Flood Relief..... | 365 |
| 6. | 30000796 2017-19 Stormwater Financial Assistance Program..... | 373 |
| 7. | 30000712 Columbia River Water Supply Development Program | 385 |
| 8. | 30000711 Yakima River Basin Water Supply..... | 421 |
| 9. | 40000104 Water Availability | 441 |
| 10. | 30000673 Sunnyside Valley Irrigation District Water Conservation | 447 |
| 11. | 30000714 Watershed Plan Implementation and Flow Achievement..... | 461 |
| 12. | 30000740 Water Irrigation Efficiencies Program..... | 471 |

Tab D-4 Prevent and Reduce Toxic Threats

| | | | |
|-----|----------|---|-----|
| 1. | 30000704 | 2015-17 Restored Eastern Washington Clean Sites Initiative | 499 |
| 2. | 30000707 | 2017-19 Remedial Action Grants | 515 |
| 3. | 30000670 | ASARCO Cleanup..... | 561 |
| 4. | 40000062 | Coord. Prevention Grants – Local Solid Waste Fin. Assistance..... | 571 |
| 5. | 40000096 | Mount Baker Properties Cleanup & Affordable Housing Dev. | 581 |
| 6. | 30000742 | Eastern Washington Clean Sites Initiative..... | 587 |
| 7. | 30000671 | Reducing Toxic Diesel Emissions | 605 |
| 8. | 30000674 | Reducing Toxic Woodstove Emissions | 613 |
| 9. | 30000669 | Leaking Tank Model Remedies..... | 619 |
| 10. | 30000708 | Swift Creek Natural Asbestos Flood Control and Cleanup | 659 |
| 11. | 30000672 | Waste Tire Pile Cleanup and Prevention | 673 |
| | | Electronic Decision Package Confirmation | 677 |

**Department of Ecology
2018 Supplemental Capital Budget**

Table of Contents

Tab D-1 MTCA Delayed Projects Bond Backfill to address MTCA Revenue Shortfall

| | | |
|----|---|-----|
| 1. | Solving the MTCA Revenue Shortfall..... | 61 |
| 2. | 30000458 Delayed 2015-17 Remedial Action Grants | 63 |
| 3. | 30000535 Delayed 2015-17 Stormwater Financial Assistance | 99 |
| 4. | 92000076 Delayed 2013-15 Stormwater Financial Assistance | 113 |
| 5. | 30000542 Delayed 2015-17 Cleanup Toxics Sites Puget Sound..... | 123 |
| 6. | 30000432 Delayed 2015-17 Eastern WA Clean Sites Initiative..... | 135 |

WHY IT MATTERS

Since 1988 when the Model Toxics Control Act was established, MTCA funds have been used for both operating and capital investments in core toxics, hazardous waste, solid waste, air quality, and water and environmental health protection and monitoring programs. The three MTCA accounts taken together are the largest source of state funds supporting environmental and public health work at Ecology. The major source of funding for these accounts is the Hazardous Substance Tax (HST), a 0.7 percent tax on the wholesale value of the first possession of hazardous substances in Washington. The HST has not been increased or adjusted for inflation in 28 years. With the reduced value of crude oil, and the increased demand for MTCA dollars, the MTCA accounts are facing a significant shortfall in the 2017-19 Biennium.

Contact:
Erik Fairchild
Chief Financial Officer
(360) 407-7005
Erik.Fairchild@ecy.wa.gov

Solving the MTCA Revenue Shortfall

Based on the September 2017 forecast, The Model Toxics Control Act (MTCA) funds will have a \$69 million shortfall in the 2017-19 Biennium (future forecasts will change this amount.) The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the February 2014 revenue forecast, actual and projected revenue declined by \$388 million (\$187 million in 2015-17, \$201 million in 2017-19)—an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.
- \$240 million in appropriations above projected fund balances that assumed spending would occur in future biennia (\$119 million in 2013-15, and \$121 million in 2015-17). These future commitments are now due, and significantly reduce available fund balance capacity.
- MTCA appropriations have expanded in recent biennia to several agencies (increase from five agencies in 2003-05 to 11 agencies today).
- Enacted budgets included up to \$26 million in loans to MTCA from other dedicated accounts, and repayments are due in the next two biennia.
- Since 2007-09, \$75 million of work previously funded by General Fund- State has been permanently shifted to MTCA (\$64 million at Ecology, \$11 million at other agencies.)

Ecology's 2018 Supplemental Capital Budget Request Keeps Priority Projects Moving Forward

The 2016 Supplemental Budgets cut appropriations to balance the MTCA accounts for 2015-17. Many cleanup and stormwater projects were also delayed based on the future spending assumptions passed with the 2015-17 Capital Budget, and those commitments are now due. With a projected \$69 million revenue shortfall in MTCA for the 2017-19 Biennium, Ecology will not be able to fund these obligations without a revenue / funding solution.

October 3, 2017

Following the general approach taken by both the House and Senate in the 2017 legislative capital budgets proposed at the end of the third special session, Ecology's 2018 Supplemental Capital Budget requests bond backfill funding for certain MTCA reappropriations. The following table lists the reappropriation amounts Ecology is requesting for backfill funding from the State Building Construction Account (SBCA).

| 2018 Supplemental Capital Budget Request - Bond Backfill Reappropriation Calculations | | | | | |
|--|----------------|---------------------------------------|--------------|----------------------|-------------------------------------|
| <i>Dollars in 000s</i> | Project | MTCA Adjusted Reappropriation* | Lapse | Bond Backfill | MTCA Reappropriation Balance |
| Toxics Cleanup | | | | | |
| Remedial Action Grants | T38 - 30000458 | 43,615 | 750 | 23,822 | 19,043 |
| Puget Sound Cleanup | T61 - 30000542 | 10,920 | | 4,400 | 6,520 |
| Eastern WA Cleanup | T82 - 30000432 | 9,370 | | 2,200 | 7,170 |
| Sub Total | | 63,905 | 750 | 30,422 | 32,733 |
| Stormwater | | | | | |
| Stormwater Improvements | S30 - 92000076 | 42,285 | | 12,347 | 29,938 |
| Stormwater Financial Assistance | T96 - 30000535 | 31,200 | | 26,536 | 4,664 |
| Sub Total | | 73,485 | | 38,883 | 34,602 |
| Grand Total | | | 750 | 69,305 | 67,335 |

* Anticipated reappropriation amount adjusted after 2015-17 Biennium final expenditures.

Providing bond backfill funding and reducing MTCA reappropriations by the same amount will help bridge the MTCA revenue gap and avoid further delays of critical cleanup and stormwater projects. Local governments and others across the state need financial certainty that state funding will be forthcoming to ensure existing projects are completed as planned, and new projects can be planned and designed to maximize environmental and public health improvements and economic development opportunities. Most cleanup projects are now funded in phases per legislative direction, so new funding is needed to continue projects already underway, and to avoid costly starts and stops to these cleanups.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

Description

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as “future expenditures assumed in the enacted budget.” This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

Ecology's primary tool for helping local governments clean up contaminated sites is the RA grant program. The purpose of this program is to expedite cleanup and redevelopment of contaminated sites and to ease the financial impact of cleanup on local ratepayers and taxpayers. The funding is intended to supplement and leverage up to 50 percent local government funding and funding from other sources, including insurance and contribution claims. Cleaning up contaminated sites protects the groundwater that serves over half of the state's population, and it promotes a healthy environment for Washingtonians. Cleaning up contaminated sites can provide other benefits, including:

- Reusing scarce industrial sites in urban areas.
- Expanding local tax bases.
- Promoting livable communities.
- Promoting local economic redevelopment.
- Preserving farmland.

In 2013, there were significant changes made to MTCA. Among them, was direction for Ecology to plan hazardous site cleanup at a pace that matches the estimated cash resources in the MTCA accounts. (RCW 70.105D.170) Cleanups can take many years once a site has been contaminated with toxic chemicals. Three major factors determine the length of time for cleanup: the regulatory process used (formal versus independent cleanup); the nature of the contaminants (how difficult they are to remediate); and the type of contaminated media (soil, groundwater, sediments, etc.) Ecology established an ideal target for achieving site cleanup within five years; and has been actively working toward this target by employing model remedies, supporting local governments to plan for cleanup with Integrated Planning Grants, and developing tools and policies to help achieve cleanup faster.

Local governments need financial certainty for cleanup project development to ensure existing projects are completed as envisioned, and new projects can be planned and designed to maximize environmental and public health improvements and economic development opportunities. The MTCA revenue decline that resulted in cleanup project delays in the 2015-17 Biennium created uncertainties for public funding. Despite Department of Revenue's Hazardous Substance Tax (HST, MTCA's major revenue source) forecasts projecting a recovery in the next few years, delays in HST revenue recovery will continue to restrain cleanup projects funded with MTCA. All of the delayed projects on the attached list are for existing projects.

MTCA's cleanup process informs project prioritization. Ecology's Toxics Cleanup Program (TCP) guides all cleanup projects through MTCA's regulatory process and requirements, including those seeking state capital budget funding. MTCA requires all cleanup projects proceed through the following phases:

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

Description

1. Assessment: All projects are prioritized based on human health and environmental risks. Cleanup projects address risks from exposure to contaminated soil; contaminated groundwater and drinking water; contaminated marine water and sediment, which pose human health risks from consuming fish and shellfish; toxic vapors; or a combination of the above.
2. Remedial Investigation: Remedial investigations define the nature, extent, and magnitude of contamination on all projects.
3. Feasibility Study: Feasibility studies are conducted on all projects and include alternative analysis, cost-benefit analysis, long-term or life-cycle cost analysis, and cleanup technology preferences.
4. Cleanup Action Plan: Information from the remedial investigation and feasibility study are included in a cleanup action plan that describes cleanup standards, methods, monitoring requirements, and schedule – including any time-critical elements.
5. Comment: The public is encouraged to review and comment on the projects' investigations, feasibility studies, and cleanup plans during public comment periods.
6. Cleanup: Designing, constructing, operating, and monitoring the cleanup. At this phase, projects are ready to proceed: They are in construction; they have permits or are in the permitting process; their design is complete or underway; or they are under contract. A cleanup is complete when Ecology determines cleanup standards have been met.

In addition to projects being evaluated according to the MTCA regulatory process, the enacted 2015-17 biennial Capital Budget provided three tools for managing cash in the MTCA accounts: transfers between accounts, taking a loan from the Cleanup Settlement Account, and delaying cleanup projects (Second Engrossed House Bill 1115, Section 7038). After that budget became law, Ecology and the Office of Financial Management developed a MTCA Cash Management Plan (Plan). The Plan describes Ecology's use of the three options to maintain positive cash balances in the accounts, including delaying several high-priority cleanup projects.

Section 7038 (3) authorized Ecology to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution. Ecology used this authority in the 2015-17 Biennium to guide project priority. The list of delayed projects is prioritized by:

1. Applying Section 7038 criteria as detailed in the Plan.
2. Where groups of projects met all of the same Section 7038 criteria, projects were further ranked considering Ecology's regional and program priorities.
3. Reviewing current information from grant recipients and Ecology's regional cleanup managers on the status of projects. Some of the delayed projects have been in line for funding for more than two years, and circumstances may have changed. Ecology reviewed each request to ensure the project is still viable, updated descriptive information, and confirmed dollar amounts. The project list explains any changes.

Attached is a prioritized list of delayed projects that will be funded with this request. The enacted 2016 Supplemental Capital Budget provided \$60.1 million in LTCA appropriations for RA grants, assuming about half would be spent in the 2017-19 Biennium. But, with the significant drop in the price of oil, and correlated decreases over the past two years in HST forecast, revenue projections for all three MTCA accounts (State Toxics Control Account, LTCA, Environmental Legacy Stewardship Account) fall short of funding the appropriations for delayed 2015-17 RA grant projects. Ecology requests State Building Construction Account (SBCA) dollars of \$23.8 million for this reappropriation to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Ecology is also lapsing \$750,000 for Western Port Angeles Harbor because the City and Port expect to recover insurance proceeds for the work so state funding is no longer needed.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

Description**What opportunity or problem is driving this request?****The reason for the project:**

RA grants are used to help local governments clean up contaminated sites. This protects the groundwater that serves over half the state's population, and it promotes a healthy environment for Washingtonians. Cleaning up contaminated sites can provide other benefits, including reusing scarce industrial sites in urban areas; expanding local tax bases; promoting livable communities; promoting local economic redevelopment; and preserving farmland.

This RA project was appropriated with MTCA funding in the 2015-17 Biennium. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. The HST is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10 of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years, and so have HST collections and revenues.

Ecology requests backfill funding from the SBCA to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016.
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).
- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.
- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the GF-S. There were direct transfers, but the Legislature also preserved investments in cleanup. In the RA grant program, the SBCA was used to backfill MTCA transfers. This provided funding for existing projects and invested in new RA grants during the economic downturn. Now, the economy is in a growth period – the very time when toxic site cleanup is affordable and interest in redevelopment is high. Ecology requests SBCA backfill funding be appropriated so important cleanup work does not continue to be delayed.

The effects of non-funding:

The RA grant program is well established for helping local governments clean up contaminated sites in their communities. It is a high funding priority in MTCA, and is the mechanism for carrying out the provisions of this law. Funding this request will allow the state to further meet its statutory obligation to provide continued support to local governments for cleaning up toxics in the environment. If this proposal is not funded, the state would not be able to support local governments in meeting their obligations to eliminate toxic threats and protect the people living in their communities.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

Description**How does the project support the agency and statewide results?**

This project is essential to implementing a strategic priority in Ecology's strategic plan by supporting the priority to Prevent and Reduce Toxic Threats. It contributes resources to continue activity A005, "Clean the Worst Contaminated Sites First."

This request is essential to support the Governor's budget and economic priorities by investing funds to protect public health and natural resources. This request will also support Results Washington Goal 3, Sustainable Energy and a Clean Environment, by cleaning up and managing contaminated sites that pose threats to public health, the environment, groundwater, and fish and wildlife resources. Specifically:

Goal-topic: Clean and Restored Environment – Sub-topic: Healthy Lands.

Outcome Measure 3.1 – Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020.

Leading Indicator 3.1.a – Increase number of contaminated brownfield sites returned to economically productive use from 476 to 1,090 by 2020.

This work also supports Goal 2, Prosperous Economy by creating and supporting jobs and making it possible to redevelop previously contaminated land to support economic growth in communities.

This request also supports Puget Sound Action Agenda implementation through strategy 21 "Address and clean up cumulative water pollution impacts in Puget Sound," substrategy 21.2 "Clean up contaminated sites within and near Puget Sound" by reducing and controlling the sources of pollution.

In addition, this request directly supports sub-strategy 10.3 "Fix problems caused by existing development," regional priority 10.3-2 "Provide infrastructure and incentives to accommodate re-development within designated urban centers in urban growth areas". Ecology's work to cleanup areas contaminated with hazardous substances returns a polluted or degraded environment, as much as possible, to a healthy, self-sustaining ecosystem. Through the RA grant program, Ecology works in partnership with local governments to fund remedial actions at contaminated sites in Puget Sound.

What are the specific benefits of this project?

This request contributes to cleanup progress in Washington, and there will be a direct impact on human health and the environment by fully funding these cleanups. The impacts will be largely felt in areas in or immediately adjacent to Puget Sound. There will also be economic redevelopment benefits, because cleanup at a number of these sites is the first step in the redevelopment process.

This is a continuing and well established program to help local governments. Funding this request will allow Ecology to provide continued and enhanced support to local governments for cleaning up toxics in the environment.

Cleaning up contaminated property is usually integrated with economic redevelopment, habitat restoration, and public recreation projects. Most cleanup projects are the first phase of a larger community or economic redevelopment projects where the cleanup site is the focal point of the project.

How will clients be affected and services change if this project is funded?

This request will continue to provide funding to meet local government RA grant needs. This funding will help local governments clean up contaminated properties to be redeveloped and provide an economic benefit to the community.

Are FTEs required to support this project?

The FTEs required to support this project are requested in the new 2018 Supplemental RA grant budget request.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

Description**How will the other state programs or units of government be affected if this project is funded?**

The costs of remediating hazardous waste sites are often beyond the financial means of local governments and ratepayers. The RA grant program is used to supplement local government funding and funding from other sources to carry out required remedial action. This grant program will continue to benefit local governments statewide if this request is funded.

What is the impact on the state operating budget?

None

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology's ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

If an alternative solution is not provided, Ecology would have to further delay these RA cleanup projects until revenue recovers in the MTCA accounts. Funding a bond backfill is the best option because it will fund the capital budget as the Legislature originally intended, and give Ecology the resources to continue implementation of the budget as originally passed.

What is the agency's proposed funding strategy for the project?

Ecology is requesting new bond backfill funding from the SBCA of \$23.8 million and a reduction to LTCA funding by the same amount (after accounting for \$750,000 lapsed funding) to help bridge the gap until MTCA revenue recovers. This will allow important RA cleanup work to begin, rather than having to delay projects until sufficient MTCA revenue is available. This funding is matched up to 50 percent by local governments.

Note: The total amount being requested in bond funding for 2017-19 Remedial Action Grants is \$52.5 million, which includes \$28.6 million in new funding to start or continue the next phase of projects; and due to the MTCA revenue shortfall, this \$23.8 million for projects that will continue to be delayed in reappropriation 30000458. Traditional new investments in Remedial Action Grants have averaged around \$71 million a biennium over the last five biennia.

Location

City: Statewide

County: Statewide

Legislative District: 098

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

Description

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|----------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 23,822,000 | | | | 23,822,000 |
| 174-1 | Local Toxics Control-State | (24,572,000) | | | | (24,572,000) |
| | Total | (750,000) | 0 | 0 | 0 | (750,000) |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| 174-1 | Local Toxics Control-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000724

SubProject Title: RG Haley completion

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000724

SubProject Title: RG Haley completion

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

The Port and City of Bellingham have been working with Ecology under existing Remedial Action Grants to understand the extent, nature and ultimate cleanup plans for two adjacent properties, the Cornwall Avenue Landfill and R.G. Haley Wood Treating. These are commonly referred to as Cornwall Avenue and R.G. Haley sites. Additional state funding for these sites has been significantly delayed – both by projects "Delayed" from the 2015-17 biennium (R.G. Haley) and now by the "New" project funding in the 2017-19 biennium not being appropriated by the Legislature (to both sites) through a new Capital Budget.

The Cornwall Avenue and R.G. Haley cleanup sites are adjacent, their contaminants overlap and Ecology is working with two different potentially liable parties to complete cleanup. At Cornwall Avenue, garbage and wood waste were dumped into Bellingham Bay creating the 12 acre site. The R.G. Haley site held a wood treating facility. Its operation resulted in elevated concentrations of highly toxic wood treatment chemicals. At both sites, contamination in the soil, soil vapor, groundwater and sediment pose a risk to human health and the environment. Cleanup of both sites must occur at the same time to most efficiently and cost effectively proceed with cleanup. So, Ecology is now combining the budget request for the two areas so the funding for this work does not become "de-linked" through the state budgeting process. Funds are needed from both the "Delayed" and "New" funding lists.

As a result of time passing, Ecology and the potentially liable parties have learned more about these sites and what is required to clean them up. The Port and City of Bellingham and Ecology have prioritized and now better understand the funding required to prepare the final plans and engineering design of the Cornwall Avenue/R.G. Haley sites for construction at the beginning of the 2019-21 biennium.

Ecology is requesting that the \$3.0 million formerly slated for the G.P. West site be substituted for Cornwall Avenue on this "Delayed" funding list. Additionally, the "New" funding included in the 2017-19 biennial Capital Budget request for Cornwall Avenue is still needed. The \$3.0 million on the "Delayed" list for R.G. Haley is still needed as well as a lower, \$3.75 million on the "New" list.

Regarding site rank, work in Bellingham Bay was the top priority on the "Delayed" list. Ecology is now substituting the combined Cornwall Avenue/R.G. Haley funding request for the G.P. West site that was formerly ranked first for "Delayed" funding.

The sites are currently unusable. The Port of Bellingham and City of Bellingham plan to develop Cornwall Avenue/R.G. Haley into a public use area in conjunction with cleanup activities. The public use area, a high priority in Bellingham, is part of a large-scale City/Port waterfront redevelopment project.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000724

SubProject Title: RG Haley completion

Location

City: Bellingham

County: Whatcom

Legislative District: 040

Project Type

Grants

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 6,000,000 | | | | 6,000,000 |
| | Total | 6,000,000 | 0 | 0 | 0 | 6,000,000 |

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|--------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 174-1 | Local Toxics Control-State | (6,000,000) | | | | (6,000,000) |
| | Total | (6,000,000) | 0 | 0 | 0 | (6,000,000) |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|----------|----------|----------|
| 174-1 Local Toxics Control-State | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000724

SubProject Title: RG Haley completion

No Operating Impact

SubProject Number: 30000723

SubProject Title: Quiet Cove

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project provides additional matching grant funds for the on-going site investigation and cleanup activities for a site at the Port of Anacortes - Quiet Cove in Fidalgo Bay. This is for upland and sediment cleanup.

The Site began operating as a bulk fuel terminal and storage facility as early as 1909. The Port of Anacortes (Port) purchased the upland area of the site in July 2013 and performed an environmental investigation the following year. This investigation found several contaminants exceeding accepted cleanup levels under the Model Toxics Control Act (MTCA). Soil samples showed hydrocarbon and heavy metal contamination. Groundwater samples showed Total Petroleum Hydrocarbon cleanup levels (TPHs) and arsenic.

All Anacortes projects were presented as one on the 2016 Supplemental project list. Those projects have been split up and the rank was adjusted after updated Section 7038 criteria.

Location

City: Anacortes

County: Skagit

Legislative District: 040

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000723

SubProject Title: Quiet Cove

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 2,729,000 | | | | 2,729,000 |
| | Total | 2,729,000 | 0 | 0 | 0 | 2,729,000 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 174-1 | Local Toxics Control-State | (2,729,000) | | | | (2,729,000) |
| | Total | (2,729,000) | 0 | 0 | 0 | (2,729,000) |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|----------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000464

SubProject Title: Tiger Oil 24th and Nob Hill, City of Yakima

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project funds the cleanup efforts at a site in a prime economic redevelopment area. This site is a former gas station that released petroleum products to soil and groundwater. Groundwater impacts extend to nearby residential and commercial properties. Ecology has completed an excavation of contaminated soil and groundwater and tore down an abandoned building. Infiltration galleries were also installed for further groundwater treatment. Although the excavation significantly reduced the contamination, groundwater treatment and monitoring will be necessary. This funding will allow for continued remediation activities, and allow mitigation of ongoing environmental concerns.

This project rank was adjusted after updated Section 7038 criteria.

Location

City: Yakima

County: Yakima

Legislative District: 015

Project Type

Grants

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000464

SubProject Title: Tiger Oil 24th and Nob Hill, City of Yakima

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 1,280,000 | | | | 1,280,000 |
| | Total | 1,280,000 | 0 | 0 | 0 | 1,280,000 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 174-1 | Local Toxics Control-State | (1,280,000) | | | | (1,280,000) |
| | Total | (1,280,000) | 0 | 0 | 0 | (1,280,000) |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|----------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000469

SubProject Title: Ephrata Landfill

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000469

SubProject Title: Ephrata Landfill

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

The City of Ephrata began operating the Ephrata Landfill in about 1942 and owned and managed it until 1974. Grant County took ownership of the landfill in 1974 and has managed it until now. The landfill ran as an open dump before 1962. It operated continuously as an unlined landfill until a new lined cell opened in 2005. Landfill personnel buried about 2,000 drums of industrial hazardous waste in 1975. Contaminants released from the unlined landfill and leaking drums are found in three aquifers and include heavy metals, solvents, and other industrial chemicals. Existing grants are available for 2015-17 estimated spending. The next phase of work will include drilling additional groundwater monitoring wells at the site, construction of a treatment system to remove contaminants from groundwater, pumping and extraction tests to determine the effectiveness of the selected remedy, construction of an evaporation pond, contaminated soil removal, and extraction of soil vapors containing volatile organic compounds.

This project rank was adjusted after updated Section 7038 criteria.

Location

City: Ephrata

County: Grant

Legislative District: 013

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000469

SubProject Title: Ephrata Landfill

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 2,366,000 | | | | 2,366,000 |
| | Total | 2,366,000 | 0 | 0 | 0 | 2,366,000 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 174-1 | Local Toxics Control-State | (2,366,000) | | | | (2,366,000) |
| | Total | (2,366,000) | 0 | 0 | 0 | (2,366,000) |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|----------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000725

SubProject Title: Ameron/Hulbert

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project provides additional grant funds to complete upland cleanup activities. Inwater sediments cleanup is complete. This project is important to protecting water quality and preventing recontamination of sediments.

The Port entered a Consent Decree for final cleanup of this site in January 2015. The final cleanup action required for this site will cleanup soil, groundwater and a failing stormwater system. The Project is to be completed in conjunction with the cleanup of the TC Systems, Inc. MTCA site. The site was historically used for shingle and saw milling, marine support services and concrete pole manufacturing activities since the late 1800s. The Port has completed significant investigation and cleanup since 1991. Interim actions were conducted in the early 1990s (1991, 1993) and in the mid-2000s (2005-2007) to clean up much of the contaminated soil at the site. Close to 22,000 cubic yards of contaminated soil were removed as part of the interim actions. Three emergency action cleanups were conducted between 2011 and 2014.

This project rank was adjusted after updated Section 7038 criteria.

Location

City: Everett

County: Snohomish

Legislative District: 038

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000725

SubProject Title: Ameron/Hulbert

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 676,000 | | | | 676,000 |
| | Total | 676,000 | 0 | 0 | 0 | 676,000 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 174-1 | Local Toxics Control-State | (676,000) | | | | (676,000) |
| | Total | (676,000) | 0 | 0 | 0 | (676,000) |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|----------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000726

SubProject Title: Blaine Marina Tank Farm

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project provides grant funds for the on-going process to cleanup historic petroleum contamination at the Port of Bellingham Blaine Marina, Inc. site. This work principally involves the removal of source contamination, including old fuel facility infrastructure (storage tanks, piping, etc.), and affected soils beneath and nearby the facility. After a bulk removal process of contaminated material, residual low-level soil and groundwater contaminants will be treated in place and monitored over time to insure compliance with cleanup objectives. These additional funds would complete the cleanup action plan to implement cleanup.

This project rank was adjusted after updated Section 7038 criteria.

Location

City: Blaine

County: Whatcom

Legislative District: 042

Project Type

Grants

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000726

SubProject Title: Blaine Marina Tank Farm

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 900,000 | | | | 900,000 |
| Total | | 900,000 | 0 | 0 | 0 | 900,000 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 174-1 | Local Toxics Control-State | (900,000) | | | | (900,000) |
| Total | | (900,000) | 0 | 0 | 0 | (900,000) |

| | | <u>Future Fiscal Periods</u> | | | |
|--------------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| Total | | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|--------------|----------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| Total | | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000727

SubProject Title: Log Haul Out

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000727

SubProject Title: Log Haul Out

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as “future expenditures assumed in the enacted budget.” This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project provides additional matching grant funds for the on-going site investigation and cleanup activities for a site at the Port of Anacortes - Log Haul Out in Fidalgo Bay. This is in preparation for sediment cleanup.

The site is owned by the Port of Anacortes and was used historically for log handling from the mid-1960s to about 2004. Operations included log rafting and the transfer of logs to upland sorting areas on Pier 2.

Following the closure of the facility in 2004, the Port led an investigation to assess potential impacts from decades of log handling activities. Further investigations from 2008 to 2010 found that sediment samples failed to meet Ecology’s regulatory levels.

All Anacortes projects were presented as one on the 2016 Supplemental project list. Those projects have been split up and the rank was adjusted after updated Section 7038 criteria.

Location

City: Anacortes

County: Skagit

Legislative District: 040

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000727

SubProject Title: Log Haul Out

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 163,000 | | | | 163,000 |
| | Total | 163,000 | 0 | 0 | 0 | 163,000 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 174-1 | Local Toxics Control-State | (163,000) | | | | (163,000) |
| | Total | (163,000) | 0 | 0 | 0 | (163,000) |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|----------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000729

SubProject Title: Dakota Creek

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project provides additional matching grant funds for the on-going site investigation and cleanup activities for a site at the Port of Anacortes – Dakota Creek in Fidalgo Bay. This is preparation for upland cleanup to complete the cleanup of the full site and prevent recontamination of sediment.

The Port-owned site includes uplands and sediments. The Site has been used for industrial and shipyard activities since approximately 1879. Dakota Creek Industries, Inc., has leased the property from the Port since 1977 and uses the Site as a shipyard for the construction and repair of vessels. From approximately 1925 to 1969 several above-ground storage tanks were present on the upland portion and used for bulk fuel storage and distribution.

All Anacortes projects were presented as one on the 2016 Supplemental project list. Those projects have been split up and the rank was adjusted after updated Section 7038 criteria.

Location

City: Anacortes

County: Skagit

Legislative District: 040

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000729

SubProject Title: Dakota Creek

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 108,000 | | | | 108,000 |
| | Total | 108,000 | 0 | 0 | 0 | 108,000 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 174-1 | Local Toxics Control-State | (108,000) | | | | (108,000) |
| | Total | (108,000) | 0 | 0 | 0 | (108,000) |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|----------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000730

SubProject Title: Earley Business Ctr, Alexander Ave, Portac

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project provides additional grant funds for the on-going site investigation and cleanup activities for multiple sites at the Port of Tacoma. Sites include:

The Earley Business Center has had a variety of business and industries on-site including shipbuilding during World War I and World War II. Contaminants include chlorinated solvents, PCBs, pesticides, and metals.

Alexander Avenue Petroleum Tank Facilities site has had buildings for petroleum processing and storage on site since the 1930s. The main contaminants at the site are weathered diesel, gasoline and benzene in soils and groundwater, which have spread onto surrounding properties and into the Hylebos Waterway. Portac was a former log sort yard site where slag was used as ballast. Arsenic contamination from the slag is impacting soil and groundwater.

This project rank was adjusted after updated Section 7038 criteria.

Location

City: Tacoma

County: Pierce

Legislative District: 027

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000730

SubProject Title: Earley Business Ctr, Alexander Ave, Portac

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 800,000 | | | | 800,000 |
| | Total | 800,000 | 0 | 0 | 0 | 800,000 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 174-1 | Local Toxics Control-State | (800,000) | | | | (800,000) |
| | Total | (800,000) | 0 | 0 | 0 | (800,000) |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|----------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000731

SubProject Title: Kaiser Site

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

The State will reimburse unanticipated costs the Port incurred when they discovered additional contamination during the cleanup. The Department of Defense and Kaiser Aluminum Company operated an aluminum smelter and manufacturing plant at the site for over 60 years. Contaminants of concern in the soil and groundwater at this site included carcinogenic polynuclear aromatic hydrocarbons (cPAHs), metals, polychlorinated biphenyl (PCBs), petroleum products, and other byproducts of aluminum smelting.

Remedial Actions completed to date are capping of a former sludge pond, excavation and offsite disposal of soil and other waste materials and ongoing groundwater monitoring.

The Port is currently using the site for storing imported vehicles.

This project rank was adjusted after updated Section 7038 criteria.

Location

City: Tacoma

County: Pierce

Legislative District: 027

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000731

SubProject Title: Kaiser Site

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 2,300,000 | | | | 2,300,000 |
| | Total | 2,300,000 | 0 | 0 | 0 | 2,300,000 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 174-1 | Local Toxics Control-State | (2,300,000) | | | | (2,300,000) |
| | Total | (2,300,000) | 0 | 0 | 0 | (2,300,000) |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|----------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000732

SubProject Title: Lora Lake site

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

In 1998, the Port of Seattle (Port) bought the Lora Lake Apartments site, part of which was required for Sea-Tac Airport Third Runway Protection Zone, where residences are prohibited. The portion of the site that was not required for the Runway Protection Zone is slated to be redeveloped.

In the 1940s and 1950s, the site was used for cleaning of barrels that contained chemicals. From about 1960 to 1981, the site was used for auto wrecking. Former activities at the site released hazardous chemicals into the environment including polycyclic aromatic hydrocarbons, petroleum products, pentachlorophenol, dioxin, and arsenic.

A developer purchased the site during the 1980s, and in 1987 built the Lora Lake Apartments.

Grant funds are for removal of contaminated soil and cleanup of surface water and sediment in a small lake located on Lora Lake Apartment parcel. This funding is primarily for the in-water cleanup of the lake. The cleanup is scheduled to be completed during the period of 2017-2019. A consent decree for cleanup was signed in September 2015 and the engineering design report has been provided for Ecology review.

Location

City: Burien

County: King

Legislative District: 033

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000732

SubProject Title: Lora Lake site

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 5,000,000 | | | | 5,000,000 |
| | Total | 5,000,000 | 0 | 0 | 0 | 5,000,000 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 174-1 | Local Toxics Control-State | (5,000,000) | | | | (5,000,000) |
| | Total | (5,000,000) | 0 | 0 | 0 | (5,000,000) |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|----------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000461

SubProject Title: Integrated Planning Grants

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as “future expenditures assumed in the enacted budget.” This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

Planning: Grant funding to develop plans to redevelop contaminated properties.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Governments

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update its ten-year financing plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology’s budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|---------------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reappropriations</u> | <u>New Appropriations</u> |
| 057-1 | State Bldg Constr-State | 1,500,000 | | | | 1,500,000 |
| | Total | 1,500,000 | 0 | 0 | 0 | 1,500,000 |

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 30000461

SubProject Title: Integrated Planning Grants

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|--------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 174-1 | Local Toxics Control-State | (1,500,000) | | | | (1,500,000) |
| | Total | (1,500,000) | 0 | 0 | 0 | (1,500,000) |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|----------|----------|----------|
| 174-1 Local Toxics Control-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000105

SubProject Title: Lapse Western Port Angeles Harbor

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 40000105

SubProject Title: Lapse Western Port Angeles Harbor

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 1

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (LTCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides bond backfill funding for projects that continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium and \$201 million drop for the 2017-19 Biennium. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$23.8 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

The City and Port of Port Angeles expect to recover insurance proceeds during the 2017-19 biennium. Because of state funding delays, the recipient does not plan to apply for Remedial Action Grants in 2017-19; therefore, \$750,000 of this project will be lapsed.

Location

City: Port Angeles

County: Clallam

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas.

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|----------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 174-1 | Local Toxics Control-State | (750,000) | | | | (750,000) |
| | Total | (750,000) | 0 | 0 | 0 | (750,000) |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:33PM

Project Number: 30000458

Project Title: Remedial Action Grants

SubProjects

SubProject Number: 40000105

SubProject Title: Lapse Western Port Angeles Harbor

| | | Future Fiscal Periods | | | |
|-------|----------------------------|-----------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 174-1 | Local Toxics Control-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Remedial Action Grants</u> |
| Project Number: | <u>30000458</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

**Ecology's 2018 Supplemental Project List
Toxics Cleanup Program
Remedial Action Grants - Delayed (30000458)
August 15, 2017**

Purpose: This project list represents the delayed Remedial Action (RA) Grant projects requested in the 2018 Supplemental Capital Budget proposal. The enacted 2016 Supplemental Capital Budget provided \$60.1 million Local Toxics Control Account (L.TCA) appropriation for new RA grants in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." Ecology requests State Building Construction Account (SBCA) of \$23.8 million for this reappropriation to offset the shortfall in MTCA revenue in the 2017-19 Biennium. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions.

Since the 2016 Supplemental Capital Budget list was ranked, circumstances have changed. Ecology reviewed each project to ensure the project is still viable, updated descriptive information and confirmed dollar amounts. Below is an updated priority listing of delayed projects that will be funded with this request. This list is a plan based on the best information available to Ecology. The plan may change as more information becomes available. The projects included in this request have been reviewed and are ready to proceed according to the MTCA regulatory process. In addition to projects being evaluated according to the MTCA regulatory process, the enacted 2015-17 biennial Capital Budget provided three tools for managing cash in the MTCA accounts, including authorization to delay cleanup projects (Second Engrossed House Bill 1115, Section 7038).

Section 7038 (3) authorized Ecology to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution. Ecology used this authority in the 2015-17 biennium to guide project priority. The list of delayed projects is prioritized by:

1. Applying Section 7038 criteria as detailed in the Plan.
2. Where groups of projects met all of the same Section 7038 criteria, projects were further ranked considering Ecology's regional and program priorities.
3. Reviewing current information from grant recipients and Ecology's regional cleanup managers on the status of projects. Some of the delayed projects have been in line for funding for more than two years. Some project rankings were adjusted as the project delays have impacted cleanup schedules.

| ECY Rank | Recipient | Project | Description | Phase of Cleanup | Section 7038 Criteria | | | | | City | Site Address | State Share | State Match | County | Leg. Dist. | Lat. | Long. |
|----------|--|-----------------------------|--|-----------------------------------|-----------------------|----------------------|-----------------|-------------|-------------|---------|--------------|-------------|-------------------|-----------|------------|--------|-------|
| | | | | | Acuity of Need | Readiness to Proceed | Cost Efficiency | State Match | State Share | | | | | | | | |
| 1 | Bellingham Port & City of Avenue/ R.G. Haley | Cornwall Avenue/ R.G. Haley | The Port and City of Bellingham have been working with Ecology under existing Remedial Action Grants to understand the extent, nature and ultimate cleanup plans for two adjacent properties, the Cornwall Avenue Landfill and R.G. Haley Wood Treating. These are commonly referred to as Cornwall Avenue and R.G. Haley sites. Additional state funding for these sites has been significantly delayed -- both by projects "Delayed" from the 2015-17 biennium (R.G. Haley) and now by the "New" project funding in the 2017-19 biennium not being appropriated by the Legislature (to both sites) through a new Capital Budget. The Cornwall Avenue and R.G. Haley cleanup sites are adjacent, their contaminants overlap and Ecology is working with two different potentially liable parties to complete cleanup. At Cornwall Avenue, garbage and wood waste were dumped into Bellingham Bay creating the 12 acre site. The R.G. Haley site held a wood treating facility, its operation resulted in elevated concentrations of highly toxic wood treatment chemicals. At both sites, contamination in the soil, soil vapor, groundwater and sediment pose a risk to human health and the environment. Cleanup of both sites must occur at the same time to most efficiently and cost effectively proceed with cleanup. So, Ecology is now combining the budget request for the two areas so the funding for this work does not become "de-linked" through the state budgeting process. Funds are needed from both the "Delayed" and "New" funding lists. As a result of time passing, Ecology and the potentially liable parties have learned more about these sites and what is required to clean them up. The Port and City of Bellingham and Ecology have prioritized and now better understand the funding required to prepare the final plans and engineering design of the Cornwall Avenue/R.G. Haley sites for construction at the beginning of the 2019-21 biennium. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | 50% | 6,000,000 | Whatcom | 40 | Bellingham | Cornwall Avenue N | 6,000,000 | 48.7 | -122.5 | |
| 2 | Anacortes, Port of | Quiet Cove | This project provides additional matching grant funds for the on-going site investigation and cleanup activities for a site at the Port of Anacortes - Quiet Cove in Fidalgo Bay. This is for upland and sediment cleanup. The Site began operating as a bulk fuel terminal and storage facility as early as 1908. The Port of Anacortes (Port) purchased the upland area of the site in July 2013 and performed an environmental investigation the following year. This investigation found several contaminants exceeding accepted cleanup levels under the Model Toxics Control Act (MTCA). Soil samples showed hydrocarbon and heavy metal contamination. Groundwater samples showed Total Petroleum Hydrocarbon cleanup levels (TPHs) and arsenic. All Anacortes projects were presented as one on the 2016 Supplemental project list. Those projects have been split up and the rank was adjusted after updated Section 7038 criteria. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | 50% | 2,729,500 | Skagit | 40 | Anacortes | 202 O Avenue | 2,729,500 | 48.5 | -122.6 | |

| Section 7038 Criteria | | | | | | | | | | | | | | | |
|-----------------------|---------------------|---------------------------|---|-----------------------------------|----------------|----------------------|-----------------|-----------|-------------|-------------|---------------------------------------|-----------|------------|------|--------|
| ECY Rank | Recipient | Project | Description | Phase of Cleanup | Acuity of Need | Readiness to Proceed | Cost Efficiency | County | State Match | State Share | Site Address | City | Leg. Dist. | Lat. | Long. |
| 3 | Yakima, City of | Tiger Oil 24th & Nob Hill | This project funds the cleanup efforts at a site in a prime economic redevelopment area. This site is a former gas station that released petroleum products to soil and groundwater. Groundwater impacts extend to nearby residential and commercial properties. Ecology has completed an excavation of contaminated soil and groundwater and tore down an abandoned building. Infiltration galleries were also installed for further groundwater treatment. Although the excavation significantly reduced the contamination, groundwater treatment and monitoring will be necessary. This funding will allow for continued remediation activities, and allow mitigation of ongoing environmental concerns. This project rank was adjusted after updated Section 7038 criteria. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Yakima | 90% | 1,279,500 | 2312 W Nob Hill Blvd | Yakima | 15 | 48.6 | -120.5 |
| 4 | Grant County | Ephrata Landfill | The City of Ephrata began operating the Ephrata Landfill in about 1942 and owned and managed it until 1974. Grant County took ownership of the landfill in 1974 and has managed it until now. The landfill ran as an open dump before 1982. It operated continuously as an unlined landfill until a new lined cell opened in 2005. Landfill personnel buried about 2,000 drums of industrial hazardous waste in 1975. Contaminants released from the unlined landfill and leaking drums are found in three aquifers and include heavy metals, solvents, and other industrial chemicals. Existing grants are available for 2015-17 estimated spending. The next phase of work will include drilling additional groundwater monitoring wells at the site, construction of a treatment system to remove contaminants from groundwater, pumping and extraction tests to determine the effectiveness of the selected remedy, construction of an evaporation pond, contaminated soil removal, and extraction of soil vapors containing volatile organic compounds. This project rank was adjusted after updated Section 7038 criteria. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Grant | 75% | 2,366,000 | Hwy 28 | Ephrata | 13 | 47.3 | -119.6 |
| 5 | Everett, Port of | Ameron/Hubert | This project provides additional grant funds to complete upland cleanup activities. Inwater sediments cleanup is complete. This project is important to protecting water quality and preventing recontamination of sediments. The Port entered a Consent Decree for final cleanup of this site in January 2015. The final cleanup action required for this site will clean up soil, groundwater and a failing stormwater system. The Project is to be completed in conjunction with the cleanup of the TC Systems, Inc. MTCAs site. The site was historically used for shingle and sawmilling, marine support services and concrete pole manufacturing activities since the late 1800s. The Port has completed significant investigation and cleanup since 1991. Interim actions were conducted in the early 1990s (1991, 1993) and in the mid-2000s (2005-2007) to clean up much of the contaminated soil at the site. Close to 22,000 cubic yards of contaminated soil were removed as part of the interim actions. Three emergency action cleanups were conducted between 2011 and 2014. This project rank was adjusted after updated Section 7038 criteria. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Shomohish | 50% | 676,000 | 1130 W Main View Drive | Everett | 38 | 48.0 | -122.2 |
| 6 | Bellingham, Port of | Blaine Marina Frank Farm | This project provides grant funds for the on-going process to cleanup historic petroleum contamination at the Port of Bellingham Blaine Marina, Inc. site. This work principally involves the removal of source contamination, including old fuel facility infrastructure (storage tanks, piping, etc.), and affected soils beneath and nearby the facility. After a bulk removal process of contaminated material, residual low-level soil and groundwater contaminants will be treated in place and monitored over time to insure compliance with cleanup objectives. These additional funds would complete the cleanup action plan to implement cleanup. This project rank was adjusted after updated Section 7038 criteria. | Cleanup Action Plan | 1 | 1 | 1 | Whatcom | 50% | 900,000 | Marine Drive Blaine & McMillan Avenue | Blaine | 42 | 49.0 | -122.8 |
| 7 | Anacortes, Port of | Log Haul Out | This project provides additional matching grant funds for the on-going site investigation and cleanup activities for a site at the Port of Anacortes - Log Haul Out in Fidalgo Bay. This is in preparation for sediment cleanup. The site is owned by the Port of Anacortes and was used historically for log handling from the mid-1960s to about 2004. Operations included log rafting and the transfer of logs to upland sorting areas on Pier 2. Following the closure of the facility in 2004, the Port led an investigation to assess potential impacts from decades of log handling activities. Further investigations from 2008 to 2010 found that sediment samples failed to meet Ecology's regulatory levels. All Anacortes projects were presented as one on the 2016 Supplemental project list. Those projects have been split up and the rank was adjusted after updated Section 7038 criteria. | Remedial Investigation | 1 | 1 | 1 | Skagit | 50% | 162,500 | 718 4th Street | Anacortes | 40 | 48.5 | -122.6 |
| 8 | Anacortes, Port of | Dakota Creek | This project provides additional matching grant funds for the on-going site investigation and cleanup activities for a site at the Port of Anacortes - Dakota Creek in Fidalgo Bay. This is preparation for upland cleanup to complete the cleanup of the full site and prevent recontamination of sediment. The Port-owned site includes uplands and sediments. The Site has been used for industrial and shipyard activities since approximately 1879. Dakota Creek Industries, Inc., has leased the property from the Port since 1977 and uses the Site as a shipyard for the construction and repair of vessels. From approximately 1925 to 1969 several above-ground storage tanks were present on the upland portion and used for bulk fuel storage and distribution. All Anacortes projects were presented as one on the 2016 Supplemental project list. Those projects have been split up and the rank was adjusted after updated Section 7038 criteria. | Remedial Investigation | 1 | 1 | 1 | Skagit | 50% | 108,000 | 115 Q Avenue | Anacortes | 40 | 48.5 | -122.6 |

| Section 7038 Criteria | | | | | | | | | | | | | | | | |
|--|-----------------------------|---|---|-----------------------------------|----------------|----------------------|-----------------|--------------|-------------|-------------|-------------------------------------|--------------|------------|-----------|-----------|--|
| ECY Rank | Recipient | Project | Description | Phase of Cleanup | Acuity of Need | Readiness to Proceed | Cost Efficiency | County | State Match | State Share | Site Address | City | Leg. Dist. | Lat. | Long. | |
| 9 | Tacoma, Port of | Early Business Ctr, Alexander Ave, Portac | This project provides additional grant funds for the on-going site investigation and cleanup activities for multiple sites at the Port of Tacoma. Sites include: The Early Business Center has had a variety of business and industries on-site including shipbuilding during World War I and World War II. Contaminants include chlorinated solvents, PCBs, pesticides, and metals. Alexander Avenue Petroleum Tank Facilities site has had buildings for petroleum processing and storage on site since the 1930s. The main contaminants at the site are weathered diesel, gasoline and benzene in soils and groundwater, which have spread onto surrounding properties and into the Hylebos Waterway. Portac was a former log sort yard site where slag was used as ballast. Arsenic contamination from the slag is impacting soil and groundwater. This project rank was adjusted after updated Section 7038 criteria. | Remedial Investigation | 1 | 1 | | Pierce | 50% | 800,000 | Port-wide | Tacoma | 27 | n/a | n/a | |
| 10 | Tacoma, Port of | Kaiser Site | The State will reimburse unanticipated costs the Port incurred when they discovered additional contamination during the cleanup. The Department of Defense and Kaiser Aluminum Company operated an aluminum smelter and manufacturing plant at the site for over 60 years. Contaminants of concern in the soil and groundwater at this site included carcinogenic polynuclear aromatic hydrocarbons (PAHs), metals, polychlorinated biphenyl (PCBs), petroleum products, and other byproducts of aluminum smelting. Remedial Actions completed to date are capping of a former sludge pond, excavation and offsite disposal of soil and other waste materials and ongoing groundwater monitoring. The Port is currently using the site for storing imported vehicles. This project rank was adjusted after updated Section 7038 criteria. | Cleanup / Post Closure Monitoring | 1 | 1 | | Pierce | 50% | 2,300,000 | 3400 Taylor Way | Tacoma | 27 | 47.3 | -122.4 | |
| 11 | Seattle, Port of | Lora Lake site | In 1998, the Port of Seattle (Port) bought the Lora Lake Apartments site, part of which was required for Sea-Tac Airport Third Runway Protection Zone, where residences are prohibited. The portion of the site that was not required for the Runway Protection Zone is slated to be redeveloped. In the 1940s and 1950s, the site was used for cleaning of barrels that contained chemicals. From about 1960 to 1981, the site was used for auto wrecking. Former activities at the site released hazardous chemicals into the environment including polycyclic aromatic hydrocarbons, petroleum products, pentachlorophenol, dioxin, and arsenic. A developer purchased the site during the 1980s, and in 1987 built the Lora Lake Apartments. Grant funds are for removal of contaminated soil and cleanup of surface water and sediment in a small lake located on Lora Lake Apartment parcel. This funding is primarily for the in-water cleanup of the lake. The cleanup is scheduled to be completed during the period of 2017-2019. A consent decree for cleanup was signed in September 2015 and the engineering design report has been provided for Ecology review. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | King | 50% | 5,000,000 | 15001 Des Moines Memorial Drive | Burien | 33 | 47.5 | -122.3 | |
| 12 | Integrated Planning Grants | Integrated Planning Grants | Planning Grant funding to develop plans to redevelop contaminated properties. | Plan | 1 | 1 | 1 | | 100% | | Statewide | Statewide | Statewide | Statewide | Statewide | |
| | | City of Mount Vernon | AFLCO Site | | | | | Skagit | | 200,000 | 101 E Section Vernon Avenue | Mount Vernon | 40 | 48.4 | -122.3 | |
| | | City of Stanwood | Raplee Property & Hamilton Property | | | | | Snohomish | | 200,000 | 9918 271st St NW & 26716 98th Dr NW | Stanwood | 10 | 48.2 | -122.4 | |
| | | Port of Longview | Berth 4 Silo Complex | | | | | Cowlitz | | 200,000 | 10 Port Way | Longview | 19 | 46.1 | -123.0 | |
| | | Port of Grays Harbor | Hoquiam Paper Mill Site | | | | | Grays Harbor | | 200,000 | 801 23rd Street | Hoquiam | 24 | 47.0 | -123.9 | |
| | | Port of Douglas County | Rock Island Smelter Site, Silicon Metal Tech Lagoon, American Silicon Tech | | | | | Douglas | | 200,000 | 100 & 199 4th St SW | Rock Island | 12 | 47.4 | -120.1 | |
| | | City of Richland | Columbia Point Landing | | | | | Benton | | 200,000 | 230-290 Bradley Blvd | Richland | 8 | 46.3 | -119.3 | |
| | | City of Spokane | Spokane Hillyard (YARD) | | | | | Spokane | | 300,000 | 23 acre ROZ | Spokane | 3 | 47.7 | -117.4 | |
| Total 2018 Supplemental Budget Request for Delayed Projects | | | | | | | | | | | 23,821,500 | | | | | |
| Bellingham, Port of | Georgia Pacific West Mill | | This site will be shovel ready by the end of the 2017-19 biennium after completing interim action, feasibility study, agreed order, cleanup action plan, engineering design report, plans and specs. Because of state funding delays, this site cannot move to implement cleanup in 2017-19. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Whatcom | 50% | - | 300 W Laurel Street | Bellingham | 42 | 48.7 | -122.5 | |
| Port Angeles, Port of | Western Port Angeles Harbor | | The City and Port of Port Angeles expect to recover insurance proceeds during the 2017-19 biennium. Because of state funding delays, they do not plan to apply for Remedial Action Grants in 2017-19. | Remedial Investigation | 1 | 1 | 1 | Clallam | 75% | 750,000 | Western Port Angeles Harbor | Port Angeles | 24 | 48.1 | -123.5 | |
| Delayed Project Total to match 2017-19 Budget Request | | | | | | | | | | | 24,571,500 | | | | | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:03PM

Project Number: 30000535

Project Title: Stormwater Financial Assistance Program

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 2

Project Summary

Ecology manages the Stormwater Financial Assistance Program (SFAP) to provide grants to public entities to finance stormwater retrofit projects that treat polluted stormwater in priority areas throughout the state. The enacted 2016 Supplemental Capital Budget reduced this project by \$21.8 million to address the Model Toxics Control Act (MTCA) revenue shortfall, leaving \$31.2 million Local Toxics Control Account (LTCA) for new stormwater grants. Ecology has awarded \$4.7 million in grants, and \$26.5 million was assumed to be spent in the 2017-19 Biennium per the enacted budget. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides backfill funding for reappropriations that were authorized in the enacted 2015-17 Capital Budget for projects that would otherwise continue to be delayed in 2017-19 due to the MTCA revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for the 2017-19 Biennium. This was an unprecedented decline for the Hazardous Substance Tax (HST), and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting bond backfill funding from the State Building Construction Account (SBCA) of \$26.5 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to complete. Providing backfill funding will continue important stormwater work and keep it in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda implementation. (State Building Construction Account and Local Toxics Control Account)

Project Description**What is the proposed project?**

In 2013, the Legislature used a provision in the 2013-15 Capital Budget (Section 3081) to direct Ecology to develop and implement an ongoing, comprehensive, statewide stormwater financial assistance program. Ecology worked with stakeholders to develop a stormwater funding program – the SFAP – that is incorporated into Ecology's Water Quality Combined Financial Assistance Program.

Stormwater funding provides grants for stormwater projects through a competitive rating and ranking funding process. These high priority stormwater improvement projects support state water quality goals by preventing pollution generated by existing infrastructure from reaching surface waters. Projects and activities funded include planning and installing capital projects and activities that reduce stormwater pollutants. Stormwater projects include:

- Stormwater basins, pervious pavements, and bio-retention systems that collect runoff from hard surfaces and remove pollutants before the water is released to a water body or infiltrated into the ground.
- Project-specific planning and design to assist jurisdictions in preparing capital improvement projects.
- Toxics source tracing, corrective action, and removal projects. These projects are a cost-effective way of removing sources of toxics and reducing toxics discharge to waterways.
- Prioritized watershed basin retrofit planning and implementation strategies. These projects cross program boundaries (e.g., toxics cleanup sites combined with water quality improvement projects) and may use tools such as Geographic Information System (GIS) mapping to help organize and prioritize stormwater capital improvement projects. This process provides efficiencies of scale and maximizes water quality benefits per dollar invested.

The enacted 2015-17 Supplemental Capital Budget provided \$31.2 million SBCA for new stormwater grants. But, with the significant drop in the price of oil, and correlated decreases over the past two years in HST forecast, revenue projections for all three MTCA accounts (State Toxics Control Account, Local Toxics Control Account, Environmental Legacy Stewardship Account) fall short of funding the appropriations for delayed 2015-17 stormwater projects. Ecology requests SBCA funding of \$26.5 million for this reappropriation to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to continue.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:03PM

Project Number: 30000535

Project Title: Stormwater Financial Assistance Program

Description**What opportunity or problem is driving this request?****The reason for the project:**

Polluted stormwater is one of the greatest threats to the health of Washington State waters. Most of this pollution comes from existing infrastructure like buildings, road surfaces, and municipal storm sewer systems built before the Clean Water Act and other environmental regulations. In new and redeveloped areas, developers shoulder most of the cost of treating stormwater. But local jurisdictions are burdened with the expense of cleaning up stormwater problems created by old, ineffective infrastructure. Current municipal stormwater National Pollutant Discharge Elimination System (NPDES) permits do not require retrofitting existing development with stormwater controls; so in many cases, untreated stormwater carrying pollutants from existing infrastructure is released directly into the nearest waterway.

Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for the 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. The HST is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10th of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years and so have HST collections and revenues. Ecology requests backfill funding from the SBCA to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016.
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).
- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.
- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the General Fund-State (GF-S). There were direct transfers, but the Legislature also funded new investments in stormwater. In the SFAP, both MTCA and SBCA were used to fund important stormwater projects during the economic downturn. Today, our economy is in a growth period, stormwater projects are affordable, and there is a high level of interest by local governments to solve stormwater pollution impacts. Providing SBCA funding will allow important, ready-to-proceed stormwater projects to move forward.

The effects of non-funding:

Statewide water quality and public health would be impacted if these grant dollars are not available to assist local communities to mitigate the effects of polluted stormwater. The funds would not be available to local communities for developing and implementing projects that go beyond the requirements of NPDES permits to treat polluted runoff from existing development. Without these funds, capital stormwater improvement projects would not be constructed, and untreated stormwater would

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:03PM

Project Number: 30000535

Project Title: Stormwater Financial Assistance Program

Description

continue to pollute Washington's waterways. Untreated stormwater discharges toxic chemicals and other pollutants into waters of the state, which in turn impacts shellfish habitat, fisheries, human health, and other beneficial uses.

How does the project support the agency and statewide results?

This request is aligned with, and essential to, implementing Ecology's strategic plan goals and strategic priorities:

- Reduce and prepare for climate impacts: During drought and more than average rainfall years, implementing stormwater retrofits and green infrastructure mitigates adverse climate impacts by controlling flow volumes and treating stormwater runoff to remove pollutants.
- Prevent and reduce toxic threats: Funded stormwater projects address stormwater pollutants by implementing stormwater best management practices, constructing stormwater treatment and flow control facilities, and implementing low impact treatment techniques that capture and reduce toxics and other pollutants.
- Deliver integrated water solutions: Some projects funded achieve multiple benefits to both water quality and water resources: including stormwater capture and reuse, infiltration of stormwater runoff, and treatment of polluted stormwater runoff.
- Protect and Restore Puget Sound: On average about 70 percent of the SFAP funds are awarded to projects in the Puget Sound basin. Projects funded lead to direct and indirect improvements to Puget Sound water quality through constructed stormwater pollution control infrastructure that goes above and beyond permit requirements.

This request is essential to support the Governor's Results Washington Goal 3 – Sustainable Energy and Clean Environment. Specifically, Ecology provides regular updates and report outs to the Governor and Goal Council regarding Results G3:3.2a: increase the number of projects that provide stormwater treatment or infiltration.

This request makes a key contribution to statewide results by providing grants for high priority stormwater improvement projects statewide that address Natural Resources strategies to Reduce Negative Impacts on the Environment; Preserve, Maintain and Restore Natural Systems and Landscapes; and Improve Individual Practices and Choices. It also supports salmon recovery efforts.

This request supports Ecology's integrated water quality financial assistance program by leveraging and augmenting loan funds through the Water Pollution Control Revolving Fund (SRF) loan program, the Centennial Clean Water grant program, and the Clean Water Act Section 319 federal grant program. Through the integrated funding program, Ecology continues to apply Lean principles in an effort to improve efficiency in service delivery and improve access to funding for high priority projects that deliver multiple benefits. Cross program and cross agency coordination is also a key element of the water quality financial assistance programs and Ecology is committed to supporting the Infrastructure Assistance Coordinating Council (IACC) as a cross-agency collaborative approach to providing infrastructure, financial and technical assistance to communities throughout Washington.

This request supports Puget Sound Action Agenda implementation through sub-strategy 10.3, Fix Problems Caused by Existing Development by providing funding to cities and counties to retrofit existing development through the Stormwater Financial Assistance Program's competitive grant program. This request directly supports the regional priority 10.3-1: Prioritize where retrofits occur by funding local project planning and design efforts including alternative analysis. This request directly supports regional priority 10.3-4: Research, study and /or pilot legacy pollutant removal programs with intent of filling data gaps. This request funds projects to inspect private parcel Best Management Practices and provides technical assistance to property owners.

What are the specific benefits of this project?

The SFAP provides funding to local governments for municipal stormwater management projects that achieve specific environmental and public health benefits, including:

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:03PM

Project Number: 30000535

Project Title: Stormwater Financial Assistance Program

Description

- Improving and protecting water quality by reducing pollutant transport to surface waters.
- Restoring natural hydrology to streams and improving watershed function.
- Promoting groundwater recharge.
- Restoring and protecting designated uses of Washington's waters, such as drinking water, aquatic habitat, and shellfish harvesting.
- Promoting and incentivizing sustainable communities.

How will clients be affected and services change if this project is funded?

Since 2006, Ecology has provided stormwater construction grants to local governments through a series of one-time funding provisions in the state Capital Budget. If this request is funded, Ecology can continue to support local governments in promoting and incentivizing their ongoing efforts to reduce polluted stormwater runoff to Washington water bodies. Local government stakeholders throughout the state have voiced strong support for an ongoing and stable stormwater financial assistance program that can help them proactively address stormwater management problems and improve environmental sustainability and the health of their local communities.

Are FTEs required to support this project?

Ecology requires 5.18 FTEs in this project, from the total 12.95 FTEs required for SFAP technical, budget and financial management. The remaining 7.77 FTEs are requested in the new Restore Stormwater project. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

How will the other state programs or units of government be affected if this project is funded?

Solving stormwater pollution problems requires the efforts of, and collaboration with, several local, state, federal, and tribal governments. Supporting local governments in implementing stormwater projects will also support the efforts of the Puget Sound Partnership, the Department of Commerce, the Department of Natural Resources, the Department of Health, the Washington State Department of Transportation, the U.S. Environmental Protection Agency, and tribal water quality improvement programs.

What is the impact on the state operating budget?

None

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of the third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:03PM

Project Number: 30000535

Project Title: Stormwater Financial Assistance Program

Description

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology’s ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

If an alternative solution is not provided, Ecology would continue to delay \$26.5 million in stormwater projects. In addition funding a bond backfill is the best option because it will fund the capital budget as the Legislature originally intended, and give Ecology the resources to continue implementation of the budget as originally passed.

What is the agency’s proposed funding strategy for the project?

Ecology is requesting bond backfill funding from SBCA of \$26.5 million and a reduction to the LTCA funding by the same amount to help bridge the revenue gap until MTCA revenue recovers. This will allow important stormwater work to continue. This funding is matched up to 25 percent by local government funding.

Note: The total amount being requested in bond funding for 2017-19 stormwater projects is \$113.2 million, which includes this \$26.5 million bond backfill request, \$44.2 million in new projects, \$30.1 million to restore reductions from the 2016 Supplemental Budget, and \$12.4 million in projects that will be delayed in reappropriation 92000076 unless a revenue solution is provided. Traditional new investments in stormwater have averaged around \$73.8 million a biennium over the last three biennia.

Proviso

None

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

Ecology uses its Environmental Protection Agency (EPA) acclaimed nationwide model that integrates the application evaluation offer process for all its water quality financial assistance programs. Ecology uses statewide workshops and a well-publicized web-based annual application and proposal evaluation cycle to ensure ample outreach and applicant interest and participation. Completed projects will serve as region-wide models of stormwater management and implementation of innovative Low Impact Development techniques.

Growth Management impacts

Growth Management Act (GMA) compliance is strongly encouraged and supported by Ecology. Because other funding sources may require GMA compliance to be eligible for funding, an applicant’s GMA status will be reflected in its readiness to proceed at time of application.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 26,536,000 | | | | 26,536,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:03PM

Project Number: 30000535

Project Title: Stormwater Financial Assistance Program

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|----------------------------|-------------------|----------------|-------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 174-1 | Local Toxics Control-State | 4,664,000 | | 31,200,000 | | (26,536,000) |
| | Total | 31,200,000 | 0 | 31,200,000 | 0 | 0 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| 174-1 | Local Toxics Control-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency No. | <u>461</u> | Agency Name | <u>Department of Ecology</u> |
| Contact Name: | <u>Kimberly Wagar</u> | | |
| Phone: | <u>360-407-6614</u> | Fax: | <u>360-407-6426</u> |
| Fund(s) Number: | <u>057</u> | Fund Name: | <u>State Building Construction</u> |
| | | | <u>Account</u> |
| Project Number: | <u>30000535</u> | Project Title: | <u>Stormwater Financial Assistance</u> |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Budget Project List
Water Quality Program
Stormwater Financial Assistance- Delayed Projects under Reappropriation Project (30000535)
September 8, 2017

Purpose: This project list represents the delayed stormwater projects proposed for MTC reappropriation funding in the 2018 Supplemental Capital Budget proposal. Ecology manages the Stormwater Financial Assistance Program (SFAP) to provide grants to public entities to finance stormwater retrofit projects that treat polluted stormwater in priority areas throughout the state. This list provides project details included in Water Quality Program's Stormwater Financial Assistance Project (30000535). The rank reflects the original rank on the 2017 Water Quality Offer List (which includes projects/funding from other sources).

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|----------|--|-------------|--|---------------------------------|----------------|-------------|---------------|----------|-----------|
| 28 | Marysville city of - Public Works Department | \$505,511 | This project will improve water quality in the Allen/Quilceda Creek watershed by enabling the City to purchase, operate and maintain a high efficiency/regenerative air sweeper. This project will add additional capacity to the City's street sweeping program by increasing the volume of sediment and other pollutants removed from city streets over the next four years. This will increase the volume of material removed from Marysville streets by an estimated 33-55%, or 763 cubic yards per year. | 80 Columbia Ave. | Marysville | SNOHOMISH | 38 | 48.0463 | -122.1742 |
| 30 | Spokane city of | \$2,512,500 | This project proposes to construct infiltration ponds for the City of Spokane's Cochrane Basin; the largest stormwater basin in the City's urban stormwater system. Runoff within these project limits currently drains to the Spokane River without any treatment. This project will allow the City to design and construct a bioretention pond along North TJ Meenach Drive and at the Downriver Disc Golf Course to treat and manage approximately 30% of the Cochrane basin stormwater runoff. | 808 W. Spokane Falls Boulevard | Spokane | SPOKANE | 3 | 47.6824 | -117.4474 |
| 34 | Spokane County - Stormwater Utility | \$655,518 | This project will add Filterra Biofiltration units for stormwater treatment to 0.8 miles of high-traffic Mill Road. The project is located in a Critical Aquifer Recharge Area over the Spokane Valley-Rathdrum Prairie Aquifer which is designated a Sole Source Aquifer by the EPA. Stormwater is currently disposed via subsurface infiltration, creating potential for Aquifer contamination. The project also coincides with a funded Spokane County resurfacing project providing additional cost benefits. | 1026 W Broadway | Spokane | SPOKANE | 3 | 47.7720 | -117.4196 |
| 36 | Kirkland city of - Public Works | \$2,534,530 | The 132nd Square Park Retrofit Facility would provide water quality treatment, flow control and infiltration for approximately 48.5 acres of single-family residential and right-of-way area in the northeast corner of the Totem Lake Basin. This project will implement one of the two projects identified in the Totem Lake/Juanita Creek Basin Stormwater Retrofit Conceptual Design (Ecology Grant G1400024) which conducted planning and design work for capital and non-capital stormwater retrofit projects. | 123 5th Ave | Kirkland | KING | 45 | 47.7174 | -122.1649 |
| 37 | Spokane Valley city of | \$537,750 | This project will install up to 7 grassy bio-infiltration swales, a cartridge media filtration system, and drywells along East Ponderosa Drive in Spokane Valley, WA. These stormwater treatment applications will treat up to 9 public discharges from City streets prior to being discharged to an unnamed tributary of Chester Creek. | 11707 E. Sprague Ave, Suite 106 | Spokane Valley | SPOKANE | 5 | 47.6036 | -117.2572 |
| 39 | Spokane Valley city of | \$80,025 | This project installs catchbasins, pipe, and asphalt curbing, to direct stormwater into grassy bio-retention swales, where stormwater is treated prior to entering the Spokane Valley - Rathdrum Prairie Sole Source Aquifer, or the City of Spokane's Combined Sewer Overflow #34 which drains to the Spokane River. | 11707 E. Sprague Ave, Suite 106 | Spokane Valley | SPOKANE | 5 | 47.6448 | -117.3468 |
| 42 | Spokane County - Stormwater Utility | \$350,021 | This project will add bio-retention swales for water quality treatment of pollutant-generating impervious surfaces for a 0.4 mile road in an area of north Spokane where there is currently no stormwater treatment. This project is located in a Critical Aquifer Recharge Area over the Spokane Valley-Rathdrum Prairie Aquifer which is designated by the Environmental Protection Agency as a Sole Source Aquifer. Polluted stormwater is currently disposed of via direct injection into the subsurface. | 1026 W Broadway | Spokane | SPOKANE | 7 | 47.7665 | -117.4209 |
| 45 | College Place city of - Engineering Department | \$88,282 | This project develops a local, policy-driven comprehensive stormwater infrastructure and program plan to include a funding mechanism for the City of College Place (City) that will comply with NPDES Phase II requirements while anticipating future growth. | 625 S College Ave | College Place | WALLA WALLA | 16 | 46.0457 | -118.3885 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|----------|--|-------------|---|-------------------------------------|------------|---------|---------------|----------|-----------|
| 52 | Bremerton city of - Public Works and Utilities | \$498,560 | Marine Drive & Kitsap Way LID retrofit designs were completed January 2015 with 100% Ecology funding and review. Bremerton will retrofit the stormwater system with 4 Modular Wetland Systems (MWS, GUID approved 4/2014) and a 250' infiltration Trench (BMP T7.20) to reduce runoff quantity. MWS will provide enhanced and phosphorus treatment of runoff from 34 acres; 1.34 miles of urban roads and 17.4 acres of impervious surface. Final design, SEPA, bid specs, and permits are included in the project. | 100 Oyster Bay Ave N | Bremerton | KITSAP | 26 | 47.5730 | -122.6670 |
| 58 | Whatcom County - Public Works Department | \$997,097 | This project will construct low impact development (LID) stormwater treatment facilities to remove phosphorus and bacteria in runoff draining to Lake Whatcom from 245 acres in the Agate Bay sub-watershed. Several different methods of treatment and infiltration will be implemented to reduce phosphorus loading and other pollutant loading to Lake Whatcom. Runoff that is not infiltrated will be treated in filter systems at key locations. | 322 N. Commercial Street, Suite 220 | Bellingham | WHATCOM | 40 | 48.7595 | -122.3610 |
| 59 | Spokane city of | \$1,192,500 | Pacific and Perry Infiltration Facility will treat and infiltrate stormwater from CSO Basin 33c as well as stormwater from the adjacent combined sewer basins. The project will also include piping connections to convey stormwater runoff from CSO Basin 33c to the infiltration facility. | 808 W. Spokane Falls Boulevard | Spokane | SPOKANE | 3 | 47.6558 | -117.3857 |
| 60 | Spokane city of | \$892,500 | This project proposes stormwater improvements to the City of Spokane's Union Basin that will prevent stormwater from discharging to the Spokane River. The Basin currently collects runoff into a municipal separated storm sewer system (MS4), discharging directly to the Spokane River without treatment. | 808 W. Spokane Falls Boulevard | Spokane | SPOKANE | 3 | 47.6615 | -117.3928 |
| 63 | Redmond city of - Public Works Department | \$250,000 | Tosh Creek is identified in Redmond's Watershed Management Plan as a creek that will experience the greatest ecological lift from stormwater retrofits. The National Estuary Program funded the Tosh Creek Restoration Plan which identified the Prescott Vault Retrofit as a cost effective retrofit to stabilize erosive flows and improve water quality in the creek. This project will design the retrofit of about 2 acres of development with flow control and runoff treatment. | PO Box 97020 | Redmond | KING | 48 | 47.6492 | -122.1261 |
| 67 | Lynden city of - Public Works Department | \$109,814 | This project will reduce or eliminate storm water discharges and improve water quality in Fishtrap Creek by designing LID based stormwater practices at the Northwest Washington Fair in the City of Lynden. In addition, covered livestock waste storage will be constructed preventing runoff from animals using the Fairgrounds each year. It also will include a robust outreach and education program targeting City residents and the more than 300,000 annual visitors to events at the fairgrounds. | 300 4th Street | Lynden | WHATCOM | 42 | 48.9372 | -122.4762 |
| 72 | Medina city of | \$54,000 | The City of Medina is planning to increase its street sweeping program to significantly reduce stormwater runoff pollution into Lake Washington. Studies from the City of Seattle and Worldsweeper.com have reported that more frequent sweeping significantly reduces the stormwater pollutant discharge to the nearby bodies of water. | PO Box 144 | Medina | KING | 48 | 47.6162 | -122.2389 |
| 73 | Ferndale city of | \$20,837 | This project includes the design of an expanded and covered stormwater decant for the City of Ferndale. The existing decant area consists of an uncovered 45 foot by 45 foot asphalt slab. A larger, covered facility will enable the City to better manage materials generated from cleaning stormwater structures and street sweeping, which will reduce overall pollutant loading in the City of Ferndale. | PO Box 936 | Ferndale | WHATCOM | 42 | 48.8378 | -122.5970 |
| 75 | Seattle port of - Seaport Environmental Program | \$114,000 | The Port of Seattle Shilshole Bay Marina property was analyzed for opportunities to incorporate low impact development (LID) retrofits. Three alternatives were developed that balanced overall impact, visibility for users, and maximized water quality benefits. The preferred alternative (A) focused on retrofitting the parking area north of the Marina Office building using linear bioretention, which retains parking stalls and minimizes conflicts with existing infrastructure. | PO Box 1209 | Seattle | KING | 36 | 47.6806 | -122.4048 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|----------|---|-------------|--|-------------------------------------|---------------|-------------|---------------|----------|-----------|
| 77 | Walla Walla city of | \$1,196,425 | Design and construct stormwater facilities to treat and infiltrate stormwater runoff along Isaacs Avenue. This project will improve water quality in Mill Creek and the Walla Walla River by effectively eliminating stormwater discharges to the existing piped storm system that currently discharge directly to Mill Creek and eliminating areas of necessary pavement. This will reduce levels of total suspended solids, hydrocarbons, metals, fertilizer, pesticides and fecal coliform in Mill Creek. | 15 N Third Ave. | Walla Walla | WALLA WALLA | 16 | 46.0742 | -118.3199 |
| 78 | Wenatchee city of | \$746,250 | The Peachey Street basin, also known as the M200 basin, is 817 acres of highly urbanized residential, commercial and industrial area in South Wenatchee. The stormwater system in this basin consists of inlets and storm mains that discharge directly to the Columbia River through the Peachey Street Outfall. Hydrodynamic separators, media filter cartridges and dry wells will add water quality treatment at three locations in the basin and at the outfall to remove suspended solids and metals. | PO Box 519 | Wenatchee | CHELAN | 12 | 47.4160 | -120.3012 |
| 79 | Redmond city of - Public Works Department | \$250,000 | Tosh Creek is identified in Redmond's Watershed Management Plan as a creek that will experience the greatest ecological lift from stormwater retrofits. The National Estuary Program funded the Tosh Creek Restoration Plan which identified the Onyx Pond Retrofit as a cost effective retrofit to stabilize erosive flows and improve water quality in the creek. This project will design the retrofit of 6 acres of development with flow control and runoff treatment. | PO Box 97020 | Redmond | KING | 48 | 47.6517 | -122.1291 |
| 81 | Redmond city of - Public Works Department | \$250,000 | The Sammamish River runs through the heart of Redmond, and has been impacted by the effects of urbanization. This project will improve water quality for flows from the NE 90th Street Basin that discharge into the Sammamish River. This will be accomplished by: addressing a severe erosion/sedimentation problem, eliminating the infiltration of untreated stormwater adjacent to the river, and improving the function of water quality ponds that treat existing developed areas. | PO Box 97020 | Redmond | KING | 48 | 47.6820 | -122.1322 |
| 82 | Walla Walla city of | \$216,540 | Design and construct stormwater facilities to treat and infiltrate stormwater runoff along Park Street. This project will improve water quality in Mill Creek, Garrison Creek and the Walla Walla River by substantially reducing stormwater discharges to the existing piped storm system that currently discharge directly to these waterways. This will reduce levels of total suspended solids, hydrocarbons, metals, fertilizer, pesticides and fecal coliform. | 15 N Third Ave. | Walla Walla | WALLA WALLA | 16 | 46.0611 | -118.3253 |
| 84 | San Juan County - Public Works Department | \$312,450 | Installation of treatment facilities for stormwater that is currently discharged without treatment from the Village of Eastsound on Orcas Island. Market St is served by a private system connected to San Juan County's public system on Prune Alley. The County will install wetland treatment systems to serve Market St, Madrona St, and adjoining businesses and assume ownership and maintenance of the system. Implementation will result in improved treatment for a five acre area of Eastsound. | PO Box 729 | Friday Harbor | SAN JUAN | 40 | 48.6950 | -122.9040 |
| 86 | Partial funding for Grant Management Oversight | \$1,156,427 | Ecology currently manages and provides engineering and technical oversight for approximately 212 active design/construction stormwater improvement projects from previous appropriations. | #N/A | #N/A | Statewide | All | #N/A | #N/A |
| 86 | Vancouver city of | \$1,072,500 | This Lower Grand Industrial Area retrofit results in direct water quality benefits for waters of the State. Runoff in this area currently drains to drywells that have been shown to be in groundwater. During rain events these drywells become overwhelmed, overflowing polluted runoff to the Columbia River. Grant funds will be used to complete the design, develop final cost estimates, prepare SEPA & Cultural Assessments, and construct improvements. | PO Box 1995 | Vancouver | CLARK | 49 | 45.6210 | -122.6457 |
| 88 | King County - Water and Land Resources Division | \$209,444 | This project, located in the May Creek Tributary 291A basin, will prepare 90% design plans to retrofit a regional detention facility to improve flow control and treatment of runoff from developed land that has no stormwater controls. The facility occupies a historic wetland, portions of which have been filled in by adjacent property owners. The plans would restore these portions of filled wetland, which will increase the facility's detention storage and improve water quality treatment. | 201 South Jackson Street, Suite 600 | Seattle | KING | 37 | 47.4876 | -122.1210 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|----------|---|-------------|--|---|---------------|-----------|---------------|----------|-----------|
| 89 | Bellingham city of - Public Works Department | \$966,779 | This project will improve water quality in Squilicum Creek and Bellingham Bay. The project is to provide a water quality retrofit for a portion of old US 99 presently called Maplewood Avenue. This roadway currently has no water quality or quantity facilities associated with it. The proposal is to provide treatment and infiltration of the runoff from this roadway through the use of pervious pavement. | 2221 Pacific Street | Bellingham | WHATCOM | 42 | 48.7807 | -122.5084 |
| 92 | Union Gap city of | \$219,300 | This project will reduce untreated stormwater discharges directed to Spring Creek and Wide Hollow Creek and ultimately to the Yakima River by intercepting and redirecting storm drainage for storage and treatment. | PO Box 3008 | Union Gap | YAKIMA | 15 | 46.5435 | -122.4772 |
| 93 | Puyallup city of - Public Works | \$1,012,042 | Puyallup's Corporate Yards Decant Facility project will design and construct a decant facility for management of the City's Vector truck and street sweeper waste. The facility will separate solid waste from liquids generated from cleaning the public storm system and streets before discharging the liquids to the public sewer system for final treatment. The project will protect water quality in the City's streams and the Puyallup River including TMDL-affected Clarks and Meeker creeks. | 333 S Meridian | Puyallup | PIERCE | 25 | 47.1529 | -122.2797 |
| 95 | King County - Facilities Management Division | \$1,142,018 | This stormwater LID retrofit project, located in downtown Burien, WA, includes replacing an existing impervious parking lot with permeable pavement, constructing new bioretention to treat on-site stormwater runoff, and converting an existing detention pond to a bioretention facility to treat off-site stormwater runoff diverted from SW 148th Street and 7th Avenue SW. | 500 4th Ave South, Ste 800 | Seattle | KING | 34 | 47.4690 | -122.3420 |
| 97 | King County - Water and Land Resources Division | \$244,748 | This project will design a stormwater retrofit detention facility in unincorporated King County near 20651 NE 79th Street Redmond, WA. This project is in the Evans Creek Tributary 108 basin. This basin was substantially developed without adequate stormwater controls, which has degraded its stream health as documented by Benthic Index of Biotic Integrity monitoring. This project was identified by the Evans Creek Tributary 108 Basin-Wide Retrofit Siting project, Ecology Grant G1400026. | 201 South Jackson Street, Suite 600 | Seattle | KING | 37 | 47.6745 | -122.0652 |
| 99 | Burlington city of | \$199,351 | This project will provide for planning, permitting, and design of pervious concrete to replace gravel shoulders. By reducing impervious area and treating storm water through the soils cation exchange, water quality will improve (Gages Slough, Skagit River, Puget Sound). This is the second project in an effort to reduce the amount of City owned impervious gravel surfacing. | 833 South Spruce Street | Burlington | SKAGIT | 40 | 48.4748 | -122.3302 |
| 100 | Renton city of | \$1,631,250 | Project drains to Johns Creek and ultimately to Lake Washington. Project will design and construct Green Streets improvements including bioretention facilities, landscaping strip, vegetation planting, and porous concrete sidewalks. SEPA/NEPA review was completed in 2010. Project limits: NE 16th St (from Harrington Ave NE to Jefferson Ave NE); and Jefferson Ave NE (from NE 16th St to NE 12th St). Green streets will remove pollutants, reduce speed of runoff, and promote infiltration. | Renton City Hall, 5th Floor, 1055 South Grady Way | Renton | KING | 11 | 47.5069 | -122.1798 |
| 101 | Granite Falls city of | \$410,250 | This project will improve water quality in Lake Gardner through the installation of water quality facilities including pervious pavement at Kentucky Ave., (between Stanley St. and Galena St.) and Union St. (between S. Indiana Ave. to S. Granite Ave.) in the city of Granite Falls. This project will provide treatment for Total Suspended Solids (TSS), dissolved copper, dissolved zinc and total phosphorus and will also reduce flows to Lake Gardner by infiltrating stormwater runoff. | PO Box 1440 | Granite Falls | SNOHOMISH | 39 | 48.0811 | -121.9666 |
| 103 | Wenatchee city of | \$37,500 | Chelan County, Douglas County, Wenatchee and East Wenatchee are proposing a collaborative education and outreach effort to standardize information provided to homeowners and real estate agents about managing water quality facilities and develop a training program for these two target audiences. The purpose of this project is to go beyond the requirements of the Eastern WA Phase II Municipal Permit to improve management of private water quality facilities and protect local water bodies. | PO Box 519 | Wenatchee | CHELAN | 12 | 47.4451 | -120.3151 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|----------|--|-------------|--|---|---------------|----------|---------------|----------|-----------|
| 105 | Asotin County - Public Works Department | \$257,125 | The Asotin County Regional Stormwater Program is applying for funds to purchase a new high efficiency sweeper. The purchase would help remove more total suspended solids and improve water quality in Asotin Creek and the Snake River. The purchase of a new high efficiency sweeper will allow the Asotin County Regional Stormwater Program to improve its sweeping in the City of Clarkston, City of Asotin, and Asotin County. | PO BOX 160 | Asotin | ASOTIN | 9 | 46.3350 | -117.0619 |
| 106 | Friday Harbor town of | \$773,935 | Construction of a waterfront vault containing cartridge filters to clean storm water that drains from the Friday Harbor urban environment. Due to the Town's age, there is very limited treatment of storm water before it reaches the harbor. The vault is designed to filter 100% of the "first flush" of rainwater entering the storm sewer system. Testing demonstrated higher levels of turbidity, surfactants (detergents), and total suspended solids during rain events that follow prolonged dry weather. | PO Box 219 | Friday Harbor | SAN JUAN | 40 | 48.5300 | -123.0300 |
| 107 | Soap Lake city of | \$161,500 | This project will include the purchase of a street sweeper and evaluation and implementation of a street sweeping plan. The street sweeping plan will identify critical areas with the greatest possibility of transferring pollutants into Soap Lake, identify areas most benefited by street sweeping, establish a suitable street sweeping schedule, and outline a plan to verify success of the street sweeping program by measuring and properly disposing of removed pollutants. | PO Box 1270 | Soap Lake | GRANT | 12 | 47.3900 | -119.4900 |
| 108 | Bremerton city of - Public Works and Utilities | \$75,000 | Phase II of East 11th Street stormwater retrofit will design a stormwater treatment and pervious sidewalk system to address the Puget Sound Action Agenda Strategic Initiative to prevent pollution from urban stormwater runoff (Strategy 10.3: Fix problems caused by existing development). The design will include geotechnical work to evaluate infiltration potential and selection of appropriate treatment and infiltration systems to reduce pollution from a built urban environment. | 100 Oyster Bay Ave N | Bremerton | KITSAP | 23 | 47.5703 | -122.6152 |
| 109 | Sumner city of | \$375,000 | This project proposes to upgrade several facets of the existing Summer Decant Facility located at the Summer Wastewater Treatment Facility (WWTF). Specifically, this project will provide additional capacity, more efficient separation of solids and liquids and create a completely covered area with temporary storage of solid waste materials. Processed waste water will continue to be treated through the WWTF which discharges to the White (Stuck) River. | 1104 Maple St | Sumner | PIERCE | 31 | 47.4989 | -122.2525 |
| 110 | Renton city of | \$1,223,939 | The project will retrofit approximately 1.5-acre of pollution generating impervious area (roadway) along Duvall Ave NE between NE 10th St and NE 12th St in order to provide enhanced basic water quality and oil treatment prior to discharge to May Creek and to Lake Washington. The project will also replace a paved shoulder with a planter strip and pervious sidewalk. May Creek is a water body included in the 303 (d) list for dissolved oxygen, ammonia-N, Mercury, bacteria, pH and temperature. | Renton City Hall, 5th Floor, 1055 South Grady Way | Renton | KING | 11 | 47.5012 | -122.1566 |
| 113 | Selah city of - Public Works | \$218,378 | The proposed project reduces illicit discharges to the Taylor Ditch drainage system by providing pretreatment and disposal of the Water Quality Storm Event from two large drainage basins. | 222 S Rushmore Rd | Selah | YAKIMA | 15 | 46.6517 | -120.5206 |
| 115 | Sequim city of - Public Works Department | \$254,338 | Sequim proposes to address problems with bacteria and other water quality issues in its favorite stream, Bell Creek, and protect drinking water from contamination entering the shallow aquifer via many infiltration systems along city streets. To accomplish this, the City proposes to remove a direct stormwater discharge entering Bell Creek, add treatment to an existing infiltration facility, and start an inspection program that would ensure all drainage facilities are maintained properly. | 152 W. Cedar Street | Sequim | CLALLAM | 24 | 48.0796 | -123.1023 |
| 116 | Renton city of | \$93,000 | The project will retrofit a City owned detention pond in the Heather Downs Development at the intersection of Union Ave SE and SE 4th St to provide basic water quality treatment for a drainage basin of approximately 30 acres prior to discharge to Maplewood Creek which is a tributary of the Cedar River. Basic water quality treatment will be achieved by converting the existing detention pond into a combined detention and two-cell wetpond. | Renton City Hall, 5th Floor, 1055 South Grady Way | Renton | KING | 11 | 47.4789 | -122.1639 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|--------------|--|---------------------|---|------------------|------------|-----------|---------------|----------|-----------|
| 117 | Marysville city of - Public Works Department | \$250,000 | This Project will identify stormwater treatment alternatives and then provide for the design and associated permitting of an approved stormwater treatment facility. The design would potentially utilize City property to treat portions of an existing 480 acre stormwater basin that currently discharges to a 303(d) listed waterway with no formal treatment. | 80 Columbia Ave. | Marysville | SNOHOMISH | 38 | 48.0507 | -122.1807 |
| 118 | Issaquah city of | \$187,500 | This project will develop a Watershed-Scale Stormwater Plan to address stormwater runoff impacts and ecosystem degradation within the City of Issaquah. This planning effort is intended to identify stormwater-related issues affecting the watershed health and degraded water quality and habitat conditions, and how stormwater management actions can achieve long-term ecosystem recovery in city streams, including how best to mitigate stormwater impacts from past development. | PO Box 1307 | Issaquah | KING | 5 | 47.5354 | -122.0415 |
| Total | | \$26,536,432 | | | | | | | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:27PM

Project Number: 92000076

Project Title: Storm Water Improvements

Description

Starting Fiscal Year: 2014

Project Class: Grant

Agency Priority: 3

Project Summary

Ecology manages the Stormwater Financial Assistance Program (SFAP) to provide grants to public entities to finance stormwater retrofit projects that treat polluted stormwater in priority areas throughout the state. The enacted 2013-15 Supplemental Capital Budget provided \$100 million Environmental Legacy Stewardship Account (ELSA) appropriation for new stormwater grants. When the 2015-17 biennial budget was passed, \$12.3 million of the appropriation was assumed to be spent in the 2017-19 Biennium, which resulted in delaying stormwater projects. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides backfill funding for reappropriations authorized in the enacted 2013-15 Capital Budget for projects that would otherwise be delayed in 2017-19 due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for the 2017-19 Biennium. This was an unprecedented decline for the Hazardous Substance Tax (HST), and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$12.3 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to complete. Ecology will have to continue to delay projects from this appropriation if a MTCA revenue solution is not provided. Providing backfill funding will continue important stormwater work and keep it in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda implementation. (State Building Construction Account and Environmental Legacy Stewardship Account)

Project Description**What is the proposed project?**

In 2013, the Legislature used a provision in the 2013-15 Capital Budget (Section 3081) to direct Ecology to develop and implement an ongoing, comprehensive, statewide stormwater financial assistance program. Ecology worked with stakeholders to develop a stormwater funding program – the SFAP – that is incorporated into Ecology's Water Quality Combined Financial Assistance Program.

Stormwater funding provides grants for stormwater projects through a competitive rating and ranking funding process. These high priority stormwater improvement projects support state water quality goals by preventing pollution generated by existing infrastructure from reaching surface waters. Projects and activities funded include planning and installing capital projects and activities that reduce stormwater pollutants. Stormwater projects include:

- Stormwater basins, pervious pavements, and bio-retention systems that collect runoff from hard surfaces and remove pollutants before the water is released to a water body or infiltrated into the ground.
- Project-specific planning and design to assist jurisdictions in preparing capital improvement projects.
- Toxics source tracing, corrective action, and removal projects. These projects are a cost-effective way of removing sources of toxics and reducing toxics discharge to waterways.
- Prioritized watershed basin retrofit planning and implementation strategies. These projects cross program boundaries (e.g., toxics cleanup sites combined with water quality improvement projects) and may use tools such as Geographic Information System (GIS) mapping to help organize and prioritize stormwater capital improvement projects. This process provides efficiencies of scale and maximizes water quality benefits per dollar invested.

The 2013-15 Capital Budget provided \$100 million in ELSA appropriations for stormwater grants and almost of all the funding has been granted. But, with the significant drop in the price of oil, and correlated decreases over the past two years in HST forecast, revenue projections for all three MTCA accounts (State Toxics Control Account, Local Toxics Control Account, ELSA) fall short of funding the reappropriations for 2013-15 stormwater projects. Ecology requests SBCA funding of \$12.3 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to continue. If bond

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:27PM

Project Number: 92000076

Project Title: Storm Water Improvements

Description

backfill is not provided, \$12.3 million in projects would continue to be delayed, depending on MTCA fund balance projections and actual HST collections.

The initial 2017-19 project list for this request totaled \$20.9 million, but this updated request reflects the backfill amount necessary to help address the MTCA revenue shortfall as of the September 2017 forecast.

What opportunity or problem is driving this request?**The reason for the project:**

Polluted stormwater is one of the greatest threats to the health of Washington State waters. Most of this pollution comes from existing infrastructure like buildings, road surfaces, and municipal storm sewer systems built before the Clean Water Act and other environmental regulations. In new and redeveloped areas, developers shoulder most of the cost of treating stormwater. But local jurisdictions are burdened with the expense of cleaning up stormwater problems created by old, ineffective infrastructure. Current municipal stormwater National Pollutant Discharge Elimination System (NPDES) permits do not require retrofitting existing development with stormwater controls; so in many cases, untreated stormwater carrying pollutants from existing infrastructure is released directly into the nearest waterway.

This stormwater project has been appropriated with MTCA funding since the 2013-15 Biennium. The HST is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10th of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years and so have HST collections and revenues. Ecology requests backfill funding from the SBCA to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for the 2017-19 Biennium (as of the September 2017 forecast). This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).
- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.
- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the GF-S. There were direct transfers, but the Legislature also funded new investments in stormwater. In the SFAP, both MTCA and SBCA were used to fund important stormwater projects during the economic downturn. Today, our economy is in a growth period, stormwater projects are affordable, and there is a high level of interest by local governments to solve stormwater pollution impacts. Providing SBCA funding will allow important, ready-to-proceed stormwater projects to move forward.

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:27PM

Project Number: 92000076

Project Title: Storm Water Improvements

Description

The effects of non-funding:

Statewide water quality and public health would be impacted if these grant dollars are not available to assist local communities to mitigate the effects of polluted stormwater. The funds would not be available to local communities for developing and implementing projects that go beyond the requirements of NPDES permits to treat polluted runoff from existing development. Without these funds, capital stormwater improvement projects would not be constructed, and untreated stormwater would continue to pollute Washington's waterways. Untreated stormwater discharges toxic chemicals and other pollutants into waters of the state, which in turn impacts shellfish habitat, fisheries, human health, and other beneficial uses.

How does the project support the agency and statewide results?

This request is aligned with, and essential to implementing Ecology's strategic plan goals and strategic priorities:

- Reduce and prepare for climate impacts: During drought and more than average rainfall years, implementing stormwater retrofits and green infrastructure mitigates adverse climate impacts by controlling flow volumes and treating stormwater runoff to remove pollutants.
- Prevent and reduce toxic threats: Funded stormwater projects address stormwater pollutants by implementing stormwater best management practices, constructing stormwater treatment and flow control facilities, and implementing low impact treatment techniques that capture and reduce toxics and other pollutants.
- Deliver integrated water solutions: Some projects funded achieve multiple benefits to both water quality and water resources: including stormwater capture and reuse, infiltration of stormwater runoff, and treatment of polluted stormwater runoff.
- Protect and Restore Puget Sound: On average about 70 percent of the SFAP funds are awarded to projects in the Puget Sound basin. Projects funded lead to direct and indirect improvements to Puget Sound water quality through constructed stormwater pollution control infrastructure that goes above and beyond permit requirements.

This request is essential to support the Governor's Results Washington Goal 3 – Sustainable Energy and Clean Environment. Specifically, Ecology provides regular updates and report outs to the Governor and Goal Council regarding Results G3.3.2a: increase the number of projects that provide stormwater treatment or infiltration.

This request makes a key contribution to statewide results by providing grants for high priority stormwater improvement projects statewide that address Natural Resources strategies to Reduce Negative Impacts on the Environment; Preserve, Maintain and Restore Natural Systems and Landscapes; and Improve Individual Practices and Choices. It also supports salmon recovery efforts.

This request supports Ecology's integrated water quality financial assistance program by leveraging and augmenting loan funds through the Water Pollution Control Revolving Fund (SRF) loan program, the Centennial Clean Water grant program, and the Clean Water Act Section 319 federal grant program. Through the integrated funding program, Ecology continues to apply Lean principles in an effort to improve efficiency in service delivery and improve access to funding for high priority projects that deliver multiple benefits. Cross program and cross agency coordination is also a key element of the water quality financial assistance programs and Ecology is committed to supporting the Infrastructure Assistance Coordinating Council (IACC) as a cross-agency collaborative approach to providing infrastructure, financial and technical assistance to communities throughout Washington.

This request supports Puget Sound Action Agenda implementation through sub-strategy 10.3, Fix Problems Caused by Existing Development by providing funding to cities and counties to retrofit existing development through the Stormwater Financial Assistance Program's competitive grant program. This request directly supports the regional priority 10.3-1: Prioritize where retrofits occur by funding local project planning and design efforts including alternative analysis. This request directly supports regional priority 10.3-4: Research, study and /or pilot legacy pollutant removal programs with intent of filling data gaps. This request funds projects to inspect private parcel Best Management Practices and provides technical assistance to property owners.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:27PM

Project Number: 92000076

Project Title: Storm Water Improvements

Description**What are the specific benefits of this project?**

The SFAP provides funding to local governments for municipal stormwater management projects that achieve specific environmental and public health benefits, including:

- Improving and protecting water quality by reducing pollutant transport to surface waters.
- Restoring natural hydrology to streams and improving watershed function.
- Promoting groundwater recharge.
- Restoring and protecting designated uses of Washington's waters, such as drinking water, aquatic habitat, and shellfish harvesting.
- Promoting and incentivizing sustainable communities.

How will clients be affected and services change if this project is funded?

Since 2006, Ecology has provided stormwater construction grants to local governments through a series of one-time funding provisions in the state capital budget. If this request is funded, Ecology can continue to support local governments in promoting and incentivizing their ongoing efforts to reduce polluted stormwater runoff to Washington water bodies. Local government stakeholders throughout the state have voiced strong support for an ongoing and stable stormwater financial assistance program that can help them proactively address stormwater management problems and improve environmental sustainability and the health of their local communities.

Are FTEs required to support this project?

No FTEs are requested for this project. The 12.95 FTEs required for SFAP technical, budget and financial management are requested in the new Restore Stormwater request, and in the reappropriation request for project 30000535.

How will the other state programs or units of government be affected if this project is funded?

Solving stormwater pollution problems requires the efforts of and collaboration with several local, state, federal, and tribal governments. Supporting local governments in implementing stormwater projects will also support the efforts of the Puget Sound Partnership, the Department of Commerce, the Department of Natural Resources, the Department of Health, the Washington State Department of Transportation, the U.S. Environmental Protection Agency, and tribal water quality improvement programs.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of third special session.

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:27PM

Project Number: 92000076

Project Title: Storm Water Improvements

Description

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology’s ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

If an alternative solution is not provided, Ecology would not go forward with \$12.3 million in delayed stormwater projects (as of September 2017- future revenue forecasts will likely change this amount). Funding a bond backfill is the best option because it will fund the capital budget as the Legislature originally intended, and give Ecology the resources to continue implementation of the budget as originally passed.

What is the agency’s proposed funding strategy for the project?

This reappropriation request is for new bond backfill funding from SBCA of \$12.3 million and a reduction to ELSA funding by the same amount to help bridge the gap until MTCA revenue recovers. This funding is matched up to 25 percent by local governments.

Note: The total amount being requested in bond funding for 2017-19 stormwater projects is \$113.2 million, which includes this \$12.3 million bond backfill request, \$44.2 million in new projects, \$30.1 million to restore reductions from the 2016 Supplemental Budget, and \$26.5 million for projects that will continue to be delayed in reappropriation 30000535 if there is no solution for the MTCA revenue shortfall. Traditional new investments in stormwater have averaged around \$73.8 million a biennium over the last three biennia.

Proviso

None

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:27PM

Project Number: 92000076

Project Title: Storm Water Improvements

Description

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

Ecology uses its Environmental Protection Agency (EPA) acclaimed nationwide model that integrates the application evaluation offer process for all its water quality financial assistance programs. Ecology uses statewide workshops and a well-publicized, web-based annual application and proposal evaluation cycle to ensure ample outreach and applicant interest and participation. Completed projects will serve as region-wide models of stormwater management and implementation of innovative Low Impact Development techniques.

Growth Management impacts

Growth Management Act (GMA) compliance is strongly encouraged and supported by Ecology. Because other funding sources may require GMA compliance to be eligible for funding, an applicant's GMA status will be reflected in its readiness to proceed at time of application.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-------------------|-------------------|-------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 32,347,000 | | 20,000,000 | | 12,347,000 |
| 19G-1 | ELS Account-State | 64,653,000 | 15,337,000 | 61,663,000 | | (12,347,000) |
| | Total | 97,000,000 | 15,337,000 | 81,663,000 | 0 | 0 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| 19G-1 | ELS Account-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Kimberly Wagar</u> | Email: | <u>kwag461@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-6614</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057-1</u> | Project Title: | <u>Stormwater Improvements</u> |
| Project Number: | <u>92000076</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.



Ecology's 2018 Supplemental Capital Budget Project List
Water Quality Program
Stormwater Improvements-Delayed Projects under Reappropriation (92000076)
September 8, 2017

Purpose: This project list represents the delayed stormwater projects proposed for MTCA reappropriation requested for funding in the 2018 Supplemental Capital Budget proposal. Ecology manages the Stormwater Financial Assistance Program (SFAP) to provide grants to public entities to finance stormwater retrofit projects that treat polluted stormwater in priority areas throughout the state. This list provides project details included in Water Quality Program's Stormwater Improvements Project (92000076). The rank reflects the original rank on the 2016 Water Quality Offer List (which includes projects/funding from other sources).

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|----------|---|-------------|---|-------------------------------------|----------------|----------|----------------|----------|-----------|
| 134 | King County - Metro Transit | \$266,000 | This project would involve the procurement of a high-efficiency sweeper for the King County Department of Transportation - Metro Transit division (Transit). This high-efficiency sweeper would be employed for routine street sweeping, emergency spill response, and for sand pick-up following snow events, all with the goal of improving stormwater quality at Transit's facilities. This acquisition would be preceded and followed by stormwater testing so as to measure any water quality improvements. | 201 S Jackson St M.S. SFM-TR-0100 | Seattle | KING | 11, 46, 48, 37 | 47.5988 | -122.3308 |
| 138 | Spokane Valley city of | \$1,500,000 | This project will improve water quality in the Spokane Valley Rathdrum Prairie Aquifer through Low Impact Development techniques including bioinfiltration, bioretention, and/or cartridge media treatment, at Sprague Avenue between University and Park Roads in the City of Spokane Valley. This project will provide treatment for Total Suspended Solids, Oil, and possibly Dissolved Copper and Dissolved Zinc. | 11707 E. Sprague Ave, Suite 106 | Spokane Valley | SPOKANE | 5 | 47.6571 | -117.2651 |
| 140 | San Juan County - Public Works Department | \$244,000 | Water quality treatment units with general use level designation will be installed along Prune Alley and Fern Street to provide water quality treatment for runoff from approximately 2.4 acres of roadway and commercial parking area. This retrofit project will help address existing water quality impairment in East Sound. These improvements will coincide with previously planned right of way improvements to address flooding and ponding problems. | PO Box 729 | Friday Harbor | SAN JUAN | 40 | 48.6961 | -122.9056 |
| 141 | King County - Water and Land Resources Division | \$230,000 | This project will create a basin-wide stormwater retrofit plan for Mill Creek Trib. 51 stream basin; develop predesigns for at least 3 identified retrofit projects; and advance an outcome-based, systematic approach to stormwater retrofitting of degraded stream basins. The plan will specify the number and sizes of facilities and low impact development (LID) BMPs needed to achieve flow conditions that support improved aquatic conditions as measured by the Benthic Index of Biotic Integrity (BIBI). | 201 South Jackson Street, Suite 600 | Seattle | KING | 37 | 47.3216 | -122.2829 |
| 142 | Lacey city of - Public Works Department | \$467,000 | Through an enhanced road-sweeping program this project will provide source control and help prevent street waste containing Total Suspended Sediments (TSS), dissolved metals, and phosphorus from entering City of Lacey streams and lakes. Additional benefits of this project include improved air quality resulting from the removal of dust particulates. | 420 College Street SE | Lacey | THURSTON | 22 | 47.0366 | -122.8228 |
| 144 | Shoreline city of | \$291,000 | The NE 148th St. Project proposes an array of LID stormwater facilities which combine bioretention surface features with larger-scale infiltration facilities composed of buried stackable plastic grids. Half of the overall facility surface area will feature bioretention to provide water quality treatment. Other infiltration facility surfaces include permeable gravel pavement and impermeable asphalt to maximize infiltration footprint in a densely developed area with high parking demand. | 17500 Midvale Ave N | Shoreline | KING | 32 | 47.7361 | -122.3138 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|----------|--|-------------|--|-------------------------------------|----------------|---------|---------------|----------|-----------|
| 145 | Spokane Valley city of | \$683,000 | This project will include updating the storm drainage system in conjunction with the City's Pavement Preservation projects. | 11707 E. Sprague Ave, Suite 106 | Spokane Valley | SPOKANE | 4 | 47.6576 | -117.2478 |
| 146 | Clark County - Environmental Services Department | \$300,000 | This project will reduce pollutant loading to Cougar Creek, a tributary of Salmon Creek, by retrofitting several existing catch basins and constructing a bioretention facility along two high traffic roadways in Clark County. The proposed project will treat runoff from approximately five acres of pollution generating surface areas along the two major roadways. | P.O. Box 9810 | Vancouver | CLARK | 18 | 45.6863 | -122.6601 |
| 147 | King County - Water and Land Resources Division | \$78,000 | This retrofit project will do final design and construction to install a StormFilter system where no stormwater treatment facilities exist in unincorporated King County near Renton, WA. This project is in the May Creek Tributary 291A basin, which was substantially developed without adequate stormwater controls and has degraded stream health as documented by Benthic Index of Biotic Integrity monitoring. This project is a result of the Ecology Municipal Stormwater Capacity Grant, G1400262. | 201 South Jackson Street, Suite 600 | Seattle | KING | 11 | 47.4863 | -122.1231 |
| 150 | Spokane Valley city of | \$300,000 | This phase will construct facility canopy, eductor truck warming shed, and connection to sanitary sewer, providing 20 additional years in the City's ability to use the facility (making 50 years total), expanded use during wet and cold months of the year, and access to state owned and operated eductor equipment during emergencies throughout the year, day and night. | 11707 E. Sprague Ave, Suite 106 | Spokane Valley | SPOKANE | 4 | 47.6749 | -117.2428 |
| 152 | Bremerton city of - Public Works and Utilities | \$69,000 | Purchase and operation of a compact high efficiency vacuum sweeper would benefit the waters surrounding the City of Bremerton by more effective surfaces such as sidewalks, parking lots, walking paths, public commons areas and bridge walk paths. Bremerton is surrounded by Sinclair and Dyes Inlets and bisected by Port Washington Narrows. These water bodies have a fecal coliform TMDL and are also impacted by sediment, trash and debris from human activity, stormwater runoff and wildlife. | 100 Oyster Bay Ave N | Bremerton | KITSAP | 26 | 47.5670 | -122.6258 |
| 155 | Tukwila city of - Public Works | \$1,106,000 | This construction project will redirect storm water discharges from a private outfall that was closed under orders from the US EPA to a newly adopted City outfall. The project will require that existing catch basins and conveyance pipes be reconstructed within EMWS to provide the required grade to drain the area to the new outfall. In addition, water quality treatment will be constructed to treat collected storm water prior to discharge to the Duwamish River. | 6300 Southcenter Blvd | Tukwila | KING | 11 | 47.5290 | -122.3040 |
| 156 | Bellingham city of - Public Works Department | \$984,000 | This project will improve water quality in Spring Creek, Baker Creek, Squilicum Creek, and Bellingham Bay through installation of biofiltration and TAPE GULD systems on Meridian Street in the city of Bellingham. This project will provide treatment for Total Suspended Solids (TSS). | 2221 Pacific Street | Bellingham | WHATCOM | 42 | 48.7926 | -122.4860 |
| 157 | Bellingham city of - Public Works Department | \$384,000 | This project will improve water quality in Whatcom Creek and Bellingham Bay through installation of wet vaults and water reuse at 2221 Pacific Street in Bellingham Washington. This project will provide treatment for total suspended solids (TSS) and oil (Total Petroleum Hydrocarbons) and will also reduce flows to Whatcom Creek by reusing water and providing stormwater detention. | 2221 Pacific Street | Bellingham | WHATCOM | 40 | 48.7597 | -122.4584 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|--------------|---|---------------------|---|-------------------------------------|--------------|-----------|---------------|----------|-----------|
| 158 | Bellingham city of - Public Works Department | \$360,000 | This project will help to prevent total suspended solids (TSS), dissolved copper, dissolved zinc, and total phosphorus from entering the Lake Whatcom Watershed by removing pollutants from the stormwater system and providing pollutant source control through an enhanced jet cleaning and vactoring program in the city of Bellingham. | 2221 Pacific Street | Bellingham | WHATCOM | 40, 42 | 48.7596 | -122.4571 |
| 159 | Brier city of | \$498,000 | This project will improve water quality in the Scriber Creek and associated wetlands through installation of a regional 2-celled stormwater pond at Brierwood Park in the City of Brier. This project will provide treatment for total suspended solids (TSS), oil (Total Petroleum Hydrocarbons), dissolved copper, dissolved zinc, and total phosphorus and will also reduce flows to Scriber Creek and associated wetlands by increasing stormwater infiltration and/or providing stormwater detention. | 2901 228th St SW | Brier | SNOHOMISH | 1 | 47.8045 | -122.2696 |
| 163 | Washougal city of - Public Works Department | \$300,000 | Replace existing fueling station, utilizing LID methods to ensure water quality at Washougal Public Works Operations Facility. Use structural BMPs to enhance water quality at the facility and adjacent Public Works impervious parking and work areas. | 1701 C Street | Washougal | CLARK | 18 | 45.5793 | -122.3483 |
| 165 | Pierce County - Public Works and Utility Department | \$1,731,000 | This project will eliminate the direct discharge of untreated stormwater to Balch and Cormorant passage in south Puget Sound from the Tacoma Narrows Airport. This project will redirect flows through stormwater treatment facilities and resolve a significant erosion concern. | 2702 South 42nd St, Suite 201 | Tacoma | PIERCE | 29 | 47.2562 | -122.5791 |
| 169 | Ruston city of | \$854,000 | Bioretention facilities are proposed for a tributary area of approximately five acres in Ruston and North Tacoma. The proposed bioretention facilities along N Pearl Street (SR 163) will treat stormwater runoff within the Asarco Smelter Plume area. The facilities will improve the quality of stormwater discharged into Puget Sound. | 5117 Winnifred St | Ruston | PIERCE | 27 | 47.2981 | -122.5157 |
| 170 | Port Angeles city of - Public Works | \$474,000 | This project will help to prevent pollutants such as suspended sediment, heavy metals, nutrients, and trash from entering Port Angeles Harbor and the Salish Sea by constructing a new decant facility and more than doubling the capacity of the City of Port Angeles to provide treatment and disposal of vactor and street sweeping waste. | 321 East Fifth Street - PO Box 1150 | Port Angeles | CLALLAM | 24 | 48.1270 | -123.5198 |
| 171 | Olympia city of | \$269,000 | The Harrison Avenue Stormwater Retrofit project will reduce stormwater contaminants associated with runoff from a basin predominately zoned "high density corridor" straddling a heavily traveled, arterial street in West Olympia. Retrofitting the street for stormwater treatment will improve the quality of water discharged to the West Bay of Budd Inlet. | 601 4th Ave East | Olympia | THURSTON | 22 | 47.0458 | -122.9133 |
| 172 | Mukilteo city of | \$969,000 | This project will improve water quality in Japanese Gulch Creek and Puget Sound through installation of a Decant Station and Settling Vault at 4206 78th Street SW in the City of Mukilteo and by providing pollutant source control through an enhanced jet cleaning and vactoring program for legacy pollutant removal. This project will reduce flows to Japanese Gulch Creek and Puget Sound by removing current decant liquids from the stormwater system and routing them to the sanitary sewer system. | 11930 Cyrus Way | Mukilteo | SNOHOMISH | 21 | 47.9266 | -122.2913 |
| Total | | \$12,347,000 | | | | | | | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 8:57AM

Project Number: 30000542

Project Title: Cleanup Toxics Sites - Puget Sound

Description

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 4

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget provided \$18.6 million State Toxics Control Account (STCA) appropriation for new cleanup projects in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides backfill funding for projects that would otherwise continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$4.4 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account and State Toxics Control Account)

Project Description**What is the proposed project?**

As of June 2016, Ecology has identified about 260 contaminated sites awaiting cleanup, and roughly 650 sites are in the process of being cleaned up near the Puget Sound basin and surrounding shoreline. These numbers change frequently as site information is updated with new contaminated sites being identified, sites moving through cleanup, and sites being cleaned up.

Work will be done through a combination of direct actions by the state, contributions from potentially liable parties, and interagency agreements with affected local governments, resource agencies, and tribes. Incentives will be used to speed cleanup and encourage cooperative cleanups. The funding will be applied to sites that are abandoned, have non-compliant owners, or where funds are needed to advance emergent cleanup needs. This includes sites adjacent to critical and sensitive habitats; upland sites contributing to ongoing aquatic contamination; and a limited number of sites throughout Western Washington, outside the Puget Sound basin, where an unanticipated cleanup investment or emergency response is needed.

These cleanups continue to advance work in seven priority bays that implement the objectives of the Puget Sound Action Agenda; an action plan established after the Legislature created the Puget Sound Partnership to reverse Puget Sound's decline and restore it to health by 2020.

In 2013, there were significant changes made to MTCA. Among them, was direction for Ecology to plan hazardous site cleanup at a pace that matches the estimated cash resources in the MTCA accounts. (RCW 70.105D.170) Cleanups can take many years once a site has been contaminated with toxic chemicals. Three major factors determine the length of time for cleanup: the regulatory process used (formal versus independent cleanup); the nature of the contaminants (how difficult they are to remediate); and the type of contaminated media (soil, groundwater, sediments, etc.) Ecology established an ideal target for achieving site cleanup within five years; and has been actively working toward this target by employing model remedies and developing tools and policies to help achieve cleanup faster.

Financial certainty for cleanup project development is critical for ensuring existing projects are completed as envisioned, and new projects can be planned and designed to maximize environmental and public health improvements and economic development opportunities. The MTCA revenue decline that resulted in cleanup project delays in the 2015-17 Biennium created uncertainties for public funding. Despite Department of Revenue's Hazardous Substance Tax (HST, MTCA's major revenue source) forecasts projecting a recovery in the next few years, delays in HST revenue recovery will continue to restrain cleanup projects funded with MTCA.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 8:57AM

Project Number: 30000542

Project Title: Cleanup Toxics Sites - Puget Sound

Description

MTCA's cleanup process informs project prioritization. Ecology's Toxics Cleanup Program (TCP) guides all cleanup projects through MTCA's regulatory process and requirements, including those seeking state capital budget funding. MTCA requires all cleanup projects proceed through the following phases:

1. Assessment: All projects are prioritized based on human health and environmental risks. Cleanup projects address risks either from exposure to contaminated soil, contaminated groundwater and drinking water, contaminated marine water and sediment, which pose human health risks from consuming fish and shellfish, toxic vapors, or a combination of the above.
2. Remedial Investigation: Remedial investigations define the nature, extent, and magnitude of contamination on all projects.
3. Feasibility Study: Feasibility studies are conducted on all projects and include alternative analysis, cost-benefit analysis, long-term or life-cycle cost analysis, and cleanup technology preferences.
4. Cleanup Action Plan: Information from the remedial investigation and feasibility study are included in a cleanup action plan that describes cleanup standards, methods, monitoring requirements, and schedule – including any time-critical elements.
5. Comment: The public is encouraged to review and comment on the projects' investigations, feasibility studies and cleanup plans during public comment periods.
6. Cleanup: Design, construction, operations, and monitoring of the cleanup. At this phase, projects are ready to proceed: They are in construction; they have permits or are in the permitting process; their design is complete or underway; or they are under contract. A cleanup is complete when Ecology determines cleanup standards have been met.

In addition to projects being evaluated according to the MTCA regulatory process, the enacted 2015-17 biennial Capital Budget provided three tools for managing cash in the MTCA accounts, including authorization to delay cleanup projects (Second Engrossed House Bill 1115, Section 7038). After that budget became law, Ecology and the Office of Financial Management, developed a MTCA Cash Management Plan (Plan) for the 2015-17 biennium. The Plan describes Ecology's use of the three options to maintain positive cash balances in the accounts, including delaying several high-priority cleanup projects.

Section 7038 (3) authorized Ecology to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution. Ecology used this authority in the 2015-17 Biennium to guide project priority. The list of delayed projects is prioritized by:

1. Applying Section 7038 criteria as detailed in the Plan.
2. Where groups of projects met all of the same Section 7038 criteria, projects were further ranked considering Ecology's regional and program priorities.
3. Reviewing current information from grant recipients and Ecology's regional cleanup managers on the status of projects.

Some of the delayed projects have been in line for funding for more than two years. Circumstances may have changed. Ecology reviewed each request to ensure the project is still viable, update descriptive information and confirm dollar amounts. The project list explains any changes.

Attached is a prioritized list of delayed projects that will be funded with this request. The enacted 2016 Supplemental Capital Budget provided \$18.6 million in STCA appropriations for Cleanup Toxic Sites – Puget Sound projects, assuming about one-half would be spent in the 2017-19 Biennium. But, with the significant drop in the price of oil, and correlated decreases over the past two years in HST forecast, revenue projections for all three MTCA accounts (STCA, Local Toxics Control Account, Environmental Legacy Stewardship Account) fall short of funding the appropriations for delayed 2015-17 Puget Sound projects. Ecology requests State Building Construction Account (SBCA) dollars of \$4.4 million for this reappropriation to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 8:57AM

Project Number: 30000542

Project Title: Cleanup Toxics Sites - Puget Sound

Description**What opportunity or problem is driving this request?****The reason for the project:**

Cleaning up and protecting Puget Sound is critical to the social and economic well-being of Washingtonians. Decades of industrial, municipal, and naturally occurring pollution have taken their toll on the condition and ecology of Puget Sound. Without intervention now, the condition of Puget Sound will most certainly continue to deteriorate. Although the state has made progress addressing the most highly contaminated areas of the Sound, other impacted areas are left unchecked. This request will help restore environmental and economic vitality to the state by focusing comprehensive cleanup on remaining contaminated sites impacting Puget Sound.

This project was appropriated with MTCA funding in the 2015-17 Biennium. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for the 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. The HST is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10 of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years, and so have HST collections and revenues.

Ecology requests backfill funding from the SBCA to help bridge the gap until MTCA revenue recovers. The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016.
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).
- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.
- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the GF-S. There were direct transfers, but the Legislature also preserved investments in cleanup. For toxic site cleanup, the SBCA was used to backfill MTCA transfers. This provided funding for existing projects and invested in new toxic site cleanups. Now, the economy is in a growth period – the very time when toxic site cleanup is affordable and interest in redevelopment is high. Ecology requests SBCA backfill funding be appropriated so important, ready to proceed cleanup projects move forward.

The effects of non-funding:

If this request is not funded, Puget Sound cleanup projects would continue to be delayed. State investment significantly contributes to cleanup progress in Washington, and it makes a direct, beneficial impact on human health and the environment. Without funding, these benefits would not be achieved. The economic, health, and environmental impacts would largely be felt in areas in or immediately adjacent to Puget Sound. Also, the cleanup progress in Washington and Puget Sound would not advance at the accelerated rate expected by the Governor and Legislature.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 8:57AM

Project Number: 30000542

Project Title: Cleanup Toxics Sites - Puget Sound

Description**How does the project support the agency and statewide results?**

This project is essential to implementing a priority in Ecology's strategic plan by supporting the priority to Prevent and Reduce Toxic Threats. It contributes resources to continue activity A005, "Clean the Worst Contaminated Sites First."

This request is essential to support the Governor's budget and economic priorities by investing funds to protect public health and natural resources. This request will also support Results Washington Goal 3, Sustainable Energy and a Clean Environment by cleaning up and managing contaminated sites that pose threats to public health, the environment, groundwater, and fish and wildlife resources. Specifically:

Goal 3/Goal Topic/Sub-Topic: Sustainable Energy and a Clean Environment/Clean and Restored Environment *Keep our land, water and air clean/Healthy Lands*

Outcome Measure 3.1 – Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020.

Leading Indicator 3.1.a – Increase number of contaminated brownfield sites returned to economically productive use from 476 to 1,090 by 2020.

This work also supports Goal 2, Prosperous Economy by creating and supporting jobs and making it possible to redevelop previously contaminated land to support economic growth in communities.

This request also supports Puget Sound Action Agenda implementation through the following strategies:

Strategy 21 Address and Clean Up Cumulative Water Pollution Impacts in Puget Sound, substrategy 21.2 Clean Up Contaminated Sites Within and Near Puget Sound. This request relates to the Puget Sound Action Agenda strategy and substrategy by reducing and controlling the sources of pollution. Ecology's work to cleanup areas contaminated with hazardous substances returns a polluted or degraded environment, as much as possible, to a healthy, self-sustaining ecosystem.

Ecology's focused work in Puget Sound will be accomplished by making direct state investments, using contributions by potentially liable parties, and entering interagency agreements with affected local governments and resource agencies.

Strategy 10 Use a Comprehensive Approach to Manage Urban Stormwater Runoff at the Site and Landscape Scales, substrategy 10.3 Fix Problems Caused by Existing Development, regional priority 10.3-2 Provide Infrastructure and Incentives to Accommodate Redevelopment Within Designated Urban Centers in Urban Growth Areas. This request relates to the Puget Sound Action Agenda sub-strategy and regional priority by cleaning up previously contaminated sites so they can be redeveloped, which promotes revitalization and economic growth in urban areas.

What are the specific benefits of this project?

This work will benefit Washingtonians by achieving the much sought after economic and social benefits of a clean, restored Puget Sound. Specifically, benefits of this request include:

- Cleaning up contaminated sites.
- Reduce exposure of hazardous substances to the environment and public as work progresses on these sites.
- Economic redevelopment as abandoned sites move forward through the cleanup process.
- Continued cleanup and restoration of Puget Sound.

How will clients be affected and services change if this project is funded?

This request continues ongoing efforts and will result in local cleanups and land redevelopment. Cleaning up contaminated property is usually integrated with economic development, habitat restoration, and public recreation projects. Most cleanup

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 8:57AM

Project Number: 30000542

Project Title: Cleanup Toxics Sites - Puget Sound

Description

projects are the first phase of a larger community or economic redevelopment project where the cleanup site is the focal point of the project.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

These cleanup projects are part of the Puget Sound Initiative – a collaborative effort by local, tribal, state, and federal governments; business; agricultural and environmental interests; and the public, to help preserve and protect Puget Sound. The projects funded by this request may involve port districts, and other local government agencies, whose cleanup projects are considered for eligibility under the Remedial Action Grant Program.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of the third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology's ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

If an alternative solution is not provided, Ecology would have to further delay these cleanup projects until revenue recovers in the MTCA accounts. Funding a bond backfill is the best option because it will fund the capital budget as the Legislature originally intended, and give Ecology the resources to continue implementation of the budget as originally passed.

What is the agency's proposed funding strategy for the project?

Ecology is requesting new bond backfill funding from the SBCA of \$4.4 million and a reduction to STCA funding by the same amount to help bridge the gap until MTCA revenue recovers.

Note: The total amount being requested in bond funding for 2017-19 Puget Sound cleanup projects is \$30 million, which

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 8:57AM

Project Number: 30000542

Project Title: Cleanup Toxics Sites - Puget Sound

Description

includes this \$4.4 million for projects delayed due to the MTCA revenue shortfall in reappropriation 30000542, \$5.4 million to restore reductions from the 2016 Supplemental Budget, and \$20.1 million in new funding to start or continue the next phase of projects. Traditional new investments in Puget Sound cleanup projects have averaged around \$29.2 million a biennium over the last four biennia.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|----------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 4,400,000 | | | | 4,400,000 |
| 173-1 | State Toxics Control-State | (4,400,000) | | | | (4,400,000) |
| Total | | 0 | 0 | 0 | 0 | 0 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| 173-1 | State Toxics Control-State | | | | | |
| Total | | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000551

SubProject Title: Custom Plywood Dioxin Removal Interim Action

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 8:57AM

Project Number: 30000542

Project Title: Cleanup Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000551

SubProject Title: Custom Plywood Dioxin Removal Interim Action

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 4

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget provided \$18.6 million State Toxics Control Account (STCA) appropriation for new cleanup projects in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." This request provides backfill funding for projects that would otherwise continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$4.4 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account and State Toxics Control Account)

Project Description

Precedent setting action for Ecology will fund the phase III interim action plan and construction - thin layer capping of sediment.

Location

City: Anacortes

County: Skagit

Legislative District: 040

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 3,500,000 | | | | 3,500,000 |
| | Total | 3,500,000 | 0 | 0 | 0 | 3,500,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 8:57AM

Project Number: 30000542

Project Title: Cleanup Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000551

SubProject Title: Custom Plywood Dioxin Removal Interim Action

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|--------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 173-1 | State Toxics Control-State | (3,500,000) | | | | (3,500,000) |
| | Total | (3,500,000) | 0 | 0 | 0 | (3,500,000) |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|----------|----------|----------|
| 173-1 State Toxics Control-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000553

SubProject Title: Port Angeles Harbor

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 8:57AM

Project Number: 30000542

Project Title: Cleanup Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000553

SubProject Title: Port Angeles Harbor

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 4

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget provided \$18.6 million State Toxics Control Account (STCA) appropriation for new cleanup projects in the 2015-17 Biennium. This was done assuming about half of the appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as “future expenditures assumed in the enacted budget.” This request provides backfill funding for projects that would otherwise continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$4.4 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account and State Toxics Control Account)

Project Description

This project will provide additional funding for source control work in Port Angeles Harbor.

Location

City: Port Angeles

County: Clallam

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 900,000 | | | | 900,000 |
| | Total | 900,000 | 0 | 0 | 0 | 900,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 8:57AM

Project Number: 30000542

Project Title: Cleanup Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000553

SubProject Title: Port Angeles Harbor

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 173-1 | State Toxics Control-State | (900,000) | | | | (900,000) |
| | Total | (900,000) | 0 | 0 | 0 | (900,000) |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|----------|----------|----------|
| 173-1 State Toxics Control-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Clean Up Toxic Sites - Puget Sound</u> |
| Project Number: | <u>30000542</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Budget Project List
Toxics Cleanup Program
Clean Up Toxics Sites - Puget Sound - Delayed (30000542)
August 15, 2017

Purpose: This project list represents the delayed Clean Up Toxics Sites - Puget Sound projects proposed for funding in the 2018 Supplemental Capital Budget proposal.

The enacted 2016 Supplemental Capital Budget provided \$22.6 million in State Toxics Control Account (STCA) appropriations for Clean Up Toxics Sites - Puget Sound project. This was done assuming \$8.6 million would be spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." Ecology requests State Building Construction Account (SBCA) dollars for this reappropriation to offset the shortfall in MTCA revenue in the 2017-19 Biennium. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions.

Below is a prioritized list of delayed projects that will be funded with this request. This list is a plan based on the best information available to Ecology. The plan may change as more information becomes available. The projects included in this request have been reviewed and are ready to proceed according to the MTCA regulatory process. In addition to projects being evaluated according to that process, the enacted 2015-17 biennial Capital Budget provided three tools for managing cash in the MTCA accounts, including authorization to delay cleanup projects (Second Engrossed House Bill 1115, Section 7038).

Section 7038 (3) authorized Ecology to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution. Ecology used this authority in the 2015-17 biennium to guide project priority. The list of delayed projects is prioritized by:

1. Applying Section 7038 criteria as detailed in the Plan.
2. Where groups of projects met all of the same Section 7038 criteria, projects were further ranked considering Ecology's regional and program priorities.
3. Reviewing current information from grant recipients and Ecology's regional cleanup managers on the status of projects. Some of the delayed projects have been in line for funding for more than two years. Circumstances may have changed. Ecology reviewed each request to ensure the project is still viable, update descriptive information and confirm dollar amounts.

| Section 7038 Criteria | | | | | | | | | | | | | |
|---|--|--|-----------------------------------|----------------|----------------------|-----------------|---------|-----------|-----------------------------|--------------|------------|------------------|--------|
| ECY Rank | Project | Description | Phase of Cleanup | Acuity of Need | Readiness to Proceed | Cost Efficiency | County | Amount | Site Address | City | Leg. Dist. | Lat. | Long. |
| 1 | Custom Plywood Dioxin Removal Interim Action - Final Phase | Precedent setting action for Ecology will fund the phase III interim action plan and construction - thin layer capping of sediment. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Skegit | 3,500,000 | 35th & V Street | Anacortes | 40 | 48.5 | -122.6 |
| 2 | Port Angeles Harbor | The Port Angeles Harbor projects (Restored funding cut in the 2016 Supplemental budget and this Delayed project) will support several source control projects related to soil, stormwater, surface water, and air emissions and their impacts on the Port Angeles harbor. The projects will trace the sources of contamination in the harbor. The delayed funding was initially intended to continue source control work. Ecology will phase or identify project areas once funding from either request is secure. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Ciallam | 900,000 | Western Port Angeles Harbor | Port Angeles | 24 | 48.1 | -123.5 |
| Total 2018 Supplemental Budget Request | | | | | | | | | | | | 4,400,000 | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

Description

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 5

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs and promotes economic growth as these sites are redeveloped. The enacted 2016 Supplemental Capital Budget provided \$11.0 million State Toxics Control Account (STCA) appropriation for new Eastern Washington Clean Sites Initiative projects in the 2015-17 Biennium. This was done assuming about one-third of this appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget". This request provides backfill funding for reappropriations that were authorized in the enacted 2015-17 Capital Budget for projects that would otherwise continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$2.2 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. (State Building Construction Account and State Toxics Control Account)

Project Description**What is the proposed project?**

The Eastern Washington Clean Sites Initiative funds remediation activities on contaminated sites in Eastern Washington. By focusing resources directly to the communities east of the Cascade Mountains, Ecology will have the resources to fund cleanup work related to metals contamination, leaking underground storage tanks, landfills, salvage yards, and wood treatment facilities. The funds will be used to pay for cleanup at contaminated sites where the responsible party (land user, facility operator, or property owner) is either unwilling or unable to pay costs related to the cleanup activities. Ecology will cost recover cleanup costs where possible.

In 2013, there were significant changes made to MTCA. Among them, was direction for Ecology to plan hazardous site cleanup at a pace that matches the estimated cash resources in the MTCA accounts. (RCW 70.105D.170) Cleanups can take many years once a site has been contaminated with toxic chemicals. Three major factors determine the length of time for cleanup: the regulatory process used (formal versus independent cleanup); the nature of the contaminants (how difficult they are to remediate); and the type of contaminated media (soil, groundwater, sediments, etc.) Ecology established an ideal target for achieving site cleanup within five years; and has been actively working toward this target by employing model remedies and developing tools and policies to help achieve cleanup faster.

Financial certainty for cleanup project development is critical for ensuring existing projects are completed as envisioned, and new projects can be planned and designed to maximize environmental and public health improvements and economic development opportunities. The MTCA revenue decline that resulted in cleanup project delays in the 2015-17 Biennium created uncertainties for public funding. Despite Department of Revenue's Hazardous Substance Tax (HST, MTCA's major revenue source) forecasts projecting a recovery in the next few years, delays in HST revenue recovery will continue to restrain cleanup projects funded with MTCA.

MTCA's cleanup process informs project prioritization. Ecology's Toxics Cleanup Program (TCP) guides all cleanup projects through MTCA's regulatory process and requirements, including those seeking state capital budget funding. MTCA requires all cleanup projects proceed through the following phases:

1. Assessment: All projects are prioritized based on human health and environmental risks. Cleanup projects address risks from exposure to contaminated soil; contaminated groundwater and drinking water; contaminated marine water and sediment,

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

Description

which pose human health risks from consuming fish and shellfish; toxic vapors; or a combination of the above.

2. Remedial Investigation: Remedial investigations define the nature, extent, and magnitude of contamination on all projects.

3. Feasibility Study: Feasibility studies are conducted on all projects and include alternative analysis, cost-benefit analysis, long-term or life-cycle cost analysis, and cleanup technology preferences.

4. Cleanup Action Plan: Information from the remedial investigation and feasibility study are included in a cleanup action plan that describes cleanup standards, methods, monitoring requirements, and schedule – including any time-critical elements.

5. Comment: The public is encouraged to review and comment on the projects' investigations, feasibility studies, and cleanup plans during public comment periods.

6. Cleanup: Designing, constructing, operating, and monitoring the cleanup. At this phase, projects are ready to proceed: They are in construction; they have permits or are in the permitting process; their design is complete or underway; or they are under contract. A cleanup is complete when Ecology determines cleanup standards have been met.

In addition to projects being evaluated according to the MTCA regulatory process, the enacted 2015-17 biennial capital budget provided three tools for managing cash in the MTCA accounts: transfers between accounts, taking a loan from the Cleanup Settlement Account, and delaying cleanup projects (Second Engrossed House Bill 1115, Section 7038). After that budget became law, Ecology and the Office of Financial Management developed a MTCA Cash Management Plan (Plan) for the 2015-17 Biennium. The Plan describes Ecology's use of the three options to maintain positive cash balances in the accounts, including delaying several high-priority cleanup projects.

Section 7038 (3) authorized Ecology to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution. Ecology used this authority in the 2015-17 Biennium to guide project priority. The list of delayed projects is prioritized by:

1. Applying Section 7038 criteria as detailed in the Plan.

2. Where groups of projects met all of the same Section 7038 criteria, projects were further ranked considering Ecology's regional and program priorities.

3. Reviewing current information from grant recipients and Ecology's regional cleanup managers on the status of projects. Some of the delayed projects have been in line for funding for more than two years, and circumstances may have changed. Ecology reviewed each request to ensure the project is still viable, updated descriptive information, and confirmed dollar amounts. The project list explains any changes.

Attached is a prioritized list of delayed projects that will be funded with this request. The enacted 2016 Supplemental Capital Budget provided \$11.0 million in STCA appropriations for Eastern Washington Clean Sites Initiative projects, assuming about one-third would be spent in the 2017-19 Biennium. But, with the significant drop in the price of oil, and correlated decreases over the past two years in HST forecast, revenue projections for all three MTCA accounts (STCA, Local Toxics Control Account, Environmental Legacy Stewardship Account) fall short of funding the appropriations for delayed 2015-17 Eastern Washington projects. Ecology requests State Building Construction Account (SBCA) funding of \$2.2 million for this reappropriation to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed.

What opportunity or problem is driving this request?**The reason for the project:**

This request addresses the toxics cleanup needs of contaminated sites in Eastern Washington. Other capital budget funds for toxic cleanup activities have been directed to sites within the Puget Sound basin. This funding will allow Ecology to continue to focus on cleaning up contaminated sites in Eastern Washington. These cleanups protect public and environmental health,

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

Description

create jobs, and promote economic redevelopment.

This Eastern Washington project was appropriated with MTCA funding in the 2015-17 Biennium. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. The HST is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10 of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years and so have HST collections and revenues. Ecology requests backfill funding from the SBCA to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016.
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).
- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.
- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the GF-S. There were direct transfers, but the Legislature also preserved investments in cleanup. For toxic site cleanup, SBCA was used to backfill MTCA transfers. This provided funding for existing projects and invested in new toxic site cleanups. Now, the economy is in a growth period – the very time when toxic site cleanup is affordable and interest in redevelopment is high. Providing SBCA funding will allow important, ready-to-proceed cleanup projects to move forward.

The effects of non-funding:

If this request is not funded, Eastern Washington cleanup projects would be unfunded and communities in Eastern Washington would continue to be impacted by hazardous substances and degraded water resources.

How does the project support the agency and statewide results?

This project is essential to implementing a priority in Ecology's strategic plan by supporting the priority to Prevent and Reduce Toxic Threats. It contributes resources to continue activity A005, "Clean the Worst Contaminated Sites First."

This request is essential to support the Governor's budget and economic priorities by investing funds to protect public health and natural resources. This request will also support Results Washington Goal 3, Sustainable Energy and a Clean Environment by cleaning up and managing contaminated sites that pose threats to public health, the environment, groundwater, and fish and wildlife resources.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

Description

Specifically:

Goal 3/Goal Topic/Sub-Topic: Sustainable Energy and a Clean Environment/Clean and Restored Environment *Keep our land, water and air clean/Healthy Lands*

Outcome Measure 3.1 – Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020.

Leading Indicator 3.1.a – Increase number of contaminated brownfield sites returned to economically productive use from 476 to 1,090 by 2020.

This work also supports Goal 2, Prosperous Economy by creating and supporting jobs and making it possible to redevelop previously contaminated land to support economic growth in communities.

What are the specific benefits of this project?

Cleaning up contaminated sites in Eastern Washington will yield the following benefits:

- Cleanup of the toxic contaminated sites.
- Reduce exposure of hazardous substances to the environment and public as work progresses on these sites.
- Economic development as abandoned sites move forward through the cleanup process.

Cleaning up contaminated property is usually integrated with economic development, habitat restoration, and public recreation projects. Most cleanup projects are the first phase of a larger community or economic redevelopment project where the cleanup site is the focal point of the project.

How will clients be affected and services change if this project is funded?

This project will allow Ecology to focus resources on contaminated sites in Eastern Washington, reducing exposure of hazardous substances to the environment and public. The number of contaminated sites cleaned up will increase, resulting in less public and environmental exposure to hazardous substances.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

Local governments will be positively affected as contaminated sites are returned to use benefiting the local economy.

What is the impact on the state operating budget?

None

Does this request include funding for any IT-related costs?

No

Why is this the best option or alternative?

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

Description

HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of the third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology’s ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

If an alternative solution is not provided, Ecology would have to further delay these cleanup projects until revenue recovers in the MTCA accounts. Funding a bond backfill is the best option because it will fund the capital budget as the Legislature originally intended, and give Ecology the resources to continue implementation of the budget as originally passed.

What is the agency’s proposed funding strategy for the project?

Ecology is requesting new bond backfill funding from the SBCA of \$2.2 million and a reduction to STCA funding by the same amount to help bridge the gap until MTCA revenue recovers. This will allow important Eastern Washington cleanup work to begin, rather than having to delay projects until sufficient MTCA revenue is available.

Note: The total amount being requested in bond funding for 2017-19 Eastern Washington cleanup projects is \$10.37 million, which includes this \$2.2 million for projects delayed due to the MTCA revenue shortfall in reappropriation 30000432, \$2.94 million to restore reductions from the 2016 Supplemental Budget, and \$5.23 million in new funding to start or continue the next phase of projects. Traditional new investments in Eastern Washington cleanup projects have averaged around \$9.6 million a biennium over the last three biennia.

Proviso

None

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|----------------------------|-------------------|----------------|-------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 2,200,000 | | | | 2,200,000 |
| 173-1 | State Toxics Control-State | 8,800,000 | | 11,000,000 | | (2,200,000) |
| | Total | 11,000,000 | 0 | 11,000,000 | 0 | 0 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| 173-1 | State Toxics Control-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000448

SubProject Title: Mackner Scales

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000448

SubProject Title: Mackner Scales

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 5

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs and promotes economic growth as these sites are redeveloped. The enacted 2016 Supplemental Capital Budget provided \$11.0 million State Toxics Control Account (STCA) appropriation for new Eastern Washington Clean Sites Initiative projects in the 2015-17 Biennium. This was done assuming about one-third of this appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget". This request provides backfill funding for reappropriations that were authorized in the enacted 2015-17 Capital Budget for projects that would otherwise continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$2.2 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. (State Building Construction Account and State Toxics Control Account)

Project Description

This project will fund the remediation of contaminated soil and groundwater to prepare the site for redevelopment.

Location

City: Ellensburg

County: Kittitas

Legislative District: 013

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 250,000 | | | | 250,000 |
| Total | | 250,000 | 0 | 0 | 0 | 250,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000448

SubProject Title: Mackner Scales

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 173-1 | State Toxics Control-State | (250,000) | | | | (250,000) |
| | Total | (250,000) | 0 | 0 | 0 | (250,000) |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|----------|----------|----------|
| 173-1 State Toxics Control-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000443

SubProject Title: Northport Remedial Investigation

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000443

SubProject Title: Northport Remedial Investigation

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 5

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs and promotes economic growth as these sites are redeveloped. The enacted 2016 Supplemental Capital Budget provided \$11.0 million State Toxics Control Account (STCA) appropriation for new Eastern Washington Clean Sites Initiative projects in the 2015-17 Biennium. This was done assuming about one-third of this appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget". This request provides backfill funding for reappropriations that were authorized in the enacted 2015-17 Capital Budget for projects that would otherwise continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$2.2 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. (State Building Construction Account and State Toxics Control Account)

Project Description

Conduct Remedial Investigation of near-shore contamination from LeRoi Smelter slag. Perform contaminated soil removal from Northport yards with exceedingly high lead and other heavy metals concentrations.

Location

City: Northport

County: Stevens

Legislative District: 007

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 600,000 | | | | 600,000 |
| | Total | 600,000 | 0 | 0 | 0 | 600,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000443

SubProject Title: Northport Remedial Investigation

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 173-1 | State Toxics Control-State | (600,000) | | | | (600,000) |
| | Total | (600,000) | 0 | 0 | 0 | (600,000) |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|----------|----------|----------|
| 173-1 State Toxics Control-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000434

SubProject Title: Dryden Pit (WDFW)

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000434

SubProject Title: Dryden Pit (WDFW)

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 5

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs and promotes economic growth as these sites are redeveloped. The enacted 2016 Supplemental Capital Budget provided \$11.0 million State Toxics Control Account (STCA) appropriation for new Eastern Washington Clean Sites Initiative projects in the 2015-17 Biennium. This was done assuming about one-third of this appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget". This request provides backfill funding for reappropriations that were authorized in the enacted 2015-17 Capital Budget for projects that would otherwise continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$2.2 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. (State Building Construction Account and State Toxics Control Account)

Project Description

This project would fund the capping of the site (state land managed by the Washington Department of Fish and Wildlife) to limit exposure to lead and arsenic contamination.

Location

City: Unincorporated

County: Chelan

Legislative District: 012

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000434

SubProject Title: Dryden Pit (WDFW)

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 173-1 | State Toxics Control-State | (500,000) | | | | (500,000) |
| | Total | (500,000) | 0 | 0 | 0 | (500,000) |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|----------|----------|----------|
| 173-1 State Toxics Control-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000444

SubProject Title: Columbus Square

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000444

SubProject Title: Columbus Square

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 5

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs and promotes economic growth as these sites are redeveloped. The enacted 2016 Supplemental Capital Budget provided \$11.0 million State Toxics Control Account (STCA) appropriation for new Eastern Washington Clean Sites Initiative projects in the 2015-17 Biennium. This was done assuming about one-third of this appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget". This request provides backfill funding for reappropriations that were authorized in the enacted 2015-17 Capital Budget for projects that would otherwise continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$2.2 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. (State Building Construction Account and State Toxics Control Account)

Project Description

The project is early in the investigation. The site seems to have contamination both on and off-site contamination. The investigation has expanded to find the contamination source.

Location

City: Goldendale

County: Klickitat

Legislative District: 014

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 300,000 | | | | 300,000 |
| | Total | 300,000 | 0 | 0 | 0 | 300,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000444

SubProject Title: Columbus Square

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 173-1 | State Toxics Control-State | (300,000) | | | | (300,000) |
| | Total | (300,000) | 0 | 0 | 0 | (300,000) |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|----------|----------|----------|
| 173-1 State Toxics Control-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000452

SubProject Title: Pet Health Clinic

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000452

SubProject Title: Pet Health Clinic

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 5

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs and promotes economic growth as these sites are redeveloped. The enacted 2016 Supplemental Capital Budget provided \$11.0 million State Toxics Control Account (STCA) appropriation for new Eastern Washington Clean Sites Initiative projects in the 2015-17 Biennium. This was done assuming about one-third of this appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget". This request provides backfill funding for reappropriations that were authorized in the enacted 2015-17 Capital Budget for projects that would otherwise continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$2.2 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. (State Building Construction Account and State Toxics Control Account)

Project Description

This project includes possible excavation of contaminated soil and groundwater monitoring and treatment.

Location

City: Sunnyside

County: Yakima

Legislative District: 015

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 350,000 | | | | 350,000 |
| Total | | 350,000 | 0 | 0 | 0 | 350,000 |

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000452

SubProject Title: Pet Health Clinic

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|----------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 173-1 | State Toxics Control-State | (350,000) | | | | (350,000) |
| | Total | (350,000) | 0 | 0 | 0 | (350,000) |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|----------|----------|----------|
| 173-1 State Toxics Control-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000447

SubProject Title: Wirts Service

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000447

SubProject Title: Wirts Service

Starting Fiscal Year: 2016

Project Class: Grant

Agency Priority: 5

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs and promotes economic growth as these sites are redeveloped. The enacted 2016 Supplemental Capital Budget provided \$11.0 million State Toxics Control Account (STCA) appropriation for new Eastern Washington Clean Sites Initiative projects in the 2015-17 Biennium. This was done assuming about one-third of this appropriation would be delayed and spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget". This request provides backfill funding for reappropriations that were authorized in the enacted 2015-17 Capital Budget for projects that would otherwise continue to be delayed due to the Model Toxics Control Act (MTCA) revenue shortfall. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology is requesting new bond backfill funding from the State Building Construction Account (SBCA) of \$2.2 million to partly offset the shortfall in MTCA revenue in the 2017-19 Biennium and allow these important projects to proceed. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions. (State Building Construction Account and State Toxics Control Account)

Project Description

The project includes site investigation, groundwater monitoring and possible removal of contaminated soil.

Location

City: Ellensburg

County: Kittitas

Legislative District: 013

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 200,000 | | | | 200,000 |
| Total | | 200,000 | 0 | 0 | 0 | 200,000 |

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:11AM

Project Number: 30000432

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000447

SubProject Title: Wirts Service

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 173-1 | State Toxics Control-State | (200,000) | | | | (200,000) |
| | Total | (200,000) | 0 | 0 | 0 | (200,000) |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|----------|----------|----------|
| 173-1 State Toxics Control-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Eastern Washington Clean Sites Initiative</u> |
| Project Number: | <u>30000432</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Budget Project List
Toxics Cleanup Program
Eastern Washington Clean Sites Initiative - Delayed (30000432)
September 18, 2017

Purpose: This project list represents the delayed Eastern Washington Clean Sites Initiative projects proposed for funding in the 2018 Supplemental Capital Budget proposal. The enacted 2016 Supplemental Capital Budget provided \$11.0 million in State Toxics Control Account (STCA) appropriations for Eastern Washington Clean Sites Initiative projects. This was done assuming \$3.3 million would be spent in the 2017-19 Biennium. Ecology refers to this as "future expenditures assumed in the enacted budget." Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA. Ecology requests State Building Construction Account (SBCA) funding of \$2.2 million to offset the shortfall in MTCA revenue in the 2017-19 Biennium. Providing backfill funding will keep important work on schedule and in line with the original legislative budget assumptions.

Since the 2016 Supplemental Capital Budget list was ranked, circumstances have changed. Ecology reviewed each project to ensure the project is still viable, updated descriptive information and confirmed dollar amounts. Below is an updated priority listing of delayed projects that will be funded with this request. This list is a plan based on the best information available to Ecology. The plan may change as more information becomes available. The projects included in this request have been reviewed and are ready to proceed according to the MTCA regulatory process. In addition to projects being evaluated according to that process, the enacted 2015-17 Biennial Capital Budget provided three tools for managing cash in the MTCA accounts, including authorization to delay cleanup projects (Second Engrossed House Bill 1115, Section 7038). After that budget became law, Ecology and the Office of Financial Management, developed a MTCA Cash Management Plan (Plan) for the 2015-17 Biennium. The Plan described Ecology's use of the three options to maintain positive cash balances in the accounts, including delaying several high-priority cleanup projects.

Section 7038 (3) authorized Ecology to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution. Ecology used this authority in the 2015-17 biennium to guide project priority. The list of delayed projects is prioritized by:

1. Applying Section 7038 criteria as detailed in the Plan.
2. Where groups of projects met all of the same Section 7038 criteria, projects were further ranked considering Ecology's regional and program priorities.
3. Reviewing current information from grant recipients and Ecology's regional cleanup managers on the status of projects. Some of the delayed projects have been in line for funding for more than two years. Circumstances may have changed. Ecology reviewed each request to ensure the project is still viable, update descriptive information and confirm dollar amounts.

Some project rankings were adjusted as the project delays have impacted cleanup schedules.

| ECY Rank | Project | Description | Phase of Cleanup | Section 7038 Criteria | | | County | Amount | Address | City | Leg. District | Lat. | Long. |
|----------|----------------------------------|--|-----------------------------------|-----------------------|----------------------|-----------------|-----------|---------|----------------------------|------------|---------------|------|--------|
| | | | | Acuity of Need | Readiness to Proceed | Cost Efficiency | | | | | | | |
| 1 | Mackner Scales | This project will fund the remediation of contaminated soil and groundwater to prepare the site for redevelopment. | Cleanup / Post Closure Monitoring | | 1 | 1 | Kititas | 250,000 | 400 E Mountain View Avenue | Ellensburg | 13 | 47.0 | -120.5 |
| 2 | Northport Remedial Investigation | Conduct Remedial Investigation of near-shore contamination from LeROI Smelter slag. Perform contaminated soil removal from Northport yards with exceedingly high lead and other heavy metals concentrations. | Remedial Investigation | 1 | | | Stevens | 600,000 | Northport City Park | Northport | 7 | 48.9 | -117.8 |
| 3 | Dryden Pit (WDFW) | This project would fund preparation of the capping of the site (state land managed by the Department of Fish and Wildlife) to limit exposure to lead and arsenic contamination. | Cleanup / Post Closure Monitoring | 1 | | | Chelan | 500,000 | Saunders Rod | Peshastin | 12 | 47.6 | -120.6 |
| 4 | Columbus Square | The project is early in the investigation. The site seems to have contamination both on and off-site contamination. The investigation has expanded to find the contamination source. | Remedial Investigation | | 1 | | Klickitat | 300,000 | 614 S Columbus Ave | Goldendale | 14 | 45.8 | -120.8 |

| Section 7038 Criteria | | | | | | | | | | | | |
|---|-------------------|--|------------------------|----------------|----------------------|-----------------|----------|------------------|------------|---------------|------|--------|
| ECY Rank | Project | Description | Phase of Cleanup | Acuity of Need | Readiness to Proceed | Cost Efficiency | County | Amount | City | Leg. District | Lat. | Long. |
| 5 | Pet Health Clinic | This project includes possible excavation of contaminated soil and groundwater monitoring and treatment. | Remedial Investigation | | 1 | | Yakima | 350,000 | Sunnyside | 15 | 46.3 | -120.0 |
| 6 | Wirts Service | The project includes site investigation, groundwater monitoring and possible removal of contaminated soil. | Remedial Investigation | | 1 | | Kittitas | 200,000 | Ellensburg | 13 | 47.0 | -120.4 |
| Total 2018 Supplemental Budget Request | | | | | | | | 2,200,000 | | | | |

**Department of Ecology
2018 Supplemental Capital Budget**

Table of Contents

Tab D-2 Protect and Restore Puget Sound

| | | | |
|----|----------|---|-----|
| 1. | 30000763 | 2015-17 Restored Clean Up Toxic Sites – Puget Sound | 159 |
| 2. | 30000749 | Clean Up Toxic Sites – Puget Sound..... | 185 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description**What is the proposed project?**

As of June 2016, Ecology has identified about 260 contaminated sites awaiting cleanup, and roughly 650 sites are in the process of being cleaned up near the Puget Sound basin and surrounding shoreline. These numbers change frequently as site information is updated with new contaminated sites being identified, sites moving through cleanup, and sites being cleaned up.

Work will be done through a combination of direct actions by the state, contributions from potentially liable parties, and interagency agreements with affected local governments, resource agencies, and tribes. Incentives will be used to speed cleanup and encourage cooperative cleanups. The funding will be applied to sites that are abandoned, have non-compliant owners, or where funds are needed to advance emergent cleanup needs. This includes sites adjacent to critical and sensitive habitats; upland sites contributing to ongoing aquatic contamination; and a limited number of sites throughout Western Washington, outside the Puget Sound basin, where an unanticipated cleanup investment or emergency response is needed.

These cleanups continue to advance work in seven priority bays that implement the objectives of the Puget Sound Action Agenda, an action plan established after the Legislature created the Puget Sound Partnership to reverse Puget Sound's decline and restore it to health by 2020.

In 2013, there were significant changes made to MTCA. Among them, was direction for Ecology to plan hazardous site cleanup at a pace that matches the estimated cash resources in the MTCA accounts. (RCW 70.105D.170) Cleanups can take many years once a site has been contaminated with toxic chemicals. Three major factors determine the length of time for cleanup: the regulatory process used (formal versus independent cleanup); the nature of the contaminants (how difficult they are to remediate); and the type of contaminated media (soil, groundwater, sediments, etc.) Ecology established an ideal target for achieving site cleanup within five years; and has been actively working toward this target by employing model remedies and developing tools and policies to help achieve cleanup faster.

Financial certainty for cleanup project development is critical for ensuring existing projects are completed as envisioned, and new projects can be planned and designed to maximize environmental and public health improvements and economic development opportunities. The MTCA revenue decline that resulted in cleanup project delays in the 2015-17 Biennium created uncertainties for public funding. Despite Department of Revenue's Hazardous Substance Tax (HST, MTCA's major revenue source) forecasts projecting a recovery in the next few years, delays in HST revenue recovery will continue to restrain cleanup projects funded with MTCA. These projects are ready to proceed according to the MTCA regulatory process.

MTCA's cleanup process informs project prioritization. Ecology's Toxics Cleanup Program guides all cleanup projects through MTCA's regulatory process and requirements, including those seeking state capital budget funding. MTCA requires all cleanup projects proceed through the following phases:

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

Description

1. Assessment: All projects are prioritized based on human health and environmental risks. Cleanup projects address risks either from exposure to contaminated soil, contaminated groundwater and drinking water, contaminated marine water and sediment which pose human health risks from consuming fish and shellfish, toxic vapors, or a combination of the above.
2. Remedial Investigation: Remedial investigations define the nature, extent, and magnitude of contamination on all projects.
3. Feasibility Study: Feasibility studies are conducted on all projects and include alternative analysis, cost-benefit analysis, long-term or life-cycle cost analysis, and cleanup technology preferences.
4. Cleanup Action Plan: Information from the remedial investigation and feasibility study are included in a cleanup action plan that describes cleanup standards, methods, monitoring requirements, and schedule – including any time-critical elements.
5. Comment: The public is encouraged to review and comment on the projects' investigations, feasibility studies and cleanup plans during public comment periods.
6. Cleanup: Design, construction, operations, and monitoring of the cleanup. At this phase, projects are ready to proceed: They are in construction; they have permits or are in the permitting process; their design is complete or underway; or they are under contract. A cleanup is complete when Ecology determines cleanup standards have been met.

The enacted 2016 Supplemental Capital Budget reduced Cleanup Toxic Sites – Puget Sound projects by \$13.8 million (some of which was offset with bond funding) to help manage declining MTCA revenues driven by the significant drop in the price of oil and correlated decreases in HST over the past two years. Ecology requests funding be restored, as directed by the proviso language in the 2016 Supplemental Capital Budget, to keep important Puget Sound cleanup work moving forward in the 2017-19 Biennium. Attached is a prioritized list of projects that will be restored with this request for \$5.4 million in State Building Construction Account (SBCA) funding. The project list includes updates to projects where circumstances have changed, and Ecology lapsed \$4 million in the 2017-19 Capital Reappropriation budget to reflect the changes.

What opportunity or problem is driving this request?**The reason for the project:**

Cleaning up and protecting Puget Sound is critical to the social and economic well-being of Washingtonians. Decades of industrial, municipal, and naturally occurring pollution have taken their toll on the condition and ecology of Puget Sound. Without intervention now, the condition of Puget Sound will most certainly continue to deteriorate. Although the state has made progress addressing the most highly contaminated areas of the Sound, other impacted areas are left unchecked. This request will help restore environmental and economic vitality to the state by focusing comprehensive cleanup on remaining contaminated sites impacting Puget Sound.

The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the MTCA accounts in response to the drop in revenue. The HST is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10 of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years, and so have HST collections and revenues. Ecology requests SBCA funding to restore these projects and help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for the 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

Description

- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.

- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).

- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.

- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the General Fund-State. There were direct transfers, but the Legislature also preserved investments in cleanup. For toxic site cleanup, SBCA was used to backfill MTCA transfers. This provided funding for existing projects and invested in new toxic site cleanups. Now, the economy is in a growth period – the very time when toxic site cleanup is affordable and interest in redevelopment is high. Providing SBCA funding will allow important, ready-to-proceed cleanup projects to move forward.

The effects of non-funding:

If this request is not funded, Puget Sound cleanup projects would be underfunded. State investment significantly contributes to cleanup progress in Washington, and it makes a direct, beneficial impact on human health and the environment. Without funding, these benefits would not be achieved. The economic, health, and environmental impacts would largely be felt in areas in or immediately adjacent to Puget Sound. Also, the cleanup progress in Washington and Puget Sound would not advance at the accelerated rate expected by the Governor and Legislature.

How does the project support the agency and statewide results?

This project is essential to implementing a priority in Ecology's strategic plan by supporting the priority to Prevent and Reduce Toxic Threats. It contributes resources to continue activity A005, "Clean the Worst Contaminated Sites First."

This request is essential to support the Governor's budget and economic priorities by investing funds to protect public health and natural resources. This request will also support Results Washington Goal 3, Sustainable Energy and a Clean Environment by cleaning up and managing contaminated sites that pose threats to public health, the environment, groundwater, and fish and wildlife resources. Specifically:

Goal 3/Goal Topic/Sub-Topic: Sustainable Energy and a Clean Environment/Clean and Restored Environment *Keep our land, water and air clean/Healthy Lands*

Outcome Measure 3.1 – Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020.

Leading Indicator 3.1.a – Increase number of contaminated brownfield sites returned to economically productive use from 476 to 1,090 by 2020.

This work also supports Goal 2, Prosperous Economy by creating and supporting jobs and making it possible to redevelop previously contaminated land to support economic growth in communities.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

Description

This request also supports Puget Sound Action Agenda implementation through the following strategies:

Strategy 21 Address and Clean Up Cumulative Water Pollution Impacts in Puget Sound, substrategy 21.2 Clean Up Contaminated Sites Within and Near Puget Sound. This request relates to the Puget Sound Action Agenda strategy and substrategy by reducing and controlling the sources of pollution. Ecology's work to cleanup areas contaminated with hazardous substances returns a polluted or degraded environment, as much as possible, to a healthy, self-sustaining ecosystem. Ecology's focused work in Puget Sound will be accomplished by making direct state investments, using contributions by potentially liable parties, and entering interagency agreements with affected local governments and resource agencies.

Strategy 10 Use a Comprehensive Approach to Manage Urban Stormwater Runoff at the Site and Landscape Scales, substrategy 10.3 Fix Problems Caused by Existing Development, regional priority 10.3-2 Provide Infrastructure and Incentives to Accommodate Redevelopment Within Designated Urban Centers in Urban Growth Areas. This request relates to the Puget Sound Action Agenda sub-strategy and regional priority by cleaning up previously contaminated sites so they can be redeveloped, which promotes revitalization and economic growth in urban areas.

What are the specific benefits of this project?

This work will benefit Washingtonians by achieving the much sought after economic and social benefits of a clean, restored Puget Sound. Specifically, benefits of this request include:

- Cleaning up contaminated sites.
- Reduce exposure of hazardous substances to the environment and public as work progresses on these sites.
- Economic redevelopment as abandoned sites move forward through the cleanup process.
- Continued cleanup and restoration of Puget Sound.

How will clients be affected and services change if this project is funded?

This request continues ongoing efforts and will result in local cleanups and land redevelopment. Cleaning up contaminated property is usually integrated with economic development, habitat restoration, and public recreation projects. Most cleanup projects are the first phase of a larger community or economic redevelopment project where the cleanup site is the focal point of the project.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

These cleanup projects are part of the Puget Sound Initiative, which is a collaborative effort by local, tribal, state, and federal governments; business; agricultural and environmental interests; and the public to help preserve and protect Puget Sound. The projects funded by this request may involve port districts and other local government agencies, whose cleanup projects are considered for eligibility under the Remedial Action Grant Program.

What is the impact on the state operating budget?

None

Does this request include funding for any IT-related costs?

No.

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

Description

Why is this the best option or alternative?

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology’s ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

If an alternative solution is not provided, Ecology would not be able to restore funding to these cleanup projects in the 2017-19 Biennium. SBCA funding is the best option because it will restore the original projects as the Legislature intended, and give Ecology the resources to continue cleanup work on these projects.

What is the agency’s proposed funding strategy for the project?

Ecology requests \$5.4 million from the SBCA to restore funding for these projects and help bridge the gap until MTCA revenue recovers. This will allow important cleanup work to continue in the 2017-19 Biennium.

Note: The total amount being requested in bond funding for 2017-19 Puget Sound cleanup projects is \$30 million, which includes this \$5.4 million to restore reductions from the 2016 Supplemental Budget, \$4.4 million for projects delayed due to the MTCA revenue shortfall in reappropriation 30000542, and \$20.1 million in new funding to start or continue the next phase of projects. Traditional new investments in Puget Sound cleanup projects have averaged around \$29.2 million a biennium over the last four biennia.

Proviso

None

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

Description

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------------------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 5,412,000 | | | | 5,412,000 |
| | Total | 5,412,000 | 0 | 0 | 0 | 5,412,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000783

SubProject Title: Aladdin Plating

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000783

SubProject Title: Aladdin Plating

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Completes the cleanup of metals contamination in the soil and groundwater at the site started, but not completed, in 2007.

Location

City: Tacoma

County: Pierce

Legislative District: 027

Project Type

Grants

Grant Recipient Organization: N/a

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 65,000 | | | | 65,000 |
| | Total | 65,000 | 0 | 0 | 0 | 65,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000783

SubProject Title: Aladdin Plating

No Operating Impact

SubProject Number: 30000785

SubProject Title: Wiggums Park - Everett Housing Authority

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since May 2015. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

The remainder of the Everett Parks funding has been combined to complete cleanup at Viola Oursler and Wiggums Parks. These cleanups remove arsenic contamination from soil in multiple public parks and other impacted areas in north Everett and reduce the risks of arsenic exposure to children. The Wiggums Park is jointly owned by the Everett Housing Authority and is used by low income and minority populations.

Location

City: Everett

County: Snohomish

Legislative District: 038

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 2,775,000 | | | | 2,775,000 |
| | Total | 2,775,000 | 0 | 0 | 0 | 2,775,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000785

SubProject Title: Wiggums Park - Everett Housing Authority

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000787

SubProject Title: Rayonier

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Technical support, investigation and cleanup alternatives evaluation to prepare for cleanup phase for the Rayonier Mill Study Area.

Location

City: Port Angeles

County: Clallam

Legislative District: 024

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000787

SubProject Title: Rayonier

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 134,000 | | | | 134,000 |
| | Total | 134,000 | 0 | 0 | 0 | 134,000 |

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000788

SubProject Title: Reliable Steel

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000788

SubProject Title: Reliable Steel

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Implementing interim cleanup action at the site that involves removal of underground storage tank and contaminated soil.

Location

City: Olympia

County: Thurston

Legislative District: 022

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 268,000 | | | | 268,000 |
| | Total | 268,000 | 0 | 0 | 0 | 268,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000788

SubProject Title: Reliable Steel

No Operating Impact

SubProject Number: 30000789

SubProject Title: Bellingham Bay Habitat Restoration

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Implements restoration projects at Mt. Baker Beach and East Fairhaven Shoreline; implements the Little Squalicum Creek Estuary Project; removes wood debris in the Nooksack Estuary; and shoreline restoration work on Whatcom Creek. Nearing completion.

Location

City: Bellingham

County: Whatcom

Legislative District: 042

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 70,000 | | | | 70,000 |
| Total | | 70,000 | 0 | 0 | 0 | 70,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000789

SubProject Title: Bellingham Bay Habitat Restoration

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000790

SubProject Title: Western Port Angeles Harbor

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

The Port Angeles Harbor projects (Restored funding cut in the 2016 Supplemental budget and this Delayed project) will support several source control projects related to soil, stormwater, surface water, and air emissions and their impacts on the Port Angeles harbor. The projects will trace the sources of contamination in the harbor. The delayed funding was initially intended to continue source control work. Ecology will phase or identify project areas once funding from either request is secure.

Location

City: Unincorporated

County: Clallam

Legislative District: 024

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000790

SubProject Title: Western Port Angeles Harbor

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 810,000 | | | | 810,000 |
| | Total | 810,000 | 0 | 0 | 0 | 810,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000791

SubProject Title: Gas Works Park

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000791

SubProject Title: Gas Works Park

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Regional background study and other remedial activities for Lake Union and Gas Works Park in preparation for a cleanup action plan.

Location

City: Seattle

County: King

Legislative District: 043

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 250,000 | | | | 250,000 |
| | Total | 250,000 | 0 | 0 | 0 | 250,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000791

SubProject Title: Gas Works Park

No Operating Impact

SubProject Number: 30000792

SubProject Title: Oakland Bay

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Addresses results of 2008 sediment investigation indicating impaired habitat, accumulation of wood debris and elevated dioxins, furans and PAHs in Shelton Harbor and throughout Oakland Bay.

Location

City: Shelton

County: Mason

Legislative District: 035

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 407,000 | | | | 407,000 |
| Total | | 407,000 | 0 | 0 | 0 | 407,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000792

SubProject Title: Oakland Bay

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000793

SubProject Title: Budd Inlet Source Control & Cleanup

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Determine regional background sediment levels at Budd Inlet public beaches and access areas.

Location

City: Olympia

County: Thurston

Legislative District: 022

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000793

SubProject Title: Budd Inlet Source Control & Cleanup

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 275,000 | | | | 275,000 |
| | Total | 275,000 | 0 | 0 | 0 | 275,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000794

SubProject Title: Western WA University

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000794

SubProject Title: Western WA University

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Funds the Science and Management of Contaminated Sites curriculum development and course at Huxley College of the Environment.

Location

City: Bellingham

County: Whatcom

Legislative District: 040

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 20,000 | | | | 20,000 |
| | Total | 20,000 | 0 | 0 | 0 | 20,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 30000794

SubProject Title: Western WA University

No Operating Impact

SubProject Number: 40000102

SubProject Title: Freshwater Natural Background Study

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Funds the work necessary to prepare for and conduct field sampling, laboratory analysis, and develop a technical report to establish sediment natural background throughout the state.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 218,000 | | | | 218,000 |
| Total | | 218,000 | 0 | 0 | 0 | 218,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 40000102

SubProject Title: Freshwater Natural Background Study

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000103

SubProject Title: MTCA Rulemaking

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. The enacted 2016 Supplemental Capital Budget reduced three reappropriations for Puget Sound cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since February 2014. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$5.4 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Funds professional support for stakeholder and staff involvement in a new phased process for review and amendment of the MTCA Regulation. The requested funds will provide planning, stakeholder coordination, meeting facilitation, and reporting for about 20 meetings during 2018. These meetings will support: (a) a first rulemaking, focused on procedural and administrative issues in Parts 1-6 and 8 of the regulation; and, (b) internal and public review of the MTCA cleanup standards in Parts 7 and 9 of the regulation.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:42AM

Project Number: 30000763

Project Title: 2015-17 Restored Clean Up Toxics Sites - Puget Sound

SubProjects

SubProject Number: 40000103

SubProject Title: MTCA Rulemaking

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 120,000 | | | | 120,000 |
| | Total | 120,000 | 0 | 0 | 0 | 120,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Clean Up Toxic Sites - Puget Sound</u> |
| Project Number: | <u>30000763</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Budget Project List
Toxics Cleanup Program
Clean Up Toxics Sites - Puget Sound - Restored (30000763)
August 15, 2017

Purpose: This project list represents the restored projects for Clean Up Toxics Sites - Puget Sound requested in the 2018 Supplemental Capital Budget. This list represents projects that are underway and need additional funding to continue the cleanup for ready to proceed projects. This list is a plan based on the best information available to Ecology. The plan may change as more information becomes available.

Background: The 2016 enacted Supplemental Capital Budget reduced three reappropriations for Clean Up Toxics Sites - Puget Sound projects to balance the Model Toxics Control Act (MTC) accounts in response to the drop in revenue. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request restores those reductions to keep important cleanup work moving forward in the 2017-19 Biennium.

| ECY Rank | Project | Description | Phase of Cleanup | County | Amount | Address | City | Leg. District | Lat. | Long. |
|----------|---|--|-----------------------------------|-----------|-------------|-----------------------------|--------------|---------------|------|--------|
| 1 | Aladdin Plating | Completes the cleanup of metals contamination in the soil and groundwater at the site started, but not completed, in 2007. | Cleanup / Post Closure Monitoring | Pierce | \$65,000 | 1657 Center Street | Tacoma | 27 | 47.2 | -122.5 |
| 2 | Everett Parks - Wiggums and Viola Oursler | The remainder of the Everett Parks funding has been combined to complete cleanup at Viola Oursler and Wiggums Parks. These cleanups remove arsenic contamination from soil in multiple public parks and other impacted areas in north Everett and reduce the risks of arsenic exposure to children. The Wiggums Park is jointly owned by the Everett Housing Authority and is used by low income and minority populations. | Cleanup / Post Closure Monitoring | Snohomish | \$2,775,000 | Various | Everett | 38 | 48.0 | -122.2 |
| 3 | Rayonier | Technical support, investigation and cleanup alternatives evaluation to prepare for cleanup phase for the Rayonier Mill Study Area. | Cleanup Action Plan | Clallam | \$134,000 | 700 N Ennis | Port Angeles | 24 | 48.1 | -123.4 |
| 4 | Reliable Steel | Implementing interim cleanup action at the site that involves removal of underground storage tank and contaminated soil. | Cleanup / Post Closure Monitoring | Thurston | \$268,000 | 1218 West Bay Drive NW | Olympia | 22 | 47.1 | -122.9 |
| 5 | Bellingham Bay Habitat Restoration | Implements restoration projects at Mt. Baker Beach and East Fairhaven Shoreline; implements the Little Squalicum Creek Estuary Project; removes wood debris in the Nooksack Estuary; and shoreline restoration work on Whatcom Creek. Nearing completion. | Cleanup / Post Closure Monitoring | Whatcom | \$70,000 | W Holly Street | Bellingham | 42 | 48.8 | -122.5 |
| 6 | Western Port Angeles Harbor | The Port Angeles Harbor projects (Restored funding cut in the 2016 Supplemental budget and this Delayed project) will support several source control projects related to soil, stormwater, surface water, and air emissions and their impacts on the Port Angeles harbor. The projects will trace the sources of contamination in the harbor. The delayed funding was initially intended to continue source control work. Ecology will phase or identify project areas once funding from either request is secure. | Feasibility Study | Clallam | \$810,000 | Western Port Angeles Harbor | Clallam | 24 | 48.1 | -123.0 |
| 7 | Gas Works Park | Regional background study and other remedial activities for Lake Union and Gas Works Park in preparation for a cleanup action plan. | Feasibility Study | King | \$250,000 | 2000 N Northlake Way | Seattle | 43 | 47.6 | -122.3 |
| 8 | Oakland Bay | Addresses results of 2008 sediment investigation indicating impaired habitat, accumulation of wood debris and elevated dioxins, furans and PAHs in Shelton Harbor and throughout Oakland Bay. | Feasibility Study | Mason | \$407,000 | Oakland Bay | Shelton | 35 | 47.2 | -123.1 |

| ECY Rank | Project | Description | Phase of Cleanup | County | Amount | Address | City | Leg. District | Lat. | Long. |
|---|-------------------------------------|--|---------------------|-----------|--------------------|-----------------|------------|---------------|-----------|-----------|
| 9 | Budd Inlet Source Control & Cleanup | Determine regional background sediment levels at Budd Inlet public beaches and access areas. | Cleanup Action Plan | Thurston | \$275,000 | Budd Inlet | Olympia | 22 | 47.1 | -122.9 |
| 10 | Western WA University | Funds the Science and Management of Contaminated Sites curriculum development and course at Huxley College of the Environment. | Plan | Statewide | \$20,000 | 516 High Street | Bellingham | 40 | 48.7 | -122.5 |
| 11 | Freshwater Natural Background Study | Funds the work necessary to prepare for and conduct field sampling, laboratory analysis, and develop a technical report to establish sediment natural background throughout the state. | Assessment | Statewide | \$218,000 | Statewide | Statewide | Statewide | Statewide | Statewide |
| 12 | MTCA Rulemaking | Funds professional support for stakeholder and staff involvement in a new phased process for review and amendment of the MTCA Regulation. The requested funds will provide planning, stakeholder coordination, meeting facilitation, and reporting for about 20 meetings during 2018. These meetings will support: (a) a first rulemaking, focused on procedural and administrative issues in Parts 1-6 and 8 of the regulation; and, (b) internal and public review of the MTCA cleanup standards in Parts 7 and 9 of the regulation. | n/a | Statewide | \$120,000 | Statewide | Statewide | Statewide | Statewide | Statewide |
| Total 2018 Supplemental Budget Request for Restored Projects | | | | | \$5,412,000 | | | | | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

As of June 2016, Ecology has identified about 260 contaminated sites awaiting cleanup, and roughly 650 sites are in the process of being cleaned up near the Puget Sound basin and surrounding shoreline. These numbers change frequently as site information is updated with new contaminated sites being identified, sites moving through cleanup, and sites being cleaned up.

Work will be done through a combination of direct actions by the state, contributions from potentially liable parties, and interagency agreements with affected local governments, resource agencies, and tribes. Incentives will be used to speed cleanup and encourage cooperative cleanups. The funding will be applied to sites that are abandoned, have non-compliant owners, or where funds are needed to advance emergent cleanup needs. This includes sites adjacent to critical and sensitive habitats; upland sites contributing to ongoing aquatic contamination; and a limited number of sites throughout Western Washington, outside the Puget Sound basin, where an unanticipated cleanup investment or emergency response is needed.

These cleanups continue to advance work in seven priority bays that implement the objectives of the Puget Sound Action Agenda, an action plan established after the Legislature created the Puget Sound Partnership to reverse Puget Sound's decline and restore it to health by 2020.

Attached is a prioritized list of projects that will be funded with this request. The projects have been reviewed and are ready to proceed according to the MTCA regulatory process.

MTCA's cleanup process informs project prioritization. Ecology's Toxics Cleanup Program guides all cleanup projects through MTCA's regulatory process and requirements, including those seeking state capital budget funding. MTCA requires all cleanup projects proceed through the following phases:

1. Assessment: All projects are prioritized based on human health and environmental risks. Cleanup projects address risks either from exposure to contaminated soil, contaminated groundwater and drinking water, contaminated marine water and sediment which pose human health risks from consuming fish and shellfish, toxic vapors, or a combination of the above.
2. Remedial Investigation: Remedial investigations define the nature, extent, and magnitude of contamination on all projects.
3. Feasibility Study: Feasibility studies are conducted on all projects and include alternative analysis, cost-benefit analysis, long-term or life-cycle cost analysis, and cleanup technology preferences.
4. Cleanup Action Plan: Information from the remedial investigation and feasibility study are included in a cleanup action plan that describes cleanup standards, methods, monitoring requirements, and schedule – including any time-critical elements.
5. Comment: The public is encouraged to review and comment on the projects' investigations, feasibility studies and cleanup plans during public comment periods.
6. Cleanup: Design, construction, operations, and monitoring of the cleanup. At this phase, projects are ready to proceed: They

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

Description

are in construction; they have permits or are in the permitting process; their design is complete or underway; or they are under contract. A cleanup is complete when Ecology determines cleanup standards have been met.

In addition to projects being evaluated according to the MTCA regulatory process, the project list is prioritized based on:

1. Continuing investments at sites with ongoing cleanup projects.

In 2013, there were significant changes made to MTCA. Among them, was direction for Ecology to plan hazardous site cleanup at a pace that matches the estimated cash resources in the MTCA accounts. (RCW 70.105D.170) Cleanups can take many years once a site has been contaminated with toxic chemicals. Three major factors determine the length of time for cleanup: the regulatory process used (formal versus independent cleanup); the nature of the contaminants (how difficult they are to remediate); and the type of contaminated media (soil, groundwater, sediments, etc.) Ecology established an ideal target for achieving site cleanup within five years; and has been actively working toward this target by employing model remedies and developing tools and policies to help achieve cleanup faster.

Financial certainty for cleanup project development is critical to ensure existing projects are completed as envisioned, and new projects can be planned and designed to maximize environmental and public health improvements and economic development opportunities. The MTCA revenue decline that resulted in cleanup project delays in the 2015-17 Biennium created uncertainties for public funding. Despite Department of Revenue's Hazardous Substance Tax (HST, MTCA's major revenue source) forecasts projecting a recovery in the next few years, delays in HST revenue recovery will continue to restrain cleanup projects funded with MTCA. For 2017-19, eight existing projects are proposed for continuing through cleanup and there are only two new projects identified on the prioritized list.

2. Applying the enacted 2015-17 biennial capital budget criteria for prioritizing cleanups outlined in Second Engrossed House Bill 1115 - Section 7038 and the MTCA Cash Management Plan.

Section 7038 (3) authorized Ecology to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution. Ecology used this authority in the 2015-17 Biennium to guide project priority and followed the same criteria for prioritizing the 2017-19 biennial budget request. The plan describes Ecology's use of the three options to maintain positive cash balances in the accounts, including delaying several high-priority cleanup projects.

3. Where groups of projects have met all of the same Section 7038 criteria, projects are ranked based on Ecology's regional and program priorities and staff capacity to oversee the cleanup. A recovered economy is delivering a record number of cleanup sites to Ecology to review and act on – from 200-300 per year on average, to over 400 in 2015 – but there is no MTCA funding to support additional cleanup project oversight. Economic conditions require Ecology to maintain the current work force and find ways to manage work load while continuing existing cleanup priorities.

4. Reviewing current information from grant recipients and Ecology's regional cleanup managers on the status of projects to further refine prioritization. This includes the construction stage of projects, schedule changes, whether permits are in hand, if projects are ready to bid, if projects leverage partnerships, and if projects have already incurred eligible costs.

What opportunity or problem is driving this request?**The reason for the project:**

Cleaning up and protecting Puget Sound is critical to the social and economic well-being of Washingtonians. Decades of industrial, municipal, and naturally occurring pollution have taken their toll on the condition and ecology of Puget Sound. Without intervention now, the condition of Puget Sound will most certainly continue to deteriorate. Although the state has made progress addressing the most highly contaminated areas of the Sound, other impacted areas are left unchecked. This request will help restore environmental and economic vitality to the state by focusing comprehensive cleanup on remaining contaminated sites impacting Puget Sound.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

Description**The effects of non-funding:**

State investment significantly contributes to cleanup progress in Washington, and it makes a direct, beneficial impact on human health and the environment. Without funding, these benefits would not be achieved. The economic, health, and environmental impacts would largely be felt in areas in or immediately adjacent to Puget Sound. Also, the cleanup progress in Washington and Puget Sound would not advance at the accelerated rate expected by the Governor and Legislature.

How does the project support the agency and statewide results?

This project is essential to implementing a priority in Ecology's strategic plan by supporting the priority to Prevent and Reduce Toxic Threats. It contributes resources to continue activity A005, "Clean the Worst Contaminated Sites First."

This request is essential to support the Governor's budget and economic priorities by investing funds to protect public health and natural resources. This request will also support Results Washington Goal 3, Sustainable Energy and a Clean Environment by cleaning up and managing contaminated sites that pose threats to public health, the environment, groundwater, and fish and wildlife resources. Specifically:

Goal 3/Goal Topic/Sub-Topic: Sustainable Energy and a Clean Environment/Clean and Restored Environment *Keep our land, water and air clean/Healthy Lands*

Outcome Measure 3.1 – Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020.

Leading Indicator 3.1.a – Increase number of contaminated brownfield sites returned to economically productive use from 476 to 1,090 by 2020.

This work also supports Goal 2, Prosperous Economy by creating and supporting jobs and making it possible to redevelop previously contaminated land to support economic growth in communities.

This request also supports Puget Sound Action Agenda implementation through the following strategies:

Strategy 21 Address and Clean Up Cumulative Water Pollution Impacts in Puget Sound, substrategy 21.2 Clean Up Contaminated Sites Within and Near Puget Sound. This request relates to the Puget Sound Action Agenda strategy and substrategy by reducing and controlling the sources of pollution. Ecology's work to cleanup areas contaminated with hazardous substances returns a polluted or degraded environment, as much as possible, to a healthy, self-sustaining ecosystem.

Ecology's focused work in Puget Sound will be accomplished by making direct state investments, using contributions by potentially liable parties, and entering interagency agreements with affected local governments and resource agencies.

Strategy 10 Use a Comprehensive Approach to Manage Urban Stormwater Runoff at the Site and Landscape Scales, substrategy 10.3 Fix Problems Caused by Existing Development, regional priority 10.3-2 Provide Infrastructure and Incentives to Accommodate Redevelopment Within Designated Urban Centers in Urban Growth Areas. This request relates to the Puget Sound Action Agenda sub-strategy and regional priority by cleaning up previously contaminated sites so they can be redeveloped, which promotes revitalization and economic growth in urban areas.

What are the specific benefits of this project?

This work will benefit Washingtonians by achieving the much sought after economic and social benefits of a clean, restored Puget Sound. Specifically, benefits of this request include:

- Cleaning up contaminated sites.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

Description

- Reduce exposure of hazardous substances to the environment and public as work progresses on these sites.
- Economic redevelopment as abandoned sites move forward through the cleanup process.
- Continued cleanup and restoration of Puget Sound.

This project will also provide economic benefits to the state by creating up to 118 jobs during the next two years, based on Office of Financial Management estimates.

How will clients be affected and services change if this project is funded?

This request continues ongoing efforts and will result in local cleanups and land redevelopment. Cleaning up contaminated property is usually integrated with economic development, habitat restoration, and public recreation projects. Most cleanup projects are the first phase of a larger community or economic redevelopment project where the cleanup site is the focal point of the project.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

These cleanup projects are part of the Puget Sound Initiative, which is a collaborative effort by local, tribal, state, and federal governments; business; agricultural and environmental interests; and the public to help preserve and protect Puget Sound. The projects funded by this request may involve port districts and other local government agencies, whose cleanup projects are considered for eligibility under the Remedial Action Grant Program.

What is the impact on the state operating budget?

None

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

One of Ecology's three environmental goals is to clean up pollution, and the Clean Up Toxic Sites – Puget Sound program is an integral part of cleaning up the worst contaminated sites to protect and improve the lives of people and the environment. This is an ongoing project supported by and worked with stakeholders. It has traditionally received MTCA funding. Revenue projections for the MTCA accounts in the 2017-19 Biennium are not enough to support new capital projects, so Ecology is requesting State Building Construction Account (SBCA) funding to support this important work in 2017-19. Funding with bonds is the best option because it will continue cleanup investments that protect human health and natural resources, and support economic redevelopment in Washington.

What is the agency's proposed funding strategy for the project?

Traditionally, Clean Up Toxic Sites – Puget Sound has been funded with MTCA funding. The Hazardous Substance Tax (HST) is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10 of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years, and so have HST collections and revenues.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

Description

The MTCA fund balances cannot support new appropriation requests for toxic site cleanup. Projected negative balances in the MTCA accounts in the 2017-19 Biennium mean no MTCA funding can be requested for new cleanup projects. Ecology requests funding from the SBCA to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).
- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.
- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology's ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the GF-S. There were direct transfers, but the Legislature also preserved investments in cleanup. For toxic site cleanup, the SBCA was used to backfill MTCA transfers. This provided funding for existing projects and invested in new toxic site cleanups. Now, the economy is in a growth period – the very time when toxic site cleanup is affordable and interest in redevelopment is high. Providing SBCA funding will allow important, ready-to-proceed cleanup projects to move forward.

Ecology requests \$20.1 million from the SBCA in new funding for projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

Description

development. This will allow important cleanup work to continue in the 2017-19 Biennium.

Note: The total amount being requested in bond funding for 2017-19 Puget Sound cleanup projects is \$30 million, which includes this \$20.1 million in new funding to start or continue the next phase of projects, \$5.4 million to restore reductions from the 2016 Supplemental Budget, and \$4.4 million for projects delayed due to the MTCA revenue shortfall in reappropriation 30000542. Traditional new investments in Puget Sound cleanup projects have averaged around \$29.2 million a biennium over the last four biennia.

Proviso

None

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|--------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 140,140,000 | | | | 20,140,000 |
| | Total | 140,140,000 | 0 | 0 | 0 | 20,140,000 |

| Acct Code | Account Title | Future Fiscal Periods | | | |
|-----------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 |
| | Total | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000773

SubProject Title: EPA O & M

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000773

SubProject Title: EPA O & M

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Legal requirement. Ecology, in support of EPA, assumed interim responsibility for conducting the operation and maintenance of the Wyckoff groundwater extraction and treatment system while EPA completed its work on the first draft of the Focused Feasibility Study for Wyckoff Point in 2012. Ecology continues operating the groundwater extraction and treatment plant per an EPA superfund contract obligation. Project also includes annual inspection at American Crossarm to ensure soil cap still provides containment and ongoing groundwater monitoring at Frontier Hardchrome.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 2,366,000 | | | | 2,366,000 |
| | Total | 2,366,000 | 0 | 0 | 0 | 2,366,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000773

SubProject Title: EPA O & M

No Operating Impact

SubProject Number: 30000774

SubProject Title: Lower Duwamish Waterway Source Control and Cleanup

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This Lower Duwamish Waterway site is an active five-mile stretch of an industrial waterway located along the Green River which flows into Elliott Bay in Seattle. Historic industrial and residential activities resulted in soil, groundwater, surface water and sediment with elevated concentrations of contaminants that pose a risk to human health, aquatic life and the environment.

Multiple interim actions have been implemented to remove contaminated soil and sediment throughout the site. Additional funds are needed to complete source tracing and adequate source control so in-water cleanup can proceed. Pilot cleanup studies and the design and cleanup construction for the remaining areas of the site need to be completed. This work will protect human health and the environment from harm.

Location

City: Seattle

County: King

Legislative District: 034

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000774

SubProject Title: Lower Duwamish Waterway Source Control and Cleanup

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 4,400,000 | | | | 4,400,000 |
| | Total | 4,400,000 | 0 | 0 | 0 | 4,400,000 |

Future Fiscal Periods

| | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|--|---------------|----------|-------------------------|----------|----------|
| | | 057-1 | State Bldg Constr-State | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000775

SubProject Title: Lakewood Ponders

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Perchorethelyne (PCE) from the Lakewood Ponders dry cleaners contaminated the Lakewood Water District's supply wells. PCE spilled onto the soil and migrated into the groundwater. EPA removed as much source material as practicable. However, PCE trapped in a silt layer at depth continues to release low levels of PCE into groundwater. Currently, the Water District treats the drinking water and removes the PCE prior to distribution to the public. However, the treatment system needs upgrades because the current system has nearly reached its expected useful life.

Location

City: Lakewood

County: Pierce

Legislative District: 029

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000775

SubProject Title: Lakewood Ponders

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,800,000 | | | | 1,800,000 |
| | Total | 1,800,000 | 0 | 0 | 0 | 1,800,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000776

SubProject Title: Lilyblad

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000776

SubProject Title: Lilyblad

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Continue cleanup activities at the Lilyblad Petroleum site in Tacoma. The project funding would support implementation of the cleanup action plan on the most contaminated part of the site. The cleanup action plan includes dual phase extraction well treatment and treatment of contaminated groundwater extracted. The cleanup action plan would also prevent contaminated groundwater from migrating toward the Blair Waterway. Groundwater, vapor, and soil sampling are included to optimize treatment.

Location

City: Tacoma

County: Pierce

Legislative District: 027

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 382,000 | | | | 382,000 |
| | Total | 382,000 | 0 | 0 | 0 | 382,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000776

SubProject Title: Lilyblad

No Operating Impact

SubProject Number: 30000777

SubProject Title: Circle K Station 1461

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This leaking underground petroleum storage tank site is located within a Seattle residential neighborhood. This source of contamination originated from an operated retail gasoline station where a release of petroleum to soil and groundwater occurred. The petroleum plume has extended off-property beneath adjacent streets and residential property.

Interim actions have been implemented and partially addressed contaminated soil and groundwater throughout the highest level of contamination at the site. Additional funds are needed to complete cleanup studies and cleanup construction for the remaining areas of the site. This work will protect human health and the environment from harm.

Location

City: Seattle

County: King

Legislative District: 043

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000777

SubProject Title: Circle K Station 1461

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 3,300,000 | | | | 3,300,000 |
| | Total | 3,300,000 | 0 | 0 | 0 | 3,300,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000778

SubProject Title: Lower Duwamish Waterway Slivers

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000778

SubProject Title: Lower Duwamish Waterway Slivers

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This Lower Duwamish Waterway site is an active five-mile stretch of an industrial waterway located along the Green River which flows into Elliott Bay in Seattle. When this portion of the meandering river was straightened and deepened to be used as an industrial waterway, it created several slivers of land that the Port of Seattle was directed to manage for industrial use. Historic industrial activities resulted in soil, groundwater, surface water and sediment contamination. The 'slivers' were impacted with elevated concentrations of contaminants that pose a risk to human health, aquatic life and the environment.

Remedial actions have been implemented to determine where contaminated soil and sediment throughout these slivers have impacted the Lower Duwamish Waterway site. Additional funds are needed to complete source tracing, adequate source control so in-water cleanup can proceed. Pilot cleanup studies, the design and cleanup construction for the remaining areas of the site, need to be completed. This work will protect human health and the environment from harm.

Location

City: Seattle

County: King

Legislative District: 034

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 3,300,000 | | | | 3,300,000 |
| | Total | 3,300,000 | 0 | 0 | 0 | 3,300,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000778

SubProject Title: Lower Duwamish Waterway Slivers

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000779

SubProject Title: Everett Lowland Areas and Upland Port of Everett Remediation

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The ASARCO smelter, which operated in the early 1900s, caused widespread arsenic and lead contamination. There are two areas impacted by the Everett smelter operations – the residential uplands area on the west side of the site, and the industrial lowlands area east of Marine View Drive, bordering the Snohomish River. Ecology recently completed a Supplemental Remedial Investigation and a Feasibility Study in the lowlands area.

In addition to contamination left behind on the old smelter property, particles from the smokestacks settled on the surrounding areas, contaminating soil. Ecology found six metals above the state cleanup levels in the uplands area, including: arsenic, lead, cadmium, antimony, mercury, and thallium. Soil is only removed from areas where people may come into contact with it. Ecology is now working with the City of Everett and property owners to clean up the rest of the properties impacted by the former smelter. Since 2011, the project has sampled more than 400 properties and cleaned up over 300 residential properties.

The contaminants are harmful and may pose a long-term health risk. Additional funds are needed to complete cleanup studies and construction for the remaining areas of the site. This work will protect human health and the environment from harm. The Everett portion of the Cleanup Settlement Account is expected to be depleted in the 2017-19 biennium. This funding covers additional cleanup not in the settlement.

Location

City: Everett

County: Snohomish

Legislative District: 038

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

Project Type

SubProject Number: 30000779

SubProject Title: Everett Lowland Areas and Upland Port of Everett Remediation

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 2,750,000 | | | | 2,750,000 |
| | Total | 2,750,000 | 0 | 0 | 0 | 2,750,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000780

SubProject Title: Budd Inlet Source Control & Cleanup

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000780

SubProject Title: Budd Inlet Source Control & Cleanup

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

In 2008, Ecology launched an investigation of Budd Inlet through the Puget Sound Initiative. Historic wood treating and timber-related industries along Budd Inlet caused sediment contamination. Primary contaminants of concern include dioxins and carcinogenic polyromantic hydrocarbons (cPAHs). Before active sediment cleanup can begin, the project must identify and control any active contamination sources to Budd Inlet. This prevents recontamination of the sediments after cleanup. Additionally this project will determine a regional background level of contamination for Budd Inlet and examine cleanup options.

Location

City: Olympia

County: Thurston

Legislative District: 022

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 550,000 | | | | 550,000 |
| | Total | 550,000 | 0 | 0 | 0 | 550,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000780

SubProject Title: Budd Inlet Source Control & Cleanup

Operating Impacts

No Operating Impact

SubProject Number: 30000781

SubProject Title: Required Puget Sound Public Involvement/Tribal Engagement

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Necessary tribal and stakeholder engagement require public notice periods for review of proposed agreement and draft cleanup documents. Includes production of public comment periods as well as essential coordination and agreement building with tribes with regard to environmental cleanup for upland and sediment cleanups. This includes work conducted for priority baywide cleanups to meet Puget Sound Initiative 2020 goals and other cleanup/restoration work affecting the health of people and the environment in the Puget Sound area.

This funding also supports public notice for voluntary cleanup program and delisting. This funding supports tribal and stakeholder engagement in planning and implementation of required public comment periods, development of information and communication essential to supporting tribes and for conducting tribal engagement and stakeholder involvement decision making processes for cleanup and restoration.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000781

SubProject Title: Required Puget Sound Public Involvement/Tribal Engagement

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 192,000 | | | | 192,000 |
| | Total | 192,000 | 0 | 0 | 0 | 192,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000782

SubProject Title: Mount Baker Properties Cleanup Site

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000782

SubProject Title: Mount Baker Properties Cleanup Site

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The site is located along South McCellan Street between Martin Luther King Way South and 29th Avenue South in Seattle. Historic auto repair facilities and a dry cleaner operations released chlorinated solvents affecting soil, groundwater and indoor air in business and residential properties. Additional funds are needed to complete cleanup studies and interim cleanup construction for the remaining areas of the site. This work will protect human health and the environment from harm. Once this commercial area is cleaned up, the responsible party is planning to create quality affordable transit-oriented housing and supporting the local residents.

Location

City: Seattle

County: King

Legislative District: 037

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,100,000 | | | | 1,100,000 |
| | Total | 1,100,000 | 0 | 0 | 0 | 1,100,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000782

SubProject Title: Mount Baker Properties Cleanup Site

Operating Impacts

No Operating Impact

SubProject Number: 30000917

SubProject Title: Clean Up Toxic Sites – Puget Sound Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 18

Project Summary

A significant source of pollution to the Puget Sound is contaminated sites around the basin and its shorelines. For more than ten years, Ecology has been identifying and cleaning up contaminated sites in the Puget Sound basin. This emphasis on Puget Sound bay wide cleanup and surrounding areas has highlighted a valuable link between toxic site cleanup and habitat restoration. This request for \$20.1 million in funding will support projects that integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs, and promote economic development. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Ten Year Financing Plan.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|--------------------|----------------|------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reappropr | New Approps |
| 057-1 | State Bldg Constr-State | 120,000,000 | | | | |
| | Total | 120,000,000 | 0 | 0 | 0 | 0 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 9:23AM

Project Number: 30000749

Project Title: Clean Up Toxic Sites – Puget Sound

SubProjects

SubProject Number: 30000917

SubProject Title: Clean Up Toxic Sites – Puget Sound Ten Year Financing Plan

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 |
| | Total | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Clean Up Toxic Sites - Puget Sound</u> |
| Project Number: | <u>30000749</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Budget Project List
Toxics Cleanup Program
Clean Up Toxics Sites - Puget Sound - New (30000749)
August 15, 2017

Purpose: This project list identifies projects in Ecology's 2018 Supplemental Budget request for Clean Up Toxics Sites - Puget Sound. This list represents additional cleanup projects that are underway and need additional funding to continue the cleanup for ready to proceed projects. This list is a plan based on the best information available to Ecology. The plan may change as more information becomes available.

| Section 7038 Criteria | | | | | | | | | | | | | |
|-----------------------|--|--|-----------------------------------|----------------|----------------------|-----------------|------------------|--------------|--------------------------|------------------|------------------|------|--------|
| ECY Rank | Project | Description | Phase of Cleanup | Acuity of Need | Readiness to Proceed | Cost Efficiency | County | Amount | Address | City | Leg. Dist. | Lat. | Long. |
| 1 | EPA O & M | Legal requirement. Ecology, in support of EPA, assumed interim responsibility for conducting the operation and maintenance of the Wyckoff groundwater extraction and treatment system while EPA completed its work on the first draft of the Focused Feasibility Study for Wyckoff Point in 2012. Ecology continues operating the groundwater extraction and treatment plant per an EPA superfund contract obligation. Project also includes annual inspection at American Crossarm to ensure soil cap still provides containment and ongoing groundwater monitoring at Frontier Hardchrome. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Puget Sound Wide | \$ 2,365,700 | Puget Sound Wide | Puget Sound Wide | Puget Sound Wide | | |
| 2 | Lower Duwamish Waterway Source Control and Cleanup | This Lower Duwamish Waterway site is an active five-mile stretch of an industrial waterway located along the Green River which flows into Elliott Bay in Seattle. Historic industrial and residential activities resulted in soil, groundwater, surface water and sediment with elevated concentrations of contaminants that pose a risk to human health, aquatic life and the environment. Multiple interim actions have been implemented to remove contaminated soil and sediment throughout the site. Additional funds are needed to complete source tracing and adequate source control so in-water cleanup can proceed. Pilot cleanup studies and the design and cleanup construction for the remaining areas of the site need to be completed. This work will protect human health and the environment from harm. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | King | \$ 4,400,000 | Lower Duwamish Waterway | Seattle | 34 | 47.6 | -122.3 |
| 3 | Lakewood Ponders | Perchloroethylene (PCE) from the Lakewood Ponders dry cleaners contaminated the Lakewood Water District's supply wells. PCE spilled onto the soil and migrated into the groundwater. EPA removed as much source material as practicable. However, PCE trapped in a silt layer at depth continues to release low levels of PCE into groundwater. Currently, the Water District treats the drinking water and removes the PCE prior to distribution to the public. However, the treatment system needs upgrades because the current system has nearly reached its expected useful life. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Pierce | \$ 1,800,000 | 15 & New York Avenue | Lakewood | 29 | 47.1 | -122.5 |
| 4 | Lilyblad | Continue cleanup activities at the Lilyblad Petroleum site in Tacoma. The project funding would support implementation of the cleanup action plan on the most contaminated part of the site. The cleanup action plan includes dual phase extraction well treatment and treatment of extracted contaminated groundwater. The plan would also prevent contaminated groundwater from migrating toward the Blair Waterway. Groundwater, vapor, and soil sampling are included to optimize treatment. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Pierce | \$ 382,000 | 2244 Port of Tacoma Road | Tacoma | 27 | 47.3 | -122.4 |
| 5 | Circle K Station 1461 | This leaking underground petroleum storage tank site is located within a Seattle residential neighborhood. This source of contamination originated from an operated retail gasoline station where a release of petroleum to soil and groundwater occurred. The petroleum plume has extended off-property beneath adjacent streets and residential property. Interim actions have been implemented and partially addressed contaminated soil and groundwater throughout the highest level of contamination at the site. Additional funds are needed to complete cleanup studies and cleanup construction for the remaining areas of the site. This work will protect human health and the environment from harm. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | King | \$ 3,300,000 | 2350 24th Avenue E | Seattle | 43 | 47.6 | -122.3 |
| 6 | Lower Duwamish Waterway Silvers | This Lower Duwamish Waterway site is an active five-mile stretch of an industrial waterway located along the Green River which flows into Elliott Bay in Seattle. When this portion of the meandering river was straightened and deepened to be used as an industrial waterway, it created several slivers of land that the Port of Seattle was directed to manage for industrial use. Historic industrial activities resulted in soil, groundwater, surface water and sediment contamination. The 'slivers' were impacted with elevated concentrations of contaminants that pose a risk to human health, aquatic life and the environment. Remedial actions have been implemented to determine where contaminated soil and sediment throughout these slivers have impacted the Lower Duwamish Waterway site. Additional funds are needed to complete source tracing, adequate source control so in-water cleanup can proceed. Pilot cleanup studies, the design and cleanup construction for the remaining areas of the site need to be completed. This work will protect human health and the environment from harm. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | King | \$ 3,300,000 | Lower Duwamish Waterway | Seattle | 34 | 47.6 | -122.3 |

| Section 7038 Criteria | | | | | | | | | | | | | | |
|--|--|---|-----------------------------------|----------------|----------------------|-----------------|------------------|--------------|---|------------------|-------------------|------------------|------------------|--|
| ECY Rank | Project | Description | Phase of Cleanup | Acuity of Need | Readiness to Proceed | Cost Efficiency | County | Amount | Address | City | Leg. Dist. | Lat. | Long. | |
| 7 | Everett Lowland Areas and Upland Port of Everett Remediation | <p>The ASARCO smelter, which operated in the early 1900s, caused widespread arsenic and lead contamination. There are two areas impacted by the Everett smelter operations – the residential uplands area on the west side of the site, and the industrial lowlands area east of Marine View Drive, bordering the Snohomish River. Ecology recently completed a Supplemental Remedial Investigation and a Feasibility Study in the lowlands area.</p> <p>In addition to contamination left behind on the old smelter property, particles from the smokestacks settled on the surrounding areas, contaminating soil. Ecology found six metals above the state cleanup levels in the uplands area, including: arsenic, lead, cadmium, antimony, mercury, and thallium. Soil is only removed from areas where people may come into contact with it. Ecology is now working with the City of Everett and property owners to clean up the rest of the properties impacted by the former smelter. Since 2011, the project has sampled more than 400 properties and cleaned up over 300 residential properties.</p> <p>The contaminants are harmful and may pose a long-term health risk. Additional funds are needed to complete cleanup studies and construction for the remaining areas of the site. This work will protect human health and the environment from harm. The Everett portion of the Cleanup Settlement Account is expected to be depleted in the 2017-19 Biennium. This funding covers additional cleanup not in the settlement.</p> | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Snohomish | \$ 2,750,000 | Multiple | Everett | 38 | 48.0 | -122.2 | |
| 8 | Budd Inlet Source Control & Cleanup | <p>In 2008, Ecology launched an investigation of Budd Inlet through the Puget Sound Initiative. Historic wood treating and timber-related industries along Budd Inlet caused sediment contamination. Primary contaminants of concern include dioxins and carcinogenic polyaromatic hydrocarbons (PAHs). Before active sediment cleanup can begin, the project must identify and control any active contamination sources to Budd Inlet. This prevents recontamination of the sediments after cleanup. Additionally this project will determine a regional background level of contamination for Budd Inlet and examine cleanup options.</p> | Cleanup / Action Plan | 1 | 1 | 1 | Thurston | \$ 550,000 | Budd Inlet | Olympia | 22 | 47.1 | -122.9 | |
| 9 | Required Puget Sound Public Involvement/Tribal Engagement | <p>Necessary tribal and stakeholder engagement require public notice periods for review of proposed agreement and draft cleanup documents. Activities include coordinating public comment periods as well as essential coordination and agreement building with tribes with regard to environmental cleanup for upland and sediment cleanups. This includes work conducted for priority baywide cleanups to meet Puget Sound Initiative 2020 goals and other cleanup/restoration work affecting the health of people and the environment in the Puget Sound area.</p> <p>This funding also supports public notice for voluntary cleanup program and delisting. This funding supports tribal and stakeholder engagement in planning and implementation of required public comment periods, development of information and communication essential to supporting tribes and for conducting tribal engagement and stakeholder involvement decision making processes for cleanup and restoration.</p> | Plan | 1 | 1 | 1 | Puget Sound Wide | \$ 192,500 | Puget Sound Wide | Puget Sound Wide | Puget Sound Wide | Puget Sound Wide | Puget Sound Wide | |
| 10 | Mount Baker Properties Cleanup Site | <p>The site is located along South McCallan Street between Martin Luther King Way South and 29th Avenue South in Seattle. Historic auto repair facilities and a dry cleaner operations released chlorinated solvents affecting soil, groundwater and indoor air in business and residential properties. The entire project will require additional funds to complete cleanup studies and interim cleanup construction for the remaining areas of the site. This request will provide funding for Remedial Investigation/Feasibility Study and draft Cleanup Action Plan implement cleanup. This work will protect human health and the environment from harm. Once this commercial area is cleaned up, the responsible party is planning to create quality affordable transit-oriented housing and supporting the local residents. Washington state has identified low income and affordable housing as a critical need. This funding supports this priority at the Mount Baker site.</p> | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | King | \$ 1,100,000 | South McCallan and Martin Luther King Jr. Way | Seattle | 37 | 47.6 | -122.3 | |
| Total 2018 Supplemental Budget Request \$ | | | | | | | | | | | 20,140,200 | | | |

**Department of Ecology
2018 Supplemental Capital Budget**

Table of Contents

Tab D-3 Deliver Integrated Water Solutions

| | | | |
|-----|----------|---|-----|
| 1. | 30000710 | Water Pollution Control Revolving Program | 213 |
| 2. | 30000797 | 2015-17 Restored Stormwater Financial Assistance | 219 |
| 3. | 30000706 | Floodplains by Design | 237 |
| 4. | 30000705 | Centennial Clean Water Program | 285 |
| 5. | 40000064 | Catastrophic Flood Relief | 365 |
| 6. | 30000796 | 2017-19 Stormwater Financial Assistance Program..... | 373 |
| 7. | 30000712 | Columbia River Water Supply Development Program | 385 |
| 8. | 30000711 | Yakima River Basin Water Supply..... | 421 |
| 9. | 40000104 | Water Availability | 441 |
| 10. | 30000673 | Sunnyside Valley Irrigation District Water Conservation | 447 |
| 11. | 30000714 | Watershed Plan Implementation and Flow Achievement..... | 461 |
| 12. | 30000740 | Water Irrigation Efficiencies Program..... | 471 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 7:26PM

Project Number: 30000710

Project Title: Water Pollution Control Revolving Program

Description

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 6

Project Summary

Congress established the Clean Water State Revolving Fund (CWSRF) under Title VI of the Federal Clean Water Act to capitalize state-run, low-interest loan programs to finance water quality facilities and activities. The Washington State Water Pollution Control Revolving Account or Clean Water State Revolving Fund (SRF), established under chapter 90.50A RCW, implemented the loan program to provide low-interest loans to local governments, special purpose districts, and federally recognized tribes for high priority water quality projects statewide. Ecology uses these funds to finance planning, designing, acquiring, constructing, and improving water pollution control facilities and for related nonpoint source activities that help meet state and federal water pollution control requirements. Ecology is requesting \$210 million in appropriation to continue essential work through this loan program. Related to Puget Sound Action Agenda implementation. (Water Pollution Control Revolving Account)

Project Description**What is the proposed project?**

Ecology administers the SRF loan program to help local governments, special purpose districts, and federally recognized tribes improve and protect water quality. Each year, Ecology accepts loan applications from cities, counties, special purpose districts (e.g., sewer districts), tribes, and conservation districts seeking financial help to improve or protect water quality in their communities. Ecology makes loans available through a statewide, competitive rating and ranking process. Since its creation in 1989, the SRF program has loaned more than \$1.6 billion to public entities. The SRF is by far the largest source of low-interest loan funds Washington State government has dedicated to environmental protection. The work accomplished through SRF loans is an integral and essential part of the state's strategy to reduce pollution of our marine waters, estuaries, lakes, rivers, and groundwater.

This request includes appropriation for:

- \$50 million from the Water Pollution Control Revolving Account – Federal (Fund 727–2) for new federal capitalization grants.
- \$160 million from the Water Pollution Control Revolving Account – State (Fund 727–1) from loan and interest repayments and a state match. Ecology will request the required state matching funds through a Treasurer's Transfer from the State Taxable Building Construction Account.

What opportunity or problem is driving this request?**The reason for the project:**

A number of ongoing and emerging issues drive Washington State water quality funding needs. Ecology works with its clients and stakeholders to help ensure financial assistance programs meet water quality needs by providing loans that address:

- Aging wastewater infrastructure.
- Water quality cleanup plans required under the Federal Clean Water Act.
- Advanced wastewater treatment to meet designated uses of the receiving water.
- Reclamation/reuse of wastewater.
- Stormwater control and treatment.
- Nonpoint pollution from agricultural, forested, and urban areas.
- Failing on-site sewage systems.
- Water quality needs of financially distressed communities.

Ecology awards SRF loans to local governments, special purpose districts, and federally recognized tribes. The following

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 7:26PM

Project Number: 30000710

Project Title: Water Pollution Control Revolving Program

Description

funding split established by chapter 173–98 WAC (Uses and Limitations of the Water Pollution Control Revolving Fund) creates three broad categories for SRF projects:

- 75 percent of the money is for planning, design, or construction of water pollution control facilities. These facilities can include wastewater treatment plants; facilities to reduce combined sewer overflows; sewer mains; stormwater control projects; and other water pollution control facilities.

- 20 percent of the funding is for nonpoint source pollution projects statewide, including conservation and nonpoint pollution management projects in federally designated estuaries of Puget Sound and the lower Columbia River. Nonpoint pollution sources enter the state's waters from dispersed, rather than point, sources. For example, surface water run-off from agricultural lands, urban areas, or forest lands are nonpoint sources.

- 5 percent is set aside for stormwater and wastewater facility preconstruction projects to ensure funding is available for critical facility planning and design, particularly for small, financially challenged communities.

The SRF program is the nation's largest federal funding source for water quality improvement and protection projects. The successful partnership between the Environmental Protection Agency (EPA) and the states allows federal and state agencies to stretch the limited dollars available for water quality infrastructure. The 2012 EPA Clean Watersheds Needs Survey estimates the needs for funding water quality infrastructure projects over a 20-year period at more than \$4.0 billion for Washington State (<https://www.epa.gov/cwns/clean-watersheds-needs-survey-cwns-2012-report-and-data>). This estimate includes only well-documented facility construction focused needs and does not include the costs associated with addressing nonpoint pollution, including stormwater retrofit needs. If needs were extrapolated to include all the undocumented communities and nonpoint source needs, the figure would be significantly higher.

Continued funding and support for the SRF program is critical for helping Washington State's local governments, special purpose districts, and recognized tribes update and improve water quality infrastructure and implement associated water quality projects focused on protecting and improving water quality and public health.

The effects of non-funding:

If this request is not funded, federal capitalization grant funding would be lost. Local governments, special purpose districts, and federally recognized tribes throughout the state would not receive low-interest loans to finance local or regional water quality infrastructure projects in their communities. The SRF is often the only affordable funding option available to small communities to address failing water quality infrastructure. The jobs, water quality, and public health improvements associated with \$210 million in infrastructure and nonpoint source funding would not materialize.

How does the project support the agency and statewide results?

This request is essential to implementing strategic priorities in Ecology's strategic plan, because SRF projects:

- *Protect and Restore Puget Sound* by preventing untreated wastewater and stormwater from being discharged into the Sound. The Fiscal Year 2017 Intended Use Plan (IUP) includes 17 projects totaling \$78 million in assistance to projects in Puget Sound Water Resource Inventory Areas 1-19.

- *Prevent and Reduce Toxic Threats and Deliver Integrated Water Solutions* by decreasing fecal coliform bacteria and toxics such as polychlorinated biphenyls (PCBs) and pharmaceuticals from being discharged into Washington waters. This is accomplished through properly treating wastewater and stormwater and projects that reduce nonpoint sources of pollution and nutrient discharges.

- *Reduce and Prepare for Climate Impacts* through encouraging and funding energy efficiencies and sustainable practices. SRF promotes energy and water efficiencies through its competitive scoring process and provides incentives in the form of forgivable principal loans (loans that don't have to be paid back) for projects that include these Green Project Reserve (GPR) elements.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 7:26PM

Project Number: 30000710

Project Title: Water Pollution Control Revolving Program

Description

The Fiscal Year 2016 IUP includes nearly \$8 million to fund green infrastructure technologies and energy efficiency. Also, all SRF facility design or construction projects are required to conduct an investment grant efficiency audit to identify energy and water efficiency and conservation measures.

This request provides essential support to the Governor's Results Washington Goal 3, Sustainable Energy and a Clean Environment, by providing loans for high priority water quality projects statewide. SRF loan funded projects help local entities reduce the pollution of our lakes, rivers, marine waters, and estuaries, and help protect groundwater and streams. SRF also provides incentives in the form of forgivable principal loans (loans that don't have to be paid back) for projects that include Green Project Reserve elements.

This request is essential to support the Governor's Results Washington Goal 5, Efficient, Effective, and Accountable Government. Ecology's SRF program was part of an Ecology-wide Lean effort in 2012 to streamline grant and loan processes. The Lean effort supported a major information technology project to develop an online grant and loan management system called EAGL, Ecology Administration of Grants and Loans. EAGL implements consistent, streamlined processes and workflows that were identified through the Lean effort.

The SRF loan program supports the Governor's Results Washington Goal 2, Prosperous Economy by promoting policies and opportunities to grow jobs. State financial managers calculate that approximately 11 jobs in Washington are created for every \$1 million spent for construction and design. The program also helps communities build well-functioning and sustainable clean water infrastructure that supports local economies.

This request supports Puget Sound Action Agenda implementation through sub-strategy 10.1, Managing urban runoff at the basin and watershed by providing funding to local governments through the Clean Water SRF Program and directly supports regional priorities:

-10.1-1: Undertaking basin and watershed planning that integrates land use planning and stormwater management by providing financial assistance for basin and watershed planning focused on stormwater management and nonpoint source pollution identification and control.

-10.1-2: Undertaking capital planning on catchment or watershed basis by providing financial assistance for watershed or catchment based capital planning with priority given to water quality protection and improvements made through integrated approaches to pollution reduction.

-10.1-3: Developing and implementing approaches that regionalize operational and pollution reduction efforts and activities by providing funding with an emphasis on regional approaches to constructing pollution control activities. Clean Water SRF provides funding for design construction phases for permitted facility projects.

This request also supports sub-strategy 11.1, Targeting Voluntary and Incentive-base Programs that Help Working Farms Contribute to Puget Sound Recovery and 13.3, Improving and Expanding Funding for Small Onsite Sewage Systems (OSS) and Local OSS Programs.

What are the specific benefits of this project?

The SRF loan program provides low-interest loans to local governments, special purpose districts, and recognized tribes for wastewater treatment, nonpoint source pollution control, and watershed and estuary management projects that achieve specific environmental and public health benefits, including:

- Eliminating severe public health hazards and environmental degradation.
- Achieving regulatory compliance with a consent decree, compliance order, Total Maximum Daily Load (TMDL), or waste load allocation.
- Restoring and protecting designated uses of Washington's waters, such as drinking water, aquatic habitat, and shellfish harvesting.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 7:26PM

Project Number: 30000710

Project Title: Water Pollution Control Revolving Program

Description

The economic value water quality infrastructure projects provide to the community and economy includes short-term benefits by supporting construction jobs and long-term benefits by funding sustainable clean water infrastructure that also supports growth and economic development.

This project will also provide economic benefits to the state by creating up to 371 jobs during the next two years, based on estimates from the Office of Financial Management.

How will clients be affected and services change if this project is funded?

This appropriation will allow public entities to proceed with planning, designing, acquiring, constructing, and improving water pollution control facilities and related nonpoint activities that help achieve state and federal water pollution control requirements. These improvements contribute significantly to protection and restoration of water quality statewide and in Puget Sound, the protection of public health, as well as creating jobs and improving economic health.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

Many local governments, special purpose districts, and recognized tribes propose important water quality projects that cannot be fully funded with one funding source. This is especially true for small, financially-distressed communities. Ecology works with recipients and other state and federal agencies to coordinate funding and technical assistance for water quality infrastructure projects. Together, the agencies collaborate and leverage their funds to meet the financial situation of the community. Many small communities with large-scale projects use multiple funding sources, including the SRF, Centennial Clean Water Program, Public Works Assistance Account, Department of Commerce, USDA Rural Development, and the State Tribal Assistance Grant Program. The lack of Public Works Assistance Account funding over the past few years has increased the demand and importance of SRF loan funding for local governments.

What is the impact on the state operating budget?

EPA requires a twenty percent state match toward federal capitalization dollars. The state provides the match funds as federal dollars are actually spent. Ecology is requesting in the operating budget a treasurer transfer of \$10 million from the State Taxable Building Construction Account into the Water Pollution Control State Revolving Account- Federal (fund 727) to meet federal match and accounting requirements.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

This request is for continuing support of the Clean Water SRF loan fund program to help local governments with high priority water quality projects throughout Washington. Ecology's well established, accountable, and transparent water quality funding program is the best and most effective option available to distribute money for priority water pollution control projects on a statewide, competitive basis. The program considers legal mandates, local efforts, rate payer impacts, and evolving water quality priorities.

What is the agency's proposed funding strategy for the project?

The Water Pollution Control Revolving Fund and its dedicated revenue sources support the SRF loan program. Dedicated

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 7:26PM

Project Number: 30000710

Project Title: Water Pollution Control Revolving Program

Description

revenue sources include:

- Yearly capitalization grants from EPA, authorized by Congress in the federal budget process.
- State match (20 percent) – required under the Federal Clean Water Act of 1987 – transferred into the fund from the State Taxable Building Construction Account.
- Principal and interest repayments by loan recipients.
- Interest earned on the fund balance by investments from the State Treasurer.

The SRF loan program provides low-interest loans for high priority water quality projects. To continue funding future projects, Ecology ensures long-term health of the fund by managing the fund in perpetuity. Ecology bases interest rates on a percentage of the bond buyers' index, allowing sufficient capital to loan out for future water quality projects.

Ecology typically awards half of the funds available for the biennium at the beginning of each fiscal year.

Proviso

No

Project Type

Grants

Grant Recipient Organization: Public entities (SRF), local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes

RCW that establishes grant: chapter 90.50A RCW, chapter 17

Application process used

Ecology manages an integrated annual funding approach using a joint application, evaluation, and rating and ranking process for the SRF, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from November through December. The evaluation and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a combined draft project list for the Legislature to use during budget considerations.. Pending the passage of an enacted Capital Budget, Ecology finalized the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which is available on the Water Quality website: <https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|------------------------------|----------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 727-1 | Water Pollution Cont-State | 800,000,000 | | | | 160,000,000 |
| 727-2 | Water Pollution Cont-Federal | 250,000,000 | | | | 50,000,000 |
| Total | | 1,050,000,000 | 0 | 0 | 0 | 210,000,000 |

| | | Future Fiscal Periods | | | |
|-------|----------------------------|-----------------------|-------------|-------------|-------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 727-1 | Water Pollution Cont-State | 160,000,000 | 160,000,000 | 160,000,000 | 160,000,000 |

461 - Department of Ecology
Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 7:26PM

Project Number: 30000710

Project Title: Water Pollution Control Revolving Program

Funding

| | Future Fiscal Periods | | | |
|------------------------------------|-----------------------|--------------------|--------------------|--------------------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 727-2 Water Pollution Cont-Federal | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| Total | 210,000,000 | 210,000,000 | 210,000,000 | 210,000,000 |

Operating Impacts

No Operating Impact

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:22PM

Project Number: 30000797

Project Title: 2015-17 Restored Stormwater Financial Assistance

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 9

Project Summary

Ecology's Stormwater Financial Assistance Program (SFAP) provides grants to public entities to finance stormwater retrofit projects that treat polluted stormwater in priority areas throughout the state. The SFAP distributes funds to the highest priority projects through a competitive rating and ranking process to ensure projects provide good water quality value and address problems from existing urban development. The work accomplished by local governments will help reduce toxics and other pollution from entering our waterways and protect our marine waters, estuaries, lakes, rivers, and groundwater resources throughout the state. The 2016 enacted Supplemental Capital Budget reduced four reappropriations for SFAP projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since May 2015. Proviso language in the budget bill specifies that the Legislature intends to restore the reductions in future biennia. This request for \$30.1 million restores those four reductions to keep important stormwater work moving forward in the 2017-19 Biennium. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

In 2013, the Legislature used a provision in the 2013-15 Capital Budget (Section 3081) to direct Ecology to develop and implement an ongoing, comprehensive, statewide stormwater financial assistance program. Ecology worked with stakeholders to develop a stormwater funding program – the SFAP – that is incorporated into Ecology's Water Quality Combined Financial Assistance Program. Funding for this program in the 2017-19 Biennium will continue to support constructing stormwater retrofit projects and implementing associated activities with high water quality and ecologic benefit.

Projects and activities eligible for funding under this program include planning and installing capital projects and activities that reduce stormwater pollutants. Projects may include, but are not limited to:

- Stormwater basins, pervious pavements, and bio-retention systems that collect runoff from hard surfaces and remove pollutants before the water is released to a water body or infiltrated into the ground.
- Project-specific planning and design to assist jurisdictions in preparing capital improvement projects.
- Toxics source tracing, corrective action, and removal projects. These projects are a cost-effective way of removing sources of toxics and reducing toxics discharge to waterways.
- Prioritized watershed basin retrofit planning and implementation strategies. These projects cross program boundaries (e.g., toxics cleanup sites combined with water quality improvement projects) and may use tools such as Geographic Information System (GIS) mapping to help organize and prioritize stormwater capital improvement projects. This process provides efficiencies of scale and maximizes water quality benefits per dollar invested.

Projects constructed through this program will meet design standards outlined in Ecology's Eastern and Western Washington Stormwater Management Manuals.

The enacted 2016 Supplemental Capital Budget reduced stormwater funding to help manage declining MTCA revenues driven by the significant drop in the price of oil and correlated decreases in Hazardous Substance Tax (HST, MTCA's major revenue source) over the past two years. The MTCA revenue decline that resulted in stormwater project delays in the 2015-17 Biennium, created uncertainties for public funding. Despite Department of Revenue's HST forecasts projecting a recovery in the next few years, delays in HST revenue recovery will continue to restrain stormwater projects funded with MTCA. Ecology requests funding be restored, as directed by the proviso language in the 2016 Supplemental Capital Budget, to keep important stormwater work moving forward in the 2017-19 Biennium.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:22PM

Project Number: 3000797

Project Title: 2015-17 Restored Stormwater Financial Assistance

Description

Ecology is requesting a total of \$30.1 million in funding be restored. The attached prioritized list represents \$30.1 million of projects delayed as a result of the reductions in the 2016 Supplemental Capital Budget (this includes new projects that applied for funding in the SFY 2018 funding cycle that Ecology was also directed to restore).

What opportunity or problem is driving this request?**The reason for the project:**

Polluted stormwater is one of the greatest threats to the health of Washington waters. Most of this pollution comes from existing infrastructure like buildings, road surfaces, and municipal storm sewer systems built before the Clean Water Act and other environmental regulations. In new and redeveloped areas, developers shoulder most of the cost of treating stormwater. But local jurisdictions are burdened with the expense of cleaning up stormwater problems created by old, ineffective infrastructure. Current municipal stormwater National Pollutant Discharge Elimination System (NPDES) permits do not require retrofitting existing development with stormwater controls; so in many cases, untreated stormwater carrying pollutants from existing infrastructure is released directly into the nearest waterway.

The enacted 2016 Supplemental Capital Budget reduced four reappropriations for stormwater funding to balance the MTCA accounts in response to the drop in revenue. The HST is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10th of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years, and so have HST collections and revenues. Ecology requests State Building Construction Account (SBCA) funding to restore these projects and help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA..
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).
- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.
- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the GF-S. There were direct transfers, but the Legislature also funded new investments in stormwater. In the SFAP, both MTCA and SBCA were used to fund important stormwater projects during the economic downturn. Today our economy is in a growth period, stormwater projects are affordable, and there is a high level of interest by local governments to solve stormwater pollution impacts. Providing SBCA funding will allow important, ready-to-proceed stormwater projects to move forward.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:22PM

Project Number: 3000797

Project Title: 2015-17 Restored Stormwater Financial Assistance

Description**The effects of non-funding:**

Statewide water quality and public health would be impacted if these grant dollars are not available to assist local communities to mitigate the effects of polluted stormwater. The SFAP funds would not be available to local communities for developing and implementing projects that go beyond the requirements of NPDES permits to treat polluted runoff from existing development. Without these funds, capital stormwater improvement projects would not be constructed, and untreated stormwater would continue to pollute Washington's waterways. Untreated stormwater discharges toxic chemicals and other pollutants into waters of the state, which in turn impacts shellfish habitat, fisheries and human health, and beneficial uses.

How does the project support the agency and statewide results?

This request is aligned with, and essential to implementing Ecology's strategic plan goals and strategic priorities:

- Reduce and prepare for climate impacts: During drought and more than average rainfall years, implementing stormwater retrofits and green infrastructure mitigates adverse climate impacts by controlling flow volumes and treating stormwater runoff to remove pollutants.
- Prevent and reduce toxic threats: Funded stormwater projects address stormwater pollutants by implementing stormwater best management practices, constructing stormwater treatment and flow control facilities, and implementing low impact treatment techniques that capture and reduce toxics and other pollutants.
- Deliver integrated water solutions: Some projects funded achieve multiple benefits to both water quality and water resources: including stormwater capture and reuse, infiltration of stormwater runoff, and treatment of polluted stormwater runoff.
- Protect and Restore Puget Sound: On average about 70 percent of the SFAP funds are awarded to projects in the Puget Sound basin. Projects funded lead to direct and indirect improvements to Puget Sound water quality through constructed stormwater pollution control infrastructure that goes above and beyond permit requirements.

This request is essential to support the Governor's Results Washington Goal 3 – Sustainable Energy and Clean Environment. Specifically, Ecology provides regular updates and report outs to the Governor and Goal Council regarding Results G3.3.2a: increase the number of projects that provide stormwater treatment or infiltration.

This request makes a key contribution to statewide results by providing grants for high priority stormwater improvement projects statewide that address Natural Resources strategies to Reduce Negative Impacts on the Environment; Preserve, Maintain and Restore Natural Systems and Landscapes; and Improve Individual Practices and Choices. It also supports salmon recovery efforts.

This request supports Ecology's integrated water quality financial assistance program by leveraging and augmenting loan funds through the Water Pollution Control Revolving Fund (SRF) loan program, the Centennial Clean Water grant program, and the Clean Water Act Section 319 federal grant program. Through the integrated funding program, Ecology continues to apply Lean principles in an effort to improve efficiency in service delivery and improve access to funding for high priority projects that deliver multiple benefits. Cross program and cross agency coordination is also a key element of the water quality financial assistance programs and Ecology is committed to supporting the Infrastructure Assistance Coordinating Council (IACC) as a cross-agency collaborative approach to providing infrastructure, financial and technical assistance to communities throughout Washington.

This request supports Puget Sound Action Agenda implementation through sub-strategy 10.3, Fix Problems Caused by Existing Development by providing funding to cities and counties to retrofit existing development through the Stormwater Financial Assistance Program's competitive grant program. This request directly supports the regional priority 10.3-1: Prioritize where retrofits occur by funding local project planning and design efforts including alternative analysis. This request also directly supports regional priority 10.3-4: Research, study and /or pilot legacy pollutant removal programs with intent of filling data gaps. This request funds projects to inspect private parcel Best Management Practices and provides technical assistance to property owners.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:22PM

Project Number: 30000797

Project Title: 2015-17 Restored Stormwater Financial Assistance

Description**What are the specific benefits of this project?**

The SFAP provides funding to local governments for municipal stormwater management projects that achieve specific environmental and public health benefits, including:

- Improving and protecting water quality by reducing pollutant transport to surface waters.
- Restoring natural hydrology to streams and improving watershed function.
- Promoting groundwater recharge.
- Restoring and protecting designated uses of Washington's waters, such as drinking water, aquatic habitat, and shellfish harvesting.
- Promoting and incentivizing sustainable communities.

How will clients be affected and services change if this project is funded?

Since 2006, Ecology has provided stormwater pre-construction and construction grants to local governments through a series of one-time funding provisions in the state capital budget. If this SFAP funding is restored, Ecology can continue to support local governments in promoting and incentivizing their ongoing efforts to reduce polluted stormwater runoff to Washington water bodies. Restoring this funding will allow implementation of stormwater retrofit and pre-construction projects. Local government stakeholders throughout the state have voiced strong support for an ongoing and stable stormwater financial assistance program that can help them proactively address stormwater management problems and improve environmental sustainability and the health of their local communities.

Are FTEs required to support this project?

Ecology requires 7.77 FTEs in this project, from the total 12.95 FTEs required for SFAP technical, budget and financial management. The remaining 5.18 FTEs are requested in the reappropriation request for project 30000535. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

How will the other state programs or units of government be affected if this project is funded?

Solving stormwater pollution problems requires the efforts of, and collaboration with, local, state, federal, and tribal governments. Supporting local governments in implementing stormwater projects will also support the efforts of the Puget Sound Partnership, the Department of Commerce, the Department of Natural Resources, the Department of Health, the Washington State Department of Transportation, the U.S. Environmental Protection Agency, and tribal water quality improvement programs.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

Ecology considered several alternatives for funding these projects. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:22PM

Project Number: 30000797

Project Title: 2015-17 Restored Stormwater Financial Assistance

Description

and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology’s ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

If an alternative solution is not provided, Ecology would not be able to restore funding to these projects in the 2017-19 Biennium. SBCA funding is the best option because it will restore the original projects as the Legislature intended, and give Ecology the resources to continue cleanup work on these projects.

What is the agency’s proposed funding strategy for the project?

Ecology requests \$30.1 million from the SBCA to restore funding for these projects and help bridge the gap until MTCA revenue recovers. This will allow important stormwater work to continue. This funding is matched up to 25 percent by local governments.

Note: The total amount being requested in bond funding for 2017-19 stormwater projects is \$113.2 million, which includes this \$30.1 million to restore reductions from the 2016 Supplemental Budget; \$44.2 million in new projects; and due to the MTCA revenue shortfall, \$26.5 million for projects that will continue to be delayed in reappropriation 30000535, and \$12.4 million in projects that will be delayed in reappropriation 92000076 unless a revenue solution is provided. Traditional new investments in stormwater have averaged around \$73.8 million a biennium over the last three biennia.

Proviso

No

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:22PM

Project Number: 30000797

Project Title: 2015-17 Restored Stormwater Financial Assistance

Description

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

Ecology uses its Environmental Protection Agency (EPA) acclaimed nationwide model that integrates the application evaluation offer process for all its water quality financial assistance programs. Ecology uses statewide workshops and a well-publicized, web-based annual application and proposal evaluation cycle to ensure ample outreach and applicant interest and participation. Completed projects will serve as region-wide models of stormwater management and implementation of innovative Low Impact Development techniques.

Growth Management impacts

Growth Management Act (GMA) compliance is strongly encouraged and supported by Ecology. Because other funding sources may require GMA compliance to be eligible for funding, an applicant's GMA status will be reflected in its readiness to proceed at time of application.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 30,100,000 | | | | 30,100,000 |
| | Total | 30,100,000 | 0 | 0 | 0 | 30,100,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|---|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Kimberly Wagar</u> | Email: | <u>kwag461@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-6614</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057-1</u> | Project Title: | <u>Restored Stormwater Financial Assistance</u> |
| Project Number: | <u>30000797</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Capital Budget Project List
Water Quality Program
2015-17 Restored Stormwater Financial Assistance (30000797)

September 8, 2017

Purpose: This project list represents the Restored Stormwater Financial Assistance Program (SFAP) projects requested for funding in the 2018 Supplemental Capital Budget proposal. Ecology manages the Stormwater Financial Assistance Program (SFAP) to provide grants to public entities to finance stormwater retrofit projects that treat polluted stormwater in priority areas throughout the state. This list provides project details included in the Water Quality Program's Stormwater Financial Assistance projects.

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|--|-------------|---|-----------------|-------------|-------------|------------------------------------|-------|---------|
| 5 | Wenatchee city of | \$70,000 | This project will improve water quality in the Columbia River through design of a biofiltration or bioinfiltration best management practice to be installed at the North Wenatchee Stormwater Outfall in the City of Wenatchee. This project will provide treatment for total suspended solids, oil, dissolved copper, and dissolved zinc, and will also eliminate flows to the Wenatchee River by re-directing the water to mitigated wetlands at the confluence of the Wenatchee and Columbia Rivers. | PO Box 519 | Wenatchee | CHELAN | District 12: 100% | 47.45 | -120.33 |
| 6 | Walla Walla city of | \$212,200 | This project will improve water quality in Mill Creek through design of bioretention basins, swales, drywells and/or infiltration trenches to be installed along 1.4 miles of Isaacs Avenue in the City of Walla Walla. This project will provide treatment for total suspended solids, oil, dissolved copper, dissolved zinc, and total phosphorus and will also reduce flows to Mill Creek by increasing stormwater infiltration and providing stormwater detention. | 15 N 3rd Ave | Walla Walla | WALLA WALLA | District 16: 100% | 46.07 | -118.32 |
| 14 | Bellingham city of - Public Works Department | \$1,236,464 | This project will retrofit the City of Bellingham's Park Place Sand Filter Treatment Facility to significantly increase the facility's ability to remove phosphorus. This retrofit will first convert the system into a large sand filter and initiate a TAPE assessment process to study new media. If the media is approvable through TAPE, Phase 2 of construction would replace that sand with the new media, further improving pollutant removal. | 2221 Pacific St | Bellingham | WHATCOM | District 40: 100% | 48.77 | -122.41 |
| 18 | Bellingham city of - Public Works Department | \$148,305 | The City of Bellingham will methodically evaluate its existing stormwater infrastructure in order to prioritize upgrades and retrofits that will best accomplish water quality goals. The research will involve analysis of water quality samples from throughout Bellingham's infrastructure and characterizing samples for concentrations of pollutants of concern, including metals, nutrients, bacteria, temperature, and sediment. A final report will guide future capital planning and grant applications. | 2221 Pacific St | Bellingham | WHATCOM | District 40: 50%, District 42: 50% | 48.76 | -122.47 |
| 20 | Bellingham city of - Public Works Department | \$491,637 | This project will improve water quality in Lake Whatcom through installation of phosphorus treatment BMPs, including LID and proprietary strategies, in three locations within in the City of Bellingham. This project will provide treatment for total suspended solids, total phosphorus, and bacteria, and will increase stormwater infiltration. | 2221 Pacific St | Bellingham | WHATCOM | District 40: 100% | 48.77 | -122.40 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|---|-------------|--|------------------------------------|----------------|---------|-------------------|-------|---------|
| 22 | Spokane County Stormwater Utility | \$250,000 | This project will improve ground water quality in the Spokane Valley-Rathdrum Prairie (SVRP) Sole Source Aquifer by designing bioinfiltration swales and bioinfiltration Filterra units to be installed in the Linwood Basin located in Spokane County. This project will provide treatment for total suspended solids (TSS), oil (total petroleum hydrocarbons), dissolved copper, dissolved zinc, and total phosphorus by increasing stormwater infiltration and providing stormwater detention. | 1026 W Broadway | Spokane | SPOKANE | District 06: 100% | 47.73 | -117.42 |
| 27 | Clyde Hill city of | \$150,000 | This project will improve water quality in Fairweather Bay Creek through design of TAPE GULD systems and low impact development (LID) facilities at 84th Avenue NE in the City of Clyde Hill. This project will provide treatment for total suspended solids (TSS), dissolved copper, dissolved zinc, and total phosphorus and will also reduce flows to Fairweather Bay Creek and Lake Washington by increasing stormwater infiltration and providing stormwater detention. | 9605 NE 24th St | Clyde Hill | KING | District 48: 100% | 47.63 | -122.23 |
| 30 | Spokane Valley city of | \$654,732 | New LID stormwater facilities including swales along both sides of a principal arterial. (Initial Funding Offer was \$140,000.) | 11707 E. Sprague Avenue, Suite 106 | Spokane Valley | SPOKANE | District 04: 100% | 47.65 | -117.27 |
| 38 | Tukwila city of - Public Works | \$246,515 | This project will improve water quality in the Duwamish River through design of TAPE GULD devices in the City of Tukwila. This design will provide treatment for total suspended solids (TSS) from stormwater runoff. | 6300 Southcenter Blvd | Tukwila | KING | District 11: 100% | 47.48 | -122.27 |
| 56 | Kirkland city of - Public Works | \$1,042,727 | The 132nd Square Park Retrofit Facility will construct water quality treatment, flow control and infiltration for approximately 48.5 acres of single-family residential and right-of-way areas in the northeast corner of the Totem Lake Basin. This project will implement one of two projects identified in the Totem Lake/Juanita Creek Basin Stormwater Retrofit Conceptual Design (Ecology Grant G1400024) which conducted planning and design work for capital and non-capital stormwater retrofit projects. | 123 5th Avenue | Kirkland | KING | District 45: 100% | 47.72 | -122.16 |
| 62 | Poulsbo city of - Public Works Department | \$250,000 | This project will improve water quality in the Liberty Bay Watershed through design of bioretention and treatment wetland best management practices (BMIPs) at Noll Road in the City of Poulsbo. This design will include treatment for total suspended solids (TSS) and will also reduce flows to Bjorgen Creek by increasing stormwater infiltration and providing stormwater detention. | 200 NE Moe Street | Poulsbo | KITSAP | District 23: 100% | 47.43 | -122.34 |
| 63 | East Wenatchee city of | \$250,000 | This project will improve water quality in the Columbia River through the design of a bioinfiltration and infiltration facility that will be installed at 19th Street NE and Cascade Avenue in the City of East Wenatchee. This project will provide treatment for total suspended solids (TSS), oil (total petroleum hydrocarbons), dissolved copper and dissolved zinc, and will also reduce flows to the Columbia River by increasing stormwater infiltration and providing stormwater detention. | 271 9th St NE | East Wenatchee | DOUGLAS | District 12: 100% | 47.44 | -120.30 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|--|-------------|--|---------------------------------|----------------|------------|-------------------|-------|---------|
| 64 | Kitsap County - Public Works | \$100,000 | Engineering design, survey and utility location identification will be performed to support water quality treatment on Mickelberry Road in Silverdale. Runoff from a medium-use urban area will be treated with Filterra units prior to discharge to the Dyes Inlet Estuary. Preliminary utility locate information indicates units can be placed within the sidewalk prism. This project was previously identified as a high priority retrofit in the Silverdale Low Impact Development Plan. | 614 Division Street MS-26 | Pt. Orchard | KITSAP | District 23: 100% | 47.65 | -122.68 |
| 66 | Spokane city of | \$1,751,750 | This project proposes stormwater improvements as part of the Monroe Street Improvement Project that will prevent stormwater from discharging into the Spokane River. The Monroe Street drainage system currently collects runoff into a Municipal Separated Storm Sewer System (MS4), discharging directly into the Spokane River without treatment. (Initial Funding Offer was \$80,000 for a pre-construction grant.) | 808 W Spokane Falls Blvd. | Spokane | SPOKANE | District 03: 100% | 47.68 | -117.43 |
| 68 | Ferndale city of | \$250,000 | This project will improve water quality in Schell Creek through design of Low Impact Development (LID) Best Management Practices (BMPs) to be installed at Ferndale Terrace between Vista Drive and Hendrickson Avenue in the City of Ferndale. This project will provide treatment for total suspended solids (TSS), oil (total petroleum hydrocarbons), dissolved copper, dissolved zinc, and total phosphorus, and will also reduce flows to Schell Creek by increasing stormwater infiltration. | PO Box 936 | Ferndale | WHATCOM | District 42: 100% | 48.85 | -122.60 |
| 73 | Spokane city of | \$80,000 | The objective of this project is to manage stormwater on T1 Meenach Drive from Northwest Boulevard to Pette Drive. Currently, stormwater in this area drains to the Municipal Separated Storm Sewer System (MS4) which discharges directly to the Spokane River without further treatment. | 808 W. Spokane Falls Boulevard | Spokane | SPOKANE | District 03: 100% | 47.68 | -117.45 |
| 75 | Spokane Valley city of | \$100,000 | The Chester Creek Diversions Project will be to produce a 90% design (PS & E) and to obtain the permitting to remove up to 5 culverts that currently discharge into Chester Creek. Water that is currently piped to Chester Creek north of Dishman Mica Road will be treated by using low impact development (LID), wet weather green infrastructure, and best practices that will decrease the stormwater impact on the environment. | 11707 E. Sprague Ave, Suite 106 | Spokane Valley | SPOKANE | District 05: 100% | 47.62 | -117.26 |
| 80 | Marysville city of - Public Works Department | \$250,000 | This project will improve water quality in Ebey Slough, a tributary to the Snohomish River system that discharges directly to the Puget Sound, through design of green infrastructure in the downtown area of the City of Marysville. This project will provide treatment for total suspended solids (TSS), oil (total petroleum hydrocarbons), dissolved copper, dissolved zinc, and total phosphorus. | 80 Columbia Ave. | Marysville | SNOHOMIS H | District 38: 100% | 48.05 | -122.18 |
| 81 | Olympia city of | \$150,000 | The Green Stormwater Retrofit Design Project will assess feasibility and prepare designs for retrofit projects in designated neighborhood centers and urban corridors within the City of Olympia. Following the goals and policies of the 2015 City of Olympia Comprehensive Plan and the EPA study "Greening America's Capitals", prepared May 2015, pre-construction designs will build on prior planning work aimed at increasing urban green space, protecting aquatic habitat, and improving water quality. | 601 4th Ave East | Olympia | THURSTON | District 22: 100% | 47.05 | -122.90 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|---|-------------|--|---|---------|----------|-------------------|-------|---------|
| 82 | Spokane city of | \$150,000 | This project will provide stormwater improvements to the City of Spokane's Cochran Basin; the largest stormwater basin in the City's urban storm drain system. Runoff within these project limits currently drain to the Spokane River without any treatment. This portion of the larger Cochran Basin project will allow the City to design and construct a biofiltration channel along North TJ Meenach Drive to treat approximately 10% of Cochran Basin's stormwater. | 808 W. Spokane Falls Boulevard | Spokane | SPOKANE | District 03: 100% | 47.68 | -117.46 |
| 89 | Spokane city of | \$250,000 | Design to separate, treat, and infiltrate Interstate 90 stormwater runoff from the City of Spokane's combined sewer system. | 808 W. Spokane Falls Boulevard | Spokane | SPOKANE | District 05: 100% | 47.65 | -117.37 |
| 91 | Spokane city of | \$915,905 | This project will provide stormwater management and combined sewer storage for CSO Basin 25, which will reduce CSO overflows from this Basin to no more than once a year. (Initial Funding Offer was \$250,000 for a pre-construction grant.) | 808 W Spokane Falls Blvd. | Spokane | SPOKANE | District 03: 100% | 47.66 | -117.43 |
| 99 | Poulsbo city of - Public Works Department | \$249,175 | The South Fork Dogfish Creek (SFDC) Basin retrofit design will develop engineering plans and environmental permits for the retrofit of a 32-acre urban basin in the City of Poulsbo. This project and Basin were identified as the number one priority for water quality retrofit and treatment in the City's Liberty Bay TMDL Implementation Plan (2016). The project will design bioretention facilities, modular wetland systems, and stormwater treatment wetlands. | 200 NE Moe Street | Poulsbo | KITSAP | District 23: 100% | 47.44 | -122.38 |
| 101 | Renton city of | \$250,000 | This project will improve water quality in the Big Soos Creek tributary of the Green River by designing bioretention swales and permeable concrete sidewalks at SE 172nd Street and 125th Avenue SE in the City of Renton. These BMPs will improve the Big Soos Creek by treating and infiltrating stormwater prior to discharge. | Renton City Hall, 5th Floor, 1055 South Grady Way | Renton | KING | District 11: 100% | 47.45 | -122.17 |
| 104 | Lacey city of - Public Works Department | \$27,377 | Purchase and initial operation of a high-efficiency regenerative air street sweeper, for source control removal of sediments, debris, and other pollutants from Lacey's public streets. This is a program enhancement that will double the street sweeping capability and pollutant-removal effectiveness, which will significantly reduce the pollutant load to impaired surface waters within Henderson Inlet TMDL Watershed. Lacey is committed to long-term operation of the enhanced street sweeping program. | 420 College Street SE | Lacey | THURSTON | District 22: 100% | 47.04 | -122.82 |
| 108 | Burien city of - Public Works Department | \$70,500 | This project will improve water quality in a tributary of Miller Creek through design of stormwater best management practices (BMPs) at SW 165th Street in the City of Burien. This project will be designed to provide treatment of total suspended solids (TSS) and to reduce flows to Miller Creek by providing stormwater detention. | 400 SW 152nd St, Suite 300 | Burien | KING | District 34: 100% | 47.46 | -122.36 |
| 109 | Spokane city of | \$1,852,346 | Stormwater management of CSO Basin 14 and CSO Basin 15 will reduce the amount of stormwater entering the Spokane's combined sewer system (CSS). This project proposes to remove stormwater from the CSS by constructing low impact development (LID) facilities to treat and infiltrate runoff. (Initial Funding Offer was \$250,000 for a pre-construction grant.) | 808 W Spokane Falls Blvd. | Spokane | SPOKANE | District 03: 100% | 47.67 | -117.45 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|--|-------------|--|----------------------------|--------------|------------|------------------------------------|-------|---------|
| 111 | Gig Harbor city of - Public Works | \$250,000 | This project will improve water quality in the Sullivan Gulch Creek through design of pervious pavement and bioretention swales at Point Fosdick Drive in the City of Gig Harbor. This design will include treatment for total suspended solids (TSS), dissolved copper, and dissolved zinc and will also reduce flows to Sullivan Gulch Basin by increasing stormwater infiltration and providing stormwater detention. | 3510 Grandview Street | Gig Harbor | PIERCE | District 26: 100% | 47.29 | -122.58 |
| 112 | Kitsap County - Public Works | \$250,000 | Engineering design, soils analysis, survey, and utility locate will be performed supporting water quality treatment of two nearly adjacent drainage basins along the commercial corridor of Silverdale Way from Bucklin Hill Road to Byron Street. Up to 46 acres of runoff will be designed to the 90% design level for treatment. Runoff treatment will protect aquatic life, water contact recreation and shellfish beds in Dyes Inlet. | 614 Division Street MS-26 | Pt. Orchard | KITSAP | District 23: 100% | 47.65 | -122.70 |
| 115 | Marysville city of - Public Works Department | \$4,750,000 | This project proposes to design and construct a stormwater treatment facility on a City of Marysville owned piece of property located along the City's waterfront. The project will treat 140 acres of existing development that discharges to a 303(d) listed waterway with no current treatment. This project will be designed to meet the 2012 Ecology Manual standards for new development and plans to utilize technology that has been successfully designed for similar projects throughout the state. | 80 Columbia Avenue | Marysville | SNOHOMIS H | District 38: 100% | 48.05 | -122.17 |
| 116 | Mukilteo city of | \$171,975 | Mukilteo recently completed an Ecology-funded, Watershed-Based Stormwater Retrofit and Pre-Design Plan. A detailed analysis of targeted sub-basins to support site-specific retrofit planning and pre-design work was conducted. The City is requesting additional funds to continue this work to complete pre-construction tasks for two high priority LID facilities. This work would fund a site survey, development of construction documents, design report, environmental permitting, and public outreach. | 11930 Cyrus Way | Mukilteo | SNOHOMIS H | District 21: 100% | 47.89 | -122.30 |
| 118 | Shoreline city of | \$250,000 | Green Retrofit Project will improve water quality in Little's Creek and Thornton Creek through design of stormwater bioretention and infiltration best management practices (BMPs) retrofits at 10th Avenue NE in the City of Shoreline. This project will provide treatment and reduce flows to these creeks by increasing stormwater infiltration. | 17500 Midvale Avenue North | Shoreline | KING | District 32: 100% | 47.75 | -122.32 |
| 120 | Bellevue city of | \$102,700 | This project will improve water quality in Kelsey Creek through 90 percent design of stormwater best management practices (BMPs) at 164th Avenue NE in the City of Bellevue. This project will provide water quality treatment for stormwater runoff and will also reduce flows to Kelsey Creek by increasing stormwater infiltration and providing stormwater detention. | 450 110th Ave NE | Bellevue | KING | District 41: 60%, District 48: 40% | 47.62 | -122.12 |
| 121 | Port Orchard city of - Public Works Department | \$216,840 | This project will develop a recommended stormwater plan to improve stormwater quality for Port Orchard's downtown basin. The plan will have prioritized capital improvement projects and stormwater-related activities for the downtown basin that have been approved by City leadership for near-term implementation. | 216 Prospect Street | Port Orchard | KITSAP | District 26: 100% | 47.54 | -122.64 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|---|-------------|--|-------------------------------------|--------------|---------|-------------------|-------|---------|
| 123 | Puyallup city of - Public Works | \$10,508 | Puyallup's Corporate Yards Decant Facility Project will design and construct a decant facility for management of the City's vactor truck and street sweeper waste. The facility will separate solid waste from liquids generated from cleaning the public storm system and streets before discharging the liquids to the public sewer system for final treatment. The project will improve water quality in the City's streams and the Puyallup River including TMDL-affected Clarks/Meeker Creek and Puyallup River | 333 S Meridian | Puyallup | PIERCE | District 25: 100% | 47.15 | -122.28 |
| 124 | Carnation city of | \$829,375 | The Tolt Ave/SR 203 project will treat and infiltrate stormwater from 4.3 acres of pollution-generating impervious area. The existing system treats an equivalent area of only 0.6 acres of PGIS. Sediment containing pollutants settles within the storm drainage system and roadway, and are flushed to the Snoqualmie River during large storm events. This Green Retrofit project will install on-site stormwater management with native vegetation, soil to treat and infiltrate stormwater to groundwater. | PO Box 1238 | Carnation | KING | District 05: 100% | 47.65 | -121.91 |
| 125 | Asotin County - Public Works Department | \$200,000 | This project will improve water quality in the Snake River through the design of water quality facilities including Low Impact Development and/or Green Retrofit infrastructure at multiple intersections of the urban area of Asotin County. It will provide treatment for known and common stormwater pollutants. It will help restore the natural hydrology of the Snake River by increasing stormwater infiltration and providing stormwater retention, and reducing peak flows to the Snake River. | PO Box 250 | Asotin | ASOTIN | District 09: 100% | 46.41 | -117.06 |
| 127 | Port Angeles city of - Public Works | \$102,000 | Permeable pavement and bioretention will be installed at the City Hall parking lot to improve water quality of urban runoff into Peabody Creek, a 303 (d) listed water body for bacteria. This basin is the highest priority in Port Angeles based on a water quality data analysis report and field testing. | 321 East Fifth Street - PO Box 1150 | Port Angeles | CLALLAM | District 20: 100% | 48.11 | -123.43 |
| 129 | Whatcom County - Public Works Department | \$120,000 | This project will design for construction low impact development (LID) stormwater control facilities and stormwater treatment BMPs designed to remove phosphorus and bacteria in urban runoff draining to Lake Whatcom from 240 acres in the Agate Bay sub-watershed. Several different methods of treatment and infiltration will be implemented to reduce phosphorus loading and other pollutants to Lake Whatcom. Runoff that is not infiltrated will be treated in filter systems at key locations. | 322 N. Commercial Street, Suite 220 | Bellingham | WHATCOM | District 40: 100% | 48.76 | -122.36 |
| 130 | Pierce County - Surface Water Management Division | \$1,337,750 | This project is proposing to construct a water quality facility on Woodland Creek to reduce the total suspended sediment (TSS). The facility includes constructing a hydrodynamic separating system, and 3 cell water quality pond. The facility will be located near the intersection of Woodland Ave E and 104th Street E within Pierce County. | 2702 South 42nd Street Suite 201 | Tacoma | PIERCE | 0 | 47.16 | -122.34 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|---|-----------|---|--------------------------------------|---------------|-------------------------|--|-------|---------|
| 133 | Granite Falls city of | \$29,250 | This project will improve water quality in Lake Gardner through the installation of water quality facilities including pervious pavement at Kentucky Ave., (between Stanley St. and Galena St.) and Union St. (between S. Indiana Ave. and Granite Ave.) in the City of Granite Falls. This project will provide treatment for total suspended solids (TSS), dissolved copper, dissolved zinc, and total phosphorus and will also reduce flows to Lake Gardner by infiltrating stormwater runoff. | PO Box 1440 | Granite Falls | SNOHOMIS H | District 39: 100% | 48.08 | -121.97 |
| 138 | Bremerton city of - Parks and Recreation Department | \$250,000 | This project will improve water quality in the Washington Narrows through design of stormwater treatment best management practices (BMPs) at Lions Park in the City of Bremerton. | 680 Lebo Blvd | Bremerton | KITSAP | District 23: 60%, District 26: 20%, District 35: 20% | 47.59 | -122.64 |
| 140 | Lynden city of - Public Works Department | \$120,000 | This project will improve water quality in the Nooksack River through design of stormwater low impact development (LID) best management practices (BMPs) at Judson Street in the City of Lynden. The design will include treatment for total suspended solids (TSS), dissolved copper, and dissolved zinc. | 300 4th Street | Lynden | WHATCOM | District 42: 100% | 48.94 | -122.46 |
| 141 | Maple Valley city of - Public Works | \$75,000 | This project will improve water quality in Jenkins Creek through the design of stormwater best management practices (BMPs), including bioretention facilities, at Witte Road SE in the City of Maple Valley. This design will include treatment for total suspended solids (TSS) and will also reduce flows to Jenkins Creek by increasing stormwater infiltration. | PO Box 320 | Maple Valley | KING | District 05: 100% | 47.38 | -122.05 |
| 143 | Milton city of | \$250,000 | The City of Milton will replace the parking lots at the Milton City Hall Campus with pervious concrete. The project will evaluate the feasibility of infiltrating 100% of the runoff onsite. The project will also provide rain gardens to infiltrate roof runoff from the administration building and activity center to the extent feasible. This project will provide water quality benefits to Hylebos Creek, a 303(d) listed surface water. | 1000 Laurel St | Milton | KING: 20.2%, PIERCE: | District 30: 100% | 47.25 | -122.32 |
| 145 | Port Angeles city of - Public Works | \$160,000 | Permeable pavement and natural dispersion techniques will be designed on 16th Street to improve water quality of urban runoff into Tumwater Creek, a 303 (d) listed water body for bacteria. | 321 East Fifth Street - PO Box 1150 | Port Angeles | CLALLAM | District 20: 100% | 48.12 | -123.47 |
| 146 | Gig Harbor city of - Public Works | \$250,000 | This project will improve water quality in the Garr Creek tributary and the Wollochet Basin through design of stormwater best management practices (BMPs) at 50th Street Court NW in the City of Gig Harbor. This design will include treatment for total suspended solids (TSS) and will also reduce flows to the Garr Creek tributary by increasing stormwater infiltration. | 3510 Grandview Street | Gig Harbor | PIERCE | District 26: 100% | 47.30 | -122.59 |
| 147 | Thurston County - Resource Stewardship Department | \$96,600 | The project site is located within a sub-basin to Woodard Creek that is developed with rural roads and residential land uses. In the current condition, runoff does not flow through any water quality BMPs prior to discharging into Woodard Creek. The creek flows north and discharges into Woodard Bay and then Henderson Inlet which has a bacteria, DO, pH, and temperature TMDL. The project will install biofiltration swales and a modular wetland to treat the runoff. | 2000 Lakeridge Dr. SE, Bld 4, Rm 100 | Olympia | THURSTON | District 22: 100% | 47.07 | -122.86 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|---|-------------|---|---|---------|----------------|--------------------------------------|-------|---------|
| 148 | Renton city of | \$250,000 | This project will improve water quality in Johns Creek through design of bioretention facilities, native vegetation, and porous concrete sidewalks. Project limits are NE 16th St from Harrington Ave NE to Jefferson Ave NE and Jefferson Ave NE from NE 16th St to NE 12th St. This project will design stormwater BMPs that target nutrients, metals, bacteria, hydrocarbons, temperature, and total suspended solids (TSS), promote infiltration, and reduce velocity of runoff to Johns Creek. | 1055 S. Grady Way | Renton | KING | District 11: 100% | 47.51 | -122.18 |
| 157 | Yakima County - Public Services Department | \$373,838 | The UJC wells located along Terrace Heights Drive, Lyons Loop, and South 96th Ave within Yakima County have been deemed potential threats to groundwater. Their issues must be addressed. The solutions outlined within this application, based on best management practices (BMPs) and site limitations, are the most viable courses of action. Yakima County needs to conduct these activities to protect the public, and requests funding support. (Initial Funding Offer was \$371,800. Applicant re-applied for funds in 2018. Award is based on information provided as part of the most recent application.) | 128 N. 2nd St. | Yakima | YAKIMA | District 14: 65% District 15: 35% | 46.60 | -120.50 |
| 159 | King County - Water and Land Resources Division | \$3,910 | This project will create a stormwater retrofit design and bid specifications package for a project that will improve the water quality and/or flow conditions in the Mill Creek Tributary 51 stream basin. The Basin is located in unincorporated King County between Federal Way and Auburn, WA. Developed with mostly suburban residential development and lacking in adequate stormwater controls, it is typical of many basins around central Puget Sound and King County. | 201 South Jackson Street KSC-NR-0501 | Seattle | KING | District 47: 100% | 47.32 | -122.28 |
| 160 | Snohomish County - Public Works Department | \$1,216,250 | Lake Stickney's increasing phosphorous is caused by unregulated lawn/roadway runoff and from human activities around the lake shore. Phosphorus reduction is proposed by installing rain gardens and native plants in the vicinity. Natural filtration will be enhanced by replacing impervious shoulders with pervious walkways. Informational lake preservation signs will be placed along the walkways. Public outreach efforts on lake health will include adjacent landowners and schools (STEM Programs). (Initial Funding Offer was \$1,149,375. Applicant re-applied for funds in 2018. Award is based on information provided as part of the most recent application.) | 3000 Rockefeller, M/S 607 | Everett | SNOHOMISH H | District 21: 100% | 47.88 | -122.26 |
| 161 | Yakima County - Public Services Department | \$130,960 | Yakima County will retrofit existing outfalls within the County to eliminate stormwater discharges to waters of the state. The project will evaluate pollution reduction strategies available for each outfall, then construct infiltration and/or treatment facilities, such as infiltration ponds, swales, other low impact development practices and Best Management Practices (BMPs). (Initial Funding Offer was \$139,964. Applicant re-applied for funds in 2018. Award is based on information provided as part of the most recent application.) | 128 N. 2nd St. | Yakima | YAKIMA | District 14: 55% District 15: 45% | 0.00 | 0.00 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|---|-----------|---|-------------------------------------|-----------|-----------|-------------------|-------|---------|
| 162 | King County - Water and Land Resources Division | \$307,000 | This project will prepare 90% design plans and acquire property to retrofit a regional detention facility and restore a historic wetland. This will improve flow control and treatment of runoff from developed land that has no stormwater controls. The facility occupies a historic wetland, portions of which have been filled in by adjacent property owners. The plans would restore these portions of filled wetland, increase the facility's detention storage, and improve water quality treatment. | 201 South Jackson Street, Suite 600 | Seattle | KING | District 05: 100% | 47.49 | -122.12 |
| 166 | Pierce County - Surface Water Management Division | \$220,699 | This proposal will retrofit the storm water system of an approximately 13 acre sub-basin of Diru Creek. A 2-vault Filterra system or 8' Jellyfish system would be used to treat the stormwater before discharging to Diru Creek. | 2702 South 42nd Street, Suite 201 | Tacoma | PIERCE | District 25: 100% | 47.16 | -122.34 |
| 167 | Chelan County - Public Works Department | \$200,000 | This project will improve water quality in Squilchuck Creek through design of water quality facilities to be installed within the Squilchuck basin, Chelan County. This project will provide treatment for total suspended solids (TSS), oil (total petroleum hydrocarbons), dissolved copper, dissolved zinc, and total phosphorus, and will also reduce flows to Squilchuck Creek by increasing stormwater infiltration and/or providing stormwater detention. | 316 Washington Street, Suite 402 | Wenatchee | CHELAN | District 12: 100% | 47.40 | -120.30 |
| 169 | Arlington city of - Public Works | \$262,500 | Purchase, operate, and maintain a high efficiency street sweeper to enhance Arlington's street sweeping program by increasing the collection of pollutant-laden sediment and debris. Increasing the collection of sediment, particulates and dust with a high efficiency street sweeper will greatly reduce the volume of contaminated material available to mobilize during rain events and flow into water bodies. | 238 N Olympic Ave | Arlington | SNOHOMISH | District 39: 100% | 48.20 | -122.13 |
| 171 | Tukwila city of - Public Works | \$207,719 | This project is intended to modify up to 4 City-owned stormwater outfalls with site-specific water quality treatment solutions. Phase I, for which this application is intended, is to design the water quality solutions. (Initial Funding Offer was \$244,375. Funding was awarded based on 2017 proposed funding award and may not reflect all eligible costs. Final offer may be adjusted to include all eligible costs identified in the SFY17 project application.) | 6300 Southcenter Blvd | Tukwila | KING | District 11: 100% | 47.45 | -122.24 |
| 172 | Vancouver city of | \$189,000 | This project proposes a Burton Channel Basin Analysis and Modeling to prioritize 4-5 retrofit projects in the Basin. At full build-out, the Basin will incorporate facilities to capture, treat, and infiltrate 82 acres of urban street runoff currently draining untreated into Burton Channel, a tributary to Burnt Bridge Creek. In this proposal, following analysis, one area will be selected for a first phase retrofit plan and design. The City will work closely with the neighborhood to select BMP locations. (Initial Funding Offer was \$250,000. Latest application includes fewer eligible expenses. Applicant re-applied for funds in 2018. Award is based on information provided as part of the most recent application.) | 415 W. 6th Street PO Box 1995 | Vancouver | CLARK | District 49: 100% | 45.64 | -122.57 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|---|-----------|--|-------------------------------------|-------------|------------|-------------------|-------|---------|
| 173 | King County - Water and Land Resources Division | \$34,201 | This retrofit project will do final design and construction to install a Storm filter system where no stormwater treatment facility exists in unincorporated King County near Renton, WA. This project is in the May Creek Tributary 291A Basin, which was substantially developed without adequate stormwater controls and has degraded stream health as documented by Benthic Index of Biotic Integrity monitoring. This project is a result of the Municipal Stormwater Capacity Grant, Ecology Grant G1400262. | 201 South Jackson Street, Suite 600 | Seattle | KING | District 05: 100% | 47.49 | -122.12 |
| 174 | Kitsap County - Public Works | \$250,000 | The Blaine Avenue Treatment Wetland Project would maximize water quality treatment of stormwater runoff from a developed 14 acre urban basin, normalize hydrology via an engineered wetland, and compliment this effort with the restoration of degraded estuary buffer to a native plant complex. Stormwater runoff from the existing basin currently flows untreated directly to Dyes Inlet in Silverdale, Kitsap County. | 614 Division Street MS-26 | Pt. Orchard | KITSAP | District 23: 100% | 47.66 | -122.69 |
| 178 | Burlington city of | \$234,530 | This green retrofit design project proposal will provide for planning, permitting, and design of pervious concrete to replace gravel shoulders. By reducing impervious areas and treating stormwater with the cation exchange in the soil, water quality in the region will improve. This is the second project in an effort to reduce the amount of city-owned impervious gravel surfacing. The first project, designed using a \$120,000 Ecology grant, was constructed in 2016. | 833 S. Spruce Street | Burlington | SKAGIT | District 40: 100% | 48.47 | -122.33 |
| 180 | Richland city of | \$120,000 | This project will improve water quality in the Columbia River through installation of a water quality facility. This project will provide treatment for total suspended solids (TSS), oil (total petroleum hydrocarbons), dissolved copper, dissolved zinc, and total phosphorus and will also reduce flows to Columbia River by increasing stormwater infiltration and providing stormwater detention. | P.O. Box 190 MS-26 | Richland | BENTON | District 08: 100% | 46.28 | -119.29 |
| 181 | Everett city of - Public Works Department | \$247,550 | This project will improve water quality in the Snohomish River through design of green stormwater infrastructure (GSI) projects in the City of Everett. This project will reduce combined sewer overflows (CSOs) and prevent stormwater pollutants from entering the Snohomish River. | 3200 Cedar St | Everett | SNOHOMIS H | District 38: 100% | 47.97 | -122.19 |
| 182 | Puyallup city of - Public Works | \$181,108 | The work includes construction of approximately 750 linear feet of permeable roadway. Improvements will widen the existing roadway from four lanes to five lanes to include a center two-way left turn lane. Other work elements include construction of concrete traffic curb, planter strip, pervious concrete sidewalks, concrete driveway approaches, luminaires, miscellaneous utility improvements, culvert replacement, and wetland mitigation. | 333 S Meridian | Puyallup | PIERCE | District 25: 100% | 47.19 | -122.33 |
| 185 | Anacortes city of | \$150,000 | This project will improve water quality in Guemes Channel, Clyde Creek, and Burrows Bay through design of stormwater best management practices (BMPs) on Commercial Avenue and in the Clyde Creek drainage basin in the City of Anacortes. (Initial Funding Offer was \$180,193. The grant offer amount has been right-sized to reflect the requested funding.) | PO Box 547 | Anacortes | SKAGIT | District 40: 100% | 48.51 | -122.65 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|--------------|---|---------------------|---|----------------------------------|---------------|------------|-------------------|-------|---------|
| 186 | Monroe city of - Design and Construction Division | \$1,299,625 | This project will remove the stormwater runoff from entering the sanitary sewer system by collecting, treating, and infiltrating the runoff. It is proposed to use Filterra systems to treat the runoff prior to infiltration and install permeable sidewalks to reduce the runoff to the infiltration basin. In conjunction with this work, the City will replace an old 4" water main and reconstruct the street to eliminate the excessive crown from past overlay projects. | 806 W Main St | Monroe | SNOHOMIS H | District 39: 100% | 47.86 | -121.97 |
| 188 | Black Diamond city of | \$676,357 | There is a high priority stormwater outfall at State Route 169 and Roberts Drive that discharges pollutants into Ginder Creek. The Creek is a major tributary to Lake Sawyer. This project would capture stormwater runoff in this area and convey it to a facility for treatment. This construction-ready project will be for the construction of storm sewer pipe, catch basins, pavement restoration, and a stormwater treatment facility in Black Diamond. | P O Box 599 | Black Diamond | KING | District 05: 100% | 47.31 | -122.01 |
| 189 | Chelan County - Public Works Department | \$433,125 | The Chelan County Squilchuck Stormwater Outfall Project will retrofit an existing stormwater conveyance system to provide water quality treatment for the 6-month, short duration storm via the use of combination hydrodynamic separator and subsurface infiltration. (Initial Funding Offer was \$577,500. Applicant re-applied for funds in 2018. Award is based on information provided as part of the most recent application.) | 316 Washington Street, Suite 402 | Wenatchee | CHELAN | District 12: 100% | 47.40 | -120.30 |
| | Partial funding for Grant Management oversight | \$1,840,000 | Ecology currently (as of February 2017) manages and provides engineering and technical oversight for approximately 138 active design/construction stormwater improvement projects from previous appropriations. | #N/A | #N/A | Statewide | All | #N/A | #N/A |
| | Cheney, City of | \$0 | The project will eliminate stormwater point sources discharging to Minnie Creek which is a tributary of Hangman Creek, which is a tributary of the Spokane River. The project will disconnect and eliminate 16 identified point source discharges by constructing a new stormwater conveyance system to a vacant City-owned sewer lagoon taken out of service in 1994 when the City started operation of its Wastewater Treatment and Reclamation Plant. (Project is not proposed for funding, because the most recent project application did not meet the minimum 600 point score. Funding proposed in 2017-19 Biennium Budget Restore Request was \$1,646,450.) | 112 Anderson Road | Cheney | SPOKANE | District 09: 100% | 47.49 | -117.56 |
| | Tacoma, City of - Environmental Services Department | \$0 | This project will complete feasibility investigation and design to retrofit two existing poor performing biofiltration swales to bioretention to enhance performance and aesthetics. The City has identified two existing biofiltration swales that were built between 2004 and 2010 for evaluation and possible upgrade to bioretention facilities. As part of the evaluation, a geotechnical investigation will be undertaken to determine the feasibility for infiltration at the sites or if underdrains will be required. (Project is not proposed for funding because the City of Tacoma's higher-ranked projects reached the \$5 million cap on SFAP funding for the SFY 2018 funding cycle. Funding proposed in 2017-19 Biennium Budget Restore Request was \$172,500.) | 326 East 'D' Street | Tacoma | PIERCE | District 27 | 47.22 | -122.48 |
| Total | | \$30,100,000 | | | | | | | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington state. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 Biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

BACKGROUND:

In the 2013-15 Biennium, the Legislature provided \$50 million from the State Building Construction Account in project 92000078 (Floodplain Management and Control Grants). In the 2015-17 Biennium, Ecology proposed, and the Legislature funded, the capital Floodplains by Design grants with a \$35 million investment from the State Building Construction Account in project 30000537 (Floodplains by Design).

Funding over the last two biennia paid for 11 proviso projects for floodplain restoration and a competitive grant program that funded 20 additional high-ranking flood-hazard reduction projects. These projects restore natural conditions in floodplains by preserving floodplain open space, correcting problems created by past flood control actions, improving long-term flood resilience, reducing flood risk to infrastructure and development, and improving habitat conditions for salmon and other species.

Actions funded by the grants include land acquisition, setback levee construction, levee removal, stream rehabilitation, bridge and culvert flow restriction correction, and removing existing development within floodplains.

This request will complement and work in concert with other floodplain initiatives (such as multi-benefit planning or compliance with the National Oceanic and Atmospheric Administration biological opinion for the National Flood Insurance Program in Puget Sound) that provide both flood hazard reduction and improved ecosystem functions. Grant recipients are required to match up to 20 percent of their awards. With partnership from the Floodplains by Design (FbD) program, local communities will reduce – and in some cases eliminate – their flood hazards. At the same time, they will improve salmon habitat, water quality, and recreational opportunities, and promote economic development.

GRANT SOLICITATION:

In October of odd numbered years, Ecology sends out a request for proposals to local governments, tribes, non-government organizations, flood control districts, conservation districts, and others asking for preliminary proposals that meet FbD criteria for flood hazard risk reduction coupled with floodplain ecosystem protection and restoration.

In April of even numbered years, preliminary proposals that meet these review criteria are invited to submit full grant applications by July first. For the current cycle, Ecology received 36 project proposals, representing \$138 million that were invited to submit full grant applications for the 2017-19 funding cycle.

These full grant applications were scored and ranked by Ecology flood staff and outside environmental experts from agencies such as the Federal Emergency Management Agency, WA Emergency Management Division, the U.S. Army Corps of Engineers, the U.S. Geological Survey, U.S. Fish and Wildlife Service, Washington Department of Fish and Wildlife, Puget Sound Partnership (PSP), The Nature Conservancy, and the National Oceanic and Atmospheric Administration. The following criteria will be used:

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

Description

- Flood hazard/risk reduction.
- Floodplain ecosystem protection or restoration.
- Other benefits, such as agricultural viability, water quality, and public access and recreation.
- Cost effectiveness and long-term cost avoidance.
- Demonstration of need.
- Level of support from affected stakeholders.
- Readiness to proceed.
- Other factors, including pilot projects, leverage opportunities, equity or social justice, and Puget Sound floodplain priorities.

The resulting FbD project list is included in this submittal for consideration in the Governor's and legislative budget proposals.

THIS REQUEST:

Ecology requests \$70 million from the State Building Construction Account to continue the flood hazard reduction efforts that were started in the 2013-15 Biennium through the capital Floodplains by Design grant program.

What opportunity or problem is driving this request?**The reason for the project:**

Prior to the 2013-15 Capital Budget project for floodplain management grants, no comprehensive funding existed in the capital budget to support flood-risk reduction efforts. In most biennia, several million dollars were appropriated for specific flood projects. Most of this funding went to improvements to major levees protecting urban areas on the Green and Skagit rivers. There were no funding opportunities for multi-benefit floodplain management projects. These multi-benefit projects are key to meeting objectives contained in the Puget Sound Action Agenda and in flood hazard reduction plans in flood-prone areas, including Yakima and Pierce County.

Ecology receives funding related to this work through the Flood Control Assistance Account Program (FCAA), as required in RCW 86.26.007. This statute specifies that \$4 million be transferred from the State General Fund to the FCAA each biennium. Due to the economic downturn, in each of the last four biennia, the transfer was reduced to \$2 million. Because of this, flood work has been limited to technical assistance from Ecology staff and a handful of small (\$100,000 or so) emergency grants.

With the competitive capital funds for floodplain management grants in the 2013-15 and 2015-17 biennia, Ecology was able to fund proof-of-concept projects in the major river basins around Puget Sound, and smaller versions of projects across the state. All projects follow the multiple benefits approach to reduce flood risks, such as reducing floodwater depths, preventing river avulsions, and reducing or removing the structures vulnerable to flooding – while also improving the ecosystem.

Local stakeholder involvement and support are central to this process. Human population impacts put increasing pressure on floodplains across the state, which continually escalates the cost of flood damages. At the same time, other efforts like salmon recovery and water quality improvements often conflict with traditional flood hazard remedies. Using a multi-benefit approach helps alleviate these conflicts and meet multiple objectives. For example, a project in the Lower Dungeness watershed includes upgrading irrigation piping to conserve water and improve the reliable supply of agricultural water; buying land and removing a damaged and non-functioning levee system; and restoring the habitat for salmon recovery in the estuary and river system. It also provides new open space for public access and recreation. Ecology will invest new capital funding into these types of multi-benefit projects.

Ecology also submitted a request titled "Catastrophic Flood Relief" for flood protection and habitat restoration projects in the Chehalis River Basin. That request will fund projects specific to implementing the Chehalis Basin Strategy, and fund the Office of the Chehalis Basin, which was created in House Bill 2856 during the 2016 Legislative Session. This request is for multi-benefit flood management projects across the state. None of the projects recommended for funding in the FbD list are located within the Chehalis River Basin.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

Description**The effects of non-funding:**

If this request is not funded, multi-benefit flood hazard reduction projects around the state would not be implemented. Not providing funding would leave communities vulnerable to the number one natural hazard in the state, which has caused more than \$2 billion in damages to the state since 1980. No alternative funding source exists for this work. Without funding, the education and outreach performed with communities to promote this concept and approach would cease. This would likely result in more traditional, narrowly focused flood control practices being used, which may conflict with Puget Sound and Salmon Recovery priorities.

With no incentive to plan and design for multi-benefit projects, communities may choose to return to traditional approaches, such as levees, which hamper salmon recovery, destroy habitat, and contribute to water quality problems like temperature and sediment loading to streams. Without funding to address these problems, Western Washington river systems, in particular, would see sediment loading pushing rivers out of their current beds, causing negative impacts to the nearby communities. This would cause even greater damage than normal flooding, and increase the frequency of flooding.

How does the project support the agency and statewide results?

This project is essential to implementing two of Ecology's strategic priorities:

- Protect and Restore Puget Sound: this project increases financial assistance for community based projects that, through flood management plans, take an innovative approach that integrates habitat needs with reducing flood risks.
- Reducing and Preparing for Climate Impacts: as extreme flood events are anticipated to increase, this project assists communities in considering future flooding scenarios as they plan for reducing flood hazards.

This project supports Results Washington as follows:

Goal 3: Sustainable Energy and a Clean Environment.

Floodplain by Design funds projects that contribute to healthy fish and wildlife, clean cool water, and protecting habitat, all key to a clean environment.

Goal 4: Healthy and Safe Communities.

Floods are destructive and expensive for communities, with potential loss of life and property. Flooding introduces pollutants into rivers and shoreland areas, increasing risk of disease. This project helps communities build sustainable solutions so that people stay healthy.

This request also supports Puget Sound Action Agenda implementation. The request specifically supports Ecosystem Strategy 5.4, "Implement and maintain priority floodplain restoration projects". The request supports several Near Term Actions (NTAs), including NTA 2016-0019, "Accelerate Integrated Floodplain Management", which was ranked number seven NTA in Habitat (out of 205 rankings). Several other site-specific floodplain management projects are included as NTAs. In close collaboration with PSP and the Nature Conservancy (primary owner of NTA 2016-0019), we are developing a ranked project list to support this request. This work helps address PSP's goal of restoring at least 15 percent of the floodplain connectivity in the Puget Sound basin.

What are the specific benefits of this project?

These multi-benefit flood management projects will result in reduced flood hazards and improved river habitat for salmon and other species. This includes improving habitat for salmon species listed under the Endangered Species Act. It reduces long-term costs by creating more resilient approaches to reducing flood hazard through actions such as moving highly

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

Description

flood-prone development from floodplains and setting back levees to provide additional room for conveyance of floodwaters. These projects will reduce repeated losses due to flood damage. FEMA, the Federal Emergency Management Agency, estimates that three dollars are saved for every one dollar invested in flood hazard mitigation.

This project will also provide economic benefits to the state by creating up to 133 jobs during the next two years based on Office of Financial Management estimates.

How will clients be affected and services change if this project is funded?

By continuing FbD grants, Ecology will provide ongoing assistance to communities to reduce flood risks, while also improving the natural and beneficial functions of floodplains around the state.

Are FTEs required to support this project?

This project requires a total of 4.6 FTEs for the 2017-19 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

FbD program staff provide project oversight, performance and financial management, outreach to local floodplain management agencies, and coordination with our partners the Puget Sound Partnership and The Nature Conservancy. They advise local project sponsors on the expectations of the program and project development, manage active projects including site visits, coordinate with other grant programs and Ecology's Coordinated Strategic Initiative, and assist with Ecology policy and budget development. Staffing needs are dependent on many factors including the number of grants, the complexity of the projects funded, and technical support needs.

How will the other state programs or units of government be affected if this project is funded?

An objective of this new program is to improve the coordination and maximize the effectiveness of multiple funding sources to achieve multiple benefits in floodplain management. Other state agencies, including the Department of Fish and Wildlife, Recreation and Conservation Office, and PSP will work to improve funding coordination. Local governments will have new funding for flood hazard and ecosystem projects at the scale required to make a lasting impact. In many cases, grants provided through this program will complement other state and federal grant sources that support salmon habitat restoration.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

No other state fund source exists to achieve the scale of work needed to protect and restore floodplains around the state. Continuing to do floodplain management projects on a piece-meal or site-specific approach may exacerbate the flood hazards for the community, and does not coordinate with other ecosystem actions taken by Ecology and other natural resource agencies. Local resources alone are not adequate to achieve game-changing actions, such as levee setbacks. Relying on local resources creates a burden on economically disadvantaged communities that cannot support significant investments in floodplain management.

What is the agency's proposed funding strategy for the project?

Grants will be funded entirely through the State Building Construction Account. Up to 20 percent match will be required from

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

Description

grant recipients for capital projects. Ecology will consider economically disadvantaged communities and other factors in determining match requirements. If appropriation is not received, projects would not go forward. For more information, the program funding guidelines are available at <https://fortress.wa.gov/ecy/publications/documents/1506019.pdf>.

Proviso

None

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|--------------------|-------------------|-------------------|-----------------------|-------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 350,000,000 | | | | 70,000,000 |
| | Total | 350,000,000 | 0 | 0 | 0 | 70,000,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 70,000,000 | 70,000,000 | 70,000,000 | 70,000,000 | |
| | Total | 70,000,000 | 70,000,000 | 70,000,000 | 70,000,000 | |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000941

SubProject Title: Mason Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000941

SubProject Title: Mason Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This scalable proposal is for a suite of construction and design projects in the Skokomish Watershed that will halt degradation of flood conditions, salmon habitat and ecosystems and achieve flood hazard reduction and critical ecosystem restoration on a watershed scale. PSAR's draft project list includes a project that complements this effort.

Location

City: Shelton

County: Mason

Legislative District: 035

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 7,000,000 | | | | 7,000,000 |
| | Total | 7,000,000 | 0 | 0 | 0 | 7,000,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|---------------|----------|-------------------------|----------|----------|
| | | 057-1 | State Bldg Constr-State | 0 | 0 |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000941

SubProject Title: Mason Conservation District

No Operating Impact

SubProject Number: 30000942

SubProject Title: Pierce County - Surface Water Management

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Rivers in the Puyallup Watershed need more room. Development activity and levees have reduced the natural floodplain along the Puyallup, White, and Carbon Rivers. This has put people, property, habitat, farms, and critical infrastructure at Risk. Salmon runs are in peril, prime floodplain soils are being removed from production, and the Puyallup Watershed ranks among the highest in the State for frequency and magnitude of Flood Damage. Floodplains for the Future (formerly Puyallup Watershed Floodplain Reconnections Project) is public-private partnership that serves as an innovative model for the level of effort necessary to achieve true lift of floodplain functions. Supported by a diverse and growing group of floodplain partners, this proposal builds upon past efforts by presenting a comprehensive approach to projects in several reaches of the Puyallup Watershed. These projects are defined by four broad components:

1. A cutting-edge integrated management group with a centralized mission and vision
2. Reach-scale integration projects, including a comprehensive agricultural integration project (the Farming in the Floodplain Project)
3. An agricultural land & conservation easement program
4. A diverse set of capital acquisition, scoping, design, and construction projects
5. Implementation of a monitoring programmatic to track progress toward goals across interests

The stakeholders in the Puyallup Watershed feel that the suite of actions in this proposal amount to a pivotal next step toward ecosystem recovery while achieving other key needs. Implementation of this proposal will result in multiple public benefits, including reduction in impacts of flooding and channel migration, protection of roads and critical facilities that support public safety and economic viability, agricultural preservation, enhancement of aquatic habitat, and protection of open space within floodplains.

Location

City: Unincorporated

County: Pierce

Legislative District: 031

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000942

SubProject Title: Pierce County - Surface Water Management

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 7,750,000 | | | | 7,750,000 |
| | Total | 7,750,000 | 0 | 0 | 0 | 7,750,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 3000943

SubProject Title: Whatcom County - Public Works Department

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000943

SubProject Title: Whatcom County - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Lower Nooksack River: Floodplain for the Future-Phase I Project includes five components all with the common goal of integrating flood hazard reduction with recovering salmon populations and improving the viability of agriculture. The project components are the result of several separate planning processes for the Lower Nooksack River, extending from the confluence of the North and South Forks near Deming to Bellingham Bay. The project addresses problem areas identified through these planning processes and lays the groundwork for future integrated and salmon habitat restoration projects that also benefit agricultural lands within the floodplain. The specific project components are:

1. Detailed design of improvements to two levee segments near Ferndale to realign and improve flood protection to three treatment facilities and enable re-establishment of a riparian buffer and a pedestrian trail (detailed design phase of multi-year project).
2. Feasibility investigation to evaluate the expected impacts of levee setback alternatives downstream of Ferndale (within Reach 1) on sedimentation processes within the reach.
3. Feasibility analysis and preliminary design of levee setback and wider corridor along Fishtrap Creek to reduce upstream flood levels and enable riparian restoration, and drainage improvements including ditch reconfiguration, outlet improvements and/or a pump station to improve agricultural drainage in the adjacent floodplain (preliminary design phase of multi-year project).
4. Detailed design and construction of improvements to the Lynden Levee and the culverts that provide interior drainage through the levee to reduce flood risk and improve habitat behind the levee.
5. Acquisition of key properties and development rights within the floodplain and historic migration zone between Deming and Everson (within Reach 4).

Location

City: Lynden

County: Whatcom

Legislative District: 042

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000943

SubProject Title: Whatcom County - Public Works Department

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

| Funding | | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| Acct Code | Account Title | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 5,835,000 | | | | 5,835,000 |
| | Total | 5,835,000 | 0 | 0 | 0 | 5,835,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 3000944

SubProject Title: Hood Canal Salmon Enhancement Group

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000944

SubProject Title: Hood Canal Salmon Enhancement Group

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Hood Canal Salmon Enhancement Group (HCSEG), Jefferson County (County), and The Nature Conservancy (TNC) are partnering on an integrated floodplain protection and restoration project along the lower 3 miles of the Big Quilcene River; the Lower Mile Reach (RM 0 – RM 1.2) and the Moon Valley Reach (RM 2.2 – RM 3). This project will provide multiple benefits including flood risk reduction, improved salmon and shellfish habitat, enhanced water quality, recreational access, educational opportunities, and economic vitality in the local community. The Lower Big Quilcene River floodplain is home to the town of Quilcene, WA which includes residential areas within the flood hazard zone, and is a high priority for restoration to recover ESA-listed salmon species. Dikes, armoring and roads in the floodplain constrict the river to a narrow channel. Habitat in the river channel is degraded and channel migration have been limited for many decades. Cultural and economic important shellfish beds and growing operations must be maintained. Education and recreation are limited by lack of well-maintained access points and amenities. This proposal builds on previous efforts that engaged key stakeholders and tribal trustees in developing project goals and restoration alternatives, and built support for the proposed next steps. The proposed will: 1) Complete a final restoration design from the preferred alternative in the Lower Mile reach, 2) Initiate and determine restoration actions for a preferred alternative in the Moon Valley reach and 3) Acquire key floodplain parcels located within the Lower Mile and Moon Valley reaches. The products described in this phase are distinct design deliverables coupled with acquisitions of key floodplain properties from willing landowners, and are critical to advancing restoration actions in future phases.

Location

City: Unincorporated

County: Jefferson

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000944

SubProject Title: Hood Canal Salmon Enhancement Group

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 2,356,000 | | | | 2,356,000 |
| | Total | 2,356,000 | 0 | 0 | 0 | 2,356,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000945

SubProject Title: Yakima County - Public Services Department

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000945

SubProject Title: Yakima County - Public Services Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The project is a continuation of prior Yakima County, Yakima City and Ecology (including Floodplains by Design) efforts to reverse the historically significant flood damages and ecological degradation from historic infrastructure on a 2.6 mile reach of the Naches River considered to have the highest potential mainstem benefits to Naches basin recovery for listed and other aquatic species.

1. Completion of the Trout Meadow pilot channels to assist the river reoccupation of the upstream 60 acres of floodplain and abandoned channels, and to reduce overland flow towards Hwy 12 and community of Glead, originally approved and partially included within the FbD 2015-2017 approved Rambler’s Phase IV and Trout Meadows Phase II, removed for a later phase due to budget restraints.
2. Removal of the downstream 600 feet of McCormick Levee with same purpose, also contained in the above earlier noted FbD grant.
3. Land acquisition (140 acres), excavation & reestablishment of multiple abandoned side channel through the aggraded central Naches River floodplain deposits located between Ramlers Park and Trout Meadows, for total length of 6,500 feet, to reestablish floodplain connectivity and pre-disturbance hyporheic flows, reduce flood levels and remove the high avulsion potential towards houses west of Highway 12.
4. Construction of 2,500 feet of approach channels, excavation of by-pass approach and road armoring within the reactivated Rambler’s levee setback Phases I and II floodplain from just upstream of the soon to be completed Nelson dam natural fish and sediment by-pass structure currently under design in the Rambler’s Phase IV and Trout Meadows Phase II grant.
5. The expansion of Ramblers Phase IV (FbD 2015-2017 study) fish by-pass structure by stakeholders and physical model testing from 0.8 acres to over 2.0 acres on land already owned by the County in order to provide optimal combined fish, sediment passage, boating opportunities and flood benefits.

Location

City: Yakima

County: Yakima

Legislative District: 015

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000945

SubProject Title: Yakima County - Public Services Department

Grant Recipient Organization: N/A

RCW that establishes grant: None

Application process used

Ecology uses its Environmental Protection Agency (EPA) acclaimed nationwide model that integrates the application evaluation offer process for all its water quality financial assistance programs. Ecology uses statewide workshops and a well-publicized, web-based annual application and proposal evaluation cycle to ensure ample outreach and applicant interest and participation. Completed projects will serve as region-wide models of stormwater management and implementation of innovative Low Impact Development techniques.

Growth Management impacts

Growth Management Act (GMA) compliance is strongly encouraged and supported by Ecology. Because other funding sources may require GMA compliance to be eligible for funding, an applicant's GMA status will be reflected in its readiness to proceed at time of application.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 5,788,000 | | | | 5,788,000 |
| | Total | 5,788,000 | 0 | 0 | 0 | 5,788,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000946

SubProject Title: Skagit River System Cooperative

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000946

SubProject Title: Skagit River System Cooperative

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The goal of this project is to improve floodplain function, restore fish and wildlife habitat, and reduce flood and erosion risks for the community in the Barnaby Reach of the Skagit River. The Skagit River is the largest river system in the Puget Sound and the Barnaby Reach has an extensive network of floodplain habitats that support a diversity of fish and wildlife species. The reach has over 1,400 acres in public or conservation ownership, but also includes private residences, roads, and industrial timber land, some of which flood relatively frequently or are threatened by erosion. Within the reach, the Washington Department of Fish and Wildlife (WDFW) manages a hatchery facility that is not currently in use, but includes a number of flow control structures that have greatly modified habitat conditions.

The extensive conservation ownership in the Barnaby Reach provides a unique opportunity for habitat restoration across a large floodplain, while at the same time the existing flood and erosion risks to private property and infrastructure creates opportunities to provide community benefits. Several organizations are working together to evaluate these opportunities, including the Skagit River System Cooperative (SRSC), WDFW, The Nature Conservancy (TNC), and Seattle City Light (SCL). This project team completed an analysis that determined the greatest improvements in habitat and floodplain processes would come from removing hatchery infrastructure and restoring flow from the Skagit River into Barnaby Slough, where the river likely flowed in the late 1800s. Additional information can be found at the project website: <https://barnabystudy.wordpress.com/>.

The project team hopes to develop a project package that provides extensive gains in fish and wildlife habitat, improves floodplain connectivity, and reduces flood and erosion risks for the community within the Barnaby Reach, which makes this project an ideal fit for the Floodplains by Design program.

Location

City: Unincorporated

County: Skagit

Legislative District: 039

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000946

SubProject Title: Skagit River System Cooperative

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 415,000 | | | | 415,000 |
| | Total | 415,000 | 0 | 0 | 0 | 415,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 3000947

SubProject Title: King County - Water and Land Resources

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000947

SubProject Title: King County - Water and Land Resources

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This multi-objective proposal builds on King County's strategy to reduce flooding and channel migration risks in the Riverbend Reach of the Cedar River, while improving habitat for salmon and wildlife. This strategy recognizes flooding as a natural process. The overall goal of Riverbend Reach Construction Phase I is to restore the floodplain in the project area for Chinook, coho and steelhead and wildlife species while reducing flood and channel migration risks. This public site will be open to the public to enjoy for passive recreational use including hiking, walking, bird watching, enjoying the Cedar River and learning about restoration and natural processes.

The general approach to reducing flood damages in this area is to open up the floodplain by removing as much of the left bank revetment and levee infrastructure as feasible, which will reduce flood elevations and velocities in the reach.

This proposal will (1) remove up to 1400 linear feet of levee/revetment from the Cedar Rapids Left Bank levee and the Riverbend Upper and Lower revetments to allow channel expansion in the upper half of the project site (2) remove 147,000 cubic yards of fill behind these levee/revetments (3) construct up to 2400 linear feet of setback protection as determined to be needed to protect existing infrastructure. (4) construct 6400 linear feet of new side channel (5) plant 19 acres of floodplain (6) add 213 pieces of large wood (7) reduce 100 year flood elevations within the right bank neighborhood by as much as two feet (8) increase flood storage in the project reach by approximately 40 acre-feet.

Location

City: Renton

County: King

Legislative District: 011

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities**RCW that establishes grant:** None**Application process used**

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000947

SubProject Title: King County - Water and Land Resources

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 7,500,000 | | | | 7,500,000 |
| | Total | 7,500,000 | 0 | 0 | 0 | 7,500,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|---------------|----------|-------------------------|----------|----------|
| | | 057-1 | State Bldg Constr-State | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000948

SubProject Title: Lower Columbia Estuary Partnership

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000948

SubProject Title: Lower Columbia Estuary Partnership

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Lower Columbia Estuary Partnership (LCEP) proposes the Steigerwald Habitat Restoration and Flood Risk Reduction Project (Project) for funding by the Floodplains by Design program. The Project will reconfigure the Port of Camas-Washougal's (Port) levee system to reduce flood risk, reconnect 912 acres of Columbia River floodplain, and increase recreation opportunities at the Steigerwald National Wildlife Refuge (Refuge), which receives 90,000 visitors annually. Specifically, the Project will reduce interior flood risk for the City of Washougal's wastewater treatment plant, the Port's Industrial Park (which provides 1,000 jobs), State Route (SR) 14, and private residences. The Project benefits this infrastructure, much of which flooded in 1996, by lowering the base flood elevation 7 feet, removing 124 acres of Port and City property from the FEMA flood zone, increasing the hydraulic capacity of the SR 14 bridge by 35%, and protecting all private residences from Gibbons Creek's 500-year discharge. Additionally, the Project restores floodplain access for five species of salmonids and two species of lamprey, increasing available floodplain habitat by 14% in a portion of the Columbia River where floodplain restoration opportunities are limited and floodplains are documented as benefitting local and upriver salmonids. The Project also will increase the length of the Refuge's trail network by 1.0 miles, maintain the existing level of Columbia River flood risk reduction for Port, City and private properties and elevate SR 14 to the Columbia River's 500-year flood stage. LCEP requests \$4,579,547 for construction and reforestation, beginning in 2017. Total estimated costs are \$21 million the majority of which is provided by Bonneville Power Administration (BPA). The Project has broad support from public agencies and the local community (12 support letters provided) and received the highest score of any of BPA's lower Columbia River projects for its benefit to salmonids.

Location

City: Washougal

County: Clark

Legislative District: 018

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities**RCW that establishes grant:** None**Application process used**

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000948

SubProject Title: Lower Columbia Estuary Partnership

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 4,580,000 | | | | 4,580,000 |
| | Total | 4,580,000 | 0 | 0 | 0 | 4,580,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000950

SubProject Title: Whatcom Land Trust

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The primary purpose of this project is to eliminate ongoing flood risk for numerous property owners in the Lower Middle Fork Nooksack River while protecting and restoring Chinook habitat. Many residential structures in this area have been flooded over the last several years. The Whatcom Land Trust (WLT) is working with County staff and willing sellers to remove structures from the flood zone and restore critical salmon habitat in the floodplain ecosystem. Project is located where Canyon Creek enters the lower Middle Fork floodplain in the Kulshan Reach, at around River Mile 1. Many of the subject properties are situated on the Canyon Creek alluvial fan, which makes this area particularly susceptible to flooding and alluvial fan sedimentation. WLT has been contacted by several landowners in the hazard zone and they have asked for assistance. The lower Middle Fork is the 2nd most important for protection in the Nooksack basin for Chinook habitat (WRIA-1 2005). Acquisition for restoration is a Tier 1 strategy in this reach.

Location

City: Unincorporated

County: Whatcom

Legislative District: 042

Project Type

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

Project Type

SubProject Number: 3000950

SubProject Title: Whatcom Land Trust

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 3000949

SubProject Title: Stillaguamish Tribe of Indians

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000949

SubProject Title: Stillaguamish Tribe of Indians

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Lower Stillaguamish Fish, Farm and Flood Management Project is a cooperative effort between several watershed partners, aimed at breaking down barriers and working collectively to achieve the following goals: increase ecological function, protect and enhance farmland productivity, improve water quality and reduce impacts from flooding and sediment transport, through implementing multiple habitat restoration and flood management projects within the Stillaguamish watershed. These goals are consistent with the Floodplains by Design strategies for collaborative partnerships integrating flood risk reduction with habitat protection and restoration. This proposal is a continuing effort based on 7 projects submitted in the 2013-2015 FbD Round. Many of the projects have gone through feasibility and design and are ready to move into construction. As with the first FbD funding the combination of projects lead to a well balanced fish, farm, and flood multi-benefit package. The joining together of multiple project proponents with the shared interest of a multi-benefit goal for the Lower Stillaguamish floodplain gives the project a higher level of certainty of success and buy in from all the various stakeholders.

Location

City: Stanwood

County: Snohomish

Legislative District: 010

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 5,000,000 | | | | 5,000,000 |
| | Total | 5,000,000 | 0 | 0 | 0 | 5,000,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000949

SubProject Title: Stillaguamish Tribe of Indians

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 3000951

SubProject Title: Kittitas County - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This project builds on efforts underway in the Yakima River Basin by integrating high-priority flood protection, salmon recovery, and agricultural land protection activities identified in the 2015 Yakima River Jeffries Levee to Canyon River Corridor Plan covering a four-mile reach near the City of Ellensburg in Kittitas County. Project activities include preventing residential development on 90 subdivided floodplain acres; removing seven structures from the floodplain; protecting 480 acres of agricultural lands from erosion; acquiring 400 acres of floodplain along with associated senior water rights and numerous wetlands; and restoring floodplain connectivity and important side-channel habitat.

Location

City: Ellensburg

County: Kittitas

Legislative District: 013

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000951

SubProject Title: Kittitas County - Public Works Department

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 5,093,000 | | | | 5,093,000 |
| | Total | 5,093,000 | 0 | 0 | 0 | 5,093,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 3000952

SubProject Title: Walla Walla County Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000952

SubProject Title: Walla Walla County Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Walla Walla County Conservation District propose to implement project designs being developed to restore fish habitat and reduce flood risks on 4,175 feet of the Touchet River near Waitsburg, WA. The site is located on the Touchet River reach 2 area identified by stream code 3206 within WRIA 32. The site is east of the Bolles Bridge Gauging Station (32B100) at River Mile 40.4.

The project is the third of three floodplain enhancement and bank stabilization projects downstream from the City of Waitsburg armored levees. The project is not intended to mitigate the entire Touchet River but instead to provide an example of floodplain restoration as a means to improve natural stream function and reduce flood risks over time. HEC-RAS modeling was used to determine the before and after effects of the project. The lower 40 miles of the Touchet River and approximately 60 mile on the Lower Walla Walla River have degraded floodplain function and river sinuosity. These contribute to significant erosion, suspended fine sediment loads within flows, and reduced flood storage capacity.

The project is highly visible to the public. The three projects encompass over 2 miles along the Touchet River and about 80 acres of floodplain and riparian buffer area. The previous two projects re-connected up to 6200 feet of side channels. Upstream armoring have exacerbated the stream bank sinuosity and reduced the active floodplain area that the river uses annually. This project will provide an outreach example to educate the public on floodplain risk, impacts and mitigation.

Location

City: Waitsburg

County: Walla Walla

Legislative District: 016

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities**RCW that establishes grant:** None**Application process used**

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

461 - Department of Ecology
Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000952

SubProject Title: Walla Walla County Conservation District

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 400,000 | | | | 400,000 |
| | Total | 400,000 | 0 | 0 | 0 | 400,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000953

SubProject Title: King County - Water and Land Resources

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000953

SubProject Title: King County - Water and Land Resources

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Lower Russell Road Levee Setback and Habitat Restoration project, located between river miles 17.85 and 19.25 on the Green River, will replace the existing flood containment system of levee and revetments along the right (east) bank of the river within the 1.4 mile project reach to provide long-term flood protection, improve riparian and aquatic habitat, and enhance recreational opportunities. The existing flood containment system is being replaced because it does not meet current engineering design standards and is prone to scour and slope instability. The levee setback project is partially funded for the flood protection elements, with \$17.4 million in the existing budget and \$10.3 million requested in the 2017 Flood Control District CIP budget, but needs additional funding for the remaining habitat restoration and recreational improvement elements. The project is identified as an early action project in the Green River System Wide Improvement Framework (SWIF). It is an example of a multi-objective project that achieves flood protection, habitat restoration, and recreational enhancements in an urban area. The project is supported by a diverse group of partners through the Green River SWIF, including cities, resource agencies, the Muckleshoot Tribe, and business and environmental interests. The King County Flood Control District facilitated an extensive alternatives and design process with the City of Kent as the primary landowner, and other partners including the Muckleshoot Tribe, WRIA 9, Washington Departments of Ecology and Fish and Wildlife, and other interests. Since the previous Floodplains by Design application, the project has grown to include more property acquisition and relocation of Van Doren's Landing Park away from the river to enable more aquatic and riparian habitat restoration and enhanced recreational opportunities.

Location

City: Unincorporated

County: King

Legislative District: 011

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities**RCW that establishes grant:** None**Application process used**

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000953

SubProject Title: King County - Water and Land Resources

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,000,000 | | | | 1,000,000 |
| | Total | 1,000,000 | 0 | 0 | 0 | 1,000,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|---------------|----------|-------------------------|----------|----------|
| | | 057-1 | State Bldg Constr-State | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000954

SubProject Title: Washington Water Trust

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000954

SubProject Title: Washington Water Trust

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Dungeness Off-Channel Reservoir and Floodplain Restoration is a multi-benefit project that builds on the success of past restoration efforts within the watershed. At the crux of the project is a goal to support healthy high and low flows in a changing climate while reducing flood damage. The project substantially enhances late summer stream flows (by 25-30 cfs) which are now negatively impacted by irrigation withdrawals and dwindling snowpack. For the rainy portion of the year, the project seeks to decrease flood hazards to specific individual properties by removing homes and levees from the floodplain as well as decrease flooding risk in the City of Sequim. Low flows in the late summer and early fall are one of the primary limiting habitat factors for Salmonids in the Dungeness River, especially given that Chinook and Pink salmon return to spawn when the river is at its lowest flow. Two decades of work have been invested in improving irrigation efficiency and water right leasing and while significant gains have been made agriculture will not be sustainable without a major storage project. Specific project activities include the following: construction of a 1,500 ft. (88 acre) reservoir to store winter storm flows for use by agriculture when river flow is lowest, restoration of 37 acres of floodplain and removal of five homes and 17 structures from the floodplain and creation of a new County Park with public river access. Secondary benefits include improved water quality, enhanced public recreation, and opportunities for aquifer recharge. This project is widely supported by the following entities: Jamestown S'Klallam Tribe, Clallam Conservation District, City of Sequim, Clallam County, Dungeness Water Users Association (the farmer group for the valley), Washington Department of Fish and Wildlife, Washington Department of Ecology and the Department of Natural Resources.

Location

City: Sequim

County: Clallam

Legislative District: 024

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000954

SubProject Title: Washington Water Trust

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

| Funding | | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| Acct Code | Account Title | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 4,480,000 | | | | 4,480,000 |
| | Total | 4,480,000 | 0 | 0 | 0 | 4,480,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 3000955

SubProject Title: Forterra NW

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000955

SubProject Title: Forterra NW

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Forterra is partnering with King County, City of Bothell, and OneBothell to facilitate the acquisition and permanent protection of 89 acres of urban property along the Sammamish River, approximately 2.5 river miles upstream from Lake Washington. This land, the former Wayne Golf Course, is among the last remaining large areas of undeveloped riverfront open space in this highly developed part of the Puget Sound Region. With more than 4800 feet of riverbank and 2000 feet along a tributary, the acquisition of this property will protect it from development and allow for future opportunities for floodplain and riparian habitat restoration targeting Chinook salmon, coho, and sockeye. The property is at extreme risk of development in a fast-growing area within striking distance of the burgeoning eastside tech industry. In order to avoid its imminent conversion to residential homes, Forterra purchased the property with temporary financing at a cost of approximately \$11 million, to hold and protect for up to 3 years as King County and the City of Bothell raise funds for its permanent protection. The Wayne Sammamish Riverfront Project will preserve the opportunity for Washington residents to witness floodplain and salmon habitat restoration firsthand and provide a space to play, explore, and connect to extensive trail systems, downtown Bothell, and the greater Puget Sound region.

Location

City: Bothell

County: King

Legislative District: 001

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| Total | | 500,000 | 0 | 0 | 0 | 500,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000955

SubProject Title: Forterra NW

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000956

SubProject Title: Snohomish County - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This Lower Skykomish & Snohomish River Reach-Scale Projects Pipeline will continue advancing the SLS mission through TEAMS pursuit of thirteen specific tasks that accelerate Snohomish River Basin ecosystem function recovery, address flood hazard and the impacts sustained through repetitive loss, and ensure long-term agricultural vitality. These needs will be addressed by increasing flood storage through reconnection of 222 acres of floodplain area and historic side channels to address channel migration hazards and improve fish habitat; increasing habitat quality and fish accessibility through design and construction of engineered improvements for 2.6 miles of creek and river channel and 19 acres of off-channel area; acquiring acreage for conservation in perpetuity through easements and/or fee simple transactions; and engaging residents and key stakeholders of Snohomish/Skykomish River floodplains in decision-making for “net gain” driven actions. The overall goal of the Lower Skykomish and Snohomish River Reach-Scale Projects Pipeline is to accelerate the Sustainable Lands Strategy (SLS) approach whereby multiple interests (public, tribal, private, non-profit) collaboratively develop and implement actions that achieve net gain results for fish, farm, and other water management interests over a reach-scale. This proposal is integrated floodplain management in action as envisioned with Floodplains by Design. By putting forward a series of tasks, this project seeks to: 1) add to the collective knowledge base required for sound floodplain land use and resource allocation decision-making, 2) obtain broad floodplain stakeholder endorsement for cooperative public-private-nonprofit-tribal engagement to accelerate Snohomish River Basin ecosystem function that addresses flooding as well as broad recovery and ensure long-term agricultural vitality, and 3) apply SLS reach-scale, multi-benefit principles and coordinated investment initiatives to actions implemented on public, private, and tribal lands.

Location

City: Unincorporated

County: Snohomish

Legislative District: 039

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

Project Type

SubProject Number: 30000956

SubProject Title: Snohomish County - Public Works Department

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 3,391,000 | | | | 3,391,000 |
| | Total | 3,391,000 | 0 | 0 | 0 | 3,391,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000957

SubProject Title: Kent city of - Public Works

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000957

SubProject Title: Kent city of - Public Works

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Downey Farmstead site sits on 22-acres of land purchased by the City of Kent specifically for this project adjacent to the Green River near the SR 516 bridge (River Mile 22.1). It will create over 1,875 linear feet of side-channel and 6.34-acres of intermittently inundated aquatic habitat (below the ordinary high water mark) accessible to salmon most of the year. The project will connect the mainstem with a portion of the floodplain and will create additional floodplain storage to help alleviate flood risk and damage to nearby urban and agricultural areas. A total of 50 large-wood structures will be placed as well as thousands of native shrubs, trees and groundcover plantings to provide off-channel habitat for fish and other wildlife. Frager Road will be relocated away from the river's edge to maximize available floodplain and floodplain habitat, and existing recreational parking will be relocated west of the project site. The road is necessary to provide access to agricultural lands south of the project site and within the King County Agricultural Production District, and a separated bike/pedestrian path is proposed within the road right of way (with outside funding) to accommodate heavy recreational use, especially bicyclists. By removing over 210,000 cubic yards of material from the floodplain for creation of the side-channel network, the project will provide 130-acre feet of additional floodplain storage, lower peak flood levels by up to six inches, and create 16-acres of new riparian area. Due to the flat topography in the area, this reduction in peak flood height will extend upstream to downtown Auburn.

Location

City: Kent

County: King

Legislative District: 033

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 5,238,000 | | | | 5,238,000 |
| | Total | 5,238,000 | 0 | 0 | 0 | 5,238,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000957

SubProject Title: Kent city of - Public Works

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 3000958

SubProject Title: Skagit County - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Colony Creek project will connect these previous restoration sites, and will establish a continuous functional channel and connected floodplain from the Colony Creek alluvial fan in the south to the McElroy Slough estuarine ecosystem in the north. Funding assistance for the 2017-2019 biennium will support technical assessments of the existing stream geomorphology and riparian habitat conditions, continued stakeholder engagement and community outreach efforts, land appraisal, acquisition, and easement, land surveying and engineering design, and project permitting

Location

City: Unincorporated

County: Skagit

Legislative District: 039

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000958

SubProject Title: Skagit County - Public Works Department

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 350,000 | | | | 350,000 |
| | Total | 350,000 | 0 | 0 | 0 | 350,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 3000959

SubProject Title: Kittitas County - Public Works Department

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 3000959

SubProject Title: Kittitas County - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This project will initiate implementation of Phase III of the Reecer, Currier and Whiskey Creek Floodplain Project by acquiring approximately 70 acres of floodplain between Reecer and Whiskey Creeks in the City of Ellensburg, and builds upon ongoing floodplain restoration efforts. Phase I of the project, completed in 2012, restored Reecer Creek sinuosity, restored and protected the creek's floodplain, and constructed a new levee. Phase II of the project, currently underway, is restoring 45 acres of floodplain along both Reecer and Currier Creeks. During implementation of Phase II, an opportunity to purchase neighboring land to expand the overall floodplain restoration became available. The additional floodplain acquisitions in this grant will enable the planned Phase II levee to be set-back, and more than doubles the Phase II restoration area. When combined, Phases I, II, and III would total approximately 300 acres of preserved and restored floodplain. The main benefit of these acquisitions is to facilitate the future rerouting of Whiskey Creek to join Reecer and Currier Creeks, which will eliminate infrastructure damage and flooding in West Ellensburg, improve juvenile salmonid rearing opportunities, and enable fish passage from the Yakima River to its upper watershed. As a whole, this project totals \$5 million. Since the final application scoring process occurred after Ecology submitted its 2017-19 Floodplains by Design request, this project amount was reduced in order to balance to the \$70 million overall funding requested. Should partial funding be provided for this project, Ecology will negotiate with the recipient to determine how to proceed with the project.

Location

City: Ellensburg

County: Kittitas

Legislative District: 013

Project Type

Grants

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 30000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 30000959

SubProject Title: Kittitas County - Public Works Department

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 2,824,000 | | | | 2,824,000 |
| | Total | 2,824,000 | 0 | 0 | 0 | 2,824,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000097

SubProject Title: Floodplains by Design Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 10

Project Summary

Flooding is the number one natural hazard in Washington state. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. This request will continue the efforts begun in the 2013-15 Biennium, and fund new projects that provide both flood hazard reduction and ecosystem benefits in communities prone to flooding. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Ten year financing plan.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 3:43PM

Project Number: 3000706

Project Title: Floodplains by Design

SubProjects

SubProject Number: 4000097

SubProject Title: Floodplains by Design Ten Year Financing Plan

Grant Recipient Organization: Local gov't, tribes, conservation/flood ctrl districts, non-profits, and salmon recovery lead entities

RCW that establishes grant: None

Application process used

Preliminary proposals are submitted and reviewed by a group made up of Ecology staff and external stakeholders. Pre-proposals are screened for eligibility and those that qualify are asked to submit detailed applications.

Growth Management impacts

In some cases, the funded projects would support objectives in local Frequently Flooded Area provisions contained in Critical Area policies.

| Funding | | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|---------------------------|
| Acct Code | Account Title | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 280,000,000 | | | | |
| | Total | 280,000,000 | 0 | 0 | 0 | 0 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 70,000,000 | 70,000,000 | 70,000,000 | 70,000,000 | |
| | Total | 70,000,000 | 70,000,000 | 70,000,000 | 70,000,000 | |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

Agency No. 461 Agency Name Department of Ecology
Contact Name: Scott McKinney Fax: 360-407-7162
Phone: 360-407-6131 Fund Name: State Building Construction Acct
Fund(s) Number: 057 Project Title: Floodplains by Design
Project Number: 30000706

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

*Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology 2017-19 Biennial Budget Project List
SEA Program
Floodplains by Design (30000706)
September 6, 2017

Purpose: This document contains Ecology's final ranked project list resulting from the 2017-19 Floodplains by Design application process. These projects represent the best multi-benefit floodplain management projects from around the state. Flooding is the number one natural hazard in Washington State. It has caused more than \$2 billion in damages to the state since 1980, with the highly populated areas in Western Washington most at risk. In the past, solutions to flooding problems were often out of sync with other ecosystem protection or restoration activities. Ecology's 2018 Supplemental Budget capital request for this work is \$70 million from the State Building Construction Account to continue the flood hazard reduction efforts that were started in the 2013-15 Biennium.

Application Process: Pre-applications were invited in October, 2015. Due in January 2016, the pre-applications were screened by Ecology, The Nature Conservancy (TNC), and Puget Sound Partnership (PSP) staff. Qualifying projects were invited to submit a full application by July 1, 2016. Full applications were scored by a 14 member technical review panel that included representatives from Ecology's Floodplain Management team, WA Emergency Management Division, Federal Emergency Management Agency, the U.S. Army Corp of Engineers, The UW Climate Impacts Group, WA Department of Fish and Wildlife, National Oceanic & Atmospheric Administration- Wetlands, the Environmental Protection Agency, State Conservation Commission, and American Farmland Trust. Projects were scored according to their technical elements. Scoring is not the only factor considered during ranking.

The scored projects were ranked by Ecology, TNC and PSP staff in accordance with Ecology's Floodplains by Design 2017-19 Funding Guidelines (Pub. # 15-06-019).¹ Considerations beyond the scoring include: scope of the project(s) proposed, geographic diversity; supporting ongoing projects; previous performance by grant recipients; supporting small projects; and, reducing funding to some areas based on current funding and expected progress of the project. Potential projects were also shared with other capital budget based grant programs for Coordinated Strategic Investment (CSI) consideration, including the Puget Sound Acquisition and Restoration (PSAR), Estuary and Salmon Restoration Program (ESRP), the Salmon Recovery Funding Board (SRFB), and Ecology's Water Quality Financial Assistance program. By aligning the various salmon and water grant programs, we hope to collectively optimize leveraging of state and federal dollars for the benefit of local floodplain management efforts. Projects that have a CSI nexus are noted in the project description.

| Rank | Recipient | Cost ² | Short Project Description | Site Address | City | County | Leg. District | Latitude | Longitude | Applied to other funding programs? |
|--|--|-------------------|--|--------------|------|--------|---------------|----------|-----------|------------------------------------|
| Projects Recommended for Funding: | | | | | | | | | | |
| 1 | Mason Conservation District | \$7,000,000 | This scalable proposal is for a suite of construction and design projects in the Skokomish Watershed that will halt degradation of flood conditions, salmon habitat and ecosystems and achieve flood hazard reduction and critical ecosystem restoration on a watershed scale. PSAR's draft project list includes a project that complements this effort. | NA | NA | Mason | 35 | 47.31 | -123.18 | CSI with PSAR, \$2.4M |
| 2 | Pierce County - Surface Water Management | \$7,750,000 | A comprehensive watershed scale approach to projects in several reaches of the Puyallup River. Create a cutting-edge integrated management group with a centralized mission and vision. Create reach-scale integration projects, including a comprehensive agricultural integration project (the Farming in the Floodplain Project). Support an agricultural land & conservation easement program as well as a implementation of a monitoring programmatic to track progress toward goals across interests. PSAR's draft project list includes a project that complements this effort. | NA | NA | Pierce | 31 | 47.23 | -122.38 | CSI with PSAR, \$6.4M |

| Rank | Recipient | Cost ² | Short Project Description | Site Address | City | County | Leg. District | Latitude | Longitude | Applied to other funding programs? |
|------|--|-------------------|--|-------------------------------------|-------------|-----------|---------------|----------|-----------|------------------------------------|
| 3 | Whatcom County - Public Works Department | \$5,835,000 | The Lower Nooksack River: Floodplain for the Future-Phase I Project includes components all with the common goal of integrating flood hazard reduction with recovering salmon populations and improving the viability of agriculture. Includes: design, feasibility, improvements to existing levees and acquisition of key properties. | Near Ferndale and near Lynden | NA | Whatcom | 42 | 48.94 | -122.45 | |
| 4 | Hood Canal Salmon Enhancement Group | \$2,355,526 | This project will provide designs for multiple benefits including flood risk reduction, improved salmon and shellfish habitat, enhanced water quality, recreational access, educational opportunities, and economic vitality in the local community, and seek to acquire key floodplain parcels located within the Lower Mile/Moon Valley reaches. ESRP's draft project list includes a project that complements this effort. | Lower 3 miles of Big Quilcene River | NA | Jefferson | 24 | 47.82 | -122.88 | ESRP, \$620,000 for design |
| 5 | Yakima County - Public Services Department | \$5,788,136 | The project is a continuation of prior Yakima County, Yakima City and Ecology (including Floodplains by Design) efforts. Seeks removal of the downstream 600 feet of McCormick Levee. Land acquisition (140 acres), excavation & reestablishment of multiple abandoned side channel through the aggraded central Naches River floodplain deposits located between Ramblers Park and Trout Meadows, for total length of 6,500 feet, to reestablish floodplain connectivity. | NA | near Yakima | Yakima | 15 | 46.64 | -120.61 | |
| 6 | Skagit River System Cooperative | \$415,000 | The goal of this project is to design improvements to floodplain function, restore fish and wildlife habitat, and reduce flood and erosion risks for the community in the Barnaby Reach of the Skagit River. Recent analysis shows greatest improvements in habitat and floodplain processes would come from removing hatchery infrastructure and restoring flow from the Skagit River into Barnaby Slough, where the river likely flowed in the late 1800s. | Barnaby Reach of Skagit River | NA | Skagit | 39 | 48.48 | -121.55 | |
| 7 | King County - Water and Land Resources | \$7,500,000 | This multi-objective proposal builds on King County's strategy to reduce flooding and channel migration risks in the Riverbend Reach of the Cedar River, while improving habitat for salmon and wildlife. The overall goal of Riverbend Reach Construction Phase I is to restore the floodplain in the project area for Chinook, Coho and Steelhead and wildlife species while reducing flood and channel migration risks. | Riverbend reach of Cedar River | NA | King | 11 | 47.46 | -122.11 | |

| Rank | Recipient | Cost ² | Short Project Description | Site Address | City | County | Leg. District | Latitude | Longitude | Applied to other funding programs? |
|------|---|-------------------|--|--|--------------------|-------------|---------------|------------|------------|------------------------------------|
| 8 | Lower Columbia Estuary Partnership | \$4,579,547 | The Lower Columbia Estuary Partnership (LCEP) proposes the Steigerwald Habitat Restoration and Flood Risk Reduction Project (Project) for funding by the Floodplains by Design program. The Project will reconfigure the Port of Camas-Washougal's levee system to reduce flood risk, reconnect 912 acres of Columbia River floodplain, and increase recreation opportunities at the Steigerwald National Wildlife Refuge, which receives 90,000 visitors annually. | Near Steigerwald National Wildlife Refuge | NA | Clark | 18 | 45.56 | -122.30 | |
| 9 | Whatcom Land Trust | \$500,000 | The primary purpose of this project is to eliminate ongoing flood risk for numerous property owners in the Lower Middle Fork Nooksack River while protecting and restoring Chinook habitat. Many residential structures in this area have been flooded over the last several years. The Whatcom Land Trust (WLT) is working with County staff and willing sellers to remove structures from the flood zone. | Near Canyon Creek & Nooksack River (Lower Middle Fork) | Twsp 39 - Range 5E | Whatcom | 42 | None Given | None Given | |
| 10 | Stillaguamish Tribe of Indians | \$5,000,000 | The Lower Stillaguamish Fish, Farm and Flood Management Project is working collectively to achieve the following goals: increase ecological function, protect and enhance farmland productivity, improve water quality and reduce impacts from flooding and sediment transport, through implementing multiple habitat restoration and flood management projects within the Stillaguamish watershed. PSAR's draft project list includes a project that complements this effort. | Near Stanwood | NA | Snohomish | 10 | None Given | None Given | CSI with PSAR, \$1.6M |
| 11 | Kittitas County - Public Works Department | \$5,092,500 | Project activities include preventing residential development on 90 subdivided floodplain acres; removing seven structures from the floodplain; protecting 480 acres of agricultural lands from erosion; acquiring 400 acres of floodplain along with associated senior water rights and numerous wetlands; and restoring floodplain connectivity and important side-channel habitat. | Near Yakima River Canyon | NA | Kittitas | 13 | 46.93 | -120.52 | |
| 12 | Walla Walla County Conservation District | \$400,000 | Walla Walla County Conservation District propose to implement project designs being developed to restore fish habitat and reduce flood risks on 4,175 feet of the Touchet River near Waitsburg, WA. The site is located on the Touchet River reach 2 area identified by stream code 3206 within WRIA 32. The site is east of the Bolles Bridge Gauging Station (32B100) at River Mile 40.4. | Near Bolles Bridge Gauging Station (32B100) | Near Waitsburg | Walla Walla | 16 | 46.27 | -118.22 | |

| Rank | Recipient | Cost ² | Short Project Description | Site Address | City | County | Leg. District | Latitude | Longitude | Applied to other funding programs? |
|------|--|-------------------|---|----------------------------------|--------------|-----------|---------------|----------|-----------|------------------------------------|
| 13 | King County - Water and Land Resources | \$1,000,000 | The Lower Russell Road Levee Setback and Habitat Restoration project, located between river miles 17.85 and 19.25 on the Green River, will replace the existing flood containment system of levee and revetments along the right (east) bank of the river within the 1.4 mile project reach to provide long-term flood protection, improve riparian and aquatic habitat, and enhance recreational opportunities. PSAR's draft project list includes a project that complements this effort. | Green River Miles 17.85 to 19.25 | Kent | King | 11 | 47.38 | -122.23 | CSI with PSAR, \$10M |
| 14 | Washington Water Trust | \$4,480,000 | The Dungeness Off-Channel Reservoir and Floodplain Restoration is a multi-benefit project that builds on the success of past restoration efforts within the watershed. Specific project activities include the following: construction of a 1,500 ft. (88 acre) reservoir to store winter storm flows for use by agriculture when river flow is lowest, restoration of 37 acres of floodplain and removal of five homes and 17 structures from the floodplain and creation of a new County Park with public river access. | NA | Sequim | Clallam | 24 | 48.03 | -123.08 | |
| 15 | Forterra NW | \$500,000 | Forterra is partnering with King County, City of Bothell, and OneBothell to facilitate the acquisition and permanent protection of 89 acres of urban property along the Sammamish River, approximately 2.5 river miles upstream from Lake Washington. The acquisition of this property will protect it from development and allow for future opportunities for floodplain and riparian habitat restoration targeting Chinook salmon, Coho, and Sockeye. | Former Wayne Golf Course | Near Bothell | King | 1 | 47.75 | -122.21 | |
| 16 | Snohomish County - Public Works Department | \$3,391,000 | Projects seeks to reconnect 222 acres of floodplain and side channels. Will increase habitat quality and fish accessibility for 2.6 miles of creek and river channel and 19 acres of off-channel area and acquiring acreage for conservation in perpetuity through easements. | NA | NA | Snohomish | 39 | 47.83 | -122.02 | |
| 17 | Kent city of - Public Works | \$5,238,626 | It will create over 1,875 linear feet of side-channel and 6.34-acres of intermittently inundated aquatic habitat (below the ordinary high water mark) accessible to salmon most of the year. The project will connect the mainstem with a portion of the floodplain and will create additional floodplain storage to help alleviate flood risk and damage to nearby urban and agricultural areas. Includes installed log jams, road realignments and will provide 130-acre feet of additional floodplain storage. | NA | Kent | King | 33 | 47.38 | -122.26 | CSI with PSAR \$4M |

| Rank | Recipient | Cost ² | Short Project Description | Site Address | City | County | Leg. District | Latitude | Longitude | Applied to other funding programs? |
|--------------------|---|---------------------|---|-------------------------|------------|----------|---------------|----------|-----------|------------------------------------|
| 18 | Skagit County - Public Works Department | \$350,000 | The Colony Creek project will establish a continuous functional channel and re-connected floodplain from the Colony Creek alluvial fan in the south to the McElroy Slough estuarine ecosystem in the north. Funding will support both design and stakeholder outreach. | Near Colony Creek NA | | Skagit | 39 | 48.59 | -122.41 | |
| 19a | Kittitas County - Public Works Department | \$2,824,665 | This project will initiate implementation of Phase III of the Reece, Currier and Whiskey Creek Floodplain Project by acquiring approximately 70 acres of floodplain between Reece and Whiskey Creeks in the City of Ellensburg. 300 acres of preserved and restored floodplain with enhancements to Reece and Currier Creeks, which will eliminate infrastructure damage and flooding in West Ellensburg and improve salmonid habitat and passage. Project 19a and 19b are one project that were split to bring the project list to an even \$70 million. Should partial funding be provided for this project, Ecology would negotiate with the recipient to determine how to proceed with the project. | NA | Ellensburg | Kittitas | 13 | 47.01 | -120.57 | |
| Total Costs | | \$70,000,000 | | | | | | | | |

| Rank | Recipient | Cost ² | Short Project Description | Site Address | City | County | Leg. District | Latitude | Longitude | Applied to other funding programs? |
|---|--|-------------------|--|--------------|--------------------|----------|---------------|----------|-----------|------------------------------------|
| Projects that are eligible for funding but fall below the \$70 million mark:³ | | | | | | | | | | |
| 19b | Kittitas County - Public Works Department | \$2,185,085 | This project will initiate implementation of Phase III of the Reecer, Currier and Whiskey Creek Floodplain Project by acquiring approximately 70 acres of floodplain between Reecer and Whiskey Creeks in the City of Ellensburg. 300 acres of preserved and restored floodplain with enhancements to Reecer and Currier Creeks, which will eliminate infrastructure damage and flooding in West Ellensburg and improve salmonid habitat and passage. Project 19a and 19b are one project that were split to bring the project list to an even \$70 million. Should partial funding be provided for this project, Ecology would negotiate with the recipient to determine how to proceed with the project. | NA | Ellensburg | Kittitas | 13 | 47.01 | -120.57 | |
| 20 | Yakima County - Public Services Department | \$2,000,000 | The proposed Corps 1135 Ecosystem Restoration Gap to Gap project is to setback, upgrade and certify the former DID 1 levee as a County levee built to federal standards, fill in floodplain gravel pits and open up larger areas of formerly abandoned and disconnected floodplain. The project directly returns river accessibility to 640 acres of high grade floodplain on left bank and 300 acres on the right bank below the WWTP from levee removal as well as initiate other restoration actions including a 1,300 foot channel. | NA | Yakima | Yakima | 14 | 46.59 | -120.47 | |
| 21 | Methow Conservancy | \$500,000 | The proposed project involves flood hazard reduction and floodplain restoration activities including removing a house that is within the floodplain, eliminating the development right within the floodplain thru establishment of a perpetual conservation easement, removing a 200-ft levee, removing rip-rap from 500-ft of shoreline, restoring the shoreline, and installing riparian plantings over a 1.8-acre area. | NA | Near Winthrop | Okanogan | 12 | 48.56 | -120.35 | |
| 22 | Skagit County - Public Works Department | \$3,028,500 | The Hansen Creek Reach 5 Restoration - Construction - Skagit County and it's project partners have recently finalized design plans to realign Hansen Creek from its current straightened and leveed channel location to a more meandering channel to a more suitable location to the west of its current location. PSAR's draft project list includes a project that complements this effort. | NA | Near Sedro-Woolley | Skagit | 39 | 48.52 | -122.20 | CSI with PSAR, \$3.6M |
| 23 | Snoqualmie city of | \$1,389,000 | This project aims to stem and reverse sudden and gradual erosion entering the Snoqualmie River, remove homes from the floodplain, and restore riparian habitat. | NA | Snoqualmie | King | 5 | 47.53 | -121.82 | |
| 24 | Kittitas County - Public Works Department | \$499,176 | This project builds on efforts underway in the Manastash Creek watershed by integrating high-priority flood hazard reduction and habitat restoration activities in a six-mile reach identified in the 2013 Manastash Creek Corridor Plan near the City of Ellensburg in Kittitas County. | NA | Near Ellensburg | Kittitas | 13 | 46.98 | -120.65 | |

| Rank | Recipient | Cost ² | Short Project Description | Site Address | City | County | Leg. District | Latitude | Longitude | Applied to other funding programs? |
|------|---|-------------------|--|---------------------------------|-------------|-------------------|---------------|------------|------------|------------------------------------|
| 25 | Nisqually Land Trust | \$2,770,061 | The Nisqually Land Trust proposes to reduce flood risk and improve floodplain function along the Wilcox and Middle Reaches of the Nisqually River by implementing conservation easement and fee title acquisition projects and by enhancing riparian forest conditions. This project is part of a phased approach to long-term protection of the Nisqually River mainstem and floodplain. PSAR's draft project list includes a project that complements this effort. | NA | NA | Pierce & Thurston | 2 | None Given | None Given | CSI with PSAR, \$1.1M |
| 26 | Chelan County - Natural Resource Department | \$723,714 | The goal of the Middle Entiat River Stormy/Gray Floodplain Reconnection Project is to restore natural channel and floodplain processes to 4.7 miles of the Entiat River (RM 16.1-20.8) through acquisition of development rights; levee and road removal; home removal; the addition of Engineered Log Jams (ELJs) throughout the reach and side channel enhancements. | NA | NA | Chelan | 12 | 47.81 | -120.42 | |
| 27 | Tri-State Steelheaders | \$273,910 | The project will install large wood structures and riparian vegetation to improve instream and riparian habitats, and reduce flood risks to agricultural property and a county road on the Walla Walla River near Lowden. | NA | near Lowden | Walla Walla | 16 | 46.05 | -118.57 | |
| 28 | North Bend city of | \$7,000,000 | This project will remove up to 2,500 feet of the existing levee along the left bank of the South Fork Snoqualmie River between SR202 at mile post 30.50 and North Bend Way, reconnecting approximately 25 acres of the South Fork Snoqualmie River floodplain. | NA | North Bend | King | 5 | None Given | None Given | |
| 29 | Cowlitz Indian Tribe | \$9,805,014 | The Cowlitz Bend Floodplain Restoration Project proposes to restore 450 floodplain acres through acquisition, infrastructure removal, and floodplain fill excavation. Proposed restoration activities include designing a restoration strategy, excavating dredge spoils, noxious weed control, and replanting a native floodplain plant community. | Cowlitz River, Miles 8.83-11.03 | NA | Cowlitz | 20 | 46.20 | -122.90 | |

1. Floodplains by Design Funding Guidelines SFY 2017-2019 located at: <https://fortress.wa.gov/ecy/publications/SummaryPages/1506019.html>

2. Ecology staff costs (3 percent of project costs) are included in the cost of each project.

3. Ecology's 2017-19 Capital Budget request for Floodplain by Design is \$70 million. There are \$30 million in eligible projects that fall below the \$70 million line. Funding for projects is dependent on the amount appropriated in the final enacted budget. Should a project become no longer viable, Ecology will fund the next project on the list in priority order.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

Ecology administers the CCWP by providing grants to finance the construction of water pollution control facilities in small, financially challenged communities, and to plan and implement non-point source pollution control activities. Examples of projects funded by the CCWP include:

- Constructing wastewater treatment facilities in financially challenged communities as required by water quality permits and enforcement orders to meet state and federal water quality standards.
- Programs for eliminating or fixing failing onsite sewage systems that cause public health hazards and water quality problems.
- Projects that reduce pollution from urban and rural stormwater runoff.
- Implementing agricultural best management practices to meet water quality standards.
- Watershed planning and implementation projects to improve and protect marine waters, estuaries, rivers, lakes, groundwater, and wetlands.
- Public involvement and education as a component of implementation projects.
- Protecting drinking water sources, groundwater, and critical groundwater recharge areas.

Ecology is requesting \$60 million in funding. The attached prioritized list of 42 projects represents \$28.9 million for SFY 2018. We anticipate the same or increased demand for funding in SFY 2019 based on hardship community projects expected to apply for construction funding including Deer Park, Lake Wenatchee, Leavenworth, Mattawa, Murdock, Riverside, Royal City, Sequim, Spangle, and Vader. These projects total approximately \$23 million. In addition, we anticipate non-point source funding requests to be approximately \$15 million.

What opportunity or problem is driving this request?**The reason for the project:**

A number of ongoing and emerging issues drive Washington State water quality funding needs. Ecology works with local governments, special purpose districts, tribes, state and federal agencies, and other stakeholders to ensure financial assistance programs are meeting water quality needs by providing grants that address:

- Aging and new wastewater treatment infrastructure.
- Water quality cleanup plans required under the federal Clean Water Act.
- Advanced wastewater treatment to meet designated uses of the receiving water.
- Wastewater reclamation and reuse.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

Description

- Stormwater planning.
- Non-point pollution from agricultural, forested, and urban areas.
- Failing onsite sewage systems.
- Water quality needs of financially distressed communities.

Ecology awards grant funds only for wastewater treatment facilities projects where a community can demonstrate that funding the project through public sewer rates will cause a severe financial hardship to the residents of the community. Ecology will offer grant funds up to a maximum of \$5 million, based on a percentage of the total eligible project costs and residential need, to a local government that can demonstrate the project will cause a financial burden to the existing residential ratepayers.

Ecology directs all other grant funds to high priority water quality projects that address non-point pollution where there is no dedicated rate base to pay for the project. This is mandated by rule (chapter 173-95A WAC, Uses and Limitations of Centennial Clean Water Funds).

The effects of non-funding:

Water quality and public health statewide would be impacted if these grant dollars are not available to address water quality facilities and activities projects. Small, financially distressed communities throughout the state would not receive CCWP grant funds to help them construct water pollution control facilities that protect water quality and public health. Grant funds help keep the costs of these projects affordable to ratepayers in financially distressed communities. Without continued investment, watershed and water quality protection and improvement would be at risk, and past investments in water quality and improvements achieved would slowly lead back to impairments. CCWP funds are used to provide a required 40 percent match to the annual Clean Water Act Section 319 federal grant program. Non-point source projects funded through the CCWP are used as the match. On average, \$7.4 million in federal funds would be in jeopardy without the CCWP state match. Job creation (infrastructure construction jobs) and economic health (infrastructure capacity) opportunities associated with these projects would not be realized.

How does the project support the agency and statewide results?

This request is aligned with, and essential to implementing Ecology's strategic plan goals and strategic priorities:

- Reduce and prepare for climate impacts: Projects funded often help communities prepare for climate impacts through wastewater facility upgrades, water reclamation and reuse, and riparian buffers and floodplain restoration that improve stream function and flow.
- Prevent and reduce toxic threats: Many projects funded address non-point pollutant source identification and correction and implementation of best management practices and treatment facilities that capture and reduce toxics and other pollutants.
- Deliver integrated water solutions: Some projects funded achieve multiple benefits to both water quality and water resources, including wastewater reclamation, reuse and aquifer recharge, drinking water source protection, restoring stream corridors and establishing buffers that protect water quality and can also improve water storage and improve summer flow.
- Protect and restore Puget Sound: On average about 50 percent of the financial assistance provided through CCWP funds projects in the Puget Sound basin. Projects funded lead to direct and indirect improvements to Puget Sound water quality through improved water pollution control infrastructure, repair and replacement of failing septic systems, and projects that reduce non-point pollution and nutrient discharges.

This request aligns with and is essential to supporting two of the Governor's Results Washington Goals.

Goal 2, Prosperous Economy, directly supporting elements of Business Vitality and Thriving Washingtonians by providing opportunities for quality jobs that are generated when water quality infrastructure is repaired or replaced and the capacity to maintain and grow healthy communities is improved. This proposal supports elements of Sustainable and Efficient Infrastructure and Quality of Life by helping small communities build affordable, effective and sustainable clean water

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

Description

infrastructure projects that reduce impacts to residential rate payers and improve business opportunities that support vibrant communities.

Goal 3, Sustainable Energy and a Clean Environment, directly supporting elements of Sustainable & Clean Environment, Healthy Fish & Wildlife, Clean and Restored Environment, and Working & Natural Lands.

- Project proponents are required to evaluate and implement, where feasible, energy and water efficiencies for wastewater and stormwater infrastructure and outline efforts being implemented to reduce greenhouse gas emissions.

- CCWP has a well-established program for repair and replacement of failing onsite sewage systems that directly supports clean, cool water and improvement and protection of shellfish beds. This program also supports healthy and safe communities when failing sewage systems that pose public health risks are identified and corrected.

- Implementing projects that protect and restore stream corridors, implement riparian buffers, and reduce non-point pollution through source identification and correction and the implementation of urban and agricultural best management practices directly support clean, cool water, habitat protection, and the protection and restoration of shellfish and Pacific salmon. Many CCWP projects improve Puget Sound habitat function and protect and restore estuaries.

- Many CCWP projects integrate an environmental education and outreach component that helps to improve connections with outdoor recreation with an emphasis on environmental and water quality protection and restoration.

This request makes a key contribution to statewide results by providing grants for high priority water quality projects that address Natural Resources strategies to Reduce Negative Impacts on the Environment; Preserve, Maintain and Restore Natural Systems and Landscapes; and Improve Individual Practices and Choices. It also supports salmon recovery efforts.

This request supports Ecology's integrated water quality financial assistance program by leveraging and augmenting loan funds through the Water Pollution Control Revolving Fund (SRF) loan program and the Clean Water Act Section 319 federal grant program. Through the integrated funding program, Ecology continues to apply Lean principles in an effort to improve efficiency in service delivery and improve access to funding for high priority projects that deliver multiple benefits. Cross program and cross agency coordination is also a key element of the water quality financial assistance programs and Ecology is committed to supporting the Infrastructure Assistance Coordinating Council (IACC) as a cross-agency collaborative approach to providing infrastructure, financial and technical assistance to communities throughout Washington.

These projects help local entities reduce pollution of our lakes, rivers, marine waters, and estuaries, and help protect groundwater and streams using CCWP grant funds.

This request supports Puget Sound Action Agenda implementation through sub-strategy 10.1, Managing urban runoff at the basin and watershed by providing funding to local governments through the Clean Water SRF Program and directly supports regional priorities:

-10.1-1: Undertaking basin and watershed planning that integrates land use planning and stormwater management by providing financial assistance for basin and watershed planning focused on stormwater management and non-point source pollution identification and control.

-10.1-2: Undertaking capital planning on catchment or watershed basis by providing financial assistance for watershed or catchment based capital planning with priority given to water quality protection and improvements made through integrated approaches to pollution reduction.

-10.1-3: Developing and implementing approaches that regionalize operational and pollution reduction efforts and activities by providing funding with an emphasis on regional approaches to constructing pollution control activities. Clean Water SRF provides funding for design construction phases for permitted facility projects.

This request also supports sub-strategy 11.1, Targeting Voluntary and Incentive-base Programs that Help Working Farms

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

Description

Contribute to Puget Sound Recovery and 13.3, Improving and Expanding Funding for Small Onsite Sewage Systems (OSS) and Local OSS Programs.

What are the specific benefits of this project?

The CCWP provides funding to local governments and tribes for wastewater treatment, non-point source pollution control, and watershed and estuary management projects that achieve specific environmental and public health benefits, including:

- Eliminating severe public health hazards and environmental degradation.
- Achieving regulatory compliance with a consent decree, compliance order, Total Maximum Daily Loads (TMDLs), or waste load allocation.
- Restoring and protecting designated uses of Washington's waters, such as drinking water, aquatic habitat, and shellfish harvesting.

Economic Impact: This request will also provide economic benefits to the state by creating up to 153 jobs during the next two years, based on estimates from the Office of Financial Management.

How will clients be affected and services change if this project is funded?

Funding for this request is critical, because the demand on all funding sources for financial assistance and the cost of water quality infrastructure projects continue to increase. This appropriation will allow local governments to proceed with planning, designing, acquiring, constructing, and improving water pollution control facilities and related non-point activities that contribute to meeting state and federal water pollution control requirements. These improvements contribute significantly to protect and restore water quality in the Puget Sound and statewide, and to improve community economic health.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

Many local governments and tribes propose important water quality projects that cannot be fully funded with one funding source. This is especially true for small, financially distressed communities. Ecology works with local governments and other state and federal agencies to coordinate the funding and technical assistance for wastewater treatment facility projects.

Together, these agencies leverage funds to meet the financial situation of the community. Many small communities with large-scale projects use multiple funding sources, including the CCWP, the SRF, Public Works Assistance Account, Community Development Block Grants, the State Tribal Assistance Grant Program, and U.S. Department of Agriculture Rural Development. CCWP funding for non-point source projects is also commonly linked with funding from the Recreation Conservation Office, Conservation Commission and Conservation Districts, National Resource Conservation Service, and city and county leveraged projects.

What is the impact on the state operating budget?

No impact on the state operating budget.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

Description

This request is for grant pass-through funds that will go to local governments, tribes, and special purpose districts for high priority water quality projects throughout the state, as mandated in chapter 70.146 RCW. This request is the best option to distribute money for water pollution control projects on an equitable, statewide, competitive basis that considers legal mandates, local efforts, ratepayer impacts, and water quality priorities.

What is the agency's proposed funding strategy for the project?

Ecology is requesting \$60 million for CCWP grants from the State Building Construction Account (SBCA), consistent with recent biennial appropriation requests. CCWP funding historically came from the Water Quality Account (WQA). During the 2009 legislative session, the Legislature consolidated the WQA into the General Fund-State. All revenue and expenditures were removed from the WQA and added to the General Fund-State. Ecology requests funding this request from the SBCA, since the WQA no longer exists, and Model Toxics Control Act funds are not available.

Proviso

No

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|--------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 300,000,000 | | | | 60,000,000 |
| | Total | 300,000,000 | 0 | 0 | 0 | 60,000,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

Funding

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |
| | Total | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 40000019

SubProject Title: Valley View Sewer District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Design and construction of public sewers to a residential area in which fecal coliform hot spots as high as 5,900 cfu/100ml have been documented. These 145 lots with septic drain fields are the only lots still on septic which are tributary to a stream where the fecal coliform hotspots occur. The stream runs through Crystal Springs Park, and is tributary to Gilliam Creek, one of the few remaining natural stream systems inside the City of Tukwila.

Location

City: Tukwila

County: King

Legislative District: 011

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000019

SubProject Title: Valley View Sewer District

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 4,290,000 | | | | 4,290,000 |
| | Total | 4,290,000 | 0 | 0 | 0 | 4,290,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000020

SubProject Title: Chelan County Public Utilities District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000020

SubProject Title: Chelan County Public Utilities District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Design and construction of treatment plant, and pumping and conveyance system improvements.

Location

City: Wenatchee

County: Chelan

Legislative District: 012

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 2,860,000 | | | | 2,860,000 |
| | Total | 2,860,000 | 0 | 0 | 0 | 2,860,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000020

SubProject Title: Chelan County Public Utilities District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000021

SubProject Title: Sequim city of - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Design and construct a new 100 gallons per minute duplex submersible lift station to serve the South Bell Hill area to replace the existing 30-year-old lift station. The project includes an auxiliary generator and telemetry upgrades.

Location

City: Sequim

County: Clallam

Legislative District: 024

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000021

SubProject Title: Sequim city of - Public Works Department

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 76,000 | | | | 76,000 |
| | Total | 76,000 | 0 | 0 | 0 | 76,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000022

SubProject Title: Sequim city of - Public Works Department

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000022

SubProject Title: Sequim city of - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Approximately 1,500 feet of 60+ year-old 12-inch diameter concrete sanitary sewer to the west of N. Sunnyside Ave. between E. Washington Street and E. Fir Street and in S. Sunnyside Ave. between E. Etta Street and E. Washington Street will be replaced with 18-inch diameter sewer to provide sufficient increased capacity for the projected flows from the City of Sequim and the Carlsborg Urban Growth Area and locate the sewer within City owned right-of-way.

Location

City: Sequim

County: Clallam

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 53,000 | | | | 53,000 |
| | Total | 53,000 | 0 | 0 | 0 | 53,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000022

SubProject Title: Sequim city of - Public Works Department

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000023

SubProject Title: Concrete town of

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Repair/replace pipe, pipe liners, manhole lids, manhole liners and side sewers as stated and prioritized in the town's recently completed 2014 Wastewater System Inflow and Infiltration Evaluation Report.

Location

City: Concrete

County: Skagit

Legislative District: 039

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000023

SubProject Title: Concrete town of

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 592,000 | | | | 592,000 |
| | Total | 592,000 | 0 | 0 | 0 | 592,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000024

SubProject Title: Warden, City of

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000024

SubProject Title: Warden, City of

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The project includes the installation of gravity sewer, lift station, and force main to provide sewer service to the western side of the City, north of State Route 170. Currently, an existing unlined lagoon is used to treat domestic wastewater in this area. Because of seepage to groundwater, the lagoon should be decommissioned. The extension of the collection system will also allow growth in this portion of the City, which would not be possible with the existing lagoon.

Location

City: Warden

County: Grant

Legislative District: 013

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 501,000 | | | | 501,000 |
| | Total | 501,000 | 0 | 0 | 0 | 501,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000024

SubProject Title: Warden, City of

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000025

SubProject Title: South Bend city of

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The project will abandon a sanitary sewer line that currently runs inside, on the bottom of a large storm drain arch (8 ft wide x 6 ft high) in downtown South Bend on Central Avenue. The project will construct a new gravity sewer line on an adjacent street/alley to convey sanitary sewer flows. The storm drain arch, which discharges to the Willapa River, does not allow access to the sewer line during periods of high precipitation or high tides when the Willapa River flows back into the archway.

Location

City: South Bend

County: Pacific

Legislative District: 019

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000025

SubProject Title: South Bend city of

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 286,000 | | | | 286,000 |
| | Total | 286,000 | 0 | 0 | 0 | 286,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000026

SubProject Title: Pierce Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000026

SubProject Title: Pierce Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Through this project the Pierce Conservation District and partners will implement large-scale floodplain reforestation along South Prairie Creek, as detailed in the South Prairie Creek Total Maximum Daily Load (TMDL) Detailed Implementation Plan (DOE, 2006). South Prairie Creek was the subject of a TMDL for fecal coliform bacteria and water temperature. The study was completed in 2003. Project partners include the Pierce Conservation District, the Puyallup Tribe of Indians and Pierce County Surface Water Management.

Location

City: Puyallup

County: Pierce

Legislative District: 025

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000026

SubProject Title: Pierce Conservation District

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|---------------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reappropriations</u> | <u>New Appropriations</u> |
| 057-1 | State Bldg Constr-State | 248,000 | | | | 248,000 |
| | Total | 248,000 | 0 | 0 | 0 | 248,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000027

SubProject Title: Sequim city of - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This construction project will add or replace absent, aging, or undersized sewer pipe, add reclaimed water line, and add green stormwater infrastructure along W. Fir Street from N. 5th Ave to N. Sequim Ave.

Location

City: Sequim

County: Clallam

Legislative District: 024

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000027

SubProject Title: Sequim city of - Public Works Department

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 121,000 | | | | 121,000 |
| | Total | 121,000 | 0 | 0 | 0 | 121,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000028

SubProject Title: Tonasket city of

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000028

SubProject Title: Tonasket city of

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The project will protect surface waters through the design and construction rehabilitation of two 30+ year-old wastewater lift stations and cleaning/internal TV inspection of the entire collection system and rehabilitation of portions of the collection system for the small economically disadvantaged residential community known as Parry's Acres. This will prevent the potential discharge of untreated wastewater into the Okanogan River due to equipment failure.

Location

City: Tonasket

County: Okanogan

Legislative District: 007

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 175,000 | | | | 175,000 |
| | Total | 175,000 | 0 | 0 | 0 | 175,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000028

SubProject Title: Tonasket city of

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000029

SubProject Title: Tacoma - Pierce County Health Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Regional Loan Program (RLP) is a 16-county partnership with non-profit lender Craft3 offering assistance via inclusive, affordable "Clean Water" loans to repair failing onsite septic systems. RLP loans reduce barriers to compliance and contribute to improved marine, saltwater estuary and groundwater quality benefitting public health, water quality and shellfish harvesting areas. This project expands locations served by RLP and increases lending capital particularly for low income households.

Location

City: Tacoma

County: Pierce

Legislative District: 027

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000029

SubProject Title: Tacoma - Pierce County Health Department

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 1,500,000 | | | | 1,500,000 |
| | Total | 1,500,000 | 0 | 0 | 0 | 1,500,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000030

SubProject Title: Morton city of

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000030

SubProject Title: Morton city of

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The City of Morton will construct upgrades to its wastewater treatment facility to address National Pollution Discharge Elimination System (NPDES) permit violations, solids handling issues, reliability concerns, and insufficient treatment capacity. The City will also replace its Main Avenue lift station to address long term reliability, capacity, and redundancy needs.

Location

City: Morton

County: Lewis

Legislative District: 020

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 5,000,000 | | | | 5,000,000 |
| | Total | 5,000,000 | 0 | 0 | 0 | 5,000,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000030

SubProject Title: Morton city of

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000031

SubProject Title: Carbonado town of

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The proposed project would install approx. 13,700 linear feet of 8-inch gravity sewer pipe to replace 14,000 lf of 4- to 8-inch clay pipes installed in the early 1900s. Sewer replacements will be installed within Town road rights-of-way to minimize disturbance and issues associated with work on private property where many existing sewer lines are located. PVC side sewers will connect each residence to the new system. Newer sewers in the north end of town will be connected to the new system.

Location

City: Carbonado

County: Pierce

Legislative District: 031

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000031

SubProject Title: Carbonado town of

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 5,000,000 | | | | 5,000,000 |
| | Total | 5,000,000 | 0 | 0 | 0 | 5,000,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000032

SubProject Title: Snohomish Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000032

SubProject Title: Snohomish Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Snohomish Conservation District will re-forest two streams and a connected wetland in the North Creek Basin to address high water temperatures and low dissolved oxygen levels. A total of ten acres will be planted to improve water quality and habitat in the Basin by increasing riparian forest cover and restoring healthy wetland hydrology. Workshops will educate landowners in the Basin about responsible stewardship of streamside property and preventing pollution from failing septic systems.

Location

City: Lake Stevens

County: Snohomish

Legislative District: 044

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000032

SubProject Title: Snohomish Conservation District

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|---------------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reappropriations</u> | <u>New Appropriations</u> |
| 057-1 | State Bldg Constr-State | 134,000 | | | | 134,000 |
| | Total | 134,000 | 0 | 0 | 0 | 134,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 4000033

SubProject Title: Bellingham city of - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Squalicum Creek Reroute Phase 4 builds on previous work to implement actions exceeding recommendations in the Squalicum Creek Temperature TMDL to improve water temperature, dissolved oxygen, salmon habitat, and beneficial uses in Squalicum Creek. This project maximizes the benefit of, and expands on, prior award-winning restoration phases within the watershed to prevent water pollution at its source by rerouting a degraded stream channel in an urban setting.

Location

City: Bellingham

County: Whatcom

Legislative District: 042

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000033

SubProject Title: Bellingham city of - Public Works Department

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 4000034

SubProject Title: San Juan Islands Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000034

SubProject Title: San Juan Islands Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The San Juan Islands Conservation District (SJICD) seeks to implement a Direct Seed Program in San Juan County that will provide county-wide access to direct seed equipment, on-site technical assistance for best management practices, and outreach and education to agricultural producers. SJICD will purchase a single pass, low disturbance direct seed drill that will be available for rent. Farmers will implement methods to restore pastures and plant crops using low tillage direct seed methods.

Location

City: Friday Harbor

County: San Juan

Legislative District: 040

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 86,000 | | | | 86,000 |
| | Total | 86,000 | 0 | 0 | 0 | 86,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000034

SubProject Title: San Juan Islands Conservation District

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000035

SubProject Title: Palouse Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Palouse Conservation District will provide the lead to administer cost share for implementation of four miles of riparian buffers and 15,000 acres of direct seeding to improve water quality in the Palouse River Basin. Effects of riparian restoration and converting from conventional tillage to direct seeding will be monitored to determine effects on stream water quality. The Palouse-Rock Lake Conservation District will partner to assist with implementation and outreach for the project.

Location

City: Pullman

County: Whitman

Legislative District: 009

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000035

SubProject Title: Palouse Conservation District

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 469,000 | | | | 469,000 |
| | Total | 469,000 | 0 | 0 | 0 | 469,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000036

SubProject Title: Palouse Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000036

SubProject Title: Palouse Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Palouse River Basin has been highly degraded over the past century. To address and improve water quality issues as outlined in the TMDLs and the Clean Water Act's (CWA) 303(d) list, the Palouse Conservation District has identified multiple sites on both the North and South Fork Palouse River for active riparian/wetland restoration emphasizing function to maximize passive non-point source pollutant (NPS), water temperature control, soil erosion and bank stability.

Location

City: Pullman

County: Whitman

Legislative District: 009

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000036

SubProject Title: Palouse Conservation District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000037

SubProject Title: Spokane Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Spokane Conservation District, Pacific Northwest Direct Seed Association, and Palouse Rock Lake Conservation District are partnering to reduce soil erosion from tillage practices, implement riparian buffers, and improve water quality through outreach and implementation of the Farmed Smart Sustainable Agriculture certification, created in partnership with the Department of Ecology, providing a low cost loan program for farmers to purchase direct seed equipment, and implementing direct seed cost share.

Location

City: Spokane

County: Spokane

Legislative District: 004

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000037

SubProject Title: Spokane Conservation District

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000038

SubProject Title: Jefferson County Public Health

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000038

SubProject Title: Jefferson County Public Health

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Non-point sources of fecal bacteria will be identified in two priority shoreline and marine areas of the Hood Canal Action Area - Oak Bay & Mats Mats Bay. Sanitary surveys of septic systems will be performed. Corrective actions will be taken to repair all high-risk onsite septic systems (OSS). Contaminates of emerging concern (CEC) for these two areas will be identified.

Location

City: Port Townsend

County: Jefferson

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 260,000 | | | | 260,000 |
| | Total | 260,000 | 0 | 0 | 0 | 260,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000038

SubProject Title: Jefferson County Public Health

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000039

SubProject Title: Benton Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Stakeholders need to better understand the dynamics of water quality, nutrients and aquatic plant abundance in the Lower Yakima River in order to prioritize appropriate actions to restore and maintain water quality, flow, and salmon habitat. Excessive aquatic plant growth has degraded water quality, often into violation of multiple state water quality standards. These plants can negatively impact flow, suspended sediment dynamics, whole stream metabolism, pH, water temperature and irrigation. Benton Conservation District will analyze relationships between water temperatures and aquatic plants, to document whether the plants have a cooling or warming effect. Once this relationship is determined, aquatic plants can be managed (either promoted or discouraged) as a vehicle to lower river temperature and potentially lower the human health hazard of elevated bacterial counts during the summer recreation season.

Location

City: Kennewick

County: Benton

Legislative District: 016

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000039

SubProject Title: Benton Conservation District

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 250,000 | | | | 250,000 |
| | Total | 250,000 | 0 | 0 | 0 | 250,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000040

SubProject Title: Bellingham city of - Public Works Department

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000040

SubProject Title: Bellingham city of - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The project improves water quality through restoring an estuary in Little Squalicum Park on the western perimeter of the City of Bellingham. The project area contains rare ecological features in an otherwise urban landscape surrounded by commercial, industrial, residential, and institutional land uses. The vegetated saltmarsh and additional riparian plantings will provide thermal protection and surface water filtration for freshwater and marine inputs.

Location

City: Bellingham

County: Whatcom

Legislative District: 042

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000040

SubProject Title: Bellingham city of - Public Works Department

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000041

SubProject Title: Skagit River System Cooperative

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The purpose of this project is to restore water quality along two degraded stream systems by actively restoring native riparian and floodplain vegetation on 22 acres. The aquatic habitat, degraded due to past land use practices, has limited complexity and is largely devoid of large woody debris. Restoration of riparian vegetation will address water quality impairments including dissolved oxygen, bacteria, fecal coliform, and temperature by shading the creek and filtering surface water runoff.

Location

City: La Conner

County: Skagit

Legislative District: 010

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000041

SubProject Title: Skagit River System Cooperative

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 183,000 | | | | 183,000 |
| | Total | 183,000 | 0 | 0 | 0 | 183,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000042

SubProject Title: Jefferson County Public Health

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000042

SubProject Title: Jefferson County Public Health

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Non-point sources of pollution will be identified in the northern Hood Canal area from Zelatched Point north to Mats Mats Bay. This is a high priority area of Hood Canal. Fecal coliform and nutrient inputs will be monitored and shoreline septic systems will be assessed through sanitary surveys. Correction activities will be performed to repair all high-risk failing onsite septic systems.

Location

City: Port Townsend

County: Jefferson

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 364,000 | | | | 364,000 |
| | Total | 364,000 | 0 | 0 | 0 | 364,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000042

SubProject Title: Jefferson County Public Health

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000043

SubProject Title: Seattle city of - Public Utilities Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Implement the next phase of Seattle Public Utilities source control program to expand the use of tools developed for the Lower Duwamish Waterway to other portions of the City of Seattle - East Waterway and the Lake Union/Ship Canal- to help meet water quality standards and improve local receiving water bodies.

Location

City: Seattle

County: King

Legislative District: 011

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000043

SubProject Title: Seattle city of - Public Utilities Department

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 243,000 | | | | 243,000 |
| | Total | 243,000 | 0 | 0 | 0 | 243,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000044

SubProject Title: Snohomish Conservation District

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000044

SubProject Title: Snohomish Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Snohomish Conservation District will restore 15 acres of riparian forest along Allen Creek at Jennings Park in Marysville. This project is the first phase of a two-phased restoration and community engagement initiative to improve water quality in the Creek, which is impaired for dissolved oxygen and fecal coliform bacteria. The District will re-vegetate 2,500 feet of the Creek and provide youth education, volunteer events, and one septic maintenance workshop for watershed landowners.

Location

City: Lake Stevens

County: Snohomish

Legislative District: 044

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 241,000 | | | | 241,000 |
| | Total | 241,000 | 0 | 0 | 0 | 241,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000044

SubProject Title: Snohomish Conservation District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000045

SubProject Title: Cowlitz County - Health and Human Services Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

A 2015 grant provided robust data to enable future evaluation and long term planning to improve the water quality of Silver Lake and Horseshoe Lake. This project will identify current phosphorus and E. coli contributors. Sampling will be performed in the two major inlet creeks. Lake sediment will be evaluated for phosphorus accumulation and chemical composition. Community education and lake water quality sampling will continue. These efforts will assist community groups and agencies in planning strategies for lake management and restoration.

Location

City: Kelso

County: Cowlitz

Legislative District: 019

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000045

SubProject Title: Cowlitz County - Health and Human Services Department

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 130,000 | | | | 130,000 |
| | Total | 130,000 | 0 | 0 | 0 | 130,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 4000046

SubProject Title: Chelan County - Natural Resource Department

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000046

SubProject Title: Chelan County - Natural Resource Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This project proposes a comprehensive approach to addressing the temperature TMDL in Nason Creek. Actions include development of planning documents, data collection and monitoring, and implementation to improve water temperature in the Creek. Project implementation includes riparian planting and a culvert removal. Data collection includes sediment, shade, and temperature monitoring. Project planning includes development of an erosion control plan and a thermal refugia management strategy.

Location

City: Wenatchee

County: Chelan

Legislative District: 012

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000046

SubProject Title: Chelan County - Natural Resource Department

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 181,000 | | | | 181,000 |
| | Total | 181,000 | 0 | 0 | 0 | 181,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000047

SubProject Title: Foster Creek Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Douglas County Agricultural Best Management Practices project is designed to improve water quality in and around Douglas County streams and tributaries through the continuation of a direct seed program that provides assistance to local producers to convert from conventional tillage to direct seed systems. The program will result in at least ten additional direct seed participants, continued water quality monitoring, soil testing and monitoring, cost-benefit analyses and education efforts.

Location

City: Waterville

County: Douglas

Legislative District: 012

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000047

SubProject Title: Foster Creek Conservation District

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 250,000 | | | | 250,000 |
| | Total | 250,000 | 0 | 0 | 0 | 250,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000048

SubProject Title: Lummi Indian Business Council

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000048

SubProject Title: Lummi Indian Business Council

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

To provide temperature refugia and help restore salmon habitat that will aid salmon recovery in Water Resource Inventory Area 1 (WRIA1), this project will construct 13 engineered logjams (ELJ) in the mainstem SF Nooksack River. These ELJ-formed scour pools will provide a cool water refuge during elevated water temperatures in the summer for migrating adults as they move upstream to spawning grounds.

Location

City: Bellingham

County: Whatcom

Legislative District: 042

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 253,000 | | | | 253,000 |
| | Total | 253,000 | 0 | 0 | 0 | 253,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000048

SubProject Title: Lummi Indian Business Council

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000049

SubProject Title: Lynden city of - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This phase of the Pepin Creek Project will stabilize the already fragile shoreline from Main Street downstream to the confluence of Double Ditch and Fishtrap Creeks - about 0.75 miles. This work is essential and must be completed before water from Pepin Creek can be directed into this section. Lynden is working to address a significant water problem caused by over-topping roadside ditches along Benson and Double Ditch Roads by realigning flows into a new Pepin Creek riparian corridor.

Location

City: Lynden

County: Whatcom

Legislative District: 042

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000049

SubProject Title: Lynden city of - Public Works Department

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000050

SubProject Title: Snohomish Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000050

SubProject Title: Snohomish Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Snohomish Conservation District will develop an outreach program targeting big riparian buffers on high priority reaches in the Stillaguamish River Watershed. Over eleven acres of riparian forest will be planted to protect and enhance habitat at cold water anomalies identified in a TMDL Assessment project completed by Snohomish County, thus providing temperature refuge for threatened salmonids.

Location

City: Lake Stevens

County: Snohomish

Legislative District: 044

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 249,000 | | | | 249,000 |
| | Total | 249,000 | 0 | 0 | 0 | 249,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000050

SubProject Title: Snohomish Conservation District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000051

SubProject Title: Palouse Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Conservation programs addressing non-point source pollution in the Palouse River watershed need the most optimal selection and placement of best management practices (BMP). Palouse Conservation District will use a tested BMP effectiveness tool in collaboration with district planners to identify critical source areas and the greatest pollution reduction. District planners and landowners will be educated on advanced BMP implementation strategies. Water quality monitoring will be used to assess watershed scale effectiveness.

Location

City: Pullman

County: Whitman

Legislative District: 009

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000051

SubProject Title: Palouse Conservation District

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 250,000 | | | | 250,000 |
| | Total | 250,000 | 0 | 0 | 0 | 250,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000052

SubProject Title: Asotin Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000052

SubProject Title: Asotin Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

This project will assist landowners with addressing potential and recently identified water quality concerns along streams in Asotin County by implementing Best Management Practices including stream bank stabilization, livestock exclusion fencing, off-stream watering, livestock feeding practices including manure management, stream crossings and riparian planting.

Location

City: Clarkston

County: Asotin

Legislative District: 009

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 250,000 | | | | 250,000 |
| | Total | 250,000 | 0 | 0 | 0 | 250,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000052

SubProject Title: Asotin Conservation District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000053

SubProject Title: Lincoln County Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Lincoln County, Palouse-Rock Lake, and Pine Creek Conservation Districts will implement a project that will greatly improve the water quality, public health, soil health, and erosion concerns throughout Lincoln, Palouse Rock Lake, and Pine Creek District service areas. Through a direct seed cost share program, the districts will increase the use of direct seed systems and reduce soil erosion by 63,000 tons.

Location

City: Davenport

County: Lincoln

Legislative District: 013

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000053

SubProject Title: Lincoln County Conservation District

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 371,000 | | | | 371,000 |
| | Total | 371,000 | 0 | 0 | 0 | 371,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000054

SubProject Title: Okanogan Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000054

SubProject Title: Okanogan Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Okanogan Conservation District (Okanogan CD) is proposing to implement non-point source pollution measures to mitigate increases in sediment delivery along the upper Benson Creek Waterway. These measures include: two restoration projects (Davis and Betty), a hydrologic assessment, and plans to develop two additional water quality projects within the Benson Creek Watershed. The Okanogan CD will also provide water quality education and outreach to Okanogan County residents.

Location

City: Okanogan

County: Okanogan

Legislative District: 012

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 250,000 | | | | 250,000 |
| | Total | 250,000 | 0 | 0 | 0 | 250,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000054

SubProject Title: Okanogan Conservation District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000055

SubProject Title: Port Orchard city of - Public Works Department

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The City of Port Orchard proposes to daylight Johnson Creek and create an estuary along Sinclair Inlet. The project removes 19,100 sf of buildings and pavement to allow for re-grading and site restoration on 0.8 acres. In addition to creating an estuary with native plants, the project removes a fish barrier, improves the quality of water flowing into Sinclair Inlet, provides public education about the importance of aquatic health, and removes buildings from an area prone to chronic flooding.

Location

City: Port Orchard

County: Kitsap

Legislative District: 026

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000055

SubProject Title: Port Orchard city of - Public Works Department

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 212,000 | | | | 212,000 |
| | Total | 212,000 | 0 | 0 | 0 | 212,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 4000056

SubProject Title: Spokane Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000056

SubProject Title: Spokane Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Spokane Conservation District will continue their successful On-Site Septic Program by providing small grants and low interest loans for replacing, repairing and connecting septic systems to existing sewer mains. In addition, the program will conduct a Septic Feasibility Study in Newman Lake to resolve targeted septic and cesspool issues causing nutrient (non-point source) issues. Lastly, the program will assist the USGS in its current groundwater study of septic issues in Lake Spokane.

Location

City: Spokane

County: Spokane

Legislative District: 004

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000056

SubProject Title: Spokane Conservation District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000057

SubProject Title: Pierce Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Chinook salmon, Bull trout, and Steelhead trout are all listed as threatened species under the Endangered Species Act, with runoff from farmlands being one of the contributing factors. This runoff means water is not infiltrating the soil properly, increasing flashiness and helping create low flow conditions detrimental to salmon. This project will diminish those impacts by incentivizing the use by local farmers of direct seeding and cover crop practices in the Puyallup Watershed, a high priority salmon stream.

Location

City: Puyallup

County: Pierce

Legislative District: 025

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000057

SubProject Title: Pierce Conservation District

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 82,000 | | | | 82,000 |
| | Total | 82,000 | 0 | 0 | 0 | 82,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000058

SubProject Title: Thurston Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 3000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000058

SubProject Title: Thurston Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Thurston Conservation District has put together a tribal, public, private, and non-profit partnership to restore degraded conditions in the Middle Deschutes River Watershed. The collaboration will lead to immediate water quality improvements while engaging the community in the long-term stewardship, restoration and protection of the Watershed.

Location

City: Tumwater

County: Thurston

Legislative District: 022

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 244,000 | | | | 244,000 |
| | Total | 244,000 | 0 | 0 | 0 | 244,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 4000058

SubProject Title: Thurston Conservation District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 4000059

SubProject Title: Electric City city of

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The Electric City Stormwater Plan will include survey of existing facilities, development of a basemap to delineate drainage basins, stormwater modeling, inspection of existing stormwater facilities and outfalls, development of a capital improvement plan to improve existing infrastructure and connect future stormwater systems, and provide the City with guidance to cost-effectively manage stormwater runoff and preserve the quality of Banks Lake.

Location

City: Electric City

County: Grant

Legislative District: 012

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000059

SubProject Title: Electric City city of

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 58,000 | | | | 58,000 |
| | Total | 58,000 | 0 | 0 | 0 | 58,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000060

SubProject Title: Palouse Rock Lake Conservation District

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000060

SubProject Title: Palouse Rock Lake Conservation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

The application will provide landowners with a low disturbance direct seed equipment to demonstrate high residue seeding.

Location

City: St. John

County: Whitman

Legislative District: 009

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 224,000 | | | | 224,000 |
| | Total | 224,000 | 0 | 0 | 0 | 224,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000060

SubProject Title: Palouse Rock Lake Conservation District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000061

SubProject Title: SFY 2019 Centennial Grant Projects

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

We anticipate the same or increased demand for funding in SFY 2019 based on hardship community projects expected to apply for construction funding including Deer Park, Lake Wenatchee, Leavenworth, Mattawa, Murdock, Riverside, Royal City, Sequim, Spangle, and Vader. Ecology Estimates our total demand for construction and non-point source projects to be \$38 million or more in SFY 2019 and Ecology would prioritize and fund these projects in SFY 19 up to \$31.1 million.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000061

SubProject Title: SFY 2019 Centennial Grant Projects

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-------------------|----------------|------------------|-----------------------|-------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 31,064,000 | | | | 31,064,000 |
| | Total | 31,064,000 | 0 | 0 | 0 | 31,064,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000098

SubProject Title: Centennial Clean Water Program Ten Year Financing Plan

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000098

SubProject Title: Centennial Clean Water Program Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 11

Project Summary

This request for \$60 million for Ecology's Centennial Clean Water Program (CCWP) will provide grants to public entities to finance the construction of water pollution control facilities and to plan and implement non-point pollution control activities. Ecology distributes the funds through an integrated statewide competitive rating and ranking process. Grant recipients are public entities that use the funds to address high priority statewide water quality needs. The work done is an integral and essential part of the state's strategy to reduce pollution and protect our marine waters, estuaries, lakes, rivers, and groundwater resources. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Ten year financing plan.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Public entities, local gov'ts, special purpose distr., quasi municipals, fed. recognized tribes.

RCW that establishes grant: Chapter 70.146 RCW

Application process used

Ecology manages an integrated funding approach using a joint application, evaluation, and rating and ranking process for the State Revolving Fund, Centennial Clean Water Program, Stormwater Financial Assistance Program, and the Clean Water Act Section 319 federal grant program. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rate and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan, which will be available on the Water Quality website:

<https://fortress.wa.gov/ecy/publications/SummaryPages/1710003.html>. Ecology is also taking applications for the SFY 2019 funding cycle and will publish the SFY 2019 Water Quality Draft Offer List and Intended Use Plan in January 2018. Ecology will propose funding of the SFY 2019 List based on appropriation authority provided with the passage of an enacted Capital Budget.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|--------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 240,000,000 | | | | |
| | Total | 240,000,000 | 0 | 0 | 0 | 0 |

461 - Department of Ecology
Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 4:42PM

Project Number: 30000705

Project Title: 2017-19 Centennial Clean Water program

SubProjects

SubProject Number: 40000098

SubProject Title: Centennial Clean Water Program Ten Year Financing Plan

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |
| | Total | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Kimberly Wagar</u> | Email: | <u>kwag461@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-6614</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Centennial Clean Water Program</u> |
| Project Number: | <u>30000705</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology 2018 Supplemental Budget Project List
Water Quality
Centennial Clean Water Program Project (30000705)

September 10, 2017

Purpose: This project list represents the new Centennial Clean Water Program projects proposed for funding through the State Building Construction Account (SBCA) in the 2018 Supplemental Capital Budget Proposal. The application period begins in August with applications due mid-October. Ecology staff screen, review, and rank the applications from October through December. Project proposals are evaluated and points are assigned according to an objective rating system that identifies the highest priority water quality needs statewide. In January, Ecology produces a draft project list for the Legislature to use during budget considerations. Pending the passage of an enacted Capital Budget, Ecology will finalize the Fiscal Year 2018 Draft Water Quality Funding Offer List and Intended Use Plan.

| SFY / Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. Dist. | Lat. | Long. |
|------------|--|-----------|--|--|-----------|---------|------------|------|--------|
| SFY17 3 | Valley View Sewer District | 4,290,000 | Design and construction of public sewers to a residential area in which fecal coliform hot spots as high as 5,900 cfu/100ml have been documented. These 145 lots with septic drain fields are the only lots still on septic which are tributary to a stream where the fecal coliform hotspots occur. The stream runs through Crystal Springs Park, and is tributary to Gilliam Creek, one of the few remaining natural stream systems inside the City of Tukwila. | 3460 S 148th St Suite 100 | Tukwila | KING | 11 | 47.5 | -122.3 |
| SFY17 10 | Chelan County Public Utilities District | 2,860,000 | Design and construction of treatment plant, and pumping and conveyance system improvements. | 327 N Wenatchee Ave | Wenatchee | CHELAN | 12 | 47.4 | -120.3 |
| SFY17 16 | Sequim city of - Public Works Department | 76,000 | Design and construct a new 100 gallons per minute duplex submersible lift station to serve the South Bell Hill area to replace the existing 30-year-old lift station. The project includes an auxiliary generator and telemetry upgrades. | 152 W. Cedar Street | Sequim | CLALLAM | 24 | 48.1 | -123.1 |
| SFY17 20 | Sequim city of - Public Works Department | 53,000 | Approximately 1,500 feet of 60+ year-old 12-inch diameter concrete sanitary sewer to the west of N. Sunnyside Ave. between E. Washington Street and E. Fir Street and in S. Sunnyside Ave. between E. Etta Street and E. Washington Street will be replaced with 18-inch diameter sewer to provide sufficient increased capacity for the projected flows from the City of Sequim and the Carlsborg Urban Growth Area and locate the sewer within City owned right-of-way. | 152 W. Cedar Street | Sequim | CLALLAM | 24 | 48.1 | -123.1 |
| SFY17 94 | Concrete town of | 592,000 | Repair/replace pipe, pipe liners, manhole lids, manhole liners and side sewers as stated and prioritized in the town's recently completed 2014 Wastewater System Inflow and Infiltration Evaluation Report. | PO Box 39 | Concrete | SKAGIT | 39 | 48.5 | -121.7 |
| SFY18 1 | Warden, City of | 501,000 | The project includes the installation of gravity sewer, lift station, and force main to provide sewer service to the western side of the City, north of State Route 170. Currently, an existing unlined lagoon is used to treat domestic wastewater in this area. Because of seepage to groundwater, the lagoon should be decommissioned. The extension of the collection system will also allow growth in this portion of the City, which would not be possible with the existing lagoon. | 121 S Main Street | Warden, | GRANT | 13 | 47.0 | -119.1 |
| SFY18 3 | South Bend city of | 286,000 | The project will abandon a sanitary sewer line that currently runs inside, on the bottom of a large storm drain arch (8 ft wide x 6 ft high) in downtown South Bend on Central Avenue. The project will construct a new gravity sewer line on an adjacent street/alley to convey sanitary sewer flows. The storm drain arch, which discharges to the Willapa River, does not allow access to the sewer line during periods of high precipitation or high tides when the Willapa River flows back into the archway. | 2102 Carriage Drive SW, Bldg. 1 | Olympia, | PACIFIC | 19 | 46.7 | -123.8 |

| SFY / Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. Dist. | Lat. | Long. |
|------------|--|-----------|---|--------------------------|---------------|-----------|------------|------|--------|
| SFY18 8 | Pierce Conservation District | 248,000 | Through this project the Pierce Conservation District and partners will implement large-scale floodplain reforestation along South Prairie Creek, as detailed in the South Prairie Creek Total Maximum Daily Load (TMDL) Detailed Implementation Plan (DOE, 2006). South Prairie Creek was the subject of a TMDL for fecal coliform bacteria and water temperature. The study was completed in 2003. Project partners include the Pierce Conservation District, the Puyallup Tribe of Indians and Pierce County Surface Water Management. | P.O. Box 1057 | Puyallup, | PIERCE | | 47.2 | -122.1 |
| SFY18 10 | Sequim city of - Public Works Department | 121,000 | This construction project will add or replace absent, aging, or undersized sewer pipe, add reclaimed water line, and add green stormwater infrastructure along W. Fir Street from N. 5th Ave to N. Sequim Ave. | 152 West Cedar Street | Sequim, | CLALLAM | 24 | 48.1 | -123.1 |
| SFY18 12 | Tonasket city of | 175,000 | The project will protect surface waters through the design and construction rehabilitation of two 30+ year-old wastewater lift stations and cleaning/internal TV inspection of the entire collection system and rehabilitation of portions of the collection system for the small economically disadvantaged residential community known as Parry's Acres. This will prevent the potential discharge of untreated wastewater into the Okanogan River due to equipment failure. | 704 S Antwine Ave | Tonasket, | OKANOGAN | 7 | 48.7 | -119.4 |
| SFY18 13 | Tacoma - Pierce County Health Department | 1,500,000 | The Regional Loan Program (RLP) is a 16-county partnership with non-profit lender Craft3 offering assistance via inclusive, affordable "Clean Water" loans to repair failing onsite septic systems. RLP loans reduce barriers to compliance and contribute to improved marine, saltwater estuary and groundwater quality benefitting public health, water quality and shellfish harvesting areas. This project expands locations served by RLP and increases lending capital particularly for low income households. | 3629 South D ST | Tacoma, | PIERCE | 27 | 47.1 | -122.1 |
| SFY18 15 | Morton city of | 5,000,000 | The City of Morton will construct upgrades to its wastewater treatment facility to address National Pollution Discharge Elimination System (NPDES) permit violations, solids handling issues, reliability concerns, and insufficient treatment capacity. The City will also replace its Main Avenue lift station to address long term reliability, capacity, and redundancy needs. | PO Box 1089 | Morton, | LEWIS | 20 | 46.6 | -122.3 |
| SFY18 28 | Carbonado town of | 5,000,000 | The proposed project would install approx. 13,700 linear feet of 8-inch gravity sewer pipe to replace 14,000 of 4- to 8-inch clay pipes installed in the early 1900s. Sewer replacements will be installed within Town road rights-of-way to minimize disturbance and issues associated with work on private property where many existing sewer lines are located. PVC side sewers will connect each residence to the new system. Newer sewers in the north end of town will be connected to the new system. | PO Box 91 | Carbonado, | PIERCE | 31 | 47.1 | -122.1 |
| SFY18 40 | Snohomish Conservation District | 134,000 | The Snohomish Conservation District will re-forest two streams and a connected wetland in the North Creek Basin to address high water temperatures and low dissolved oxygen levels. A total of ten acres will be planted to improve water quality and habitat in the Basin by increasing riparian forest cover and restoring healthy wetland hydrology. Workshops will educate landowners in the Basin about responsible stewardship of streamside property and preventing pollution from failing septic systems. | 528 91st Ave NE, Suite A | Lake Stevens, | SNOHOMISH | 1 | 47.8 | -122.2 |
| SFY18 46 | Bellingham city of - Public Works Department | 500,000 | Squalicum Creek Reroute Phase 4 builds on previous work to implement actions exceeding recommendations in the Squalicum Creek Temperature TMDL to improve water temperature, dissolved oxygen, salmon habitat, and beneficial uses in Squalicum Creek. This project maximizes the benefit of, and expands on, prior award-winning restoration phases within the watershed to prevent water pollution at its source by rerouting a degraded stream channel in an urban setting. | 2221 Pacific Street | Bellingham, | WHATCOM | 42 | 48.8 | -122.5 |

| SFY / Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. Dist. | Lat. | Long. |
|------------|--|---------|--|----------------------------------|----------------|-----------|------------|------|--------|
| SFY18 47 | San Juan Islands Conservation District | 86,000 | The San Juan Islands Conservation District (SJICD) seeks to implement a Direct Seed Program in San Juan County that will provide county-wide access to direct seed equipment, on-site technical assistance for best management practices, and outreach and education to agricultural producers. SJICD will purchase a single pass, low disturbance direct seed drill that will be available for rent. Farmers will implement methods to restore pastures and plant crops using low tillage direct seed methods. | 350 Court St, #10 | Friday Harbor, | SAN JUAN | 40 | 48.5 | -123.0 |
| SFY18 53 | Palouse Conservation District | 469,000 | The Palouse Conservation District will provide the lead to administer cost share for implementation of four miles of riparian buffers and 15,000 acres of direct seeding to improve water quality in the Palouse River Basin. Effects of riparian restoration and converting from conventional tillage to direct seeding will be monitored to determine effects on stream water quality. The Palouse-Rock Lake Conservation District will partner to assist with implementation and outreach for the project. | 1300 NE Henley Ct #6 | Pullman, | WHITMAN | 9 | 46.8 | -117.1 |
| SFY18 54 | Palouse Conservation District | 500,000 | The Palouse River Basin has been highly degraded over the past century. To address and improve water quality issues as outlined in the TMDLs and the Clean Water Act's (CWA) 303(d) list, the Palouse Conservation District has identified multiple sites on both the North and South Fork Palouse River for active riparian/wetland restoration emphasizing function to maximize passive non-point source pollutant (NPS), water temperature control, soil erosion and bank stability. | 1300 NE Henley Ct, Suite #6 | Pullman, | WHITMAN | 9 | 46.7 | -117.2 |
| SFY18 61 | Spokane Conservation District | 500,000 | The Spokane Conservation District, Pacific Northwest Direct Seed Association, and Palouse Rock Lake Conservation District are partnering to reduce soil erosion from tillage practices, implement riparian buffers, and improve water quality through outreach and implementation of the Farmed Smart Sustainable Agriculture certification, created in partnership with the Department of Ecology, providing a low cost loan program for farmers to purchase direct seed equipment, and implementing direct seed cost share. | 210 N. Havana | Spokane, | SPOKANE | 4 | 47.5 | -117.3 |
| SFY18 65 | Jefferson County Public Health | 260,000 | Non-point sources of fecal bacteria will be identified in two priority shoreline and marine areas of the Hood Canal Action Area - Oak Bay & Mats Mats Bay. Sanitary surveys of septic systems will be performed. Corrective actions will be taken to repair all high-risk onsite septic systems (OSS). Contaminates of emerging concern (CEC) for these two areas will be identified. | 615 Sheridan Street | Port Townsend, | JEFFERSON | 24 | 48.0 | -122.7 |
| SFY18 71 | Benton Conservation District | 250,000 | Stakeholders need to better understand the dynamics of water quality, nutrients and aquatic plant abundance in the Lower Yakima River in order to prioritize appropriate actions to restore and maintain water quality, flow, and salmon habitat. Excessive aquatic plant growth has degraded water quality, often into violation of multiple state water quality standards. These plants can negatively impact flow, suspended sediment dynamics, whole stream metabolism, pH, water temperature and irrigation. Benton Conservation District will analyze relationships between water temperatures and aquatic plants, to document whether the plants have a cooling or warming effect. Once this relationship is determined, aquatic plants can be managed (either promoted or discouraged) as a vehicle to lower river temperature and potentially lower the human health hazard of elevated bacterial counts during the summer recreation season. | 10121 W Clearwater Ave Suite 101 | Kennewick, | BENTON | 16 | 46.3 | -119.5 |
| SFY18 77 | Bellingham city of - Public Works Department | 500,000 | The project improves water quality through restoring an estuary in Little Squalicum Park on the western perimeter of the City of Bellingham. The project area contains rare ecological features in an otherwise urban landscape surrounded by commercial, industrial, residential, and institutional land uses. The vegetated saltmarsh and additional riparian plantings will provide thermal protection and surface water filtration for freshwater and marine inputs. | 2221 Pacific Street | Bellingham, | WHATCOM | 42 | 48.8 | -122.5 |

| SFY / Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. Dist. | Lat. | Long. |
|------------|---|---------|---|---|----------------|-----------|------------|------|--------|
| SFY18 78 | Skagit River System Cooperative | 183,000 | The purpose of this project is to restore water quality along two degraded stream systems by actively restoring native riparian and floodplain vegetation on 22 acres. The aquatic habitat, degraded due to past land use practices, has limited complexity and is largely devoid of large woody debris. Restoration of riparian vegetation will address water quality impairments including dissolved oxygen, bacteria, fecal coliform, and temperature by shading the creek and filtering surface water runoff. | PO Box 368 | La Conner, | SKAGIT | | 48.4 | -122.3 |
| SFY18 79 | Jefferson County Public Health | 364,000 | Non-point sources of pollution will be identified in the northern Hood Canal area from Zelatched Point north to Mats Mats Bay. This is a high priority area of Hood Canal. Fecal coliform and nutrient inputs will be monitored and shoreline septic systems will be assessed through sanitary surveys. Correction activities will be performed to repair all high-risk failing onsite septic systems. | 615 Sheridan St | Port Townsend, | JEFFERSON | 24 | 47.8 | -122.7 |
| SFY18 83 | Seattle city of - Public Utilities Department | 243,000 | Implement the next phase of Seattle Public Utilities source control program to expand the use of tools developed for the Lower Duwamish Waterway to other portions of the City of Seattle - East Waterway and the Lake Union/Ship Canal- to help meet water quality standards and improve local receiving water bodies. | 700 5th Ave, Suite 4900 P.O. Box 34018 | Seattle, | KING | 11 | 47.6 | -122.3 |
| SFY18 84 | Snohomish Conservation District | 241,000 | The Snohomish Conservation District will restore 15 acres of riparian forest along Allen Creek at Jennings Park in Marysville. This project is the first phase of a two-phased restoration and community engagement initiative to improve water quality in the Creek, which is impaired for dissolved oxygen and fecal coliform bacteria. The District will re-vegetate 2,500 feet of the Creek and provide youth education, volunteer events, and one septic maintenance workshop for watershed landowners. | 528 91st Ave NE Ste A | Lake Stevens, | SNOHOMISH | 38 | 48.1 | -122.2 |
| SFY18 88 | Cowlitz County - Health and Human Services Department | 130,000 | A 2015 grant provided robust data to enable future evaluation and long term planning to improve the water quality of Silver Lake and Horseshoe Lake. This project will identify current phosphorus and E. coli contributors. Sampling will be performed in the two major inlet creeks. Lake sediment will be evaluated for phosphorus accumulation and chemical composition. Community education and lake water quality sampling will continue. These efforts will assist community groups and agencies in planning strategies for lake management and restoration. | 207 Fourth Ave North | Kelso, | COWLITZ | 20 | 46.3 | -122.8 |
| SFY18 94 | Chelan County - Natural Resource Department | 181,000 | This project proposes a comprehensive approach to addressing the temperature TMDL in Nason Creek. Actions include development of planning documents, data collection and monitoring, and implementation to improve water temperature in the Creek. Project implementation includes riparian planting and a culvert removal. Data collection includes sediment, shade, and temperature monitoring. Project planning includes development of an erosion control plan and a thermal refugia management strategy. | 411 Washington Ave, Suite 201 | Wenatchee, | CHELAN | 12 | 47.8 | -120.9 |
| SFY18 102 | Foster Creek Conservation District | 250,000 | The Douglas County Agricultural Best Management Practices project is designed to improve water quality in and around Douglas County streams and tributaries through the continuation of a direct seed program that provides assistance to local producers to convert from conventional tillage to direct seed systems. The program will result in at least ten additional direct seed participants, continued water quality monitoring, soil testing and monitoring, cost-benefit analyses and education efforts. | PO Box 398 | Waterville, | DOUGLAS | 12 | 48.0 | -119.7 |
| SFY18 103 | Lummi Indian Business Council | 253,000 | To provide temperature refugia and help restore salmon habitat that will aid salmon recovery in Water Resource Inventory Area 1 (WRIA1), this project will construct 13 engineered logjams (ELJ) in the mainstem SF Nooksack River. These ELJ-formed scour pools will provide a cool water refuge during elevated water temperatures in the summer for migrating adults as they move upstream to spawning grounds. | 2665 Kwina Road | Bellingham, | WHATCOM | 42 | 48.7 | -122.1 |

| SFY / Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. Dist. | Lat. | Long. |
|--------------|--|---------|---|--|---------------|-----------|------------|------|--------|
| SFY18 106 | Lynden city of - Public Works Department | 500,000 | This phase of the Pepin Creek Project will stabilize the already fragile shoreline from Main Street downstream to the confluence of Double Ditch and Fishtrap Creeks - about 0.75 miles. This work is essential and must be completed before water from Pepin Creek can be directed into this section. Lynden is working to address a significant water problem caused by over-topping roadside ditches along Benson and Double Ditch Roads by realigning flows into a new Pepin Creek riparian corridor. | 300 4th Street Lynden, WA 98264 | Lynden, | WHATCOM | 42 | 49.0 | -122.5 |
| SFY18 117 | Snohomish Conservation District | 249,000 | The Snohomish Conservation District will develop an outreach program targeting big riparian buffers on high priority reaches in the Stillaguamish River Watershed. Over eleven acres of riparian forest will be planted to protect and enhance habitat at cold water anomalies identified in a TMDL Assessment project completed by Snohomish County, thus providing temperature refuge for threatened salmonids. | 528 91st Ave NE, Ste A | Lake Stevens, | SNOHOMISH | 10 | 48.1 | -122.0 |
| SFY18 119 | Palouse Conservation District | 250,000 | Conservation programs addressing non-point source pollution in the Palouse River watershed need the most optimal selection and placement of best management practices (BMP). Palouse Conservation District will use a tested BMP effectiveness tool in collaboration with district planners to identify critical source areas and the greatest pollution reduction. District planners and landowners will be educated on advanced BMP implementation strategies. Water quality monitoring will be used to assess watershed scale effectiveness. | 1300 Henley Ct. #6 | Pullman, | WHITMAN | 5 | 46.7 | -117.2 |
| SFY18 122 | Asotin Conservation District | 250,000 | This project will assist landowners with addressing potential and recently identified water quality concerns along streams in Asotin County by implementing Best Management Practices including stream bank stabilization, livestock exclusion fencing, off-stream watering, livestock feeding practices including manure management, stream crossings and riparian planting. | 720 6th Street Suite B | Clarkston, | ASOTIN | 9 | 46.2 | -117.2 |
| SFY18 126 | Lincoln County Conservation District | 371,000 | The Lincoln County, Palouse-Rock Lake, and Pine Creek Conservation Districts will implement a project that will greatly improve the water quality, public health, soil health, and erosion concerns throughout Lincoln, Palouse Rock Lake, and Pine Creek District service areas. Through a direct seed cost share program, the districts will increase the use of direct seed systems and reduce soil erosion by 63,000 tons. | P.O. Box 46 | Davenport, | Lincoln | 13 | 47.7 | -118.2 |
| SFY18 135 | Okanogan Conservation District | 250,000 | The Okanogan Conservation District (Okanogan CD) is proposing to implement non-point source pollution measures to mitigate increases in sediment delivery along the upper Benson Creek Waterway. These measures include: two restoration projects (Davis and Betty), a hydrologic assessment, and plans to develop two additional water quality projects within the Benson Creek Watershed. The Okanogan CD will also provide water quality education and outreach to Okanogan County residents. | 1251 South 2nd Ave, room 102 | Okanogan, | OKANOGAN | 12 | 48.3 | -120.0 |
| SFY18 137 | Port Orchard city of - Public Works Department | 212,000 | The City of Port Orchard proposes to daylight Johnson Creek and create an estuary along Sinclair Inlet. The project removes 19,100 sf of buildings and pavement to allow for re-grading and site restoration on 0.8 acres. In addition to creating an estuary with native plants, the project removes a fish barrier, improves the quality of water flowing into Sinclair Inlet, provides public education about the importance of aquatic health, and removes buildings from an area prone to chronic flooding. | 216 Prospect Street | Port Orchard, | KITSAP | 26 | 47.5 | -122.6 |

| SFY / Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. Dist. | Lat. | Long. |
|--------------|---|---------------------|---|----------------------|----------------|-----------|------------|------|--------|
| SFY18 139 | Spokane Conservation District | 500,000 | The Spokane Conservation District will continue their successful On-Site Septic Program by providing small grants and low interest loans for replacing, repairing and connecting septic systems to existing sewer mains. In addition, the program will conduct a Septic Feasibility Study in Newman Lake to resolve targeted septic and cesspool issues causing nutrient (non-point source) issues. Lastly, the program will assist the USGS in its current groundwater study of septic issues in Lake Spokane. | 210 N. Havana | Spokane, | SPOKANE | 9 | 47.6 | -117.4 |
| SFY18 142 | Pierce Conservation District | 82,000 | Chinook salmon, Bull trout, and Steelhead trout are all listed as threatened species under the Endangered Species Act, with runoff from farmlands being one of the contributing factors. This runoff means water is not infiltrating the soil properly, increasing flashiness and helping create low flow conditions detrimental to salmon. This project will diminish those impacts by incentivizing the use by local farmers of direct seeding and cover crop practices in the Puyallup Watershed, a high priority salmon stream. | PO Box 1057 | Puyallup, | PIERCE | 25 | 47.1 | -122.1 |
| SFY18 149 | Thurston Conservation District | 244,000 | Thurston Conservation District has put together a tribal, public, private, and non-profit partnership to restore degraded conditions in the Middle Deschutes River Watershed. The collaboration will lead to immediate water quality improvements while engaging the community in the long-term stewardship, restoration and protection of the Watershed. | 2918 Ferguson St. SW | Tumwater, | THURSTON | 22 | 46.9 | -122.7 |
| SFY18 150 | Electric City city of | 58,000 | The Electric City Stormwater Plan will include survey of existing facilities, development of a basemap to delineate drainage basins, stormwater modeling, inspection of existing stormwater facilities and outfalls, development of a capital improvement plan to improve existing infrastructure and connect future stormwater systems, and provide the City with guidance to cost-effectively manage stormwater runoff and preserve the quality of Banks Lake. | PO Box130 | Electric City, | GRANT | 12 | 47.9 | -119.0 |
| SFY18 151 | Palouse Rock Lake Conservation District | 224,000 | The application will provide landowners with a low disturbance direct seed equipment to demonstrate high residue seeding. | P.O. Box 438 | St John, | WHITMAN | 9 | 47.1 | -117.6 |
| | SFY 2019 Centennial Grant Projects | 31,064,000 | We anticipate the same or increased demand for funding in SFY 2019 based on hardship community projects expected to apply for construction funding including Deer Park, Lake Wenatchee, Leavenworth, Mattawa, Murdock, Riverside, Royal City, Sequim, Spangle, and Vader. Ecology Estimates our total demand for construction and non-point source projects to be \$38 million or more in SFY 2019 and Ecology would prioritize and fund these projects in SFY 19 up to \$31.1 million. | Statewide | Statewide | Statewide | Statewide | | |
| TOTAL | | \$60,000,000 | | | | | | | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/3/2017 11:03AM

Project Number: 4000064

Project Title: Catastrophic Flood Relief

Description

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 12

Project Summary

During the 2016 Legislative Session, House Bill (HB) 2856 established the Office of Chehalis Basin (OCB) within Ecology. Its primary purpose is to aggressively pursue implementation of an integrated strategy and administer funding for long-term flood damage reduction and aquatic species restoration in the Chehalis River Basin. The bill also established a new board, to be staffed by Ecology, representing local governments, tribes, and state agencies, to oversee the strategy implementation and develop budget recommendations. In November 2016, the Governor's Chehalis Basin Work Group recommended a work plan and associated investment level for implementing the Chehalis Basin Strategy. This request is for funding the OCB and new grants, contracts, and interagency agreements in the 2017-19 Biennium for Chehalis Basin flood management and habitat restoration. (State Building Construction Account)

Project Description**What is the proposed project?**

Background:

The Chehalis River Basin (Basin) is among the most flood-prone areas in Washington. Five of the largest floods in the history of the Chehalis Basin occurred in the last 30 years. Flooding has led to significant damage to structures and property, widespread loss of livestock, and closure of I-5. The Basin also supports relatively strong populations of salmon and other aquatic species, but human-caused impacts to aquatic habitat have been extensive and resulted in a significant decline in some salmon runs.

In 2007, a series of storms caused extensive flood damage in southwest Washington, resulting in a Presidential declaration of a major disaster and federal funding assistance. Washington's Legislature also made significant state investments of \$92.7 million from the 2007-09 through the 2015-17 Biennium for catastrophic flood relief and prevention projects in the Basin. These capital projects were appropriated to the Office of Financial Management.

In mid-2012, the Governor's Chehalis Basin Work Group (Work Group) was formed. The members represent the breadth of community interests in the Basin. For the 2013-15 and 2015-17 biennial budgets, the Work Group recommended work plans and budgets that informed the capital budget.

For example, the 2015-17 appropriation (\$50 million, 2EHB 1115, Sect. 1074) included proviso language requiring feasibility studies and design of structural measures, such as a dam or levees; examining and funding non-structural measures to reduce flood hazard; and protecting and enhancing fish populations as follows:

- \$26.8 million for advancing the long-term Chehalis Basin Strategy, including a programmatic environmental impact statement (PEIS), data collection, engineering design, feasibility analysis, and engaging agencies, tribes, and other parties.
- \$23.2 million for constructing priority flood protection and habitat restoration projects.

Several state natural resource agencies implemented these capital projects, including Ecology and the Washington State Department of Fish and Wildlife (WDFW). The Ruckelshaus Center provided project management and oversight. Some of the funding was provided to the Chehalis River Basin Flood Authority (local governments) for emergency notification and early implementation projects.

The Basin is at a turning point. Communities in the Basin are looking for long-term approaches that can replace or reduce the pattern of repeated flood damage and recovery. For example, over the last two years, Ecology has lead the PEIS effort for the Chehalis Basin Strategy. The PEIS was completed in the fall of 2016, and looks broadly at program-level issues related to implementing a long-term, integrated strategy to address flood damage and habitat degradation in the Basin. It systematically identifies the range of problems and alternatives to be addressed through the Chehalis Basin Strategy. From this work, it is clear that agencies, tribes, and local partners broadly support significant investments in both flood damage reduction and

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/3/2017 11:03AM

Project Number: 40000064

Project Title: Catastrophic Flood Relief

Description

aquatic habitat restoration.

In response to the work already done and support for long-range integrated solutions, the 2016 Legislature passed HB 2856, which directed Ecology to establish the OCB, modeled to the extent possible after the Office of the Columbia River. Funding was not provided to implement the bill.

The OCB's primary purpose is to aggressively pursue implementation and administer funding for an integrated strategy of long-term flood damage reduction and aquatic species restoration in the Chehalis River Basin. The bill directed the Governor, basin tribes, and the Chehalis River Basin Flood Authority to appoint a board tasked with overseeing implementation of the long-term strategy resulting from Ecology's PEIS; reducing flood damages and restoring aquatic species habitat; and developing budget recommendations to the Governor. Ecology must provide support for the Chehalis Basin Board and reimburse travel costs for non-state agency Board members. Ecology requires funding in the 2017-19 Biennium to establish the OCB and Board, and to fund projects that continue to move the Chehalis Basin Strategy forward.

The Governor's Work Group had a key role in identifying the work plan and level of investment needed for the 2017-19 Biennium, as they have since 2012. The work plan, developed in November 2016, was built on planning and design work being conducted by consultants and staff through dialogue among the Work Group, tribes, state agencies, local governments, and the Governor's staff. It recommends a \$60 million budget appropriation to advance the long-term strategy to reduce flood damage and restore aquatic species habitat, and to construct local flood damage reduction and habitat restoration projects.

Ecology anticipates that the Board will be ready to recommend specific projects for funding by the end of 2018 through existing prioritization processes. Proposed habitat projects will be selected through the Aquatic Species Restoration Plan process, led by Washington Department of Fish with the Chehalis Tribe and Quinault Nation. Major flood reduction projects will be determined through the environmental impact statement process.

Ecology also requested funding for statewide, multi-benefit flood management projects in the request titled, "Floodplains by Design", but none of those projects fall within the Chehalis Basin area.

What opportunity or problem is driving this request?**The reason for the project:**

The Chehalis River Basin is among the most flood-prone areas in Washington. Five of the largest floods in the history of the Chehalis Basin occurred in the last 30 years. Flooding has led to significant damage to structures and property, widespread loss of livestock, and closure of I-5.

Over the last nine years, a total of \$92.7 million has been appropriated for catastrophic flood relief and prevention projects in the Chehalis Basin. In response to the work that has already been done and widespread support for long-term solutions, the 2016 Legislature passed HB 2856, creating the Office of the Chehalis Basin (OCB) within Ecology. The bill establishes a board, supported by OCB Ecology staff, to oversee implementation of an integrated strategy in the Basin and develop budget recommendations.

Ecology is requesting funding to implement the legislative directives in the bill.

The effects of non-funding:

HB 2856 requires Ecology to establish the OCB as an ongoing function within the agency, which requires funding. Without funding, work to develop and implement the Chehalis Basin Strategy would be curtailed. There would be a failure to sustain the multi-benefit planning and capital project work supported by state funds in the Chehalis Basin in recent biennia. The momentum inspired by the PEIS to implement integrated solutions in the Basin would not be sustained or brought to fruition.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/3/2017 11:03AM

Project Number: 4000064

Project Title: Catastrophic Flood Relief

Description**How does the project support the agency and statewide results?**

This request is essential to implementing two of Ecology's strategic priorities:

- Deliver Integrated Water Solutions by providing increased financial assistance to support community-based projects that improve public protection from flood hazards and result in environmentally sound management of Chehalis floodplain resources.

- Reduce and Prepare for Climate Impacts, also a Governor priority, through adaptation to climate change in considering salmon habitat needs and designing flood hazard reduction approaches.

This request provides essential support to the Governor's Results Washington Goals:

Goal 3, Sustainable Energy and a Clean Environment, by:

- Preventing flood damages that would introduce pollutants into river and shoreland areas.
- Preventing and mitigating flooding hazards in communities to promote safer communities.

Goal 4, Healthy and Safe Communities, by funding projects that provide the necessary resources and assistance to communities to prevent loss of life and property created by catastrophic flood events.

Goal 5, Effective, Efficient, and Accountable Government, by coordinating the Chehalis integrated management program with other state initiatives like salmon recovery and water quality. The new OCB will provide a focal point and accountability for future investments in the Chehalis Basin.

What are the specific benefits of this project?

One of the primary objectives of the Chehalis Basin Strategy is to reduce the cost and severe disruption to Basin communities caused by flooding events. A 2014 cost-benefit analysis (referenced below) projects Chehalis Basin flood damage and recovery costs of \$3.5 billion over the next 100 years if no action is taken. Funding this request will allow investments to pursue opportunities that reduce costs and disruption through near-term and long-term projects for flood damage reduction. To illustrate, FEMA examined costs and benefits from the 2007 flood for 35 homes that had previously been elevated above flood level ("Evaluating Losses Avoided Through Hazard Mitigation: City of Centralia," FEMA, February 2008. Available at <https://www.hsdil.org/?view&did=28719>). The estimated damage avoided for the 2007 flood on these 35 structures was \$1.9 million, while the costs to elevate the homes was an estimated \$1.0 million. This is nearly a 2-to-1 cost benefit for this single flood event.

The second objective of the Chehalis Basin Strategy is to improve aquatic habitat—particularly habitat for several salmon species. A 2015 Quinault Indian Nation report identified an average value of salmon fishing by tribal fishers in Grays Harbor (confluence of Chehalis and other Basin rivers) at over \$600,000 per year ("Economic Impacts of Crude Oil Transport on the Quinault Indian Nation and the Local Economy", April 2015, Resource Dimensions). There is additional value in restoring aquatic habitat, including response to anticipated challenges from climate change. The proposed investments in habitat will include near and long-term priority actions intended to improve salmon and other populations of aquatic species in the Basin.

This request will fund development and design of longer-term projects and actions, along with implementing near-term projects to reduce flood damages and improving habitat.

This project will also provide economic benefits to the state by creating up to 175 jobs during the 2017-19 Biennium, based on estimates from the Office of Financial Management.

(Ruckelshaus Center, 2014. Governor's Chehalis Basin Work Group: 2014 Recommendations Report; Available at: http://ruckelshauscenter.wsu.edu/wpcontent/uploads/2014/11/ChehalisBasinWorkGroupRecommendationsReport_Final_0004.pdf.)

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/3/2017 11:03AM

Project Number: 4000064

Project Title: Catastrophic Flood Relief

Description**How will clients be affected and services change if this project is funded?**

Last biennium, the Office of Financial Management received \$50 million for Chehalis Basin Strategy work. The funding was divided about evenly for 1) “on-the-ground” flood protection and habitat restoration projects; and 2) to advance “the long-term strategy for the Chehalis Basin projects to reduce flood damage and restore aquatic species including a programmatic environmental impact statement, data collection, engineering design of future construction projects, feasibility analysis, and engagement of state agencies, tribes, and other parties.” Specific technical tasks were identified in the project budget, and accomplished as contracted services by state agency staff, tribal staff, and consultants. The Washington Recreation and Conservation Office (RCO) provided fiscal management, and the Ruckelshaus Center provided project oversight. Recommendations for biennial work plans and budgets were provided by the Governor’s Work Group.

This request reflects the pivot to a more enduring framework for Chehalis investments, as defined in HB 2856. Funding will be passed through from the OCB to RCO for capital projects. The Chehalis Basin Board will provide oversight of strategy implementation. Funded activities will continue to be accomplished through a mix of OCB staff, inter-agency agreements and consultant contracts.

The Board began meeting in July 2017, and is supported by temporary assignment of existing Ecology staff and consultants using reappropriated funds from the 2015-17 Biennium that will carry costs until November 2017. OCB staff will not be hired unless this request is funded.

Are FTEs required to support this project?

This project requires a total of 11.27 FTEs a year for the activities identified below. Actual FTEs may vary depending on the timing of the enacted budget.

The OCB requires 6.03 FTEs for staff support consistent with the Work Group recommendation for office management and administration, Board coordination, Strategic Planning, communications, and project coordination.

Ecology also requires 5.24 FTEs for consultation and support of the integrated strategy as follows:

1. A project-specific State Environmental Policy Act (SEPA) EIS, now that the programmatic EIS is complete, to include scoping, development of a draft EIS, and engaging permitting agencies for the federal EIS (1.50 FTEs).
2. To guide and participate in developing and reviewing technical products and reports to include input on modeling approaches, applicability of state standards, interpretation of results, and economic evaluation; communicating and presenting materials; attending meetings and workshops; and ensuring interagency coordination and timely delivery on commitments (2.82 FTEs).
3. To provide dam safety and water supply/water rights consultation (0.92 FTE).

How will the other state programs or units of government be affected if this project is funded?

The OCB will have significant relationships and coordination with other agencies. The Washington State Department of Fish and Wildlife is lead for the Chehalis policy objective of improving habitat for salmon and other species. Activities in the 2015-17 Biennium included refining the Chehalis Aquatic Species Restoration Plan, conducting research on aquatic species, and leading the process to allocate \$7 million in habitat project funding. Elements of all these activities will continue in the 2017-19 Biennium. The Washington State Conservation Commission received funding to work with agricultural property owners on farm pads and bank stabilization projects; this work will also continue in the future. The Department of Natural Resources is involved in reviewing forestry management issues. The Washington State Department of Transportation has a strong interest in protecting I-5 from closure during flood events. The Recreation and Conservation Office will receive up to 1.5 percent of the appropriation to help administer the contracts for the subprojects funded through this request.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/3/2017 11:03AM

Project Number: 40000064

Project Title: Catastrophic Flood Relief

Description**What is the impact on the state operating budget?**

None

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

This request is responding to legislative and Governor direction to Ecology to support implementation of an integrated Chehalis Basin Strategy. This is not an agency-based proposal for new work. Ecology requires funding in the 2017-19 Biennium to meet this direction from the Legislature and Governor.

What is the agency's proposed funding strategy for the project?

Funds provided in the enacted budget should be deposited in the new Chehalis Basin Account created in section four of HB 2856. The bill specifies that "all receipts from direct appropriations of the legislature, including the proceeds of tax exempt bonds, or moneys directed to the account from any other sources must be deposited in the account. Interest earned by deposits in the account will be retained in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the purposes set out in Section 1 (of HB 2856) and for the payment of expenses incurred in the issuance and sale of bonds."

Ecology does not have a preference for the source of funding to implement the OCB as directed by HB 2856, but is requesting State Building Construction Account funding, because there is not a dedicated fund source specifically for this work.

The Board and Governor's Office have met with federal agencies and Congressional leaders to request \$10 million in matching federal funds for habitat restoration projects in cooperation with the U.S. Fish and Wildlife, the National Oceanic and Atmospheric Administration, and the U.S. Department of Agriculture, since much of the land desired for restoration is used for agricultural purposes.

Proviso

Proviso language is requested to match the language in the latest Senate and House versions of the 2017-19 Capital Budget proposals: The appropriations in this section are subject to the following conditions and limitations: (1) Up to \$30,400,000 of the appropriation is for advancing the long-term strategy for the Chehalis Basin projects to reduce flood damage and restore aquatic species. This includes project level environmental review, data collection, engineering design of future construction projects, feasibility analysis, and engagement of state agencies, tribes, and other parties. (2) Up to \$19,600,000 of the state building construction account appropriation and \$10,000,000 from the federal account is for constructing local priority flood protection and habitat restoration projects. (3) The office of Chehalis Basin Board has discretion to allocate the funding between subsections (1) and (2) of this section if needed to meet the objectives of this appropriation. (4) Up to 1.5 percent of the appropriation provided in this section may be used by the Recreation and Conservation Office to administer contracts associated with the subprojects funded through this section. Contract administration includes, but is not limited to: Drafting and amending contracts; reviewing and approving invoices; tracking expenditures; and performing field inspections to assess project status when conducting similar assessments related to other agency contracts in the same geographic area.

Project Type

Grants

**461 - Department of Ecology
Capital Project Request**

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/3/2017 11:03AM

Project Number: 40000064

Project Title: Catastrophic Flood Relief

Description

Grant Recipient Organization: State, local, tribal, and community groups and consultants

RCW that establishes grant: None

Application process used

To be determined. This is a new grant program, and the details of how dollars will be awarded have yet to be decided.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|--------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 001-2 | General Fund-Federal | 50,000,000 | | | | 10,000,000 |
| 057-1 | State Bldg Constr-State | 250,000,000 | | | | 50,000,000 |
| | Total | 300,000,000 | 0 | 0 | 0 | 60,000,000 |

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 001-2 | General Fund-Federal | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| 057-1 | State Bldg Constr-State | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| | Total | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | |
|--|--|
| Agency No. <u>461</u> | Agency Name <u>Department of Ecology</u> |
| Contact Name: <u>Gordon White</u> | |
| Phone: <u>360-407-6977</u> | Fax: <u>360-407-7162</u> |
| Fund(s) Number: <u>057</u> | Fund Name: <u>State Building Construction Account</u> |
| Project Number: <u>4000064</u> | Project Title: <u>Catastrophic Flood Relief</u> |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:19PM

Project Number: 30000796

Project Title: 2017-19 Stormwater Financial Assistance Program

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 13

Project Summary

This request for \$44.2 million for Ecology's Stormwater Financial Assistance Program (SFAP) will provide grants to public entities to finance stormwater retrofit projects that treat polluted stormwater in priority areas throughout the state. The SFAP will distribute funds to the highest priority projects through a competitive rating and ranking process to ensure projects provide good water quality value and address problems from existing urban development. The work accomplished by local governments will help reduce toxics and other pollution from entering our waterways and protect our marine waters, estuaries, lakes, rivers, and groundwater resources throughout the state. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

In 2013, the Legislature used a provision in the 2013-15 Capital Budget (Section 3081) to direct Ecology to develop and implement an ongoing, comprehensive, statewide stormwater financial assistance program. Ecology worked with stakeholders to develop a stormwater funding program – the SFAP – that is incorporated into Ecology's Water Quality Combined Financial Assistance Program. Funding for this program in the 2017-19 Biennium will continue to support constructing stormwater retrofit projects and implementing associated activities with high water quality and ecologic benefit.

The SFAP will provide grant funding for stormwater projects through a competitive rating and ranking funding process. These high priority stormwater improvement projects will support state water quality goals by preventing pollution generated by existing infrastructure from reaching surface waters. Ecology will administer the program through the Water Quality Combined Financial Assistance Program. This program provides a streamlined grant and loan application process for local governments seeking state funding for water quality improvement projects. Projects and activities eligible for funding include planning and installing capital projects and activities that reduce stormwater pollutants.

Projects may include, but are not limited to:

- Stormwater basins, pervious pavements, and bio-retention systems that collect runoff from hard surfaces and remove pollutants before the water is released to a water body or infiltrated into the ground.
- Project-specific planning and design to assist jurisdictions in preparing capital improvement projects.
- Toxics source tracing, corrective action, and removal projects. These projects are a cost-effective way of removing sources of toxics and reducing toxics discharge to waterways.
- Prioritized watershed basin retrofit planning and implementation strategies. These projects cross program boundaries (e.g., toxics cleanup sites combined with water quality improvement projects) and may use tools such as Geographic Information System (GIS) mapping to help organize and prioritize stormwater capital improvement projects. This process provides efficiencies of scale and maximizes water quality benefits per dollar invested.

Projects constructed through this program will meet design standards outlined in Ecology's Eastern and Western Washington Stormwater Management Manuals.

For the 2017–19 Biennium, Ecology is requesting \$44.2 million in funding. The attached prioritized list of 26 projects represents \$14.1 million for SFY 2018. We anticipate a minimum of \$30 million in demand for funding in SFY 2019 based on stakeholder outreach and historic requests for funding.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:19PM

Project Number: 30000796

Project Title: 2017-19 Stormwater Financial Assistance Program

Description**What opportunity or problem is driving this request?****The reason for the project:**

Polluted stormwater is one of the greatest threats to the health of Washington State waters. Most of this pollution comes from existing infrastructure like buildings, road surfaces, and municipal storm sewer systems built before the Clean Water Act and other environmental regulations. In new and redeveloped areas, developers shoulder most of the cost of treating stormwater. But local jurisdictions are burdened with the expense of cleaning up stormwater problems created by old, ineffective infrastructure. Current municipal stormwater National Pollutant Discharge Elimination System (NPDES) permits do not require retrofitting existing development with stormwater controls; so in many cases, untreated stormwater carrying pollutants from existing infrastructure is released directly into the nearest waterway.

This funding request continues Ecology's ongoing SFAP to address one of the most significant water pollution problems in Washington State. The SFAP will maintain the momentum of work accomplished through previous funding provisions from the past four biennia. Estimates of the need for stormwater retrofit and associated projects to address stormwater pollution problems in Washington State are in the billions of dollars range. The SFAP, integrated with the existing Water Quality Combined Financial Assistance Program, will provide an ongoing source of funds that will incentivize implementing stormwater projects for local governments and establish Washington as a leader in actively protecting its waters from the impacts of stormwater runoff.

The effects of non-funding:

Statewide water quality and public health would be impacted if these grant dollars are not available to assist local communities to mitigate the effects of polluted stormwater. The SFAP funds would not be available to local communities for developing and implementing projects that go beyond the requirements of NPDES permits to treat polluted runoff from existing development. Without these funds, capital stormwater improvement projects would not be constructed, and untreated stormwater would continue to pollute Washington's waterways. Untreated stormwater discharges toxic chemicals and other pollutants into waters of the state, which in turn impacts shellfish habitat, fisheries, human health, and other beneficial uses.

How does the project support the agency and statewide results?

This request is aligned with, and essential to implementing Ecology's strategic plan goals and strategic priorities:

- Reduce and prepare for climate impacts: During drought and more than average rainfall years, implementing stormwater retrofits and green infrastructure mitigates adverse climate impacts by controlling flow volumes and treating stormwater runoff to remove pollutants.
- Prevent and reduce toxic threats: Funded stormwater projects address stormwater pollutants by implementing stormwater best management practices, constructing stormwater treatment and flow control facilities, and implementing low impact treatment techniques that capture and reduce toxics and other pollutants.
- Deliver integrated water solutions: Some projects funded achieve multiple benefits to both water quality and water resources: including stormwater capture and reuse, infiltration of stormwater runoff, and treatment of polluted stormwater runoff.
- Protect and Restore Puget Sound: On average about 70 percent of the SFAP funds are awarded to projects in the Puget Sound basin. Projects funded lead to direct and indirect improvements to Puget Sound water quality through constructed stormwater pollution control infrastructure that goes above and beyond permit requirements.

This request is essential to support the Governor's Results Washington Goal 3 – Sustainable Energy and Clean Environment. Specifically, Ecology provides regular updates and report outs to the Governor and Goal Council regarding Results G3:3.2a: increase the number of projects that provide stormwater treatment or infiltration.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:19PM

Project Number: 30000796

Project Title: 2017-19 Stormwater Financial Assistance Program

Description

This request makes a key contribution to statewide results by providing grants for high priority stormwater improvement projects statewide that address Natural Resources strategies to Reduce Negative Impacts on the Environment; Preserve, Maintain and Restore Natural Systems and Landscapes; and Improve Individual Practices and Choices. It also supports salmon recovery efforts.

This request supports Ecology's integrated water quality financial assistance program by leveraging and augmenting loan funds through the Water Pollution Control Revolving Fund (SRF) loan program, the Centennial Clean Water grant program, and the Clean Water Act Section 319 federal grant program. Through the integrated funding program, Ecology continues to apply Lean principles in an effort to improve efficiency in service delivery and improve access to funding for high priority projects that deliver multiple benefits. Cross program and cross agency coordination is also a key element of the water quality financial assistance programs and Ecology is committed to supporting the Infrastructure Assistance Coordinating Council (IACC) as a cross-agency collaborative approach to providing infrastructure, financial and technical assistance to communities throughout Washington.

This request supports Puget Sound Action Agenda implementation through sub-strategy 10.3, Fix Problems Caused by Existing Development by providing funding to cities and counties to retrofit existing development through the Stormwater Financial Assistance Program's competitive grant program. This request directly supports the regional priority 10.3-1: Prioritize where retrofits occur by funding local project planning and design efforts including alternative analysis. This request directly supports regional priority 10.3-4: Research, study and /or pilot legacy pollutant removal programs with intent of filling data gaps. This request funds projects to inspect private parcel Best Management Practices and provides technical assistance to property owners.

What are the specific benefits of this project?

The SFAP provides funding to local governments for municipal stormwater management projects that achieve specific environmental and public health benefits, including:

- Improving and protecting water quality by reducing pollutant transport to surface waters.
- Restoring natural hydrology to streams and improving watershed function.
- Promoting groundwater recharge.
- Restoring and protecting designated uses of Washington's waters, such as drinking water, aquatic habitat, and shellfish harvesting.
- Promoting and incentivizing sustainable communities.

This project will also provide economic benefits to the state by creating up to 198 jobs during the next two years, based on estimates from the Office of Financial Management.

How will clients be affected and services change if this project is funded?

Since 2006, Ecology has provided stormwater construction grants to local governments through a series of one-time funding provisions in the state capital budget. If this request is funded, Ecology can continue to support local governments in promoting and incentivizing their ongoing efforts to reduce polluted stormwater runoff to Washington water bodies. Local government stakeholders throughout the state have voiced strong support for an ongoing and stable stormwater financial assistance program that can help them proactively address stormwater management problems and improve environmental sustainability and the health of their local communities.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:19PM

Project Number: 30000796

Project Title: 2017-19 Stormwater Financial Assistance Program

Description**Are FTEs required to support this project?**

No FTEs are requested for this project. The 12.95 FTEs required for SFAP technical, budget and financial management are requested in the Restore Stormwater request, and in the reappropriation request for project 30000535.

How will the other state programs or units of government be affected if this project is funded?

Solving stormwater pollution problems requires the efforts of, and collaboration with, local, state, federal, and tribal governments. Supporting local governments in implementing stormwater projects will also support the efforts of the Puget Sound Partnership, the Department of Commerce, the Department of Natural Resources, the Department of Health, the Washington State Department of Transportation, the U.S. Environmental Protection Agency, and tribal water quality improvement programs.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

To ensure the highest-value and highest priority stormwater projects receive funding, Ecology solicited input through the Stormwater Funding Program Stakeholder work group and the Water Quality Financial Assistance Council. These groups include representatives from local governments; the Puget Sound Partnership; the Washington State Association of Counties; Association of Washington Cities; Washington Public Ports Association; and the Washington Environmental Council. These stakeholder groups helped evaluate options and alternatives to addressing statewide stormwater issues and provided Ecology with input and feedback that led to implementing the SFAP.

During the 2015-17 Biennium, Ecology launched the SFAP as a stormwater-specific funding program that is integrated within the well-established and successful Water Quality Combined Financial Assistance Program and annual funding cycle process.

This request will provide the resources needed to continue Ecology's ongoing, long-term, statewide Stormwater Financial Assistance Program that works hand-in-hand with the existing program and fills the gap in grant funding needed for promoting stormwater projects.

What is the agency's proposed funding strategy for the project?

The SFAP has historically been funded with both Model Toxics Control Act (MTCA) funding and State Building Construction Account (SBCA) bond funding and is matched up to 25 percent by local governments. The Hazardous Substance Tax (HST) is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10th of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past couple of years, and so have HST collections and revenues. The MTCA fund balances cannot support new appropriation requests for the SFAP. Projected negative balances in the MTCA accounts in the 2017-19 Biennium mean no MTCA funding can be requested for new stormwater projects. Ecology requests funding from the SBCA to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:19PM

Project Number: 30000796

Project Title: 2017-19 Stormwater Financial Assistance Program

Description

million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.

- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.

- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).

- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.

- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology's ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the GF-S. There were direct transfers, but the Legislature also funded new investments in stormwater. In the SFAP, both MTCA and SBCA were used to fund important stormwater projects during the economic downturn. Today our economy is in a growth period, stormwater projects are affordable, and there is a high level of interest by local governments to solve stormwater pollution impacts. Providing SBCA funding will allow important, ready-to-proceed stormwater projects to move forward.

Ecology requests \$44.2 million from the SBCA in new funding for projects that reduce toxics and other pollution from entering our waterways and protect our marine waters, estuaries, lakes, rivers, and groundwater resources throughout the state. This will allow important stormwater work to continue in the 2017-19 Biennium.

Note: The total amount being requested in bond funding for 2017-19 stormwater projects is \$113.2 million, which includes this \$44.2 million in new projects; \$30.1 million to restore reductions from the 2016 Supplemental Budget; and due to the MTCA revenue shortfall, \$26.5 million for projects that will continue to be delayed in reappropriation 30000535, and \$12.4 million in projects that will be delayed in reappropriation 92000076 unless a revenue solution is provided. Traditional new investments in stormwater have averaged around \$73.3 million a biennium over the last three biennia.

Proviso

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 3:19PM

Project Number: 30000796

Project Title: 2017-19 Stormwater Financial Assistance Program

Description

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

Ecology uses its Environmental Protection Agency (EPA) acclaimed nationwide model that integrates the application evaluation offer process for all its water quality financial assistance programs. Ecology uses statewide workshops and a well-publicized, web-based annual application and proposal evaluation cycle to ensure ample outreach and applicant interest and participation. Completed projects will serve as region-wide models of stormwater management and implementation of innovative Low Impact Development techniques.

Growth Management impacts

Growth Management Act (GMA) compliance is strongly encouraged and supported by Ecology. Because other funding sources may require GMA compliance to be eligible for funding, an applicant's GMA status will be reflected in its readiness to proceed at time of application.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|--------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 284,200,000 | | | | 44,200,000 |
| | Total | 284,200,000 | 0 | 0 | 0 | 44,200,000 |

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |
| | Total | 60,000,000 | 60,000,000 | 60,000,000 | 60,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Kimberly Wagar</u> | Email: | <u>kwag461@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-6614</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057-1</u> | Project Title: | <u>Stormwater Financial Assistance</u> |
| Project Number: | <u>30000796</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Capital Budget Project List
Water Quality Program
Stormwater Financial Assistance Program - NEW (30000796)

9/8/2017

Purpose: This project list represents the new Stormwater Financial Assistance Program (SFAP) projects proposed for funding in the 2018 Supplemental Capital Budget proposal. The SFAP provides grants to public entities to finance stormwater retrofit projects that treat polluted stormwater in priority areas throughout the state. This list provides details for projects included in the Water Quality Program's Stormwater Financial Assistance State Fiscal Year (SFY) 2018 Draft Offer List. Funding proposed (project cost) is based on the assumption that SFY 2016 and SFY 2017 delayed projects will be funded through reappropriations. This list does not include projects that were cut from the SFY 2017 SFAP project list and the SFY 2016 Pre-Construction list.

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|--|-------------|---|-------------------------|-------------|-------------|---------------|-------|---------|
| 11 | Spokane County - Stormwater Utility | \$740,400 | This project will add bioretention swales and Filterra units for water quality treatment of pollution-generating impervious surfaces for a 0.7-mile section of road in South Spokane where there is currently no stormwater treatment. This project is located in a Critical Aquifer Recharge Area for the Spokane Valley-Rathdrum Prairie Aquifer, which is designated a Sole Source Aquifer by the Environmental Protection Agency. Stormwater is currently disposed of via direct injection into the ground. | 1026 W. Broadway Avenue | Spokane | SPOKANE | 6 | 47.60 | -117.38 |
| 21 | Walla Walla city of | \$798,185 | Design and construct stormwater facilities to treat and infiltrate stormwater runoff along Isaacs Avenue. This project will improve water quality in Mill Creek and the Walla Walla River by effectively eliminating stormwater discharges to the existing piped storm system from this major transportation corridor that currently discharges directly to Mill Creek. This will reduce levels of total suspended solids, PCBs, hydrocarbons, metals, fertilizer, pesticides and fecal coliform in Mill Creek. | 15 N 3rd Ave | Walla Walla | WALLA WALLA | 16 | 46.07 | -118.31 |
| 23 | Tacoma city of - Environmental Services Department | \$5,000,000 | The Madison District Green Infrastructure Project will improve water quality in the Flett Creek Watershed through installation of permeable pavement. This project will provide basic water quality treatment and will also reduce flows by increasing stormwater infiltration. The Madison District is one quadrant of the Tacoma Mall Neighborhood which is a Regional Growth Center in the City of Tacoma. This project is the result of a comprehensive planning process. | 326 East 'D' Street | Tacoma | PIERCE | 27 | 47.22 | -122.48 |
| 31 | Spokane County - Stormwater Utility | \$93,462 | This project will add Filterra biofiltration units for stormwater treatment to 0.8 miles of high-traffic Mill Road. The project is located in a Critical Aquifer Recharge Area over the Spokane Valley-Rathdrum Prairie Aquifer which is designated a Sole Source Aquifer by the Environmental Protection Agency. Stormwater is currently disposed via subsurface infiltration, creating potential for Aquifer contamination. The project also coincides with a funded Spokane County resurfacing project providing additional cost benefits. | 1026 W. Broadway Avenue | Spokane | SPOKANE | 6 | 47.77 | -117.42 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|-------------------------------------|-----------|--|-------------------------------|-----------|---------|---------------|-------|---------|
| 34 | Spokane city of | \$138,978 | This project proposes stormwater improvements to the City of Spokane's Union Basin that will prevent stormwater from discharging to the Spokane River. The Basin currently collects runoff into a Municipal Separated Storm Sewer System (MS4), discharging directly to the Spokane River without treatment. | 808 W Spokane Falls Blvd. | Spokane | SPOKANE | 3 | 47.66 | -117.39 |
| 36 | Spokane County - Stormwater Utility | \$667,325 | This project will add porous pavement, bioretention swales, sand filters, and Filterra units for water quality treatment of pollution-generating impervious surfaces for a 0.4-mile section of road in north Spokane with no stormwater treatment. This project is in a Critical Aquifer Recharge Area over the Spokane Valley-Rathdrum Prairie Aquifer which is designated a Sole Source Aquifer by the Environmental Protection Agency. Stormwater is currently disposed of via direct injection into the ground. | 1026 W. Broadway Avenue | Spokane | SPOKANE | 6 | 47.73 | -117.42 |
| 43 | Spokane County - Stormwater Utility | \$700,050 | This project will add bioretention swales, sand filters, and Filterra units for water quality treatment of pollution-generating impervious surfaces for a 0.6-mile section of road in an area of Northeast Spokane with no stormwater treatment. This project is in a Critical Aquifer Recharge Area over the Spokane Valley-Rathdrum Prairie Aquifer which is designated a Sole Source Aquifer by the Environmental Protection Agency. Stormwater is currently disposed of via direct injection into the ground. | 1026 W. Broadway Avenue | Spokane | SPOKANE | 4 | 47.71 | -117.30 |
| 45 | Wenatchee city of | \$10,000 | The Peachey Street Basin, also known as the M200 Basin, is 817 acres of fully-developed residential, commercial, and industrial uses located in South Wenatchee. The stormwater system in this Basin consists of inlets and mains that discharge directly to the Columbia River through the Peachey Street Outfall. Hydrodynamic separators, media filter cartridges and dry wells will add water quality treatment to three sites in the Basin and at the outfall to remove trash, suspended solids, and metals. | 129 South Chelan P.O. Box 519 | Wenatchee | CHELAN | 12 | 47.42 | -120.30 |
| 48 | Spokane County - Stormwater Utility | \$811,230 | This project will add Filterra units for water quality treatment of pollution-generating impervious surfaces for a 0.9-mile section of road in an area of North Spokane with no stormwater treatment. This project is in a Critical Aquifer Recharge Area over the Spokane Valley-Rathdrum Prairie Aquifer which is designated a Sole Source Aquifer by the Environmental Protection Agency. Stormwater is currently disposed of via direct injection into the ground. | 1026 W. Broadway Avenue | Spokane | SPOKANE | 6 | 47.76 | -117.42 |
| 49 | Spokane County - Stormwater Utility | \$941,104 | This project will add porous paving with sand-filtration, bioretention swales, sand filters, and Filterra units for water quality treatment of pollution-generating impervious surfaces for a 0.6-mile section of road in North Spokane with no stormwater treatment. This project is in a Critical Aquifer Recharge Area over the Spokane Valley-Rathdrum Prairie Aquifer, designated a Sole Source Aquifer by the Environmental Protection Agency. Stormwater is currently disposed of via direct injection into the ground. | 1026 W. Broadway Avenue | Spokane | SPOKANE | 6 | 47.72 | -117.42 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|---|-----------|---|----------------------------------|---------------|----------|---------------|-------|---------|
| 57 | Tonasket city of | \$74,061 | Preparation of a Stormwater Plan for the City of Tonasket to determine needed stormwater modifications to minimize direct sediment discharge to the area surface waters, including the Okanogan River, and reduce health and safety impacts due to annual flooding. This Plan will be the basis for future improvements to the City's existing stormwater system (treatment BMPs, sediment removal, storm sewer upgrades, etc.) and will lay the ground work for a future potential stormwater utility. | 704 S Antwine Ave | Tonasket | OKANOGAN | 7 | 48.71 | -119.44 |
| 59 | Spokane County - Stormwater Utility | \$758,312 | This project will add bioretention swales for water quality treatment of pollution-generating impervious surfaces for a 0.6-mile section of road in an area of North Spokane with no stormwater treatment. This project is in a Critical Aquifer Recharge Area over the Spokane Valley-Rathdrum Prairie Aquifer which is designated a Sole Source Aquifer by the Environmental Protection Agency. Stormwater is currently disposed of via direct injection into the ground. | 1026 W. Broadway Avenue | Spokane | SPOKANE | 6 | 47.72 | -117.42 |
| 90 | Vancouver city of | \$764,250 | NE Ross Street lies east of I-5 in the Burnt Bridge Creek Watershed. Street runoff currently discharges directly to the Creek, a 303d listed stream. This project will disconnect road runoff from the existing line. The line will continue to serve a private industrial user and its 18-inch outfall will be maintained. New facilities will convey road runoff to flow control and treatment BMPs designed to treat and infiltrate road runoff which will result in improved water quality in Burnt Bridge Creek. | 415 W. 6th Street PO Box 1995 | Vancouver | CLARK | 17 | 45.66 | -122.66 |
| 93 | Richland city of | \$463,116 | Water quality in the Columbia River will be directly improved through the installation of bioinfiltration swales and pervious pavement along the Columbia Park Trail roadway and the parking lot area serving Bateman Island. This project will reduce and treat runoff from a drainage area of approximately 9 acres. Approximately half of this area currently flows untreated to the Columbia River either through overland sheet flow or through one of two outfalls. | 505 Swift Boulevard | Richland | BENTON | 8 | 46.24 | -119.23 |
| 114 | West Richland city of - Public Works Department | \$185,760 | This request is for a construction grant for the retrofit of the existing stormwater collection and disposal system for Ironton Drive in West Richland. A planning and design grant was awarded in SFY2016. This project will involve removing an existing stormwater overflow which drains into the Columbia Irrigation District Canal which drains into the Yakima and Columbia Rivers. This project will eliminate one of the City's last remaining stormwater outfalls. | 3801 W. Van Giesen | West Richland | BENTON | 8 | 46.29 | -119.34 |
| 123 | Puyallup city of - Public Works | \$44,937 | Puyallup's Corporate Yards Decant Facility Project will design and construct a decant facility for management of the City's vector truck and street sweeper waste. The Facility will separate solid waste from liquids generated from cleaning the public storm system and streets before discharging the liquids to the public sewer system for final treatment. The Project will improve water quality in the City's streams and the Puyallup River including TMDL-affected Clarks/Meeker Creek and Puyallup River. | 333 S Meridian | Puyallup | PIERCE | 25 | 47.15 | -122.28 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|----------|---|-----------|---|---|-------------------|----------|---------------|-------|---------|
| 128 | San Juan County - Public Works Department | \$52,000 | Water quality treatment units with general use level designation will be installed along Prune Alley and Fern Street to provide water quality treatment for runoff from approximately 2.4-acres of roadway and commercial parking area. This retrofit project will help address existing water quality impairment in Fishing Bay and East Sound. These improvements will coincide with previously planned right-of-way improvements to address current flooding and ponding problems. | PO Box 729 915 Spring Street | Friday Harbor | SAN JUAN | 40 | 48.70 | -122.91 |
| 131 | Vancouver city of | \$802,750 | The Orchards Fourth Plain Water Quality Project will retrofit existing underground injection control wells with bioretention facilities along the Fourth Plain principal arterial. Untreated stormwater runoff for this section now infiltrates through drywells lying close to groundwater. A recent planning study of Orchards Basin identified this corridor as a top priority for water quality retrofits. This project proposes to construct 13 bioretention facilities along the north half of the street between 124th and 131st Avenue. | 415 W. 6th Street PO Box 1995 | Vancouver | CLARK | 17 | 45.67 | -122.53 |
| 132 | Vancouver city of | \$130,604 | The City will expand a program to inspect private stormwater facilities in Vancouver built prior to the Phase 2 permit. The Program will continue to build a list of stormwater facilities, verifying maintenance compliance. The Program will include private stormwater pipe locating and outreach to help neighborhoods assume responsibility for their facilities. The project will result in improved stormwater flow control and treatment thereby improving water quality downstream. | City of Vancouver - Marine Park PO Box 1995 Vancouver, WA 98668 | Vancouver | CLARK | 49 | 45.77 | -122.48 |
| 134 | San Juan County - Public Works Department | \$121,050 | Installation of stormwater treatment facilities for portions of the Eastsound UGA on Orcas. Market Street is served by a private system that connects to the County's public system. The County will install stormwater BMPs, which may include general use level designation systems, to serve Market and Madrona Streets. After the completion of the Project, the County will assume ownership of the collection and treatment systems. Implementation will result in treatment for a five-acre area of Eastsound. | PO Box 729 915 Spring Street | Friday Harbor | SAN JUAN | 40 | 48.70 | -122.91 |
| 136 | Shoreline city of | \$2,500 | This project will improve water quality in Little's Creek, a tributary to Thornton Creek, through installation of bioretention and a grid system infiltration gallery along NE 148th Street between 12th and 15th Avenues NE in the City of Shoreline. This project will provide treatment for total suspended solids (TSS), dissolved copper, dissolved zinc, and total phosphorus and will also reduce flows to Little's Creek by increasing stormwater infiltration. | 17500 Midvale Avenue North | Shoreline | KING | 32 | 47.74 | -122.31 |
| 144 | Union Gap city of | \$40,050 | This project will reduce untreated stormwater discharges directed to Spring Creek and Wide Hollow Creek and ultimately to the Yakima River by intercepting and redirecting storm drainage for storage and treatment. | 102 W. Ahtanum Road | City of Union Gap | YAKIMA | 15 | 46.46 | -120.74 |

| ECY Rank | Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Lat. | Long. |
|--------------|--|---------------------|--|------------------------------------|----------------|-----------|---------------|-------|---------|
| 155 | Spokane Valley city of | \$166,937 | This project provides a canopy over the recently completed Spokane Valley Regional Decant Facility. The existing Facility is utilized about 50% of the year and cannot be used the rest of the year due to wet and freezing weather. A cover extends the use of the facility making it a true 24 hour a day year-round facility. | 11707 E. Sprague Avenue, Suite 106 | Spokane Valley | SPOKANE | 4 | 47.67 | -117.24 |
| 164 | San Juan County - Public Works Department | \$275,750 | The project will provide stormwater conveyance and treatment from rural and roadway drainage that collects along Fisherman Bay Road and to infiltrate and treat stormwater runoff from Village Road in the Lopez Village UGA. The funded portion of this project would be for the permeable paver parking along Village Road. This drainage is one of the two main stormwater drainages through the Lopez Village UGA and currently discharges into Weeks Wetland and Fisherman Bay with little or no treatment. | PO Box 729 915 Spring Street | Friday Harbor | SAN JUAN | 40 | 48.52 | -122.91 |
| 183 | Sumner city of | \$15,000 | This project proposes to upgrade several facets of the existing Sumner Decant Facility located at the Sumner Wastewater Treatment Facility (WWTF). Specifically, this project will provide additional capacity, more efficient separation of solids and liquids, and create a completely covered area with temporary storage of solid waste materials. Processed waste water will continue to be treated through the WWTF which discharges to the White (Stuck) River. | 1104 Maple Avenue | Sumner | PIERCE | 31 | 47.20 | -122.25 |
| 184 | San Juan County - Public Works Department | \$277,000 | This project is for the planning and design of a stormwater treatment facility to improve the quality of runoff from pollutant-generating surfaces in Lopez Village. A preliminary report recommended the construction of a treatment wetland. New information indicates the project site may not be suitable for wetlands. A new study is required that includes more site investigation to determine the characteristics of the soils and what other treatment alternatives are available. | PO Box 729 915 Spring Street | Friday Harbor | SAN JUAN | 40 | 48.52 | -122.91 |
| | New Stormwater Financial Assistance Program SFY 2019 | \$30,125,190 | Funding and management oversight will be provided for new stormwater facilities and activities that have been proven effective at reducing environmental harm from stormwater impacts resulting from existing infrastructure and development. | #N/A | #N/A | Statewide | All | #N/A | #N/A |
| Total | | \$44,200,000 | | | | | | | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description**What is the proposed project?**

Legislative Authorization Summary

The 2006 Legislature authorized \$200 million in bonds to implement the Columbia River Basin Water Supply Development Program (Program) that expands available water supply in the Basin; provides replacement supplies for some existing uses; and improves stream flow conditions within the Columbia and Snake Rivers. This request will continue to build on projects currently being implemented and new projects Ecology is managing through the Office of Columbia River (OCR). These projects include pursuing water supplies to benefit both instream and out-of-stream uses through storage, conservation, and voluntary regional water management agreements. Per RCW 90.90.010, bond funds can be used for the following activities:

- Assessing, planning, and developing new storage options.
- Improving or altering operations of existing storage facilities.
- Implementing conservation projects (net water savings achieved through conservation measures will be placed into trust in proportion to the state funding provided to implement a project).
- Other actions designed to provide access to new water supplies within the Columbia River Basin for both instream and out-of-stream uses.

Results through the 2015–17 Biennium

To date, Ecology has had a variety of successes in leveraging the original \$200 million bond authority. During the 2015-17 biennium, OCR continued to implement the following projects:

Yakima City Aquifer Storage and Recharge Project - City of Yakima began recharging water to the aquifer in March 2015, under a permit issued by Ecology. This project has created an additional 10,000 acre-feet of supply via underground storage.

Weber Siphon Complex –The second siphon at the Weber Siphon Complex is complete, and project implementation continues with expansion of the East Low Canal and installation of two smaller siphons (Lind #1 and Lind #2). This will allow water delivery to additional areas of the Odessa Subarea, including the southern portion of the Columbia Basin Project (south of Interstate 90). This project is a multi-year construction effort.

Sullivan Lake Water Supply Project - By acquiring 14,000 acre-feet of water from the Pend Oreille County Public Utility District, OCR created a rare opportunity to develop new water supplies in an area of the state where few opportunities exist. New water right permits will be issued with 4,700 acre-feet used for municipal, industrial, and domestic water rights; 4,700 acre-feet for

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

Description

other out-of-stream uses, including irrigation and stock water; and 4,600 acre-feet of water will be kept instream to improve flows in the Pend Oreille River, all the way to the Pacific Ocean.

During the 2015-17 biennium, OCR implemented four projects that resulted in an additional 19,885 acre-feet of water being developed for municipal, industrial and/or agricultural purposes. Specifically, irrigation efficiency projects increased the total water developed by OCR from roughly 375,815 acre-feet at the end of the 2013-15 biennium to approximately 395,700 acre-feet during the 2015-17 biennium.

The investments made during 2015-17 and prior biennia in Columbia River projects is expected to leverage well over \$50 million in funds from federal and local governments. Projects range from small, short-term, one- to two-year projects to long-term, large water supply projects that take more than ten years to complete. Some projects Ecology is able to fund in full, using only money from program appropriations. Others take a broad group of stakeholders coming together to create a complete funding package. Ecology will continue using the combination of tools available. This includes cost recovery, revenue generation, leveraging to secure outside funding, and work with stakeholders and state, local, and federal partner agencies to develop project-specific funding packages.

2017-19 Projects (detailed project list attached)

Ecology completed its third water supply and demand forecast in December 2016 (available at <https://fortress.wa.gov/ecy/publications/summaryPages/1612001.html>). We use this as a long term capital investment planning tool. It identifies and quantifies critical water needs and guides our decisions regarding state investment in water supply development projects. The forecast reports on the current regulatory framework for supply management in the Columbia River Basin and potential changes due to changing legal conditions, policy choices, climate change, and water supply projects. Future demands (beyond the 2017-19 biennium projects) for agriculture, municipalities, hydroelectric power, and instream flows are evaluated in this forecast.

Projects expected to be implemented or continued during the 2017-19 biennium include:

- Odessa Groundwater Replacement Program.
- Icicle Creek Integrated Planning.
- Coordinated Conservation Plans.
- Various surface water storage and aquifer storage and recovery projects.
- Continued water leases from Walla Walla and Lake Roosevelt.
- Pursuit of water right acquisitions.
- Feasibility, design, and scoping new supply development in the Columbia Basin and/or supporting water supply projects coordinated through the West Coast Infrastructure Exchange.

The OCR's proposed project ranking includes criteria that consider the amount of water supply made available and water saved for instream and out-of-stream uses; location of the project; fish benefits of the project; and the ability to measure and enforce water savings. The project list is a working draft subject to change based on local priorities, future legislative appropriations, feasibility assessment outcomes, and permit requirements.

In addition to the \$200 million authorized by chapter 90.90 RCW, Ecology expects funding \$18.9 million in future biennia projects by recovering costs of some projects through loans or grants (loan principle and interest are deposited to Fund 296) or through water service contracts with applicants that receive the new water. These contracts will allow Ecology to recover all or part of the development cost of the project. Charges that will be recovered include Ecology's costs to study, construct, operate, and maintain a project. Ecology will also be able to recapture hydro-power revenue generated by the water supply developed through water contracts.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

Description**What opportunity or problem is driving this request?****The reason for the project:**

Before chapter 90.90 RCW was enacted in 2006, it was very difficult to provide permanent new water rights in much of the Columbia River Basin. Water managers, business leaders, agricultural interests, environmental and tribal leaders, and others were struggling to find a new way to deal with Eastern Washington's critical water issues.

The problems they faced were immense - aquifers in the Odessa Subarea were rapidly declining, endangering the region's most valuable crop, potatoes. Low stream flows threatened salmon and steelhead. Interruptible water right holders faced frequent curtailment during the height of the irrigation season, and cities struggled to meet the demand for additional water as they grew. New water rights for agriculture, industry, and communities were subjected to years of litigation as various parties fought over the best use of this scarce resource.

New water supplies that could be issued in an attempt to address these issues were and are required in nearly all cases to be interrupted during low-flow periods to protect instream flows for fish. This request will provide a path forward to meet economic and community needs for reliable water supplies, while protecting and enhancing river flows for fish.

The effects of non-funding:

The original 2006 bill for the Program (Engrossed Second Substitute House Bill 2860, codified as chapter 90.90 RCW) resolved many conflicts among competing water users in the Columbia River Basin. This law established the only process for achieving instream flows and providing water for communities agreed to by all the affected groups. Availability of extensive capital funding was the critical factor to reaching agreement in the Legislature. If funds are not appropriated for the 2017-19 Biennium, new water for instream and out-of-stream uses - including municipal, agricultural, tribal communities, and fish and wildlife - would not be available. Feasibility studies, other contract work currently in process, and new water supply projects would not be completed or started. Also, valuable progress made in the past 10 years to build a working consensus between historically disparate groups in the basin would likely be lost.

An example of the potential economic impact of not funding this request is illustrated by the Odessa declining aquifer. Right now, 170,000 acres of land in the Odessa Subarea are irrigated with groundwater that, at the current rate of decline, will no longer be a viable source of water within 10 years. Continued funding to bring the only alternative water supply available - surface water - to the area is critical to preserving the agricultural economy of that region. Without this, the state could lose as many as 3,600 jobs and \$840 million each year in regional sales based on Office of Financial Management's 2002 Washington Input/Output model (<http://www.ofm.wa.gov/economy/io/2002/io2002table.xls>).

How does the project support the agency and statewide results?

This request supports Ecology's strategic priority to Develop Integrated Water Solutions, and the Governor's Results Washington Goal 3, Sustainable Energy and a Clean Environment. It does this by helping to meet economic and community needs for reliable water supplies, while protecting and enhancing river flows for fish.

This request supports elements of Ecology's Strategic Plan to Deliver Integrated Water Solutions by achieving adequate instream flows and providing water for communities in the Columbia River Basin.

The benefit of improving instream flow and aquatic habitat from reducing on-farm water use (but still allowing crops to be grown) closely aligns with Governor's Results Washington Goal 3 topics: Healthy Fish and Wildlife (sub-topic Pacific Salmon and Wildlife), Clean and Restored Environment (sub-topic Clean, Cool Water) and Working and Natural Lands (sub-topic Habitat Protection and Farmland). By increasing the amount of water instream, fish and wildlife species are more likely to maintain healthy populations from higher water levels (enough water to live and reproduce), reduced water temperatures (enough cool water to better disperse heat), and through overall habitat improvements (food chain is maintained so they can find food to eat, shading from trees and plants is improved so the temperatures do not get too high, spawning grounds are

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

Description

available with the right size of gravel, etc.) Farmland will benefit as more water is made available to irrigate crops and develop agricultural infrastructure in the Columbia Basin.

This request supports the Governor's priorities related to Economy and Agriculture: Protect and manage scarce resources and enable more efficient movement of time-sensitive agricultural goods through policy actions and infrastructure development.

The objective of this request is to:

- Continue achieving progress on managing water in the Columbia River Basin in a way that helps issue new water rights;
- Protect existing water rights from interruption during drought years; and
- Provide water for municipal permits while enhancing instream values by improving stream flows.

This request will also strengthen long-term strategic relationships with agriculture, industrial, municipal, and tribal communities in Eastern Washington.

What are the specific benefits of this project?

Funds identified in this request will be used to continue financing assessments and construction of new water projects and water conservation measures. These infrastructure investments will:

- Expand the available water supply;
- Allow new water rights to be issued; and
- Enhance instream flows in the mainstem Columbia River and some of its tributaries.

The last four biennia have been defining years for the Program. Several important studies are being finalized; negotiations are continuing with project partners, leading to progress on several projects; and additional water is being acquired for agriculture, municipalities, businesses, people, and fish and wildlife. To date, over 395,000 acre-feet of water has been developed and is entering into the process of being perfected, placed into trust, and ultimately permitted in the next couple of years for uses outlined by chapter 90.90 RCW. The new appropriation in this request will fund additional projects that support the progress made to date.

This request will also provide economic benefits to the state by creating up to 116 jobs during the next two years, based on estimates from the Office of Financial Management.

How will clients be affected and services change if this project is funded?

This request will allow Columbia River projects to continue, which expands the portfolio of water available to meet the objectives of chapter 90.90 RCW. These projects are needed to meet the economic and community development needs of people and the instream flow needs for fish. It is difficult to secure new water for out-of-stream uses, due to endangered fish issues and lack of water availability in the Columbia and Snake River Basins. Recent attempts to issue additional water rights have resulted in litigation, and Ecology is not sure how this may impact the Program going forward.

Some studies (including one funded by Ecology and carried out by the National Academy of Sciences) have warned against issuing unmitigated new water appropriations, because of risks to endangered fish in the Columbia River Basin. Continued funding for the Program has allowed, and will continue to allow, the state to work with interest groups across the community to secure new instream and out-of-stream water uses in a cooperative and balanced way. Projects funded through the Program will lead to additional economic activity in communities throughout the region, and allow state government to work in partnership with water stakeholders throughout the region.

Are FTEs required to support this project?

This project requires a total of 4.45 FTEs to provide project oversight and management, technical assistance, and stakeholder

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

Description

coordination to individual projects. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

How will the other state programs or units of government be affected if this project is funded?

Other state agency programs that support economic, community, and agricultural development and that protect and restore fish species will benefit from this request. The Washington Department of Fish and Wildlife is an active partner in identifying the most critical needs for protecting and enhancing stream flows for fish. The Washington State Conservation Commission (SCC) is managing funds from Ecology's budget related to financing on-farm irrigation efficiency improvements (Capital Budget request Water Irrigation Efficiencies Program). Ecology also funds activities directed by the SCC related to securing potential projects through re-timing studies conducted by the conservation districts. Cities and counties in the Columbia River Basin are strong supporters and active partners. The United States Bureau of Reclamation is a funding partner with Ecology in new storage and conservation projects.

As shown in Attachment A, Ecology is currently working on a broad range of projects. Just as diverse is the spectrum of partners, in addition to those identified above, that are involved in these projects. The portfolio of participants includes, but is not limited to, local governments and conservation districts, irrigation districts, municipal water systems, numerous environmental groups, the Washington Farm Bureau, and other agricultural organizations. These organizations are involved not only in providing policy guidance, but also as grant recipients and project partners critical to successfully implementing these projects. Funding this request means this wide range of partners will benefit from new water storage and conservation projects, along with the associated jobs and capital investment critical to their local economies.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

This request for newly appropriated funds will allow Columbia River Basin water projects to continue in the 2017-19 biennium. ESSHB 2860 (passed in 2006) and 2SHB 1803 (passed in 2011) resolved many conflicts among competing water users in the Columbia River Basin. No other alternatives were considered, because this is the only process agreed to by all affected groups. The availability of extensive capital funding was the linchpin to reaching agreement in the Legislature, and led to passage of the bills. Without capital funding, the agreement among numerous affected groups may not hold together.

What is the agency's proposed funding strategy for the project?

New appropriation funding is Ecology's preferred funding strategy to continue the Program projects and achieve further progress on delivering water for agricultural, municipalities, businesses, people, and fish and wildlife in the 2017-19 biennium. Additional projects have been approved for funding and are in negotiation right now. Ecology will use 2017-19 appropriations to provide additional project and grant funding in the next biennium and beyond.

The 2006 Legislature authorized \$200 million in bonds to expand available water supply in the basin; provide replacement supplies for existing uses; and improve stream flow conditions within the Columbia and Snake Rivers. Prior to statutory amendments made in 2011 (2SHB 1803), the projects were designated as governmental use and funded from non-taxable bond proceeds. Now, projects are recognized as both governmental and non-governmental and require funding from non-taxable and taxable bond proceeds. The Columbia River Basin Taxable Bond Water Supply Development Account was created to comply with federal Internal Revenue Service rules and regulations to fund non-governmental related projects.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

Description

Approximately \$12.5 million remains available for appropriation during the 2017-19 biennium from the original \$200 million authorized for OCR related water supply projects. Funding options include:

- Re-authorize additional dedicated funds for OCR similar to the 2006 legislation;
- Establish new legislation for funding overall water infrastructure;
- Develop a new approach; or
- Provide funding through the State Building Construction Account (057) and State Taxable Building Construction Account (355).

Regardless of the funding source, additional investments will help meet priority needs of the water users in the Columbia River Basin.

Ecology is requesting funding from four sources to meet water supply development demands in the 2017-19 biennium:

- \$12.5 M from Columbia River Basin Water Supply Development Account – 10P;
- \$2.0 M from Columbia River Basin Water Supply Revenue Recovery Account – 296;
- \$4.5 M from State Building Construction Account – 057; and
- \$16.0 M from State Taxable Building Construction Account – 355.

Identifying a long-term funding source for future OCR projects will better coordinate commitments amongst the variety of private, local, state, federal and tribal partners.

Proviso

None

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|----------------------------|--------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 72,500,000 | | | | 4,500,000 |
| 10P-1 | Col River Water-State | 12,500,000 | | | | 12,500,000 |
| 296-1 | Col River Bas Wtr Su-State | 10,000,000 | | | | 2,000,000 |
| 355-1 | St. Bld Const Acct-State | 80,000,000 | | | | 16,000,000 |
| Total | | 175,000,000 | 0 | 0 | 0 | 35,000,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

Funding

| | | Future Fiscal Periods | | | |
|--------------|----------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 17,000,000 | 17,000,000 | 17,000,000 | 17,000,000 |
| 10P-1 | Col River Water-State | | | | |
| 296-1 | Col River Bas Wtr Su-State | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| 355-1 | St. Bld Const Acct-State | 16,000,000 | 16,000,000 | 16,000,000 | 16,000,000 |
| Total | | 35,000,000 | 35,000,000 | 35,000,000 | 35,000,000 |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000826

SubProject Title: Odessa - Odessa Groundwater Replacement Program

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Replacing groundwater withdrawals with a surface water source will ease the burden on the aquifers.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000826

SubProject Title: Odessa - Odessa Groundwater Replacement Program

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|--------------------------|-------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 355-1 | St. Bld Const Acct-State | 15,000,000 | | | | 15,000,000 |
| | Total | 15,000,000 | 0 | 0 | 0 | 15,000,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 355-1 | St. Bld Const Acct-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000827

SubProject Title: Odessa - Mitigation

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000827

SubProject Title: Odessa - Mitigation

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Mitigation related projects to facilitate replacing groundwater withdrawals with a surface water source will ease the burden on the aquifers.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|--------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 355-1 | St. Bld Const Acct-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |

Future Fiscal Periods

| Acct Code | Account Title | Future Fiscal Periods | | | |
|-----------|--------------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 355-1 | St. Bld Const Acct-State | 0 | 0 | 0 | 0 |
| | Total | 0 | 0 | 0 | 0 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000827

SubProject Title: Odessa - Mitigation

Operating Impacts

No Operating Impact

SubProject Number: 30000828

SubProject Title: Department of Ecology Staffing

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterruptible water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Agency costs for project management, oversight, technical assistance, financial management and administration related to implementing capital projects for both the Columbia River and the Yakima Integrated Plan.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000828

SubProject Title: Department of Ecology Staffing

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-----------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 10P-1 | Col River Water-State | 1,400,000 | | | | 1,400,000 |
| | Total | 1,400,000 | 0 | 0 | 0 | 1,400,000 |

Future Fiscal Periods

| | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------|-----------------------|----------|----------|----------|----------|
| | | | | | |
| 10P-1 | Col River Water-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000829

SubProject Title: Department of Fish and Wildlife Support

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Agency costs for species, fish, wildlife and habitat technical assistance related to implementing capital projects.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000829

SubProject Title: Department of Fish and Wildlife Support

Grant Recipient Organization: N/A

RCW that establishes grant: None.

Application process used

Ecology uses its Environmental Protection Agency (EPA) acclaimed nationwide model that integrates the application evaluation offer process for all its water quality financial assistance programs. Ecology uses statewide workshops and a well-publicized, web-based annual application and proposal evaluation cycle to ensure ample outreach and applicant interest and participation. Completed projects will serve as region-wide models of stormwater management and implementation of innovative Low Impact Development techniques.

Growth Management impacts

Growth Management Act (GMA) compliance is strongly encouraged and supported by Ecology. Because other funding sources may require GMA compliance to be eligible for funding, an applicant's GMA status will be reflected in its readiness to proceed at time of application.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-----------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 10P-1 | Col River Water-State | 1,800,000 | | | | 1,800,000 |
| | Total | 1,800,000 | 0 | 0 | 0 | 1,800,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------------------------|----------|----------|----------|----------|
| 10P-1 Col River Water-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000830

SubProject Title: Coordinated Conservation Columbia Basin Irrigation Districts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000830

SubProject Title: Coordinated Conservation Columbia Basin Irrigation Districts

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterruptible water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

The three Irrigation Districts and OCR jointly agreed to prepare a Coordinated Water Conservation Plan (Plan). The Plan identifies water conservation projects that allow additional acreage to be served without impacting the Columbia River or disrupting the water supply to existing acreage.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|-----------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 10P-1 | Col River Water-State | 3,000,000 | | | | 3,000,000 |
| Total | | 3,000,000 | 0 | 0 | 0 | 3,000,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000830

SubProject Title: Coordinated Conservation Columbia Basin Irrigation Districts

| | Future Fiscal Periods | | | |
|-----------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 10P-1 Col River Water-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000831

SubProject Title: Icicle Creek Integrated Planning

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterruptible water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Instream and out-of-stream uses of Icicle Creek supply include fish propagation demand, protection of instream resources, municipal and other domestic demand and irrigation. In some years (such as 2001), existing needs exceed available supply. In other years, excess supply exists.

Location

City: Leavenworth

County: Chelan

Legislative District: 012

Project Type

Grants

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000831

SubProject Title: Icicle Creek Integrated Planning

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-----------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 10P-1 | Col River Water-State | 4,000,000 | | | | 4,000,000 |
| | Total | 4,000,000 | 0 | 0 | 0 | 4,000,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 10P-1 | Col River Water-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000833

SubProject Title: Walla Walla Lease

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000833

SubProject Title: Walla Walla Lease

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterruptible water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

OCR will issue term permits from 4,761 ac-ft of water leased from the Port of Walla Walla. The term permits provide water on a temporary basis, allowing time for water users to find a permanent supply. The term permits expire when the lease expires (up to 10 years). This is the next installment to maintain the existing lease agreement that runs through 2020.

Location

City: Unincorporated

County: Walla Walla

Legislative District: 016

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 296-1 | Col River Bas Wtr Su-State | 1,000,000 | | | | 1,000,000 |
| | Total | 1,000,000 | 0 | 0 | 0 | 1,000,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000833

SubProject Title: Walla Walla Lease

| | Future Fiscal Periods | | | |
|----------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 296-1 Col River Bas Wtr Su-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000844

SubProject Title: Franklin D. Roosevelt Lease

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterruptible water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Water service contract with USBR to provide water from Lake Roosevelt to end users. The water will be used to benefit municipal/industrial supply, the Odessa Subarea interruptible water right holders and instream flows. This is the next installment to maintain the existing lease agreement that runs through 2051.

Location

City: Coulee Dam

County: Okanogan

Legislative District: 012

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000844

SubProject Title: Franklin D. Roosevelt Lease

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|----------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 296-1 | Col River Bas Wtr Su-State | 1,000,000 | | | | 1,000,000 |
| | Total | 1,000,000 | 0 | 0 | 0 | 1,000,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 296-1 | Col River Bas Wtr Su-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000834

SubProject Title: Rilette

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000834

SubProject Title: Rilette

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterruptible water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Drill and test sites on publicly-owned lands to locate potential aquifer storage and recovery (ASR) opportunities. ASR projects store water in underground aquifers until it is needed.

Location

City: Unincorporated

County: Pend Oreille

Legislative District: 007

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-----------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 10P-1 | Col River Water-State | 1,500,000 | | | | 1,500,000 |
| | Total | 1,500,000 | 0 | 0 | 0 | 1,500,000 |

Future Fiscal Periods

| Acct Code | Account Title | Future Fiscal Periods | | | |
|-----------|-----------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 10P-1 | Col River Water-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000834

SubProject Title: Rilette

Operating Impacts

No Operating Impact

SubProject Number: 30000835

SubProject Title: 508-14 WAC Rule Making

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterruptible water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Ecology will propose changes to the rule to make it easier to issue water rights in the 508-14 Area. The current rule, 508-14 WAC, allows Ecology to issue groundwater permits in parts of Adams, Grant and Franklin counties.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000835

SubProject Title: 508-14 WAC Rule Making

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|--------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 355-1 | St. Bld Const Acct-State | 500,000 | | | | 500,000 |
| Total | | 500,000 | 0 | 0 | 0 | 500,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 355-1 | St. Bld Const Acct-State | 0 | 0 | 0 | 0 | |
| Total | | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000836

SubProject Title: CRPAG & WAACC Facilitation & Legislative Reports

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Agency costs for stakeholder facilitation and consultant legislative report management and technical assistance related to implementing capital projects.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

Project Type

SubProject Number: 30000836

SubProject Title: CRPAG & WAACC Facilitation & Legislative Reports

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000837

SubProject Title: HHH Switzler Storage - EIS

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000837

SubProject Title: HHH Switzler Storage - EIS

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Development of an Environmental Impact Statement related to storage project.

Location

City: Benton City

County: Benton

Legislative District: 016

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,000,000 | | | | 1,000,000 |
| | Total | 1,000,000 | 0 | 0 | 0 | 1,000,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000837

SubProject Title: HHH Switzler Storage - EIS

Operating Impacts

No Operating Impact

SubProject Number: 30000838

SubProject Title: New Water Supply projects/studies/lease payments

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Projects that support instream and out-of-stream demands.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000838

SubProject Title: New Water Supply projects/studies/lease payments

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 1,000,000 | | | | 1,000,000 |
| | Total | 1,000,000 | 0 | 0 | 0 | 1,000,000 |
| <u>Future Fiscal Periods</u> | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000839

SubProject Title: Water Acquisitions

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Water right acquisitions that support instream and out-of-stream demands.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000839

SubProject Title: Water Acquisitions

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,500,000 | | | | 1,500,000 |
| | Total | 1,500,000 | 0 | 0 | 0 | 1,500,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000840

SubProject Title: Stemilt Water Resource Inventory Area (WRIA) 40A storage study

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000840

SubProject Title: Stemilt Water Resource Inventory Area (WRIA) 40A storage study

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Water storage study in the Stemilt Basin in WRIA 40.

Location

City: Wenatchee

County: Chelan

Legislative District: 012

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-----------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 10P-1 | Col River Water-State | 100,000 | | | | 100,000 |
| | Total | 100,000 | 0 | 0 | 0 | 100,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 10P-1 | Col River Water-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000840

SubProject Title: Stemilt Water Resource Inventory Area (WRIA) 40A storage study

Operating Impacts

No Operating Impact

SubProject Number: 30000841

SubProject Title: Othello Aquifer Storage & Recharge (ASR)

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Drill and test sites on publicly-owned lands to locate potential aquifer storage and recovery (ASR) opportunities. ASR projects store water in underground aquifers until it is needed.

Location

City: Othello

County: Adams

Legislative District: 009

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000841

SubProject Title: Othello Aquifer Storage & Recharge (ASR)

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000842

SubProject Title: Colville

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Develop an Appraisal Report from pre-scoping investigations of the Goose Lake and Nine-mile Flat pumped storage sites to determine if one or more of them should be approved for investigation at the feasibility level of detail.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

Project Type

SubProject Number: 30000842

SubProject Title: Colville

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-----------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 10P-1 | Col River Water-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 10P-1 | Col River Water-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000843

SubProject Title: Public-Private Partnership Financing Plans and West Coast Infrac

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000843

SubProject Title: Public-Private Partnership Financing Plans and West Coast Infrac

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterrupted water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

State will use WCX to develop best practices and access hands-on training in innovative financing and maintenance methods. Coordination of innovative infrastructure projects in California, Oregon and Washington.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-----------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 10P-1 | Col River Water-State | 200,000 | | | | 200,000 |
| | Total | 200,000 | 0 | 0 | 0 | 200,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-----------------------|----------|----------|----------|----------|
| | | | | | |
| 10P-1 | Col River Water-State | 0 | 0 | 0 | 0 |
| | Total | 0 | 0 | 0 | 0 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000843

SubProject Title: Public-Private Partnership Financing Plans and West Coast Infrast

Operating Impacts

No Operating Impact

SubProject Number: 30000914

SubProject Title: Columbia River Water Supply Developmt Pgrm Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 15

Project Summary

Ecology is requesting \$35 million in new appropriation to continue implementing the Columbia River Basin Water Supply Development Program (chapter 90.90 RCW). This request will fund projects that are in various stages of completion and provide the Office of Columbia River with resources needed to achieve substantial progress in the 2017-19 biennium. Specifically, these funds will provide an alternative to groundwater for agricultural users in the Odessa Subarea aquifer; deliver new sources of water supply for pending water right applications; develop a new, uninterruptible water supply for those presently subject to interruption during times of drought or low flows; develop new municipal, domestic, industrial, and irrigation water throughout the Columbia River Basin; and place one-third of these new water supplies in-stream to meet the flow needs of fish. With this request, Ecology will deliver additional water supplies for agricultural purposes, meet the water needs for growing communities, make several existing water uses more efficient, and improve stream flow conditions for fish and wildlife. (State Building Construction Account, State Taxable Building Construction Account, Columbia River Basin Water Supply Development Account, Columbia River Basin Water Supply Revenue Recovery Account)

Project Description

Ten Year Financing Plan.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: None.

Application process used

Competitive grants to local entities for projects developed in cooperation with the Columbia River Basin Policy Advisory Group.

Growth Management impacts

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 2:36PM

Project Number: 30000712

Project Title: Columbia River Water Supply Development Program

SubProjects

SubProject Number: 30000914

SubProject Title: Columbia River Water Supply Developmt Pgrm Ten Year Financing Plan

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 68,000,000 | | | | |
| | Total | 68,000,000 | 0 | 0 | 0 | 0 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|----------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 296-1 | Col River Bas Wtr Su-State | 8,000,000 | | | | |
| | Total | 8,000,000 | 0 | 0 | 0 | 0 |

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|--------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 355-1 | St. Bld Const Acct-State | 64,000,000 | | | | |
| | Total | 64,000,000 | 0 | 0 | 0 | 0 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|-------------------|-------------------|-------------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | 17,000,000 | 17,000,000 | 17,000,000 | 17,000,000 |
| | Total | 17,000,000 | 17,000,000 | 17,000,000 | 17,000,000 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|----------------------------|------------------------------|------------------|------------------|------------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 296-1 | Col River Bas Wtr Su-State | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| | Total | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|--------------------------|------------------------------|-------------------|-------------------|-------------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 355-1 | St. Bld Const Acct-State | 16,000,000 | 16,000,000 | 16,000,000 | 16,000,000 |
| | Total | 16,000,000 | 16,000,000 | 16,000,000 | 16,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|--------------|-----------------------|--|
| Agency ID: | 461 | Agency Name: | Department of Ecology |
| Contact Name: | Jim Skalski | Email: | jska461@ecy.wa.gov |
| Phone: | 360-407-6617 | Fund Name: | Columbia River Basin Water Supply Develop |
| Fund(s) Number: | 10P | Project Title: | Columbia River Water Supply Development |
| Project Number: | 30000712 | | Program ■ |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology 2018 Supplemental Budget Project List
Office of Columbia River (OCR)
Water Supply Projects
 September 2017



Purpose: The \$200 million program was authorized by the Legislature in 2006 to: expand available water supply in the Columbia River Basin; provide replacement supplies for some unsustainable existing uses; and, improve streamflow conditions in the Columbia and Snake Rivers. Ecology's Office of Columbia River manages the program. Projects and funding amounts are subject to change periodically as individual project scope and feasibility are determined and/or changed to enable Ecology to implement the best water supply solutions available. The Columbia River Policy Advisory Group (CRPAG) provides guidance on project selection and timing.

Project Ranking: The ranking provided groups projects into three tiers from highest priority to lowest priority as follows: (1) Odessa, which has already received significant investment and will prevent catastrophic loss of domestic, municipal and agricultural water supplies. Staffing for both Ecology and WDFW is required in order to move all existing and proposed projects forward; (2) all other existing projects that are currently being implemented; and, (3) all other new projects that have not been implemented. Please note that the ranking provided has not been fully vetted with CRPAG partners.

| Rank | Project ID | Recipient | Cost | Fund | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|------|---|--|------------|------|--|--------------------|--------------|--------------|---------------|----------------------------|-------------|
| 1 | Odessa - Odessa Groundwater Replacement Program | East Columbia Irrigation District | 15,000,000 | 355 | Replacing groundwater withdrawals with a surface water source will ease the burden on the aquifers. | Various | TBD | TBD | 9,13 | Multiple Project Locations | |
| 1 | Odessa - Mitigation | TBD | 500,000 | 355 | Mitigation related projects to facilitate replacing groundwater withdrawals with a surface water source will ease the burden on the aquifers. | Various | TBD | TBD | 9,13 | Multiple Project Locations | |
| 1 | Department of Ecology Staffing | Dept. of Ecology | 1,400,000 | 10P | Agency costs for project management, oversight, technical assistance, financial management and administration related to implementing capital projects for both the Columbia River and the Yakima Integrated Plan. | Various | Various | Various | N/A | No Geographical Location | |
| 1 | Department of Fish and Wildlife Support | Dept. of Fish and Wildlife | 1,800,000 | 10P | Agency costs for species, fish, wildlife and habitat technical assistance related to implementing capital projects. | Various | Various | Various | N/A | No Geographical Location | |
| 2 | Coordinated Columbia Basin Irrigation Districts | Various | 3,000,000 | 10P | The three Irrigation Districts and OCR jointly agreed to prepare a Coordinated Water Conservation Plan (Plan). The Plan identifies water conservation projects that allow additional acreage to be served without impacting the Columbia River or disrupting the water supply to existing acreage. | Various | TBD | TBD | 8,9 | Multiple Project Locations | |
| 2 | Icicle Creek Integrated Planning | Chelan County | 4,000,000 | 10P | Instream and out-of-stream uses of Icicle Creek supply include fish propagation demand, protection of instream resources, municipal and other domestic demand and irrigation. In some years (such as 2001), existing needs exceed available supply. In other years, excess supply exists. | Fish Hatchery Road | Leavenworth | Chelan | 12 | 47.55849 | -120.67366 |
| 2 | Walla Walla Lease | Port of Walla Walla | 1,000,000 | 296 | OCR will issue term permits from 4,761 ac-ft of water leased from the Port of Walla Walla. The term permits provide water on a temporary basis, allowing time for water users to find a permanent supply. The term permits expire when the lease expires (up to 10 years). This is the next installment to maintain the existing lease agreement that runs through 2020. | N/A | Touchet | Walla Walla | 16 | 46.11983 | -118.89913 |
| 2 | Franklin D. Roosevelt Lease | United States Bureau of Reclamation (USBR) | 1,000,000 | 296 | Water service contract with USBR to provide water from Lake Roosevelt to end users. The water will be used to benefit municipal/industrial supply, the Odessa Subarea interruptible water right holders and instream flows. This is the next installment to maintain the existing lease agreement that runs through 2051. | Grand Coulee Dam | Grand Coulee | Okanogan | 7 | 47.9565 | -118.98082 |
| 2 | Rilette | Rilette | 1,500,000 | 10P | Drill and test sites on publicly-owned lands to locate potential aquifer storage and recovery (ASR) opportunities. ASR projects store water in underground aquifers until it is needed. | Various | N/A | Pend Oreille | 7 | 48.435906 | -117.317338 |
| 2 | 508-14 WAC Rule Making | Ecology and Stakeholders | 500,000 | 355 | Ecology will propose changes to the rule to make it easier to issue water rights in the 508-14 Area. The current rule, 508-14 WAC, allows Ecology to issue groundwater permits in parts of Adams, Grant and Franklin counties. | Various | Various | TBD | 9,16 | Multiple Project Locations | |

| Rank | Project ID | Recipient | Cost | Fund | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|----------------------|---|---------------|-----------|------|--|-------------------|-----------|--------|----------------------|--------------------------|-------------------|
| 2 | Columbia River Basin Policy Advisory Group (CRPAG) & Washington Association of Cities and Counties (WAACC) Facilitation & Legislative Reports | CRPAG & WAACC | 500,000 | 057 | Agency costs for stakeholder facilitation and consultant legislative report management and technical assistance related to implementing capital projects. | N/A | N/A | N/A | Multiple | No Geographical Location | |
| 2 | H2H Switzer Storage - EIS | TBD | 1,000,000 | 057 | Development of an Environmental Impact Statement related to storage project. | N/A | Benton | Benton | 16 | 45.96221 | -119.10984 |
| 3 | New Water Supply projects/studies/lease payments | Various | 1,500,000 | 057 | Projects that support instream and out-of-stream demands. | Various | TBD | TBD | 7,8,9,12,13,14,15,16 | Multiple | Projects |
| 3 | Water Acquisitions | Various | 1,000,000 | 057 | Water right acquisitions that support instream and out-of-stream demands. | Various | TBD | TBD | Various | Multiple | Project Locations |
| 3 | Stemilt Water Resource Inventory Area (WRIA) 40A storage study | TBD | 100,000 | 10P | Water storage study in the Stemilt Basin in WRIA 40. | Stemilt Loop Road | Wenatchee | Chelan | 12 | 47.30053 | -120.32042 |
| 3 | Othello Aquifer Storage & Recharge (ASR) | TBD | 500,000 | 057 | Drill and test sites on publicly-owned lands to locate potential aquifer storage and recovery (ASR) opportunities. ASR projects store water in underground aquifers until it is needed. | N/A | Othello | Adams | 9 | 46.825974 | -119.175291 |
| 3 | Colville | TBD | 500,000 | 10P | Develop an Appraisal Report from pre-scoping investigations of the Goose Lake and Nine-mile Flat pumped storage sites to determine if one or more of them should be approved for investigation at the feasibility level of detail. | TBD | TBD | TBD | 7,12,13 | Multiple | Projects |
| 3 | Public-Private Partnership Financing Plans and West Coast Infrastructure Exchange (WCX) Plans | TBD | 200,000 | 10P | State will use WCX to develop best practices and access hands-on training in innovative financing and maintenance methods. Coordination of innovative infrastructure projects in California, Oregon and Washington. | N/A | TBD | TBD | TBD | TBD | TBD |
| TOTAL Request | | | | | | | | | | | 35,000,000 |

12,500,000 10P
 4,500,000 057
 16,000,000 355
 2,000,000 296
35,000,000 Total

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 16

Project Summary

Current water resources infrastructure, programs, and policies in the Yakima River Basin have not been able to consistently meet the environmental and economic demands that support basin aquatic resources, fish and wildlife habitat, dry-year irrigation, and municipal water supplies. A diverse set of local stakeholders developed the Yakima River Basin Integrated Water Resources Management Plan (Plan) to provide a comprehensive, long-term water resources and habitat improvement program to address this situation. Ecology is requesting \$31.1 million to continue implementing this program in cooperation with the U.S. Bureau of Reclamation (USBR) and local stakeholders. This program will support the regional economy and protect the environment. (State Building Construction Account)

Project Description**What is the proposed project?**

The Yakima River Basin has experienced long-standing, severe problems with water supply and aquatic resources. The cause of those problems are numerous and complex; and the net result is the Yakima River Basin is a drought prone, over-appropriated basin with decimated anadromous fish runs and degraded fish habitat.

The U.S. Geological Survey (USGS) conducted a groundwater study, developed a model, and released a report of findings in September 2011. According to the report, the Yakima River Basin has one of the most complex hydrologic systems in the nation. With increasing frequency, water sources run short, and predictions are for a worsening water supply in the face of climate change. The report and model reinforce that surface and groundwater must be managed as one resource in the Yakima River Basin. Based on the USGS study results, Ecology believes that, in most places in the basin, new groundwater withdrawals – including those for domestic and municipal purposes – will not be legally reliable without mitigation.

In June 2009, Ecology and the USBR brought representatives from the Yakama Nation, irrigation districts, environmental organizations, and federal, state, county, and city governments together to form the Yakima River Basin Water Enhancement Project (YRBWEP) Working Group to help develop a consensus-based solution to the Basin's water problems. Over the next 18 months, the group developed the Yakima River Basin Integrated Water Resource Management Plan (Plan). Ecology and the USBR issued a Programmatic Environmental Impact Statement (PEIS) for the Plan on March 2, 2012. The PEIS serves as a framework for the Plan. In 2013, the Washington State Legislature passed the Yakima River Basin Water Resource Management Act (Second Substitute Senate Bill 5367) now embodied in chapter 90.38 RCW. This legislation authorized implementation of the Plan.

The Plan calls for making substantial improvements in available water supply, constructing fish passage at all in-basin reservoirs, improving fish habitat, and acquiring targeted land parcels for improvements in overall watershed health. The Plan will take 20 to 30 years and about \$3.5 billion to implement. Ecology is pursuing implementation of the Plan as the long-term solution to the problems of the Basin. But Ecology believes it is necessary to pursue short and medium-term solutions between now and the time when the Plan produces benefits. Such solutions need to focus on dealing with current water allocation and management, and specifically address ground and surface water interrelationships identified in the USGS report.

The Plan calls for an additional 450,000 acre-feet of surface storage capacity and saving about 170,000 acre-feet of water during non-drought years through agricultural water conservation efforts. Taken together, the measures are intended to help ensure more water for irrigators in drought years and reduce dependence upon snowpack. These elements of the Plan are focused on meeting existing irrigation needs in drought years and not on making water available for future irrigation development.

The Plan calls for approximately 57,000 acre-feet of water supply for municipal and domestic needs; however, it may take 20 or 30 more years to obtain funding and authorization, and to develop these new water supplies for municipal and domestic purposes only.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

Description

Interim steps are needed until these new sources of water become available through storage, conservation, and other water management projects. While water resources must be managed conservatively to protect senior users and fisheries, we must seek ways to make water available for growing communities and industries.

Since passage of Second Substitute Senate Bill 5367 in support of the Plan in 2013, the Office Columbia River (OCR) has embarked on an ambitious 30-year effort encompassing an unprecedented breadth of projects and programs designed to solve the water and aquatic resource needs of the Yakima River Basin in south central Washington. Over the last two years, the OCR has worked to advance a wide range of projects from planning, design, permitting, funding, and construction as part of the first 10 years of project development (10-year Initial Development Phase).

The project-by-project activities discussed in this request include concurrent advancement of fish passage, watershed enhancement, and water supply. Many of these efforts also provide improved stream flow in critical reaches, and improvements in other fish habitat conditions. The Legislature appropriated \$30 million in the 2015-17 Biennium for continued implementation of the Plan. These funds are being applied to a variety of projects in combination with funds obtained from other sources.

This request for \$31.1 million will fund continued implementation of projects in the Plan. It will provide measureable progress to address pending water right applications in the Basin, and develop solutions for how new groundwater uses may be achieved through mitigation or other creative programs, such as domestic water reserve programs and expanded water exchanges. It includes \$31.1 million for constructing and implementing Plan water supply projects. All funding identified in this request is from the State Building Construction Account (SBCA) and is state "seed" money that will eventually match a yet-to-be determined amount of federal and local share of the costs.

Results through the 2015-17 Biennium:

1. Teanaway Land Acquisition –The first action purchased (via the Washington Department of Natural Resources (DNR)) and protected 50,000 acres in the watershed in the Yakima River Basin. The state's first "community forest" is currently being managed by DNR and the Department of Fish and Wildlife (WDFW) for conservation, recreational, and commercial uses.

2. Manashtash Creek –This is the first construction project to break ground as part of the 30-year Plan. Between fall 2013 and spring 2015, this project converted 3.2 miles of a Kittitas Reclamation District canal to a pressurized pipeline, conserving over 1,200 acre-feet of water each year. Completion of the improvements to the Reed diversion (a multi-water user diversion project) was a key factor for improved access to approximately 25 miles of habitat for Steelhead, Coho, Bull Trout, and Spring Chinook.

3. Miscellaneous Projects –Activities will protect and enhance fish and wildlife. These will improve availability, reliability, and efficiency of water supplies and establish flexible operational enhancements to prepare for the impact of climate change and drought. Specific projects include:

a) Begin constructing fish passage at the Cle Elum Reservoir. The USBR, in coordination with state and federal fish and wildlife agencies and the Yakama Nation, finalized its design for the downstream fish passage facility at Cle Elum Dam in 2014. In July 2015, the USBR awarded a contract for Phase 1 - the bridge across the dam spillway and access roads for the fish passage facilities. Surveying and clearing for the fish passage access road began in November 2015, representing the first step toward project construction. This supports the Yakama Nation's reintroduction of Sockeye Salmon to the Basin and is a first step to achieving fish passage at all of the Basin's reservoirs.

b) The USBR and Ecology issued a Final Environmental Impact Statement on the Cle Elum Pool Raise project in May 2015. In September 2015, the USBR issued a contract for modifications to the radial gates at Cle Elum Dam. The radial gate modification will allow the USBR to store an additional three feet on top of the existing high-level of the reservoir pool. This will amount to 14,600 acre-feet of new water storage capacity for instream flow benefits. Subsequent steps on this project will involve shoreline improvements to protect public and private properties from erosion associated with the higher pool level.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

Description

c) A study is looking at constructing a pipeline from Keechelus Lake to Lake Kachess. Connecting the two reservoirs could allow excess water in one basin to be stored and released from the greater capacity in the other basin. During 2014 and 2015, the USBR performed a feasibility study of the Keechelus-to-Kachess Conveyance (KKC), which would involve constructing a tunnel to transfer water from storage in Keechelus Reservoir to storage in Kachess Reservoir. It also continued a program of geotechnical investigation of rock conditions along the proposed tunnel route. The feasibility study established the cost of the project and refined understanding of project benefits, either for a stand-alone project or a project in combination with a project at Kachess Reservoir. The USBR and Ecology also prepared a Draft Environmental Impact Statement (DEIS), issued in January 2015.

4. Kachess Reservoir Drought Relief Pumping Plant and Keechelus to Kachess Tunnel projects –Ecology and the USBR performed a feasibility study of the Kachess Drought Relief Pumping Plant (KDRPP), which would involve extracting up to 200,000 acre-feet of water from the inactive storage pool of the Kachess Reservoir. The feasibility study established the cost of the project and the benefits, for either a stand-alone project or a project in combination with the KKC. The USBR and Ecology prepared a DEIS, issued in January 2015, covering both KKC and KDRPP. The WDFW completed the first year of sampling associated with a food-web study to determine impacts to the reservoir's primary productivity and effects on Bull Trout and other aquatic species. The WDFW also completed the first of two years of Northern Spotted Owl surveys in a nearby area historically known to be Spotted Owl territory.

In May 2015, the USBR and Ecology conducted a value analysis study to evaluate proposals that may reduce project costs. The USBR held a Value Analysis workshop in June 2015 with HDR, Yakama Nation, and irrigation district staff. The analysis indicated a floating pumping plant option would reduce the construction cost. The pro-ratable irrigation districts are discussing a plan to privately finance a floating pumping plant that could access up to 200,000 acre-feet of storage from the inactive pool of the Kachess Reservoir. The USBR and Ecology are beginning work on a Supplemental DEIS to evaluate the impacts of this alternative.

5. Water conservation projects –Includes various projects that will improve water use efficiency for both agricultural and municipal water users. Projects expected through summer 2017 are:

- Wapato Irrigation Project Piping Satus East Lateral E73.
- Manastash Creek Anderson Diversion Irrigation Water Acquisition.
- Yakima Tieton Irrigation District (Canal headworks improvement).
- Roza Irrigation District Canal Lining.
- City of Yakima – Xeriscape Demonstration Project.
- Wapato Irrigation District (Upper dam rebuild, lower dam removal, conservation plan and canal piping).

6. Aquatic habitat enhancements and watershed enhancement acquisitions –Working with state and federal fish and wildlife agencies and the Yakama Nation, the USBR and Ecology identified a set of actions that would improve resiliency of Bull Trout populations in the Yakima River Basin. This includes four enhancement projects plus assessments designed to lead to additional projects. These activities will be carried out in conjunction with either the KKC or KDRPP projects described below. This program is known as Bull Trout Enhancement (BTE).

In October 2015, the USBR, Ecology, the Yakama Nation, U.S. Fish and Wildlife Service, WDFW, and U.S. Forest Service signed a Memorandum of Understanding to provide a framework for cooperation on developing and implementing Bull Trout restoration and enhancement actions within the Yakima River Basin.

7. Aquifer storage and recovery pilot project –Ecology issued a temporary permit to the City of Yakima in March 2015 to allow the City to begin storing water from the Naches River underground in an aquifer used by the City for supplemental water supply. The City began recharging the aquifer in 2015 and monitored aquifer conditions in response. This is the first step in implementing this project. The City will evaluate installation of recovery wells as part of its capital improvement plan for the municipal water system. Ecology is currently reviewing the City's application for a long-term permit for this system.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

Description

2017-19 Capital Projects

This request will fund the next installment of the 10-year Initial Development Phase that runs through the 2021-23 Biennium. For the 2017-19 Biennium, proposed projects by the Plan improvement categories include:

1. Habitat: \$5.4 million - Tributary/Mainstem Habitat Restoration Projects

Fish habitat enhancement program will address mainstem and tributary habitat restoration priorities, such as flow restoration, fish barrier removal, and screening diversions.

2. Fish Passage: \$10.5 million - Cle Elum and Clear Lake Dam Passage

Proposed down-stream / up-stream fish passage facility.

3. Structural & Operational Modifications: \$3.0 million - Cle Elum Pool Raise

Increase available storage of Lake Cle Elum by approximately 14,600 acre-feet by raising lake level three feet (from 2,240 to 2,243 feet).

4. Surface Storage: \$5.4 million - KDRPP and Wymer or Bumping Reservoir

The KDRPP project will provide additional pump capacity on Lake Kachess that will allow access to another 200,000 acre-feet of water from the lake. The Bumping and Wymer storage options will modify and enlarge Bumping Lake to a total active capacity of 190,000 acre-feet (current capacity is 33,700 acre-feet) OR Wymer will provide new 162,500 acre-feet off-channel storage facility in the intermittent stream channel of Lmuma Creek, eight miles upstream of Roza Dam.

5. Groundwater Storage: \$1.1 million - Regional Storage Options

Regional Storage Options (includes aquifer storage and recovery and/or groundwater infiltration) would be accomplished by diverting water (during high flow events) into designed infiltration systems (ponds, canals or spreading areas) to be stored until needed during low flow or drought events. Specific project locations will occur throughout the Yakima Integrated Plan project boundaries.

6. Water Conservation: \$5.1 million – Agricultural/Municipal/Domestic Conservation projects.

7. Market Driven Reallocation: \$0.6 million - General support for markets to exchange water and provide banking opportunities.

What opportunity or problem is driving this request?**The reason for the project:**

For the past 30 years, several groups in the Yakima River Basin have been actively involved in storage modification, supplementation, and fish enhancement projects. Groups include the Yakama Nation, the USBR, Bonneville Power Administration, U.S. Fish and Wildlife Service, National Marine Fisheries Service, Ecology, WDFW, county and municipal governments, local conservation districts, non-profit organizations, and other landowners and managers. But the current water resources infrastructure, programs, and policies in the Yakima River Basin have not been able to consistently meet aquatic resource demands for fish and wildlife habitat, dry-year irrigation demands, and municipal water supply demands.

Anadromous and resident fish populations are seriously depleted from historic levels, and some species have been eliminated from the Basin or listed as threatened under the Endangered Species Act. The causes of decline for resident fish populations include many obstructions that block fish passage to upstream tributaries and spawning grounds; degraded riparian habitat and floodplain functions by past and present land use practices; and altered streamflows due to heavy irrigation demand that leaves some streamflows too high or too low to provide good fish habitat.

There are many reasons it is difficult to meet demand for current and future municipal and domestic water supplies. First, water rights in the Basin are fully appropriated, which makes it difficult to acquire water to meet future municipal and domestic water demand. Second, pumping groundwater for irrigation and municipal uses has been shown to reduce surface water flows in

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

Description

some locations, which may affect other existing water rights.

Finally, climate change projections indicate there will be changes in runoff and streamflow patterns, which will increase the need for prorationing and maintaining flows for fish.

These problems have created a need to restore ecological functions in the Yakima River Basin and to provide more reliable and sustainable water resources for the health of the riverine environment, and for agricultural, municipal, and domestic needs. These problems should be addressed in a way that anticipates increased water demands and changes in water supply related to climate change. In developing the Plan, the USBR, Ecology, and the YRBWEP Working Group identified specific needs for resident and anadromous fish, irrigation water supply, municipal and domestic water supply, and anticipated changes in water supply related to climate change.

The effects of non-funding:

If the initial Plan projects are not funded, the USBR and Ecology would not continue implementing the Plan. Without an integrated approach, it is unlikely the USBR and Ecology would be able to procure additional federal or state funding to develop large-scale water storage or fish passage and habitat improvement projects. Ecology expects that securing continuing funding is critical to leveraging future federal appropriations that will help pay for the multi-billion dollar cost of the Plan. So, the existing management structure would remain in place, which has proven to be inadequate for meeting Basin wide water needs. The water future of the Basin would continue to rely on individual actions by various agencies and other entities to improve water resources in the Basin. Current funding sources would be used to continue ongoing programs and those projects already funded.

Although the USBR and Ecology would not implement an integrated approach to improve water resources and fish habitat in the Basin, current management activities and ongoing projects in the Basin would continue. In addition to their involvement with ongoing projects, the USBR and Ecology would continue their activities to manage water resources in the Yakima River Basin. The USBR would continue to study fish passage options at its major reservoirs, consistent with its mitigation agreement with WDFW and outlined in the hydraulic project approval permit, but would not have funding to carry out the projects.

The USBR and Ecology would continue to explore other opportunities for funding and implementing water resource and habitat improvement projects, but no large-scale or integrated actions or projects would likely occur under the No Action Alternative (the expected future condition if no action is taken). Under the No Action Alternative, progress toward achieving the goal of restoring ecological functions in the Basin would likely proceed more slowly and in a more limited way than with a comprehensive funding package.

To fully fund the state's share of the ongoing 10-year Initial Development Phase (2013 through 2023), a state investment of \$100 million to \$110 million over the next three biennia (2017-19, 2019-21, and 2021-23) will be needed. Similar levels of funding will be sought from a combination of federal and private funding sources. Ecology and its partners will continue to implement the program and ongoing developments that may affect project design, costs, hydrologic conditions, fisheries health, and productivity of the Central Washington economy. This will be done adaptively, depending on actual funding levels.

How does the project support the agency and statewide results?

This request supports Ecology's strategic priority to Develop Integrated Water Solutions, and the Governor's Results Washington Goal 3, Sustainable Energy and a Clean Environment. It does this by helping to meet economic and community needs for reliable water supplies, while protecting and enhancing river flows for fish.

This request supports elements of Ecology's Strategic Plan to Deliver Integrated Water Solutions by achieving adequate instream flows and providing water for communities in the Yakima River Basin.

There are no specific outcome measures that directly link to this request. However, the benefit of improving instream flow and aquatic habitat from reducing on-farm water use (but still allowing crops to be grown) most closely aligns with Governor's Results Washington Goal 3 topics: Healthy Fish and Wildlife (sub-topic Pacific Salmon and Wildlife) , Clean and Restored

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

Description

Environment (sub-topic Clean, Cool Water) and Working and Natural Lands (sub-topic Habitat Protection and Farmland). By increasing the amount of water instream, fish and wildlife species are more likely to maintain healthy populations from higher water levels (enough water to live and reproduce), reduced water temperatures (enough cool water to better disperse heat), and through overall habitat improvements (food chain is maintained so they can find food to eat, shading from trees and plants is improved so the temperatures do not get too high, spawning grounds are available with the right size of gravel, etc.) Farmland will benefit as more water is made available to irrigate crops and develop agricultural infrastructure in the Columbia Basin.

This request supports the Governor's priorities related to Economy and Agriculture: Protect and manage scarce resources and enable more efficient movement of time-sensitive agricultural goods through policy actions and infrastructure development.

The objective of this request is to:

- Continue achieving progress on managing water in the Yakima River Basin in a way that helps issue new water rights;
- Protect existing water rights from interruption during drought years; and
- Provide water for municipal permits while enhancing instream values by improving stream flows.

This request will also strengthen long-term strategic relationships with agriculture, industrial, municipal, and tribal communities in the Yakima Basin and Eastern Washington.

What are the specific benefits of this project?

Requested funds will be used to continue financing assessments and constructing new water projects and water conservation measures. These infrastructure investments will expand the available water supply, allow new water rights to be issued, and enhance instream flows in the Yakima River and its tributaries.

This project will also provide economic benefits to the state by creating up to 72 jobs during the next two years, based on estimates from the Office of Financial Management.

How will clients be affected and services change if this project is funded?

Projects included in this request will continue implementing the entire Plan in the Yakima River Basin. They will expand the portfolio of water resources available to meet the Plan's objectives for the Basin. Both the initial and long-term projects included in the Plan are needed to meet the economic and community development needs of people and the instream flow needs for fish. It is difficult to secure any new water for out-of-stream uses, due to endangered fish issues and lack of water availability in the Yakima River Basin. More details on the Plan can be found at <http://www.ecy.wa.gov/programs/wr/cwp/YBIP.html>.

Funding of this request will allow practical water supply solutions to be started and continue the work with interest groups across the community to secure new instream and out-of-stream water uses in a cooperative and balanced way. Projects funded will lead to additional economic activity in communities throughout the region, and allow state government to work in partnership with water stakeholders throughout the region. Economic vitality in the region will continue while aquatic resources and instream flows are protected.

Are FTEs required to support this project?

This project requires 2.19 FTEs to provide project management, scientific expertise, contract oversight and support to implement Plan projects. This is the same level of FTEs that support this capital project in the 2015-17 Biennium. The OCR manages both Columbia River and Yakima Integrated Plan project portfolios. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

Description**How will the other state programs or units of government be affected if this project is funded?**

Ecology is currently working on a broad range of projects. Just as diverse is the spectrum of partners that are involved in these projects. The portfolio of participants includes, but is not limited to, local conservation districts; irrigation districts; municipal water systems; numerous environmental groups; agricultural organizations; and state, federal, and local governments. These organizations are involved not only in giving Ecology policy guidance, but will also likely be grant recipients and project partners critical to successfully implementing the Plan. Funding this list of early action projects means this wide range of partners will see new water storage and conservation projects, along with the associated jobs and funds, critical to their local economies.

Other state agency programs that support economic community and agriculture development and protection and restoration of fish species will benefit from these projects. The WDFW is an active partner in identifying the most critical needs for protecting and enhancing streamflows for fish. The Washington State Conservation Commission (SCC) is managing funds from Ecology's project Water Irrigation Efficiencies, related to financing on-farm irrigation efficiencies. Ecology also funds activities directed by the SCC related to securing potential projects through re-timing studies conducted by the conservation districts. Cities and counties in the Yakima River Basin are strong supporters and active partners. The USBR and Ecology are funding partners in new storage and conservation projects.

USBR has a statutory mandate to manage the basin's dams, hydropower facilities, and irrigation infrastructure, and federal requirements to manage streamflows for tribal fisheries and other needs. As such, the federal role must be addressed in any proposed solution. Unprecedented drought conditions in 2015 underscored the urgent need for addressing long-standing water supply challenges in the Yakima Basin. Federal legislation introduced by the Senate in 2015 (S.1694) authorizes federal participation in the Plan by amending the existing law for the Yakima River Basin Watershed Enhancement Project (YRBWEP). If this bill is enacted, the innovative YRBWEP Phase III approach will be a model for 21st century watershed management in other basins because it:

- Considers human and ecological needs at the watershed scale.
- Embodies collaborative, locally-driven decision-making.
- Provides an adaptive framework to support water resilience now and into the future.
- Provides for innovative financing that balances federal trust responsibilities with state cost shares and private financing through public-private partnerships.

Projects included in the YRBWEP Phase III bill will:

- Provide drought relief and water security for one of the most productive agricultural regions in Washington;
- Enhance municipal, industrial, domestic, and instream water supplies through improved water conservation, water marketing and transfers, and storage;
- Significantly enhance the environmental health of the Yakima River and its tributaries. Fish passage projects will restore access to the headwaters of the Cle Elum River, which have been blocked for more than 100 years and help restore one of the largest sockeye salmon runs in the lower 48. Stream restoration projects will also protect and restore significant spawning habitat for native and anadromous fish and other species.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

New funds allow Yakima River Basin projects to be started and solutions to historic water supply problems implemented. The

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

Description

availability of extensive capital funding is critical to implementing the Plan and securing future commitments from the federal government. Without the capital funding, the Plan would not be implemented, and existing water supply problems would continue and likely become more volatile in the future.

What is the agency's proposed funding strategy for the project?

Ecology proposes using SBCA bonds to fund the projects identified in this request. Using these bonds is the appropriate mechanism to fund multi-million dollar projects that will provide instream and out-of-stream benefits for decades. The funding arrangement with our federal and local partners has not yet been finalized by all parties involved. Multi-party agreements with local irrigation districts and the USBR for a share of the total project cost are being discussed with local, state, and federal partners.

The various parties represented on the YRBWEP Work Group and its committees have forged strong working partnerships that created valuable outcomes for fish and water supply under the challenging conditions posed by the drought in 2015. The 2015 YRBWEP Phase III legislation introduced by the Senate complements RCW 90.38.060, and is a necessary step in securing federal funding at the scale needed to construct major projects. Ecology will continue working collaboratively to implement the Plan and seek non-state funding to complement the significant state investments.

Proviso

No

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: Legislative Appropriation

Application process used

Competitive grants to local entities for projects developed in cooperation with the Yakima Basin Workgroup.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|--------------------|-------------------|-------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 171,100,000 | | | | 31,100,000 |
| | Total | 171,100,000 | 0 | 0 | 0 | 31,100,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 35,000,000 | 35,000,000 | 35,000,000 | 35,000,000 | |
| | Total | 35,000,000 | 35,000,000 | 35,000,000 | 35,000,000 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000733

SubProject Title: Habitat - Multiple

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 16

Project Summary

Current water resources infrastructure, programs, and policies in the Yakima River Basin have not been able to consistently meet the environmental and economic demands that support basin aquatic resources, fish and wildlife habitat, dry-year irrigation, and municipal water supplies. A diverse set of local stakeholders developed the Yakima River Basin Integrated Water Resources Management Plan (Plan) to provide a comprehensive, long-term water resources and habitat improvement program to address this situation. Ecology is requesting \$31.1 million to continue implementing this program in cooperation with the U.S. Bureau of Reclamation (USBR) and local stakeholders. This program will support the regional economy and protect the environment. (State Building Construction Account)

Project Description

Tributary/Mainstream Habitat Restoration Projects - Fish habitat enhancement program would address mainstream and tributary habitat restoration priorities such as flow restoration, fish barrier removal, and screening diversions.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: Legislative Appropriation

Application process used

Competitive grants to local entities for projects developed in cooperation with the Yakima Basin Workgroup.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 5,400,000 | | | | 5,400,000 |
| | Total | 5,400,000 | 0 | 0 | 0 | 5,400,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

SubProjects

SubProject Number: 30000733

SubProject Title: Habitat - Multiple

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000734

SubProject Title: Fish Passage - Cle Elum and Clear Lake Dam

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 16

Project Summary

Current water resources infrastructure, programs, and policies in the Yakima River Basin have not been able to consistently meet the environmental and economic demands that support basin aquatic resources, fish and wildlife habitat, dry-year irrigation, and municipal water supplies. A diverse set of local stakeholders developed the Yakima River Basin Integrated Water Resources Management Plan (Plan) to provide a comprehensive, long-term water resources and habitat improvement program to address this situation. Ecology is requesting \$31.1 million to continue implementing this program in cooperation with the U.S. Bureau of Reclamation (USBR) and local stakeholders. This program will support the regional economy and protect the environment. (State Building Construction Account)

Project Description

Cle Elum and Clear Lake Dam Passage - Proposed downstream / upstream fish passage facility.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: Legislative Appropriation

Application process used

Competitive grants to local entities for projects developed in cooperation with the Yakima Basin Workgroup.

Growth Management impacts

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

SubProjects

SubProject Number: 30000734

SubProject Title: Fish Passage - Cle Elum and Clear Lake Dam

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|---------------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reappropriations</u> | <u>New Appropriations</u> |
| 057-1 | State Bldg Constr-State | 10,500,000 | | | | 10,500,000 |
| | Total | 10,500,000 | 0 | 0 | 0 | 10,500,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000735

SubProject Title: Structural & Operational Modifications - Cle Elum Pool Raise

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 16

Project Summary

Current water resources infrastructure, programs, and policies in the Yakima River Basin have not been able to consistently meet the environmental and economic demands that support basin aquatic resources, fish and wildlife habitat, dry-year irrigation, and municipal water supplies. A diverse set of local stakeholders developed the Yakima River Basin Integrated Water Resources Management Plan (Plan) to provide a comprehensive, long-term water resources and habitat improvement program to address this situation. Ecology is requesting \$31.1 million to continue implementing this program in cooperation with the U.S. Bureau of Reclamation (USBR) and local stakeholders. This program will support the regional economy and protect the environment. (State Building Construction Account)

Project Description

Cle Elum Pool Raise - Increase available storage of Lake Cle Elum by approximately 14,600 ac-ft by raising lake level 3 feet (from 2,240 to 2,243 feet).

Location

City: Kittitas

County: Kittitas

Legislative District: 013

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

SubProjects

SubProject Number: 30000735

SubProject Title: Structural & Operational Modifications - Cle Elum Pool Raise

Grant Recipient Organization: Local Entities

RCW that establishes grant: Legislative Appropriation

Application process used

Competitive grants to local entities for projects developed in cooperation with the Yakima Basin Workgroup.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 3,000,000 | | | | 3,000,000 |
| | Total | 3,000,000 | 0 | 0 | 0 | 3,000,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000736

SubProject Title: Surface Storage - Kachess Drought Relief Pumping Plant (KDRPP) /

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

SubProjects

SubProject Number: 30000736

SubProject Title: Surface Storage - Kachess Drought Relief Pumping Plant (KDRPP) /

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 16

Project Summary

Current water resources infrastructure, programs, and policies in the Yakima River Basin have not been able to consistently meet the environmental and economic demands that support basin aquatic resources, fish and wildlife habitat, dry-year irrigation, and municipal water supplies. A diverse set of local stakeholders developed the Yakima River Basin Integrated Water Resources Management Plan (Plan) to provide a comprehensive, long-term water resources and habitat improvement program to address this situation. Ecology is requesting \$31.1 million to continue implementing this program in cooperation with the U.S. Bureau of Reclamation (USBR) and local stakeholders. This program will support the regional economy and protect the environment. (State Building Construction Account)

Project Description

KDRPP project would provide additional pump capacity on Lake Kachess that would enable access to another 200,000 ac-ft of water from the lake. The Bumping and Wymer storage options would enlarge Bumping Lake to a total active capacity of 190,000 ac-ft (current capacity is 33,700 ac-ft) OR Wymer would provide new 162,500 ac-ft off-channel storage facility in the intermittent stream channel of Lmuma Creek, 8 miles upstream of Roza Dam.

Location

City: Kittitas

County: Kittitas

Legislative District: 013

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: Legislative Appropriation

Application process used

Competitive grants to local entities for projects developed in cooperation with the Yakima Basin Workgroup.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 5,400,000 | | | | 5,400,000 |
| | Total | 5,400,000 | 0 | 0 | 0 | 5,400,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

SubProjects

SubProject Number: 30000736

SubProject Title: Surface Storage - Kachess Drought Relief Pumping Plant (KDRPP) /

No Operating Impact

SubProject Number: 30000737

SubProject Title: Groundwater Storage - Multiple Groundwater Storage - Multiple

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 16

Project Summary

Current water resources infrastructure, programs, and policies in the Yakima River Basin have not been able to consistently meet the environmental and economic demands that support basin aquatic resources, fish and wildlife habitat, dry-year irrigation, and municipal water supplies. A diverse set of local stakeholders developed the Yakima River Basin Integrated Water Resources Management Plan (Plan) to provide a comprehensive, long-term water resources and habitat improvement program to address this situation. Ecology is requesting \$31.1 million to continue implementing this program in cooperation with the U.S. Bureau of Reclamation (USBR) and local stakeholders. This program will support the regional economy and protect the environment. (State Building Construction Account)

Project Description

Regional Storage Options to include ASR and/or groundwater infiltration would be accomplished by diverting water into designed infiltration systems (ponds, canals or spreading areas) prior to storage releases from the Yakima Project.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: Legislative Appropriation

Application process used

Competitive grants to local entities for projects developed in cooperation with the Yakima Basin Workgroup.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,100,000 | | | | 1,100,000 |
| | Total | 1,100,000 | 0 | 0 | 0 | 1,100,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

SubProjects

SubProject Number: 30000737

SubProject Title: Groundwater Storage - MultipleGroundwater Storage - Multiple

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000738

SubProject Title: Water Conservation - Multiple

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 16

Project Summary

Current water resources infrastructure, programs, and policies in the Yakima River Basin have not been able to consistently meet the environmental and economic demands that support basin aquatic resources, fish and wildlife habitat, dry-year irrigation, and municipal water supplies. A diverse set of local stakeholders developed the Yakima River Basin Integrated Water Resources Management Plan (Plan) to provide a comprehensive, long-term water resources and habitat improvement program to address this situation. Ecology is requesting \$31.1 million to continue implementing this program in cooperation with the U.S. Bureau of Reclamation (USBR) and local stakeholders. This program will support the regional economy and protect the environment. (State Building Construction Account)

Project Description

Agricultural/Municipal/Domestic Conservation projects.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: Legislative Appropriation

Application process used

Competitive grants to local entities for projects developed in cooperation with the Yakima Basin Workgroup.

Growth Management impacts

None

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

SubProjects

SubProject Number: 30000738

SubProject Title: Water Conservation - Multiple

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|---------------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reappropriations</u> | <u>New Appropriations</u> |
| 057-1 | State Bldg Constr-State | 5,100,000 | | | | 5,100,000 |
| | Total | 5,100,000 | 0 | 0 | 0 | 5,100,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000739

SubProject Title: Market Driven Reallocation - Multiple

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 16

Project Summary

Current water resources infrastructure, programs, and policies in the Yakima River Basin have not been able to consistently meet the environmental and economic demands that support basin aquatic resources, fish and wildlife habitat, dry-year irrigation, and municipal water supplies. A diverse set of local stakeholders developed the Yakima River Basin Integrated Water Resources Management Plan (Plan) to provide a comprehensive, long-term water resources and habitat improvement program to address this situation. Ecology is requesting \$31.1 million to continue implementing this program in cooperation with the U.S. Bureau of Reclamation (USBR) and local stakeholders. This program will support the regional economy and protect the environment. (State Building Construction Account)

Project Description

General Support for markets to exchange water and provide banking opportunities.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 30000711

Project Title: Yakima River Basin Water Supply

SubProjects

SubProject Number: 30000739

SubProject Title: Market Driven Reallocation - Multiple

Grant Recipient Organization: Local Entities

RCW that establishes grant: Legislative Appropriation

Application process used

Competitive grants to local entities for projects developed in cooperation with the Yakima Basin Workgroup.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 600,000 | | | | 600,000 |
| | Total | 600,000 | 0 | 0 | 0 | 600,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000913

SubProject Title: Yakima River Basin Water Supply Ten Year Financing Plan

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/25/2017 11:45AM

Project Number: 3000711

Project Title: Yakima River Basin Water Supply

SubProjects

SubProject Number: 3000913

SubProject Title: Yakima River Basin Water Supply Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 16

Project Summary

Current water resources infrastructure, programs, and policies in the Yakima River Basin have not been able to consistently meet the environmental and economic demands that support basin aquatic resources, fish and wildlife habitat, dry-year irrigation, and municipal water supplies. A diverse set of local stakeholders developed the Yakima River Basin Integrated Water Resources Management Plan (Plan) to provide a comprehensive, long-term water resources and habitat improvement program to address this situation. Ecology is requesting \$31.1 million to continue implementing this program in cooperation with the U.S. Bureau of Reclamation (USBR) and local stakeholders. This program will support the regional economy and protect the environment. (State Building Construction Account)

Project Description

Ten Year Financing Plan.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Entities

RCW that establishes grant: Legislative Appropriation

Application process used

Competitive grants to local entities for projects developed in cooperation with the Yakima Basin Workgroup.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|--------------------|----------------|------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 140,000,000 | | | | |
| | Total | 140,000,000 | 0 | 0 | 0 | 0 |

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 35,000,000 | 35,000,000 | 35,000,000 | 35,000,000 |
| | Total | 35,000,000 | 35,000,000 | 35,000,000 | 35,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|---------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Jim Skalski</u> | Email: | <u>jska461@ecy.wa.gov</u> |
| Phone: | <u>360-407-6617</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Yakima River Basin Water Supply</u> |
| Project Number: | <u>30000711</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.



**Ecology 2018 Supplemental Budget Project
List Yakima Integrated Plan
Project List (Initial Development Phase)
July 2016**

Background: The Legislature authorized implementation of the Yakima Integrated Plan in 2013 (chapter 90.38 RCW) because current water supply does not meet instream or out-of-stream demand, including the aquatic demands for fish and wildlife and the out-of-stream needs of irrigation and municipal supply. The Yakima River Basin Integrated Water Resource Management Plan provides water for agriculture, fish, and communities by: (1) Modifying water system operation and infrastructure; (2) Building fish passage at six existing dams; (3) Implementing enhanced water conservation projects; (4) Creating additional groundwater and surface storage capacity; (5) Enhancing and protecting habitat and increasing in-stream flows; and, (6) Employing water marketing and banking. Projects and funding amounts are subject to change periodically as individual project scope and feasibility are determined and/or changed to enable Ecology to implement the best water supply solutions available.

| Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|--|------------|---|--------------|---------|---------------------|---------------|-----------|-------------|
| Habitat - Multiple | 5,400,000 | Tributary/Mainstem Habitat Restoration Projects - Fish habitat enhancement program would address mainstem and tributary habitat restoration priorities such as flow restoration, fish barrier removal, and screening diversions. | Various | Various | Multiple | 13,14,15,16 | Multiple | Multiple |
| Fish Passage - Cle Elum and Clear Lake Dam | 10,500,000 | Cle Elum and Clear Lake Dam Passage - Proposed downstream / upstream fish passage facility. | Various | Various | Kittitas and Yakima | 13,14,15 | Multiple | Multiple |
| Structural & Operational Modifications - Cle Elum Pool Raise | 3,000,000 | Cle Elum Pool Raise - Increase available storage of Lake Cle Elum by approximately 14,600 ac-ft by raising lake level 3 feet (from 2,240 to 2,243 feet). | Various | Various | Kittitas | 13 | 47.274308 | -121.104355 |
| Surface Storage - Kachess Drought Relief Pumping Plant (KDRPP) / Wymer and Bumping | 5,400,000 | KDRPP project would provide additional pump capacity on Lake Kachess that would enable access to another 200,000 ac-ft of water from the lake. The Bumping and Wymer storage options would enlarge Bumping Lake to a total active capacity of 190,000 ac-ft (current capacity is 33,700 ac-ft) OR Wymer would provide new 162,500 ac-ft off-channel storage facility in the intermittent stream channel of Lmuma Creek, 8 miles upstream of Roza Dam. | Various | Various | Kittitas and Yakima | 13,14,15 | Multiple | Multiple |
| Groundwater Storage - Multiple | 1,100,000 | Regional Storage Options to include ASR and/or groundwater infiltration would be accomplished by diverting water into designed infiltration systems (ponds, canals or spreading areas) prior to storage releases from the Yakima Project. | Various | Various | Multiple | 13,14,15,16 | Multiple | Multiple |
| Water Conservation - Multiple | 5,100,000 | Agricultural/Municipal/Domestic Conservation projects. | Various | Various | Multiple | 13,14,15,16 | Multiple | Multiple |
| Market Driven Reallocation - Multiple | 600,000 | General Support for markets to exchange water and provide banking opportunities. | Various | Various | Multiple | 13,14,15,16 | Multiple | Multiple |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:53PM

Project Number: 40000104

Project Title: Water Availability

Description

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 17

Project Summary

Several communities across the state are facing challenges in providing water supply availability determinations for new exempt water wells due to the Supreme Court decision known as "Hirst". This has created uncertainty related to legal water availability and associated local government permit decisions. This new Water Availability request will fund basin-wide assessments and mitigation projects that help address water supply challenges in the 15 watershed areas impacted by the Hirst Decision. Implementing this program will support the regional economy and protect the environment. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

The request will fund projects focused on water infrastructure or projects designed to measure or improve stream flow to help address the challenges related to the Hirst Decision (described below) for overall water availability in several basins throughout the state. Examples include storage, conservation improvements, monitoring flows, water right acquisitions, water efficiency improvements, and establishing water banks.

Ecology will analyze information and commission individual basin-wide assessments, in those basins most affected by the Hirst Decision, to determine the kinds of water availability projects needed to increase water supply in each basin. Ecology will also provide information, technical assistance, project management, and scientific data to partners, and contract with consultants for design, engineering and construction services to implement projects beneficial to specific basin needs.

Ecology will first identify the scope and scale of potential solutions responsive to the unique water supply situation in each watershed. Consulting services will define water supply options and assist with analysis, technical and engineering support, and other water supply project recommendations. Ecology estimates each watershed Water Resource Inventory Areas (WRIA) will require \$100,000 per year for two years for the assessments. This estimate is based on Ecology's experience in the Skagit Basin over the past few years. The total cost to implement initial analysis is estimated at \$1,500,000 per year, statewide, for 15 priority WRIAs.

Ecology will target the initial improvements in 14 counties, including Whatcom, Skagit, Snohomish, King, Kitsap, Mason, Pierce, Grays Harbor, Thurston, Lewis, Okanogan, Stevens, Pend Oreille, and Spokane. These counties are directly affected by the Hirst Decision, because they have instream flow rules that do not specifically include water allocations for permit-exempt well water withdrawals. The 15 WRIAs included in the initial focus area include Nooksack(1), Snohomish(7), Cedar-Sammamish(8), Duwamish-Green(9), Puyallup-White(10), Nisqually(11), Chambers-Clover(12), Deschutes(13), Kennedy-Goldsborough(14), Kitsap(15), Lower Chehalis(22), Upper Chehalis(23), Okanogan(49), Little Spokane(55), and Colville(59).

Please Note - Ecology is requesting funding to improve instream flows from two separate capital project requests that include (1) Watershed Plan Implementation Flow and Achievement, and (2) Water Availability. While both requests propose implementation of similar types of projects (storage, acquisition, banking, etc.), the main purpose and geographic focus of each request is different.

The Watershed Plan request focuses primarily on solving the lack of water for fish based on recommendations from basins with adopted/approved watershed plans. The goal is to improve instream flows for fish health within the initial 16 fish-critical basins related to the Endangered Species Act (ESA) where low flows are a known limiting factor to salmon populations.

The Water Availability request focuses on solving the lack of water for people. The projects in this request will help offset or mitigate instream flows from the use of permit exempt wells used for development. Most of the basins impacted by Hirst are different than those impacting fish health related to the ESA.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:53PM

Project Number: 40000104

Project Title: Water Availability

Description

While there could be some overlap between the two requests, it is important to note that instream flow improvements are basin-specific and vary. Improving instream flow benefits all fish in the waterway. For some basins, the focus will be solely on improving fish health related to the ESA. In others, improvements will focus more on the use of permit exempt wells. And in some cases, both fish health and wells are at issue.

What opportunity or problem is driving this request?**The reason for the project:**

Ecology protects rivers and streams across the state by creating instream flow rules, which set the amount of water necessary for protecting fish, wildlife, and recreation. In 1985, the agency adopted an instream flow rule for the Nooksack River (Chapter 173-501 WAC) in Whatcom County. This rule closed most streams in the watershed to new water right permits, but allowed landowners to use permit-exempt wells in most of the area. Whatcom County's development regulations followed Ecology's instream flow rule, which was the grounds for the challenge in the Whatcom County vs. Hirst, Futurewise, et al. decision.

Per RCWs 19.27.097, 36.70A.070 and 58.17.110, a reliable, year-round supply of water is necessary for new homes or developments in order to obtain a building permit. In October 2016, the Washington State Supreme Court, through what is known as the Hirst Decision, changed how counties decide to approve or deny building permits that use wells for a water source.

Before the 2016 court decision, many counties relied on Ecology's instream flow rules to determine whether year-round water was available. Following the court decision, counties now have to make independent determinations on whether there is enough water available, physically and legally, to approve a building permit that relies on a well for the water source. This creates significant uncertainty for local permit decision makers, and puts them in a very difficult and legally-uncertain situation.

Like basins in Whatcom County, many other basins statewide have experienced long-standing, severe problems with water supply and aquatic resources. Science has shown that rivers and streams are generally connected to groundwater. The Washington State Supreme Court determined that water is not legally available if a new well would impact a protected river or stream, or an existing senior water right.

The causes of water supply problems are numerous and complex, and vary by county, depending on local instream flow rules, local hydrology, and overall water supply in the area. Counties are reviewing the decision and determining what it means for their specific situation. If a county determines that water is not legally available for a new use, the county cannot approve any building permits - even if a well has already been drilled.

Although the Legislature considered solutions to address the impacts of the Hirst Decision during the 2017 Legislative Session, they were unable to reach agreement on legal changes needed to allow building permits to be issued with permit-exempt wells, in light of the court decision. Some counties are continuing to issue building permits while others have stopped. Each county may be affected differently, depending on the status of instream flow rules specific to each basin. They will have to decide the level of risk they are willing to incur in issuing building permits with permit-exempt wells as the water source. Ecology is requesting funds to increase water availability and help remove the legal uncertainty for basins affected by the Hirst Decision.

The effects of non-funding:

Implementing water availability options in watersheds impacted by the Hirst Decision is critical in managing impacts to the local economy, addressing challenges to local government permit decisions, and meeting residents' water supply needs. Not providing funding to implement infrastructure and monitoring projects would limit technical assistance to local governments seeking to solve this issue. This would likely delay issuance of building permits locally, limit local economic development, and slow the improvement of instream flows. This would have significant negative effects on short and long-term economic development and fish-related instream flow enhancement objectives.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:53PM

Project Number: 40000104

Project Title: Water Availability

Description**How does the project support the agency and statewide results?**

This request is critical to implementing Ecology's strategic plan, because it supports Ecology's priorities to Deliver Integrated Water Solutions and Protect and Restore Puget Sound by assessing, setting, and achieving instream flows.

This request is essential to supporting the Governor's Results Washington goals:

- Goal 3: Sustainable Energy & a Clean Environment; Healthy Fish and Wildlife by improving the quality of natural resources, preserving, maintaining, and restoring natural systems and landscapes by assessing, setting, and achieving instream flows.

-Goal 2: Prosperous Economy; Business Vitality by improving the economic vitality of businesses and individuals through acquiring water and making it available for other instream and out-of-stream purposes.

This request supports Puget Sound Action Agenda implementation through:

-Strategic Initiative - Protect and Restore Habitat

-Strategy A7 - Protect and Conserve Freshwater Resources to Increase and Sustain Water Availability for Instream Flows

-Sub-Strategy 7.1 - Update Puget Sound Instream Flow Rules to Encourage Conservation

-Near-Term Action 7.1.3 - Water Code Compliance and Enforcement by protecting the resource, reducing water use, and protecting senior water rights, including instream flows.

What are the specific benefits of this project?

Washington lacks water where and when it is needed by people and the environment. Population and economic growth, combined with environmental pressures, have created water shortages in many basins statewide. The Hirst Decision has compounded this availability shortage in 15 WRIAs across the state that established instream flow rules prior to 2001. This request will enhance stream flows for fish and benefit local economies by improving water storage and infrastructure; providing for flow monitoring; and funding water right acquisition, water purchases, and leases that will provide additional water to meet current and future needs.

Economic Impact: This project will provide economic benefits to the state, and create up to 34 jobs during the 2017-2019 Biennium, based on estimates calculated by the Office of Financial Management.

How will clients be affected and services change if this project is funded?

Implementing water availability projects will be the first step toward resolving the issues presented in the Supreme Court decision. Projects will be identified, designed, and constructed to increase water availability within each basin; allow for the issuing building permits in compliance with the Hirst Decision; and protect instream flows statewide.

Funding of this request will allow practical water supply solutions to be started and continued work with local stakeholders groups across communities to secure new instream and out-of-stream water uses in a cooperative and balanced way. Projects funded will lead to additional economic activity in communities throughout the region and allow state government to work in partnership with water stakeholders throughout the region. Economic vitality in the region will continue while aquatic resources and instream flows are protected.

Are FTEs required to support this project?

This project requires a total of 3.45 FTEs a year to implement this work. Actual FTEs may vary depending on the timing of the enacted budget. Staff will establish program guidance, initiate outreach to recipients, provide technical assistance to impacted watersheds, and oversee contract and project management.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:53PM

Project Number: 40000104

Project Title: Water Availability

Description**How will the other state programs or units of government be affected if this project is funded?**

Projects will help protect and enhance instream flows (Department of Fish and Wildlife), provide more certainty for local Growth Management Act planning (Department of Commerce), support local economic development, and allow local governments (counties and cities) to issue building permits according to recent case law.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

In 2013, well in advance of the Hirst Decision, Ecology established the Rural Water Supply Solutions Initiative to find water availability solutions for Hirst-affected basins. Ecology formed two workgroups with representatives from agencies, tribes, and a variety of stakeholder groups to develop guidance and explore water resource management options. The goal of these efforts is to legally and sustainably meet Washington's existing and future water needs for people, farms, and fish. Although the groups were unsuccessful in reaching agreement on the best ways to manage this vital resource, the results of these discussions informed future decision-making.

Although the Legislature debated solutions to address the impacts from the Hirst Decision during the 2017 session, they were unable to reach an agreement on legal changes and did not pass any related legislation. Ecology is continuing to provide assistance to property owners, local governments, businesses and others who seek information on the use of exempt wells. This request is the best alternative to help find practical water supply solutions by working with communities to secure new instream and out-of-stream water uses in a cooperative and balanced way in light of the current authorizing environment.

What is the agency's proposed funding strategy for the project?

Ecology proposes using State Building Construction Account (SBCA) funding, because no other funding sources have been authorized to date to implement a program focused on implementing water availability options in Hirst-affected basins. Note that projects have not yet been identified or developed and, depending on the scope of each project, Ecology may need to shift some 057-1 bond authority to the SBCA Taxable Bond Account (355-1) to comply with state and federal laws regarding use of bond proceeds.

Ecology will provide up to \$3 million for basin-wide assessments. The remainder of funding will be directed to the highest priority mitigation projects identified through the assessments, watershed plans, and other basin-specific information. Ecology assumes that basin assessments will be completed throughout the biennium because smaller, less complex basins will likely take less time, while larger, more complex basins will take longer. Once the assessments are complete, Ecology and the Washington State Department of Fish and Wildlife will establish an implementation timeline and project list based on technical evaluation of the projects that will best protect and improve instream flows within that basin. The timeline for developing the project list depends on the number and complexity of projects identified within each basin.

In some cases, Ecology will use funds to obtain water rights (yet to be identified) that provide solutions to local water availability problems. Please note that a project list for water rights acquisition is not practical as this process requires extensive negotiation with the prospective seller that may take months or years to finalize. Therefore, Ecology requires that adequate funding be available within its existing budget to begin water acquisition discussions and enter into negotiations in good faith.

Proviso

A proviso is needed to direct funding toward water supply solutions that support legislative concepts on the Hirst issue. "The projects funded by this appropriation shall be focused solely on water infrastructure projects or projects designed to measure or

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 12:53PM

Project Number: 40000104

Project Title: Water Availability

Description

improve stream flow in those watersheds impacted by the Supreme Court ruling known as the Hirst Decision.”

Project Type

Grants

Grant Recipient Organization: To Be Determined

RCW that establishes grant: None

Application process used

N/A

Growth Management impacts

A reliable, year-round supply of water is necessary for new homes or developments. Before the Oct. 6, 2016, court decision (Hirst), many counties relied on what the Ecology said about whether year-round water was available in their area. This court decision changes that. In the Whatcom County vs. Hirst, Futurewise, et al. decision (the Hirst Decision), the court ruled that the county failed to comply with GMA requirements to protect water resources. The ruling requires the county to make an independent decision about legal water availability.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|--------------------|-------------------|-------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 100,000,000 | | | | 20,000,000 |
| | Total | 100,000,000 | 0 | 0 | 0 | 20,000,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 20,000,000 | 20,000,000 | 20,000,000 | 20,000,000 | |
| | Total | 20,000,000 | 20,000,000 | 20,000,000 | 20,000,000 | |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | |
|---|--|
| Agency No. <u>461</u> | Agency Name <u>Department of Ecology</u> |
| Contact Name: <u>Jim Skalski</u> | Email: <u>jska461@ecy.wa.gov</u> |
| Phone: <u>360-407-6617</u> | Fund Name: <u>State Building Construction Account</u> |
| Fund(s) Number: <u>057</u> | Project Title: <u>Water Availability</u> |
| Project Number: <u>40000104</u> | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 21

Project Summary

The United States Bureau of Reclamation (USBR) manages conservation improvements required by the Sunnyside Division Water Rights Settlement Agreement in the Yakima Basin Water Rights Adjudication. (State of Washington, Department of Ecology vs. James J. Acquavella, et al.) These are multiyear projects, and Ecology is requesting additional funding to cover our required state match of 17.5 percent of total project costs for the next four or five biennia. The Sunnyside Valley Irrigation District (SVID) Phase 2B project cost's estimated at \$80 million (\$14 million Ecology cost share) over a 15 year construction period. The Roza project cost's estimated at \$20 million (\$3.5 million Ecology cost share) over a six year construction period. This request includes \$4.68 million to continue the construction schedule for the state's share of the Yakima River Basin Water Enhancement Project in the 2017-19 Biennium. (State Building Construction Account)

Project Description**What is the proposed project?**

The Yakima River below the Sunnyside Diversion Dam has suffered from chronic low stream flows in late summer and early fall. During the 1977 drought, the river below Sunnyside Dam was dry for a week because the entire flow of the river was diverted for irrigation. That year, a federal court ruling required the United States Bureau of Reclamation (USBR) to release water from storage to avoid dewatering salmon nests. After that, the USBR committed to provide water from storage to keep flows of at least 200 cubic feet per second (cfs) in the Yakima River below Sunnyside Dam.

Federal legislation passed in 1994 established minimum operational target flows of 300 to 600 cfs at the Parker gage below Sunnyside Dam. The target in any particular year is tied to the amount of forecast runoff for that year. Provisions were also included to increase the target flows over time through water acquisition and investments in water conservation. Optimal flows for fish in the reach below Sunnyside Dam are about 1,200 cfs. The goal is to increase the target flows over time to benefit and restore fisheries.

The Sunnyside Division Board of Control operates the Sunnyside Canal to irrigate 99,244 acres for the following entities:

- Sunnyside Valley Irrigation District (SVID) – 86,429 acres
- Grandview Irrigation District – 3,941 acres
- Benton Irrigation District – 4,630 acres
- City of Zillah – 106 acres
- City of Sunnyside – 578 acres
- City of Grandview – 271 acres
- City of Prosser – 425 acres
- Kennewick Ditch Company – 2,400 acres
- Piety Flat Ditch Company – 464 acres

The Sunnyside Canal diverts about 1,200 cfs with maximum instantaneous flow set at the canal capacity of 1,316 cfs at the Sunnyside Diversion Dam on the Yakima River near Parker. The return flow for the Parker diversion is near Benton City.

In May 2003, the Superior Court of Washington for Yakima County confirmed the surface water rights of the Sunnyside Division (a division of the federal Yakima Basin Irrigation Project). This was done under a settlement agreement reached by Sunnyside, Ecology, the USBR, and the Yakama Nation. The parties agreed to implement water conservation measures under the Yakima River Basin Water Enhancement Project (YRBWEP) to reduce diversions to the Sunnyside Division from the Yakima River.

Reduced diversions will be 100 cfs per year, measured at milepost 0.60 on the Sunnyside Canal. SVID Phase I was for 54 cfs and SVID Phase II was for 46 cfs. These phases were funded in previous budgets. Construction of Phase I was completed in 2013, and the full 54 cfs instream target flow was realized during April-October 2014. The SVID Phase 2B project in this request

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

Description

will complete the Phase II work for the 46 cfs. The Roza project will contribute an estimated additional 5,523 acre-feet of water above and beyond the initial SVID Phase I and II savings of 100 cfs per year.

In addition to Sunnyside, all other irrigation districts that receive irrigation water from the USBR Yakima reservoirs are eligible for YRBWEP funding if they have an approved feasibility study. Roza and Kennewick Irrigation Districts have approved feasibility studies. Before a district can receive construction money, they must enter into a reversion reduction agreement to reduce the amount of USBR water that will be delivered to them.

Ecology requests funding for the 2017-19 Biennium based on the USBR construction schedule. This includes requests for Roza and the SVID Phase 2B funding.

The YRBWEP sets cost-sharing requirements for eligible projects of 65 percent USBR, 17.5 percent Washington State, and 17.5 percent local participation.

The new funds will provide the state share for the projects described below:

1. USBR received an additional \$9.0 million in Federal Fiscal Year 2016 to contribute to both the SVID Phase 2B and Roza projects. These additional funds will be used to slightly accelerate the construction schedules of these projects and is in addition (one-time) to the funding described below for each project. The Ecology funding match of 17.5 percent amounts to \$1,346,154 for the Roza agreement and \$1,076,923 for the SVID agreement. The 2017-19 Biennium total cost is estimated at \$13.85 million (Ecology \$2.43 million, SVID \$2.43 million, and USBR \$9.0 million).
2. SVID Phase 2B – This project consists of piping the remaining laterals over the next 15 years. Total project cost is estimated at \$80.0 million (Ecology share is \$14.0 million, SVID share is \$14.0 million, and USBR cost is \$52.0 million). The 2017 –2019 biennium total project cost is estimated at \$10.45 million (Ecology \$1.83 million, SVID \$1.83 million, and USBR \$6.79 million).
3. Roza – This overall project consists of final engineering design, environmental review, and constructing a re-regulation reservoir over the next four to five years. A re-regulation reservoir is designed to provide storage within the water distribution system to regulate flows within the system. Without re-regulation reservoirs, the flows down the distribution system would usually need to exceed the estimated amount of water needed by irrigators to assure all irrigators in the distribution system get their full allotment. Total project cost is estimated at \$25.0 million (Ecology share is \$4.375 million, Roza share is \$4.375 million, and USBR share is \$16.25 million). The 2017–2019 Biennium total project cost is estimated at \$355,384 for continuing construction of the re-regulation reservoir (Ecology \$62,192, Roza \$62,192, and USBR \$231,000).
4. USBR estimates that roughly \$1.85 million for the 2017-2019 Biennium is needed for tributary implementation grants to fund YRBWEP projects. The 2017–2019 Biennium total project cost is \$1.85 million for implementing tributary grants for YRBWEP (Ecology \$323,076, Roza \$323,076, and USBR \$1,200,000).

The total project construction budget for the 2017-19 Biennium is \$4,637,095. Staffing resources to provide project management and oversight of these projects is roughly \$46,846 for the 2017-19 Biennium. Total project implementation costs are \$4,684,000 for the 2017-19 Biennium.

What opportunity or problem is driving this request?**The reason for the project:**

This request is required to meet the conservation and diversion reduction goals outlined in the settlement agreement of the Sunnyside Division water right, and will improve stream flows in the Lower Yakima River.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

Description**The effects of non-funding:**

If funding is not received, Ecology would not be able to fulfill its obligation under the court settlement agreement to fund YRBWEP. This could place future funding (federal match) in jeopardy, which would delay achieving water conservation goals and attaining instream flow targets contained in the agreement.

How does the project support the agency and statewide results?

The Yakima River has been identified as one of the fish–critical rivers needing improved stream flows to restore threatened (and/or endangered) fish species.

This request supports Ecology's strategic priority to Develop Integrated Water Solutions, and the Governor's Results Washington Goal 3, Sustainable Energy and a Clean Environment. It does this by protecting and enhancing river flows for fish.

This request supports elements of Ecology's Strategic Plan to Deliver Integrated Water Solutions by achieving adequate instream flows in the Yakima River Basin.

There are no specific outcome measures that directly link to this request within the Results Washington Goal 3. However, the benefit of improving instream flow and aquatic habitat from reducing on-farm water use (but still allowing crops to be grown) most closely aligns with Governor's Results Washington Goal 3 topics: Healthy Fish and Wildlife (sub-topic Pacific Salmon and Wildlife), Clean and Restored Environment (sub-topic Clean, Cool Water) and Working and Natural Lands (sub-topic Habitat Protection). By increasing the amount of water instream, fish and wildlife species are more likely to maintain healthy populations from higher water levels (enough water to live and reproduce), reduced water temperatures (enough cool water to better disperse heat), and through overall habitat improvements (food chain is maintained so they can find food to eat, shading from trees and plants is improved so the temperatures do not get to high, spawning grounds are available with the right size of gravel, etc.)

This request will restore flows for fish–critical stream segments and supports:

- Ecology's strategic priority to Deliver Integrated Water Solutions,
- The Governor's priority for the Economy and Outdoor Recreation, and
- The Governor's Results Washington Goal 3, Sustainable Energy and a Clean Environment - Outcome measure 2.2 Increase the percentage of ESA-listed salmon and steelhead populations at healthy, sustainable levels from 16 percent to 25 percent by 2022.

Through implementing YRBWEP projects, the local economy is maintained as water conservation measures and alternative supplies are made available to the agricultural community. This allows current agricultural practices to continue, while also restoring instream flow.

What are the specific benefits of this project?

Meeting the Sunnyside Diversion reduction requirements will provide an additional 100 cfs per year for instream flows in the Lower Yakima River. This is a critical reach for salmon, due to chronic low flows and high temperatures. Increasing instream flows is an essential part of the strategy to restore threatened fish species in the Yakima Basin. These benefits will not require the Sunnyside Division to give up irrigation of any historically irrigated lands or total acreage.

This project will also provide economic benefits to the state by creating up to 2 jobs during the next two years, based on estimates from the Office of Financial Management.

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

Description

How will clients be affected and services change if this project is funded?

Agricultural interests and local economies that depend on agriculture will benefit from improved instream flows and improved water use efficiency from this project, along with the Yakama Nation and sport and commercial fishers.

Are FTEs required to support this project?

This project requires a total of 0.23 FTE to continue implementing SVID and YRBWEP projects, contract management, oversight, and technical assistance. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

How will the other state programs or units of government be affected if this project is funded?

The Washington Department of Fish and Wildlife and the Yakama Nation joint effort to restore fish in the Yakima River Basin will benefit from the higher river flows that will occur as a result of this project. The Sunnyside Division and its component irrigation districts, including Roza, will benefit from a more certain water supply, system automation, and other improvements that will be made on division facilities.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

Other options will not meet the court settlement through the USBR. The Sunnyside Division and other eligible irrigation districts within the Yakima Basin are eligible to receive state funding for irrigation system improvements.

What is the agency's proposed funding strategy for the project?

Ecology will enter into three party agreements with the local irrigation districts and USBR for each share of the total project cost. The Ecology and local share is 17.5 percent each, and the USBR share is 65 percent. USBR will manage the individual construction projects.

Proviso

None

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

**461 - Department of Ecology
Capital Project Request**

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

Description

Grant Recipient Organization: Public Agriculture Water Supply Facilities and Federal Gov't Agency

RCW that establishes grant: N/A

Application process used

Authorization was the Federal Public Law 103 434 and the Yakima Superior Court Adjudication Water Right Settlement.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 24,684,000 | | | | 4,684,000 |
| | Total | 24,684,000 | 0 | 0 | 0 | 4,684,000 |

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|------------------|------------------|------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 |
| | Total | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000699

SubProject Title: Roza Irrigation District

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

SubProjects

SubProject Number: 30000699

SubProject Title: Roza Irrigation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 21

Project Summary

The United States Bureau of Reclamation (USBR) manages conservation improvements required by the Sunnyside Division Water Rights Settlement Agreement in the Yakima Basin Water Rights Adjudication. (State of Washington, Department of Ecology vs. James J. Acquavella, et al.) These are multiyear projects, and Ecology is requesting additional funding to cover our required state match of 17.5 percent of total project costs for the next four or five biennia. - Sunnyside Valley Irrigation District (SVID) Phase 2B project cost estimated at \$80 million (\$14 million Ecology cost share) over a 15 year construction period. - Roza project cost estimated at \$20 million (\$3.5 million Ecology cost share) over a six year construction period. This request includes \$4.68 million to continue the construction schedule for the state's share of the Yakima River Basin Water Enhancement Project in the 2017-19 Biennium. (State Building Construction Account)

Project Description

Re-Regulation Reservoir Construction.

Location

City: Sunnyside

County: Yakima

Legislative District: 015

Project Type

Grants

Grant Recipient Organization: Public Agriculture Water Supply Facilities and Federal Gov't Agency

RCW that establishes grant: N/A

Application process used

Authorization was the Federal Public Law 103 434 and the Yakima Superior Court Adjudication Water Right Settlement.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 1,408,000 | | | | 1,408,000 |
| | Total | 1,408,000 | 0 | 0 | 0 | 1,408,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

SubProjects

SubProject Number: 30000699

SubProject Title: Roza Irrigation District

No Operating Impact

SubProject Number: 30000700

SubProject Title: Sunnyside Valley Irrigation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 21

Project Summary

The United States Bureau of Reclamation (USBR) manages conservation improvements required by the Sunnyside Division Water Rights Settlement Agreement in the Yakima Basin Water Rights Adjudication. (State of Washington, Department of Ecology vs. James J. Acquavella, et al.) These are multiyear projects, and Ecology is requesting additional funding to cover our required state match of 17.5 percent of total project costs for the next four or five biennia. - Sunnyside Valley Irrigation District (SVID) Phase 2B project cost estimated at \$80 million (\$14 million Ecology cost share) over a 15 year construction period. - Roza project cost estimated at \$20 million (\$3.5 million Ecology cost share) over a six year construction period. This request includes \$4.68 million to continue the construction schedule for the state's share of the Yakima River Basin Water Enhancement Project in the 2017-19 Biennium. (State Building Construction Account)

Project Description

Piping of Lateral Water Distribution System.

Location

City: Sunnyside

County: Yakima

Legislative District: 015

Project Type

Grants

Grant Recipient Organization: Public Agriculture Water Supply Facilities and Federal Gov't Agency

RCW that establishes grant: N/A

Application process used

Authorization was the Federal Public Law 103 434 and the Yakima Superior Court Adjudication Water Right Settlement.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 2,906,000 | | | | 2,906,000 |
| | Total | 2,906,000 | 0 | 0 | 0 | 2,906,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

SubProjects

SubProject Number: 30000700

SubProject Title: Sunnyside Valley Irrigation District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000701

SubProject Title: Tributary

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 21

Project Summary

The United States Bureau of Reclamation (USBR) manages conservation improvements required by the Sunnyside Division Water Rights Settlement Agreement in the Yakima Basin Water Rights Adjudication. (State of Washington, Department of Ecology vs. James J. Acquavella, et al.) These are multiyear projects, and Ecology is requesting additional funding to cover our required state match of 17.5 percent of total project costs for the next four or five biennia. - Sunnyside Valley Irrigation District (SVID) Phase 2B project cost estimated at \$80 million (\$14 million Ecology cost share) over a 15 year construction period. - Roza project cost estimated at \$20 million (\$3.5 million Ecology cost share) over a six year construction period. This request includes \$4.68 million to continue the construction schedule for the state's share of the Yakima River Basin Water Enhancement Project in the 2017-19 Biennium. (State Building Construction Account)

Project Description

Tributary Enhancement Projects.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

SubProjects

SubProject Number: 30000701

SubProject Title: Tributary

Grant Recipient Organization: Public Agriculture Water Supply Facilities and Federal Gov't Agency

RCW that establishes grant: N/A

Application process used

Authorization was the Federal Public Law 103 434 and the Yakima Superior Court Adjudication Water Right Settlement.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 323,000 | | | | 323,000 |
| | Total | 323,000 | 0 | 0 | 0 | 323,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000702

SubProject Title: Ecology Project Staff

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

SubProjects

SubProject Number: 30000702

SubProject Title: Ecology Project Staff

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 21

Project Summary

The United States Bureau of Reclamation (USBR) manages conservation improvements required by the Sunnyside Division Water Rights Settlement Agreement in the Yakima Basin Water Rights Adjudication. (State of Washington, Department of Ecology vs. James J. Acquavella, et al.) These are multiyear projects, and Ecology is requesting additional funding to cover our required state match of 17.5 percent of total project costs for the next four or five biennia. - Sunnyside Valley Irrigation District (SVID) Phase 2B project cost estimated at \$80 million (\$14 million Ecology cost share) over a 15 year construction period. - Roza project cost estimated at \$20 million (\$3.5 million Ecology cost share) over a six year construction period. This request includes \$4.68 million to continue the construction schedule for the state's share of the Yakima River Basin Water Enhancement Project in the 2017-19 Biennium. (State Building Construction Account)

Project Description

Project Implementation and Oversight Staffing.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Public Agriculture Water Supply Facilities and Federal Gov't Agency

RCW that establishes grant: N/A

Application process used

Authorization was the Federal Public Law 103 434 and the Yakima Superior Court Adjudication Water Right Settlement.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 47,000 | | | | 47,000 |
| | Total | 47,000 | 0 | 0 | 0 | 47,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 30000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

SubProjects

SubProject Number: 30000702

SubProject Title: Ecology Project Staff

No Operating Impact

SubProject Number: 30000911

SubProject Title: Sunnyside Valley Irrigation Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 21

Project Summary

The United States Bureau of Reclamation (USBR) manages conservation improvements required by the Sunnyside Division Water Rights Settlement Agreement in the Yakima Basin Water Rights Adjudication. (State of Washington, Department of Ecology vs. James J. Acquavella, et al.) These are multiyear projects, and Ecology is requesting additional funding to cover our required state match of 17.5 percent of total project costs for the next four or five biennia. - Sunnyside Valley Irrigation District (SVID) Phase 2B project cost estimated at \$80 million (\$14 million Ecology cost share) over a 15 year construction period. - Roza project cost estimated at \$20 million (\$3.5 million Ecology cost share) over a six year construction period. This request includes \$4.68 million to continue the construction schedule for the state's share of the Yakima River Basin Water Enhancement Project in the 2017-19 Biennium. (State Building Construction Account)

Project Description

Ten Year Financing Plan.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Public Agriculture Water Supply Facilities and Federal Gov't Agency

RCW that establishes grant: N/A

Application process used

Authorization was the Federal Public Law 103 434 and the Yakima Superior Court Adjudication Water Right Settlement.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-------------------|----------------|------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reappropr | New Appropr |
| 057-1 | State Bldg Constr-State | 20,000,000 | | | | |
| Total | | 20,000,000 | 0 | 0 | 0 | 0 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:22PM

Project Number: 3000673

Project Title: Sunnyside Valley Irrigation District Water Conservation

SubProjects

SubProject Number: 3000911

SubProject Title: Sunnyside Valley Irrigation Ten Year Financing Plan

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|------------------|------------------|------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 |
| | Total | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|--------------|-----------------------|---|
| Agency ID: | 461 | Agency Name: | Department of Ecology |
| Contact Name: | Jim Skalski | Email: | jska461@ecy.wa.gov |
| Phone: | 360-407-6617 | Fund Name: | State Building Construction Account |
| Fund(s) Number: | 057 | Project Title: | Sunnyside Valley Irrigation District Water Conservation |
| Project Number: | 30000673 | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

**Ecology 2018 Supplemental Budget Project
List Sunnyside Valley Irrigation District
(SVID) SVID & ROZA Projects
July 2016**



| Recipient | Cost | Project Description | Site Address | City | County | Leg. District | Latitude | Longitude |
|--------------------------------------|------------------|---|--------------------|-----------|--------|---------------|-----------|-------------|
| Roza Irrigation District | 1,408,346 | Re-Regulation Reservoir Construction | 125 S. 13th Street | Sunnyside | Yakima | 15,16 | 46.326853 | -120.003733 |
| Sunnyside Valley Irrigation District | 2,905,673 | Piping of Lateral Water Distribution System | 120 S. 11th Street | Sunnyside | Yakima | 15,16 | 46.327116 | -120.005351 |
| Tributary | 323,076 | Tributary Enhancement Projects | Various | Various | Yakima | 15,16 | Various | Various |
| Ecology Project Staff | 46,846 | Project Implementation and Oversight Staffing | Various | Various | Yakima | 15,17 | Various | Various |
| Total | 4,683,941 | | | | | | | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/27/2017 12:57PM

Project Number: 30000714

Project Title: Watershed Plan Implementation and Flow Achievement

Description

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 24

Project Summary

In many areas of the state, uninterrupted water supplies are not available for new uses. This situation is especially acute in rural areas, where individuals rely on permit-exempt wells for their drinking water supply. Tools to provide water supply for new users include development of water banks, creating storage and re-timing runoff, and promoting conservation. Stream flows can be boosted by acquisition of water from senior water right holders, and retiring the water right to provide temporary or permanent instream flow benefits using the trust water program. Significant water supply capital needs have been identified in 29 completed local watershed plans. These plans cover all or parts of 38 statewide Water Resource Inventory Areas (WRIAs) and non-planning basins. Needs include rehabilitating existing water systems; water conservation; and acquiring existing water rights for instream flow and other rural water supply needs. Ecology is requesting a new appropriation of \$10 million to finance capital projects and water acquisition to implement locally developed watershed plans. These projects and acquisitions will help the state, local governments, and other stakeholders meet future rural water supply needs and also achieve recommended instream flows. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

Recommendations in the 29 plans from the watershed planning units and other areas experiencing instream flow issues include new and rehabilitated capital facilities, water storage feasibility studies, water conservation projects, measuring devices, and acquiring water rights. All of these elements will expand the amount of water available within the watersheds to meet current and future needs for water.

There are five specific types of activities that define watershed projects eligible for funding under this program:

1. Water Storage. Grants for developing plans, engineering and financing reports, acquiring lands and facilities, and other preconstruction activities associated with developing water storage and groundwater storage and recovery projects.
2. Water Infrastructure or Conservation Improvement. Projects and other water management actions that benefit stream flows and enhance water supply to resolve conflicts among water needs for municipal water supply, agricultural water supply, and fish restoration. The stream flow improvements and other public benefits secured from these projects must correspond with investment of state funds.
3. Water Monitoring (metering or multi-purpose stream flow gaging). Financial assistance to purchase and install water measuring devices at points of diversion and withdrawal where watershed planning has determined additional water diversion and withdrawal information is needed.
4. Water Rights Acquisition. Funding to acquire water or water rights for achieving instream flow and to establish water banks. Water rights will be purchased or leased to restore stream flows and for other beneficial uses. Water rights purchases and leases will help local communities protect and restore threatened and endangered fish stocks, implement local watershed plans, and meet future water needs. Ecology will focus purchases and leases on fish-critical tributaries in basins that have low-flow problems. Ecology may also look to other non-fish-critical basins where there are opportunities to preserve healthy fish runs and achieve other non-fish related benefits. Acquired water will be protected by placing it into the state's Trust Water Rights Program (chapters 90.38 and 90.42 RCW). Ecology has developed partnerships with the Washington Water Trust and the United States Bureau of Reclamation to market lease and purchase options to local water purveyors and to negotiate fair market value of water rights.
5. Water Efficiency Improvements. Projects for planning, acquiring, constructing, and improving agricultural water supply facilities and achieving water conservation and water use efficiency improvements. The preliminary project list does not have any projects in this category.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/27/2017 12:57PM

Project Number: 30000714

Project Title: Watershed Plan Implementation and Flow Achievement

Description

Formal applications for projects were submitted to Ecology between August 1, 2016, and October 31, 2016. Ecology will evaluate and score applications, beginning October 2017, based on appropriateness of project costs, water supply conditions, site suitability, matching funds, habitat and instream flow benefits, readiness to proceed, technical merit, and other information submitted by applicants. A panel of Ecology and Department of Fish and Wildlife experts in watershed, instream flow and fish health, and water supply management will use established scoring criteria to review and score applications. A preliminary ranked award list will be available in late November 2017. Final award decisions will be based on the individual score an application receives and the total amount of funding available in the enacted 2018 Supplemental Capital Budget. The attached draft project list includes \$14.1 million in competitive funding requests for projects that Ecology will identify in the final ranked list once a capital budget is enacted.

Ecology is requesting \$4.0 million for potential water acquisition projects statewide within this request. Specific water acquisition projects and their associated costs are not known at this time and depend on identifying willing sellers with valid legal water rights for sale. Ecology must have adequate water acquisition appropriations within its enacted budget to allow the agency to enter into good-faith negotiations for the purchase and sale of individual water rights. Due to this uncertainty, it is likely that reappropriation of water acquisition funds will be necessary in future biennia.

Please Note - Ecology is requesting funding to improve instream flows from two separate capital project requests that include (1) Water Availability, and (2) Watershed Plan Implementation Flow and Achievement. While both requests propose implementation of similar types of projects (storage, acquisition, banking, etc.), the main purpose and geographic focus of each request is different.

The Water Availability request focuses on solving the lack of water for people. The projects in this request will help offset or mitigate instream flows from the use of permit exempt wells used for development. Most of the basins impacted by Hirst are different than those impacting fish health related to the Endangered Species Act (ESA.).

The Watershed Plan request focuses primarily on solving the lack of water for fish based on recommendations from basins with adopted/approved watershed plans. The goal is to improve instream flows for fish health within the initial 16 fish-critical basins related to the ESA where low flows are a known limiting factor to salmon populations.

While there could be some overlap between the two requests, it is important to note that instream flow improvements are basin-specific and vary. Improving instream flow benefits all fish in the waterway. For some basins, the focus will be solely on improving fish health related to the ESA. In others, improvements will focus more on the use of permit exempt wells. And in some cases, both fish health and wells are at issue.

What opportunity or problem is driving this request?**The reason for the project:**

This request focuses on implementing capital improvements called for in locally developed watershed plans originally funded through chapter 90.82 RCW, or other local watershed planning efforts including rural water supply workgroups recently established by Ecology. Flexibility in the distribution of these funds will allow Ecology to respond to the varying needs identified in completed plans and by the local stakeholder process.

Ecology uses a competitive grant allocation system to distribute the funds. Watershed planning authorizes local planning units to use Ecology grant funding to develop local plans to address water quantity issues in watersheds across the state. The final plans must be approved by the affected county governments. Types of proposed actions reflect all four required and optional elements of watershed planning: water quantity, water quality, instream flows, and habitat. The plans will have recommendations to fund capital improvement projects and other measures, such as increased metering and water acquisition, to resolve water quantity issues and achieve recommended instream flows. To date, no other funding sources have been authorized to implement the plans.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/27/2017 12:57PM

Project Number: 30000714

Project Title: Watershed Plan Implementation and Flow Achievement

Description

Ecology and its local partners continue to use appropriations for watershed plan implementation and flow achievement projects with good success. In 2015-17, the Birch Bay Water & Sewer District was awarded roughly \$700,000 to study the feasibility of using groundwater wells to support inter-basin transfers in the water-short Nooksack Basin. In Eastern Washington, the Stevens County Land Services Department received \$275,000 to help establish a water bank for Colville River Basin, which is a closed, water-short basin. In Central Washington, Chelan County Natural Resources Department was awarded \$250,000 to implement a Wenatchee Basin rural water supply and flow achievement project that will improve both water supply and habitat conditions. Many other basins in the state that are priorities for water supply and instream and out-of-stream delivery solutions received funds for irrigated agriculture infrastructure improvements, water banking/exchanges, metering, and aquifer recharge/recovery projects.

The effects of non-funding:

Implementing watershed plans and rural water supply development is critical in meeting the expectations and intended outcomes of watershed planning efforts and local stakeholder water development work. Not providing funding to implement watershed plans and other rural water supply solutions would delay meeting the goals of both watershed planning as well as other local efforts in relation to improving instream flows. This would have significant negative effects on short and long-term rural water supply and statewide fish recovery and enhancement objectives.

From 1998 through June 2014, the Legislature invested \$82.3 million from the operating budget for watershed plan development and plan implementation grants and technical assistance from Ecology and the Department of Fish and Wildlife. This includes operating budget allocations to Ecology for instream flow rule development and adoption, and assistance from the Department of Fish and Wildlife for plan implementation related tasks. Another \$102 million was invested through June 2016 for instream flow achievement grants from the capital budget. The return on the significant investment in developing the plans would not be fully realized if watershed plan implementation and flow achievement funding is not provided to carry out projects that improve flow conditions.

How does the project support the agency and statewide results?

This request supports Ecology's strategic priority to Develop Integrated Water Solutions, and the Governor's Results Washington Goal 3, Sustainable Energy and a Clean Environment. It does this by helping to meet economic and community needs for reliable water supplies, while protecting and enhancing river flows for fish.

This request supports elements of Ecology's Strategic Plan to Deliver Integrated Water Solutions by achieving adequate instream flows and providing water for communities statewide.

The benefit of improving instream flow and aquatic habitat closely aligns with Governor's Results Washington Goal 3 topics: Healthy Fish and Wildlife (sub-topic Pacific Salmon and Wildlife), Clean and Restored Environment (sub-topic Clean, Cool Water) and Working and Natural Lands (sub-topic Habitat Protection). By increasing the amount of water instream, fish and wildlife species are more likely to maintain healthy populations from higher water levels (enough water to live and reproduce), reduced water temperatures (enough cool water to better disperse heat), and through overall habitat improvements (food chain is maintained so they can find food to eat, shading from trees & plants is improved so the temperatures do not get to hot, spawning grounds are available with the right size of gravel, etc.)

This request restores natural systems and landscapes by assessing, setting, and achieving instream flows. It encourages economic vitality through acquiring water, which makes it available to other instream and out of stream purposes.

This request supports Puget Sound Action Agenda implementation through the strategic initiative for protection and restoration of habitat; Strategy 7 to protect and conserve freshwater resources to increase and sustain water availability for instream flows.

What are the specific benefits of this project?

In many areas of the state, uninterrupted water supplies are not available for new uses. Water supply for new users will be

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/27/2017 12:57PM

Project Number: 30000714

Project Title: Watershed Plan Implementation and Flow Achievement

Description

made available through the development of water banks, creating storage and re-timing runoff, and promoting conservation. Stream flows will be boosted by acquisition of water from senior water right holders, and retiring the water right to provide temporary or permanent instream flow benefits using the trust water program. The projects funded by this request will enhance stream flows for fish and benefit local economies by improving water storage and infrastructure; providing financial assistance to purchase and install metering devices; and funding water right acquisition, water purchases, and leases to projects.

This project will also provide economic benefits to the state by creating up to 23 jobs during the next two years, based on estimates from the Office of Financial Management.

How will clients be affected and services change if this project is funded?

Watershed planning units and local government entities will receive financial assistance for implementing projects to meet objectives in their watershed and local plans. Local entities will, in some cases, provide matching funds.

Are FTEs required to support this project?

This project requires a total of 1.50 FTEs to oversee project management of the individual conservation projects and provide technical expertise for storage feasibility studies and water acquisition. The increase from 2015-17 levels is due to anticipated increase in funding levels and the number of projects implemented that will require additional project management and oversight responsibility for staff managing the agreements. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

How will the other state programs or units of government be affected if this project is funded?

Projects will help protect and enhance instream flows (Department of Fish and Wildlife) and provide more certainty for local Growth Management Act planning (Department of Commerce).

What is the impact on the state operating budget?

These capital dollars provide resources to implement local watershed plans that were previously funded in the operating budget.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

No other funding source is available specifically for watershed plan implementation.

What is the agency's proposed funding strategy for the project?

Formal applications for projects were submitted to Ecology between August 1, 2016, and October 31, 2016. Beginning October 2017, Ecology will evaluate and score applications based on appropriateness of project costs, water supply conditions, site suitability, matching funds, habitat and instream flow benefits, readiness to proceed, technical merit, and other information submitted by applicants. A panel of Ecology experts in watershed and water supply management will use established scoring criteria to review and score applications. A final ranked award list will be available in January 2018. Final award decisions will be based on the individual score an application receives and the total amount of funding available in the enacted 2018 Supplemental Capital Budget.

Ecology recommends State Building Construction Account be used to fund implementation of locally developed watershed plans. To date, no other funding sources have been authorized to implement the plans. Ecology proposes funding at the level in this request to provide needed resources for watershed and locally developed plan implementation of capital projects.

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/27/2017 12:57PM

Project Number: 30000714

Project Title: Watershed Plan Implementation and Flow Achievement

Description

Proviso

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for activities that improve rural water supplies and help achieve instream flows by implementing locally developed projects and watershed plans, as follows: (1) Surface or ground water storage projects. The department shall consult with the departments of agriculture and fish and wildlife before issuing water storage grants. (2) Infrastructure or water management projects that resolve conflicts among water needs for municipal, agricultural, rural, and fish restoration purposes. (3) Agricultural water supply projects that improve water conservation and water use efficiency. (4) Purchase and installation of water measuring devices in water-short basins, salmon critical basins, other basins participating in the department of fish and wildlife fish screening and cooperative compliance program, and basins where watershed plans call for additional water use measurement. (5) Acquisition of water to achieve instream flows or to establish water banks. The department must give priority to acquisitions in water-short basins. The department must place acquired water into the state's trust water rights program (chapters 90.38 and 90.42 RCW).

Project Type

Grants

Grant Recipient Organization: Local entities with an adopted watershed plan or other similar type plan.

RCW that establishes grant: Chapter 98.82 RCW

Application process used

A competitive grant process will be used for each of the categories funded through this appropriation.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 50,000,000 | | | | 10,000,000 |
| | Total | 50,000,000 | 0 | 0 | 0 | 10,000,000 |

Future Fiscal Periods

| Acct Code | Account Title | Future Fiscal Periods | | | |
|-----------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| | Total | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|---------------------|-----------------------|---|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Jim Skalski</u> | Email: | <u>jska461@ecy.wa.gov</u> |
| Phone: | <u>360-407-6617</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Watershed Plan Implementation and Flow Achievement</u> |
| Project Number: | <u>30000714</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

**Ecology 2018 Supplemental Budget Project List
Watershed Capital**

Watershed Feasibility, Infrastructure, Measuring, and Acquisition Project Capital Budget Preliminary Project Proposals
September 26, 2017

Purpose - the project list reflects preliminary project proposals. Information and details will be updated and verified via the official technical evaluation and scoring process beginning October 2017. Final project evaluation, eligibility, ranking and awards amounts will not commence until after a final capital budget appropriation is identified.

| Recipient | Cost | Project Description | Address | City | County and % | Leg. District | Lat. | Long. |
|---|-----------|--|---------------------------|------------|-----------------|-------------------|-------|---------|
| Ahtanum Irrigation District | 315,000 | This project would build on previous and ongoing work to complete a detailed feasibility study and preliminary draft environmental impact statement for a potential inter-basin transfer, storage, conservation, and ecosystem restoration project. The project would route excess Tieton River water into off-channel storage in the Ahtanum Basin during the non-irrigation season, remove Ahtanum Creek irrigation withdrawals, and allow the creek to become a free flowing more biologically productive system. | 10705 Gilbert Road | Yakima | YAKIMA: 100% | District 14: 100% | 46.60 | -120.51 |
| Birch Bay Water and Sewer District | 1,170,000 | This project continues the North Whatcom Regional Source Project (WRPIFA-1517-BiWSD-00048). This project could enhance flows in the Nooksack Basin by delivering potable groundwater from the Blaine Groundwater Management Area to the Nooksack Basin and potable and/or reclaimed water to the Cherry Point Industrial Area. These supplies will support water banking, address health risks, promote system consolidation and enhance drought protection. | 7096 Point Whitehorn Road | Blaine | WHATCOM: 100% | District 42: 100% | 48.99 | -122.74 |
| Chelan County - Natural Resource Department | 80,000 | This project will implement a temporary source exchange for one or more surface water rights to groundwater rights with the implicit purpose to improve streamflow of Mission Creek during the irrigation season. While short-term instream flow benefit is anticipated for this project, the ultimate goal is a dual-benefit long-term solution that includes both instream flow benefit and better rural water supply availability in light of the limited Mission Creek reserve and the recent Hirst decision. | 411 Washington Avenue | Cashmere | CHELAN: 100% | District 12: 100% | 47.52 | -120.46 |
| Chelan County - Natural Resource Department | 118,000 | The Chumstick Creek Flow Improvement Project will identify and implement opportunities for direct flow improvements including opportunities for water purchase. Addressing low stream flows and limited water supply for growth in Chumstick Creek is one of the highest priorities in the Wenatchee Watershed Plan. The interim reservation established under WAC 173-545 is nearly depleted. Streamflow improvements are needed to balance future needs and access the remaining reserve. | 411 Washington Avenue | Chumstick | CHELAN: 100% | District 12: 100% | 47.68 | -120.63 |
| Chelan County - Natural Resource Department | 100,000 | Chelan County is developing a water utility to serve rural, domestic users and assure availability of water in subbasins with limited or depleted reserves. This type of water bank model is analogous to efforts being pursued in Spokane and Yakima County. Under this proposal Chelan County would: develop operational parameters for the water bank; apply for and write a frontloaded permit; and, develop suitability maps with the intent of opportunistically seeding the bank over time. | 411 Washington Avenue | Chelan | CHELAN: 100% | District 12: 100% | 47.84 | -120.01 |
| Klickitat County - Natural Resources Department | 213,000 | Klickitat County seeks to establish a water bank to address water availability for rural development and new permitted uses. Availability of water for new permits is limited by the Columbia River instream flow rule. court decisions create uncertainty regarding the future legal availability for rural development. This project will evaluate the feasibility of developing a water bank, develop a structural and operational blue print, and develop a plan to implement the recommended approach. | 127 West Ct. St. | Goldendale | KLICKITAT: 100% | District 14: 100% | 45.82 | -120.82 |

| Recipient | Cost | Project Description | Address | City | County and % | Leg. District | Lat. | Long. |
|---|---------|--|-----------------------------|------------|--|------------------------------------|-------|---------|
| Klickitat County - Natural Resources Department | 80,000 | The objective of the project is to improve basin yield estimates at two prospective reservoir locations in the Little Klickitat River Basin of WRIA 30. Prior basin yield estimates have relied on readily available streamflow and precipitation data to correlate basin yield from other surrogate basins, and indicate that significant late season flow augmentation to the Little Klickitat River may be achieved through seasonal release from a new reservoir in Dry Creek or Butler Creek sub-basins. | 127 West Ct. St. | Goldendale | KLICKITAT: 100% | District 14: 100% | 45.82 | -120.82 |
| Lummi Indian Business Council | 131,362 | To provide temperature refugia and help restore salmon habitat that will aid salmon recovery in WRIA1, this project will construct 12 engineered logjams in the MF Nooksack River. For the Porter Creek alluvial fan site, a 200 ft section of the levee on the right bank of Porter Creek will be breached to allow development of the alluvial fan, with the old channel partially excavated to allow for reconnection with the former pathway of Porter Creek and inundation of the floodplain. | 2665 Kwina Road | Bellingham | WHATCOM: 100% | District 42: 100% | 48.75 | -122.47 |
| Mason Conservation District | 454,197 | This project initiates Phase 2 of the groundwater investigation underway to inform long term land-use planning and water resource conservation in Mason County. Led by the USGS, the project will develop a hydrogeologic framework for a model and numerical simulation to improve understanding of groundwater. Mason Conservation District will create and implement strategies to inform local policy makers and the public on water resource management under the GMA and how the model can support this work. | 450 West Business Park Road | Shelton | GRAYS HARBOR: 3%, WASCON: 95%, THURSTON : 2% | District 24: 4%, District 35: 96% | 47.21 | -123.10 |
| Mid-Columbia Fisheries Enhancement Group | 621,991 | This project will complete environmental analysis, design, and permitting for modifications to flow patterns and infrastructure in the Yakima River delta. An earthen causeway currently blocks a major side channel of the Yakima River at its confluence with the Columbia River. Allowing flow through the side channel will reduce spring and summer water temperatures, increase dissolved oxygen availability, reduce algal growth, improve fish access, and enhance recreational opportunities. | 413 N. Main St. | Ellensburg | BENTON: 100% | District 08: 100% | 46.99 | -120.54 |
| Methow Watershed Foundation | 45,000 | This project will develop an approach and work plan to field verify previous estimates of water right permit-exempt well uses and allocation of the reservation established under the 1976 Methow Instream Flow Rule (WAC 173-548). This work plan will build on existing studies to quantify total and consumptive use in WRIA 48, and updates current allocation of the reservation to support Okanogan County's determinations of water availability in compliance with the State Water Code. | PO Box 1212 | Twisp | OKANOAGA N: 100% | District 12: 100% | 48.36 | -120.12 |
| Oroville-Tonasket Irrigation District | 255,000 | Oroville-Tonasket Irrigation District and Twisp seek to establish a water bank to address water availability for economic development and new permitted uses. Local legal availability of water is limited both by rule and clarification from the recent Hirst decision. These restrictions limit further issuance of water rights and use of the permit-exemption. Without a solution, future economic development is limited by moratorium. This project will recommend business rules to implement a water bank to address these issues. | 516 11th Street | Oroville | OKANOAGA N: 100% | District 07: 50%, District 12: 50% | 48.93 | -119.43 |
| Pomeroy Conservation District | 250,000 | Pomeroy Conservation District will work with landowners to install low cost, large woody debris structures in Alpowa, Deadman and Meadow Creeks with goal to increase base flows, restoring critical habitat for Endangered Species Act summer steelhead, improving floodplain connection and groundwater storage. Will add large woody debris using post-assisted log structures to simulate the benefits of natural wood loadings and construct beaver dam analogs (BDAs) to simulate the benefits of beaver dams. | 910 Main St. | Pomeroy | GARFIELD: 100% | District 09: 100% | 46.47 | -117.60 |

| Recipient | Cost | Project Description | Address | City | County and % | Leg. District | Lat. | Long. |
|--|---------|---|-------------------------|------------|---|--|-------|---------|
| Spokane County Utilities - Water Resources Section | 773,000 | The purpose of this project is to facilitate the development of water retiming projects to provide mitigation water for the WRIA 55 Water Bank. This project will establish project criteria, conduct a search for suitable locations, conduct site specific evaluation and feasibility studies, acquire appropriate property or easements and develop preliminary designs. | 1001 N. Frya St. | Spokane | SPOKANE: 100% | District 04: 20%, District 07: 80% | 47.65 | -117.42 |
| Selah-Moxee Irrigation District | 77,500 | The Black Rock/Moxee Area is reliant on groundwater supplies that have been declining at an average rate of 10 ft/year since the 1980s. With no perennial surface water in the area, the use of irrigation district infrastructure is one of the few supply side approaches capable of addressing this problem. Selah-Moxee Irrigation District is proposing an appraisal study to investigate expanding service to users that depend on declining groundwater in the Black Rock/Moxee Area or to convey water for ASR/MAR in the area. | 113 E. Moxee Avenue | Moxee | YAKIMA: 100% | District 15: 100% | 46.55 | -120.38 |
| Skamania County - Public Utilities District | 150,300 | Skamania PUD is working towards identifying and developing groundwater sources that would fulfill current and future supply requirements for the Carson Water System, while improving baseflows in Bear Creek and Wind River through replacement of the present Bear Creek surface water source. Phase 2 of the project will be completed in summer 2017 under a 2015 WRPIFA grant. Phase 3 of the project, for which this application is being submitted, is for property acquisition. | 1492 Wind River Highway | Carson | SKAMANIA: 100% | District 14: 100% | 45.72 | -121.81 |
| Snoqualmie Valley Watershed Improvement District | 236,280 | High flood volumes in winter, combined with low flows in summer lead WRIA 7 watershed managers to consistently cite the need for water storage, but no agency or entity has studied feasibility of specific proposals. The Snoqualmie Valley Watershed Improvement District is proposing to investigate the feasibility of variable scale, distributed, modular sub-surface storage of high flows for later release to augment in-stream flows during low flow periods for the benefit of fish and for agriculture. | 4621 Toit Avenue | Snoqualmie | KING: 100% | District 01: 80%, District 08: 20% | 47.52 | -121.82 |
| Thurston County - Water Resources Division | 689,515 | Thurston County and Thurston PUD will evaluate Water Banking for the WRIA 23 sole-source Scatter Creek Aquifer (Rochester to Grand Mound UGA), including a recommendation for initial water rights seeding. The outcomes will include: 1) improving instream flows; 2) providing permanent, year-round supplies of physically and legally available water for newly-efficient small landowners; 3) creation of a transparent Water Banking entity where simple flat fees can be used to obtain mitigation rights. | 929 Lakeridge Drive SW | Olympia | THURSTON : 100% | District 20: 50%, District 35: 50% | 47.03 | -122.90 |
| The Lands Council | 71,950 | Building on its GIS habitat suitability model for beaver The Lands Council (TLC) will increase beaver relocation capacity in Eastern Washington. The model will show areas suitable for relocation that are unoccupied. TLC will track sample populations with ear tags and trail cams to better understand dispersal patterns and will increase collaboration efforts into meaningful work with tribal agencies. Increased beaver dams on both public and private land will lead to increased, heterogeneous water storage. | 25 West Main Avenue | Spokane | ADAMS: 10%, FERRY: 15%, LINCOLN: 10%, PEND OREILLE: 15%, SPOKANE: 25%, STEVENS: 15%, WHITMAN: 10% | District 03: 10%, District 04: 10%, District 06: 10%, District 07: 35%, District 09: 35% | 47.65 | -117.42 |

| Recipient | Cost | Project Description | Address | City | County and % | Leg. District | Lat. | Long. |
|--|-------------------|--|----------------------|-----------|----------------------------|--|-------|---------|
| Tulalip Tribes | 219,628 | The Tulalip Tribes (TTT) will use a previously developed habitat suitability model (HSM) and site scoring card to select two to five sites in the Snoqualmie River Basin that are considered suitable & unoccupied habitat for beaver and in need of restored hydrological function. When necessary, nuisance beavers from the Snohomish and King County lowlands will be trapped and strategically relocated to these new sites and those already established in the Skykomish River Basin, on Forest Service land. | 6406 Marine Drive NW | Tulalip | KING: 70%, SNOHOMIS H: 30% | District 05: 15%, District 38: 35%, District 39: 35%, District 44: 15% | 48.06 | -122.28 |
| Whatcom County Public Utility District 1 | 50,000 | The Whatcom PUD will lead an effort to develop a water exchange program with the goal of providing flexibility for water users, some of whom have interruptible water rights, and to identify water rights or portions of water rights that be placed into the trust water rights program to improve instream flows in the watershed. | 1705 Trigg Road | Ferndale | WHATCOM: 100% | District 42: 100% | 48.84 | -122.59 |
| Washington Water Trust / Trout Unlimited *** | 4,000,000 | Water Acquisition Projects - Statewide | 103 Palouse | Wenatchee | Multiple | Various | 47.42 | -120.31 |
| Clallum County Conservation District, Clallum County, City of Sequim, etc. | 4,000,000 | River Road / Department of Natural Resources (DNR) Reservoir - assessment and design efforts for proposed River Road off-stream storage reservoir on DNR property. | River Road | Sequim | Clallum | 24 | 48.05 | -123.14 |
| TOTAL | 14,101,723 | | | | | | | |

*** Please note that water acquisition projects are developed over time and in locations not yet determined. Ecology requires funding for water acquisition project in its base budget to allow the Department to enter into negotiations with willing sellers in good faith. Due to the uncertainty of such projects, it is unclear when funds will be expended.

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 3000740

Project Title: Water Irrigation Efficiencies Program

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

What is the proposed project?

This request will fund \$6.128 million of potential irrigation efficiency projects identified by conservation districts throughout the state. The projects included in this request focus on irrigation efficiency projects not requested in other requests for the Columbia River Water Supply Development Program, or the Watershed Plan Implementation and Flow Achievement request. Due to the highly specific nature of water supply solutions in any given basin, Ecology is making separate capital budget requests for those projects.

Conservation districts receiving funds manage cost share agreements with landowners to ensure successful project implementation. The conservation districts also work with Ecology to ensure a portion of the water saved by water conservation measures or irrigation efficiency projects will be placed as a purchase or lease into the Trust Water Rights Program (TWRP) to enhance instream flows either permanently or for the life of the improvements.

All irrigation efficiency projects require conservation district and Ecology staff to help the landowner in the project eligibility determination, project design and approval, and net water savings determination. Once this is done, the projects can proceed. The amount of saved water placed into the TWRP must be equal to or exceed the percentage of the public investment in the conservation measure or irrigation efficiency. The public investment must not exceed 85 percent of the total cost of the conservation measure or irrigation efficiency. When awarding cost share agreements, conservation districts must give first priority to family farms and projects in fish critical and water short basins; but they may award for money for projects in other basins if local conditions warrant. Ecology works closely with the SCC when reviewing eligible irrigation efficiency improvement projects.

See Attachment A for details of the following proposed projects requested for the 2017-19 biennium:

| | |
|--|----------------|
| Sequim Prairie-Tri Irrigation Association | 1,000,000 |
| Wenatchee-Chiwawa Irrigation Dist. - Wenatchee River | 2,091,444 |
| Reed Ditch | 312,500 |
| Barkley Ditch south end | 79,200 |
| Highland Irrigation District | 500,000 |
| Cortese/Sorenson #3 | 170,000 |
| Brunson on Wilson Ck | 50,000 |
| Chiliwist - Kvistad/Bishop | <u>96,000</u> |
| Sub-Total Construction Projects | \$4,300,000 |
| | |
| Irrigation Water Management | 500,000 |
| Conservation District Technical Assistance | 397,172 |
| WSCC Technical Assistance | 411,384 |
| WDFW Flow Meters | 300,000 |
| Ecology Trust Water Coordination & Management | <u>220,000</u> |
| Sub-Total – Project Oversight & Technical Assistance | \$1,828,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

Description

Total Water Irrigation Efficiencies Program for the 2017-19 biennium is \$6.128 million

NOTE: Irrigation Water Management is a technical assistance activity. But the water savings generated on an annual basis could be used by Ecology, especially in the Columbia River Basin, to issue temporary water rights or shore up interruptible rights on an annual basis. A study of irrigation water management in the Columbia Basin Project area showed a water savings of 17 percent (Columbia Basin Ground Water Management Area – 2005). In the same study area, integrated water management was shown to create a production cost savings averaging \$19 per acre when looking at power and fertilizer costs. Integrated water management also slows aquifer drawdown, reduces ground water pollution, increases production yields, offers greater mold and disease control, saves time, and decreases farm fuel usage.

What opportunity or problem is driving this request?**The reason for the project:**

The problem driving this request is a significant one: finding sufficient water supplies to meet the needs of people, farms, and fish. There are several approaches to address this problem, one of which involves improving water use efficiency. Irrigation for farm production uses significant amounts of water, mostly in the arid regions of the state – and this use impacts water needs for fish. This request addresses that problem by working with landowners who use irrigation to improve the water efficiency of their irrigation systems. A portion of the water saved through these projects is placed back instream to help the state meet other resource needs. With the funding in this request, we will work closely with interested landowners to help projects happen successfully.

The effects of non-funding:

If this request is not funded, projects being designed and reviewed would not have funding to proceed. Irrigation efficiencies would not be achieved, and instream flows would not be enhanced. The state would not achieve our resource goals and objectives for water, potentially exacerbating ongoing disputes over water.

How does the project support the agency and statewide results?

This request supports Ecology's strategic priority to Deliver Integrated Water Solutions, and the Governor's Results Washington Goal 3, Sustainable Energy and a Clean Environment. It does this by:

- Helping meet the economic and community needs for reliable water supplies, while protecting and enhancing river flows for fish.
- Achieving adequate instream flows and providing water for communities statewide.

There are no specific outcome measures that directly link to this request. However, the benefit of improving instream flow and aquatic habitat from reducing on-farm water use (but still allowing crops to be grown) most closely aligns with Governor's Results Washington Goal 3 topics: Healthy Fish and Wildlife (sub-topic Pacific Salmon), Clean and Restored Environment (sub-topic Clean, Cool Water) and Working and Natural Lands (sub-topic Habitat Protection). By increasing the amount of water instream, fish are more likely to maintain healthy populations from higher water levels (enough water to live and reproduce), reduced water temperatures (enough cool water to better disperse heat), and through overall habitat improvements (food chain is maintained so they can find food to eat, shading from trees and plants is improved so the temperatures do not get to high, spawning grounds are available with the right size of gravel, etc.)

This request supports elements of Ecology's Strategic Plan to Deliver Integrated Water Solutions. The objective of this request is to continue achieving progress on managing water statewide in a way that:

- Helps issue new water rights;
- Protects existing water rights from interruption during drought years; and

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

Description

- Provides water for municipal permits while enhancing instream values by improving stream flows.

This request will also strengthen long-term strategic relationships with agriculture, industrial, municipal, and tribal communities in Eastern Washington.

What are the specific benefits of this project?

This request provides funding to the agriculture community to make on-farm water conservation and efficiency improvements. Water saved by these investments is placed into the TWRP to enhance stream flows. Additional water instream will help restore stream flows for fish and benefit water quality.

This project will also provide economic benefits to the state by creating up to 2 jobs during the next two years based on estimates from the Office of Financial Management.

How will clients be affected and services change if this project is funded?

This request will continue a program that has been funded by the Legislature in prior biennia for on-farm irrigation system improvements. Funding the program will allow Ecology, the SCC, and conservation districts to implement on-farm projects currently planned and for which demand is high. The agriculture community benefits by having more efficient use of water for irrigation, including reduced labor and maintenance costs. This request also directly enhances the quantity of water instream for fish and other instream flow needs.

Are FTEs required to support this project?

This project requires a total of 1.15 FTEs to continue working with conservation districts for a preliminary review of applicant water rights. This will determine the validity of the water rights and assess the net water savings calculation for the irrigation efficiency improvements. This is the same level of FTEs supporting this capital project in prior biennia.

This request also supports 2.0 FTEs at SCC through the funds Ecology passes through to SCC in an interagency agreement.

FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

How will the other state programs or units of government be affected if this project is funded?

The SCC benefits from additional state funding for irrigation efficiency improvement projects. Local conservation districts, many in Eastern Washington, benefit from enhanced funding availability for efficiency projects. Flow restoration is supported by state and federal fish agencies and tribes.

This request focuses on irrigation efficiency projects not requested in the Columbia River Water Supply Development Program, or the Watershed Plan Implementation and Flow Achievement request. Due to the highly specific nature of water supply solutions in any given basin, Ecology is making separate capital budget requests for those projects.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 3000740

Project Title: Water Irrigation Efficiencies Program

Description

Why is this the best option or alternative?

The Water Irrigation Efficiencies Program has been successful to date in achieving on-farm water conservation and restoring stream flows. The eight construction projects included in this request are estimated to return a minimum of 11.3 cubic feet per second of water to streams. Using water more efficiently is the overall best solution to achieving instream flows while keeping a viable agriculture industry throughout the state. Other solutions, such as water acquisition and increased water rights enforcement, could take agricultural lands out of production. This would result in negative economic impacts throughout the state.

What is the agency’s proposed funding strategy for the project?

Ecology proposes using the State Building Construction Account to fund the Water Irrigation Efficiencies Program for this request. This funding will support local projects that benefit farmers, conservation districts, and the state’s TWRP, resulting in increased stream flows. This long-running, successful program has provided over 16,130 acre feet of water to the TWRP.

The appropriations are provided solely to provide technical assistance and grants to conservation districts for implementing water conservation measures and irrigation efficiencies. Ecology and the SCC will give preference in order of priority to projects located in the 16 fish critical basins, other water short basins, and/or basins with significant water resource and/or instream flow issues. Projects that are not within these basins are also eligible to receive funding. Conservation districts statewide are eligible for such grants. A conservation district receiving funds will manage each grant to ensure that a portion of the water saved by the water conservation measure or irrigation efficiency will be placed as a purchase or a lease in the TWRP to enhance instream flows. The proportion of saved water placed in the trust water rights program must be equal to the percentage of the public investment in the conservation measure or irrigation efficiency. The public investment may not exceed 85 percent of the total cost of the conservation measure or irrigation efficiency.

Proviso

Proviso language ensures funds are directed to most important water supply projects statewide. Suggested language is: The appropriation in this section is subject to the following conditions and limitations: 1. The appropriation is provided solely for technical assistance and grants to conservation districts for the purpose of implementing water conservation measures and irrigation efficiencies. The department and the state conservation commission shall give preference to projects located in the 16 fish critical basins, other water short or drought impacted basins, and basins with significant water resource and instream flow issues. Projects that are not within basins as described in this subsection are also eligible to receive funding. 2. Conservation districts statewide are eligible for grants listed in subsection (1) of this section. A conservation district receiving funds shall manage each grant to ensure that a portion of the water saved by the water conservation measure or irrigation efficiency will be placed as a purchase or a lease in the trust water rights program to enhance instream flows. The proportion of saved water placed in the trust water rights program must be equal to the percentage of the public investment in the conservation measure or irrigation efficiency. The percentage of the public investment may not exceed eighty-five percent of the total cost of the conservation measure or irrigation efficiency. 3. Up to \$300,000 of the appropriation in this section may be allocated for the purchase and installation of flow meters that are implemented in cooperation with the Washington State Department of Fish and Wildlife fish screening program authorized under RCW 77.57.070

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

Description

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 46,128,000 | | | | 6,128,000 |
| | Total | 46,128,000 | 0 | 0 | 0 | 6,128,000 |

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| | Total | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000855

SubProject Title: Sequim Prairie-Tri Irrigation Association

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000855

SubProject Title: Sequim Prairie-Tri Irrigation Association

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

Ditch to pipe conversion; water savings to Trust for instream flows

Location

City: Sequim

County: Clallam

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,000,000 | | | | 1,000,000 |
| | Total | 1,000,000 | 0 | 0 | 0 | 1,000,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000855

SubProject Title: Sequim Prairie-Tri Irrigation Association

No Operating Impact

SubProject Number: 30000856

SubProject Title: Wenatchee-Chiwawa Irrigation District - Wenatchee River

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

Ditch to pipe conversion; water savings to Trust for instream flows

Location

City: Wenatchee

County: Chelan

Legislative District: 012

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 2,092,000 | | | | 2,092,000 |
| | Total | 2,092,000 | 0 | 0 | 0 | 2,092,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000856

SubProject Title: Wenatchee-Chiwawa Irrigation District - Wenatchee River

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000857

SubProject Title: Reed Ditch

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

Connect to previously installed pipeline to extend pressurized delivery system to more irrigators

Location

City: Ellensburg

County: Kittitas

Legislative District: 013

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000857

SubProject Title: Reed Ditch

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 313,000 | | | | 313,000 |
| | Total | 313,000 | 0 | 0 | 0 | 313,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000858

SubProject Title: Barkley Ditch (south end)

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000858

SubProject Title: Barkley Ditch (south end)

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

On-farm irrigation efficiency improvements; water savings to Trust for instream flows

Location

City: Twisp

County: Okanogan

Legislative District: 012

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 79,000 | | | | 79,000 |
| | Total | 79,000 | 0 | 0 | 0 | 79,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000858

SubProject Title: Barkley Ditch (south end)

No Operating Impact

SubProject Number: 30000859

SubProject Title: Highland Irrigation District

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

Ditch to pipe conversion; water savings to Trust for instream flows

Location

City: Sequim

County: Clallam

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000859

SubProject Title: Highland Irrigation District

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000860

SubProject Title: Cortese / Sorenson #3

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

~85 acres of rill to sprinkler on Parke Creek, continuation of work in the Cherry Ck Tributaries

Location

City: Kittitas

County: Kittitas

Legislative District: 013

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000860

SubProject Title: Cortese / Sorenson #3

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 170,000 | | | | 170,000 |
| | Total | 170,000 | 0 | 0 | 0 | 170,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000861

SubProject Title: Brunson on Wilson Creek

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000861

SubProject Title: Brunson on Wilson Creek

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

~25 acre of flood to sprinkler, Wilson Creek, ~3.2 cfs of saved water.

Location

City: Ellensburg

County: Kittitas

Legislative District: 013

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 50,000 | | | | 50,000 |
| | Total | 50,000 | 0 | 0 | 0 | 50,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000861

SubProject Title: Brunson on Wilson Creek

No Operating Impact

SubProject Number: 30000862

SubProject Title: Chiliwist - Kvistad / Bishop

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

On-farm irrigation efficiency improvements; water savings to Trust for instream flows

Location

City: Unincorporated

County: Okanogan

Legislative District: 012

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 96,000 | | | | 96,000 |
| Total | | 96,000 | 0 | 0 | 0 | 96,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000862

SubProject Title: Chiliwist - Kvistad / Bishop

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000863

SubProject Title: Irrigation Water Management

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

Conservation District technician writes an irrigation water management plan for irrigators on flow limited streams.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000863

SubProject Title: Irrigation Water Management

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 500,000 | | | | 500,000 |
| | Total | 500,000 | 0 | 0 | 0 | 500,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000864

SubProject Title: Conservation District Technical Assistance

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000864

SubProject Title: Conservation District Technical Assistance

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

Grants to irrigation districts for development and oversight of projects and district operations.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 397,000 | | | | 397,000 |
| | Total | 397,000 | 0 | 0 | 0 | 397,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000864

SubProject Title: Conservation District Technical Assistance

No Operating Impact

SubProject Number: 30000865

SubProject Title: SCC Staffing

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

SCC staff provide program oversight, project design, development and administration assistance to landowners and water purveyors for assessing water savings projects.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 411,000 | | | | 411,000 |
| | Total | 411,000 | 0 | 0 | 0 | 411,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000865

SubProject Title: SCC Staffing

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000866

SubProject Title: WDFW Flow Meters

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

For the design, purchase, and installation of flow meters implemented in cooperation with the Washington State Department of Fish and Wildlife fish screening program under RCW 77.57.070

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000866

SubProject Title: WDFW Flow Meters

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 300,000 | | | | 300,000 |
| | Total | 300,000 | 0 | 0 | 0 | 300,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000867

SubProject Title: Ecology Staffing

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000867

SubProject Title: Ecology Staffing

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

Ecology staffing provides project oversight, administration, determines the validity of water rights, quantifies net water savings, and process Trust Water Right transfers.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 220,000 | | | | 220,000 |
| | Total | 220,000 | 0 | 0 | 0 | 220,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000867

SubProject Title: Ecology Staffing

No Operating Impact

SubProject Number: 30000915

SubProject Title: Water Irrigation Efficiencies Program Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 27

Project Summary

The Water Irrigation Efficiencies Program is a statewide effort to improve how water is delivered and applied on agricultural lands. Projects funded through this program provide improved on-farm water application so water use is more efficient, while still allowing the producer to grow crops. Program funding is also used to improve water conveyance to reduce water loss through leakage and evaporation. Water saved in this program is placed into the state Trust Water Right Program for instream purposes. Ecology requests a new \$6.128 million appropriation as pass-through funds for the Washington State Conservation Commission (SCC) and conservation districts to help the agricultural community implement water conservation measures and irrigation efficiencies projects. (State Building Construction Account)

Project Description

Ten Year Financing Plan

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Conservation Districts

RCW that establishes grant: None

Application process used

Local conservation districts help agriculture clients determine eligibility criteria. Cost share proposals are approved by SCC and Ecology staff with review by the Department of Fish and Wildlife.

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-------------------|----------------|------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 40,000,000 | | | | |
| | Total | 40,000,000 | 0 | 0 | 0 | 0 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 5:01PM

Project Number: 30000740

Project Title: Water Irrigation Efficiencies Program

SubProjects

SubProject Number: 30000915

SubProject Title: Water Irrigation Efficiencies Program Ten Year Financing Plan

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| | Total | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|---------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Jim Skalski</u> | Email: | <u>jska461@ecy.wa.gov</u> |
| Phone: | <u>360-407-6617</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Water Irrigation Efficiencies Program</u> |
| Project Number: | <u>30000740</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.



Ecology 2018 Supplemental Budget Project List
 Irrigation Efficiency Program - Cooperative with State Conservation Commission
 Irrigation Efficiency Projects - Statewide
 July 2017

Attachment A

Purpose: Washington's Irrigation Efficiencies Grant Program restores instream flows in rivers and streams determined to not have enough water for fish populations and other competing needs. The Washington State Conservation Commission (SCC) works with conservation districts to provide financial incentives to landowners willing to install irrigation systems that save water. The water saved helps increase the stream flow in tributaries where Endangered Species Act listed species will benefit. And, in most cases, the more efficient irrigation systems lead to increased crop production due to reduced water stress. Projects are developed jointly by Ecology and SCC staff for consideration and final approval by SCC. Project ranking was completed by SCC.

| Rank | Recipient | Cost | Project Description | Project Category Description | Estimated Start | Prgm/Region | Site Address | City | County | Leg. District | Latitude | Longitude |
|--------------|---|-----------|---|------------------------------|-----------------|-------------|-----------------------------------|------------|----------|---------------|-----------|------------------|
| 1 | Sequim Prairie-Tri Irrigation Association | 1,000,000 | Ditch to pipe conversion; water savings to Trust for instream flows | Programmatic | July 1, 2017 | WRP-SWRO | 373 Schmuck Road Sequim, WA 98382 | Sequim | Clallam | 24 | 48.079537 | -123.101844 |
| 2 | Wenatchee-Chiwawa Irrigation District - Wenatchee River | 2,092,000 | Ditch to pipe conversion; water savings to Trust for instream flows | Programmatic | July 1, 2017 | WRP-CRO | P.O. Box 97 Leavenworth, WA 98826 | Wenatchee | Chelan | 24 | 47.596233 | -120.661476 |
| 3 | Reed Ditch | 313,000 | Connect to previously installed pipeline to extend pressurized delivery system to more irrigators | Programmatic | July 1, 2017 | WRP-CRO | Manastash Rd. | Ellensburg | Kittitas | 13 | 46.996514 | -120.547847 |
| 4 | Barkley Ditch (south end) | 79,000 | On-farm irrigation efficiency improvements; water savings to Trust for instream flows | Programmatic | July 1, 2017 | WRP-CRO | Lower Bear Cr. Rd | Twisp | Okanogan | 12 | 48.363478 | -120.122303 |
| 5 | Highland Irrigation District | 500,000 | Ditch to pipe conversion; water savings to Trust for instream flows | Programmatic | July 1, 2017 | WRP-SWRO | Sequim, WA 98382 | Sequim | Clallam | 24 | 48.079537 | -123.101844 |
| 6 | Cortese / Sorenson #3 | 170,000 | ~85 acres of rill to sprinkler on Parke Creek, continuation of work in the Cherry Ck Tributaries | Programmatic | July 1, 2017 | WRP-CRO | Ferguson Rd | Kittitas | Kittitas | 13 | 46.983182 | -120.41701 |
| 7 | Brunson on Wilson Creek | 50,000 | ~25 acre of flood to sprinkler, Wilson Creek, ~3.2 cfs of saved water. | Programmatic | July 1, 2017 | WRP-CRO | Tjossem Rd | Ellensburg | Kittitas | 13 | 46.996514 | -120.547847 |
| 8 | Chilliwist - Kvstad / Bishop | 96,000 | On-farm irrigation efficiency improvements; water savings to Trust for instream flows | Programmatic | July 1, 2017 | WRP-CRO | Chilliwist Rd | Mallot | Okanogan | 12 | 48.282649 | -119.706727 |
| n/a | Irrigation Water Management | 500,000 | Conservation District technician writes an irrigation water management plan for irrigators on flow limited streams. | Programmatic | July 1, 2017 | Multiple | Multiple | N/A | N/A | 12, 13, 24 | N/A | N/A |
| n/a | Conservation District Technical Assistance | 397,000 | Grants to irrigation districts for development and oversight of projects and district operations. | Programmatic | July 1, 2017 | Multiple | Multiple | N/A | N/A | 12, 13, 25 | N/A | N/A |
| n/a | SCC Staffing | 411,000 | SCC staff provide program oversight, project design, development and administration assistance to landowners and water purveyors for assessing water savings projects. | Programmatic | July 1, 2017 | Multiple | Multiple | N/A | N/A | 12, 13, 26 | N/A | N/A |
| n/a | WDFW Flow Meters | 300,000 | For the design, purchase, and installation of flow meters implemented in cooperation with the Washington State Department of Fish and Wildlife fish screening program under RCW 77.57.070 | Programmatic | July 1, 2017 | Multiple | Multiple | N/A | N/A | 12, 13, 27 | N/A | N/A |
| n/a | Ecology Staffing | 220,000 | Ecology staffing provides project oversight, administration, determines the validity of water rights, quantifies net water savings, and process Trust Water Right transfers. | Programmatic | July 1, 2017 | Multiple | Multiple | N/A | N/A | 12, 13, 28 | N/A | N/A |
| Total | | | | | | | | | | | | 6,128,000 |

**Department of Ecology
2018 Supplemental Capital Budget**

Table of Contents

Tab D-4 Prevent and Reduce Toxic Threats

| | | | |
|-----|----------|---|-----|
| 1. | 30000704 | 2015-17 Restored Eastern Washington Clean Sites Initiative | 499 |
| 2. | 30000707 | 2017-19 Remedial Action Grants | 515 |
| 3. | 30000670 | ASARCO Cleanup..... | 561 |
| 4. | 40000062 | Coord. Prevention Grants – Local Solid Waste Fin. Assistance..... | 571 |
| 5. | 40000096 | Mount Baker Properties Cleanup & Affordable Housing Dev. | 581 |
| 6. | 30000742 | Eastern Washington Clean Sites Initiative..... | 587 |
| 7. | 30000671 | Reducing Toxic Diesel Emissions | 605 |
| 8. | 30000674 | Reducing Toxic Woodstove Emissions | 613 |
| 9. | 30000669 | Leaking Tank Model Remedies | 619 |
| 10. | 30000708 | Swift Creek Natural Asbestos Flood Control and Cleanup | 659 |
| 11. | 30000672 | Waste Tire Pile Cleanup and Prevention | 673 |
| | | Electronic Decision Package Confirmation | 677 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 3000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 8

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. The enacted 2016 Supplemental Capital Budget reduced two reappropriations for Eastern Washington cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since the February 2014 forecast. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$2.9 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description**What is the proposed project?**

The Eastern Washington Clean Sites Initiative funds remediation activities on contaminated sites in Eastern Washington. By focusing resources directly to the communities east of the Cascade Mountains, Ecology will have the resources to fund cleanup work related to metals contamination, leaking underground storage tanks, landfills, salvage yards, and wood treatment facilities. The funds will be used to pay for cleanup at contaminated sites where the responsible party (land user, facility operator, or property owner) is either unwilling or unable to pay costs related to the cleanup activities. Ecology will recover cleanup costs where possible.

In 2013, there were significant changes made to MTCA. Among them, was direction for Ecology to plan hazardous site cleanup at a pace that matches the estimated cash resources in the MTCA accounts. (RCW 70.105D.170) Cleanups can take many years once a site has been contaminated with toxic chemicals. Three major factors determine the length of time for cleanup: the regulatory process used (formal versus independent cleanup); the nature of the contaminants (how difficult they are to remediate); and the type of contaminated media (soil, groundwater, sediments, etc.) Ecology established an ideal target for achieving site cleanup within five years; and has been actively working toward this target by employing model remedies, and developing tools and policies to help achieve cleanup faster.

Financial certainty for cleanup project development is critical for ensuring existing projects are completed as envisioned, and new projects can be planned and designed to maximize environmental and public health improvements and economic development opportunities. The MTCA revenue decline that resulted in cleanup project delays in the 2015-17 Biennium created uncertainties for public funding. Despite Department of Revenue's Hazardous Substance Tax (HST, MTCA's major revenue source) forecasts projecting a recovery in the next few years, delays in HST revenue recovery will continue to restrain cleanup projects funded with MTCA. These projects are ready to proceed according to the MTCA regulatory process.

MTCA's cleanup process informs project prioritization. Ecology's Toxics Cleanup Program guides all cleanup projects through MTCA's regulatory process and requirements, including those seeking state capital budget funding. MTCA requires all cleanup projects proceed through the following phases:

1. Assessment: All projects are prioritized based on human health and environmental risks. Cleanup projects address risks from exposure to contaminated soil; contaminated groundwater and drinking water; contaminated marine water and sediment, which pose human health risks from consuming fish and shellfish; toxic vapors; or a combination of the above.
2. Remedial Investigation: Remedial investigations define the nature, extent, and magnitude of contamination on all projects.
3. Feasibility Study: Feasibility studies are conducted on all projects and include alternative analysis, cost-benefit analysis, long-term or life-cycle cost analysis, and cleanup technology preferences.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 3000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

Description

4. Cleanup Action Plan: Information from the remedial investigation and feasibility study are included in a cleanup action plan that describes cleanup standards, methods, monitoring requirements, and schedule – including any time-critical elements.

5. Comment: The public is encouraged to review and comment on the projects' investigations, feasibility studies, and cleanup plans during public comment periods.

6. Cleanup: Designing, constructing, operating, and monitoring the cleanup. At this phase, projects are ready to proceed: They are in construction; they have permits or are in the permitting process; their design is complete or underway; or they are under contract. A cleanup is complete when Ecology determines cleanup standards have been met.

The enacted 2016 Supplemental Capital Budget reduced Eastern Washington Clean Sites Initiative projects by \$4 million to help manage declining MTCA revenues driven by the significant drop in the price of oil and correlated decreases in HST over the past two years. Ecology requests funding be restored, as directed by the proviso language in the 2016 Supplemental Capital Budget, to keep important Eastern Washington cleanup work moving forward in the 2017-19 Biennium. Attached is a prioritized list of projects that will be restored with this request for \$2.9 million in State Building Construction Account funding.

Ecology lapsed \$1.14 million in reappropriation for projects no longer in need of funding.

What opportunity or problem is driving this request?**The reason for the project:**

This request addresses the toxics cleanup needs of contaminated sites in Eastern Washington. Other capital budget funds for toxic cleanup activities have been directed to sites within the Puget Sound basin. This funding will allow Ecology to continue focus on cleaning up contaminated sites in Eastern Washington. These cleanups protect public and environmental health, create jobs, and promote economic redevelopment.

The enacted 2016 Supplemental Capital Budget reduced two reappropriations for Eastern Washington cleanup projects to balance the MTCA accounts in response to the drop in revenue. The HST is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10th of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years and so have HST collections and revenues. Ecology requests State Building Construction Account (SBCA) funding to restore these projects and help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.

- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.

- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).

- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

Description

- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the General Fund-State. There were direct transfers, but the Legislature also preserved investments in cleanup. For toxic site cleanup, SBCA was used to backfill MTCA transfers. This provided funding for existing projects and invested in new toxic site cleanups. Now, the economy is in a growth period – the very time when toxic site cleanup is affordable and interest in redevelopment is high. Providing SBCA funding will allow important, ready-to-proceed cleanup projects to move forward.

The effects of non-funding:

If this request is not funded, Eastern Washington cleanup projects would be underfunded, and communities in Eastern Washington would continue to be impacted by hazardous substances and degraded water resources.

How does the project support the agency and statewide results?

This project is essential to implementing a strategic priority in Ecology's strategic plan by supporting the priority to Prevent and Reduce Toxic Threats. It contributes resources to continue activity A005, "Clean the Worst Contaminated Sites First."

This request is essential to support the Governor's budget and economic priorities by investing funds to protect public health and natural resources. This request will also support Results Washington Goal 3, Sustainable Energy and a Clean Environment, by cleaning up and managing contaminated sites that pose threats to public health, the environment, groundwater, and fish and wildlife resources.

Specifically:

Goal-topic: Clean and Restored Environment – Sub-topic: Healthy Lands.

Outcome Measure 3.1 – Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020.

Leading Indicator 3.1.a – Increase number of contaminated brownfield sites returned to economically productive use from 476 to 1,090 by 2020.

This work also supports Goal 2, Prosperous Economy by creating and supporting jobs and making it possible to redevelop previously contaminated land to support economic growth in communities.

What are the specific benefits of this project?

Cleaning up contaminated sites in Eastern Washington will yield the following benefits:

- Cleaning up toxic contaminated sites.
- Reduce exposure of hazardous substances to the environment and public as work progresses on these sites.
- Economic redevelopment as abandoned sites move forward through the cleanup process.

Cleaning up contaminated property is usually integrated with economic redevelopment, habitat restoration, and public recreation projects. Most cleanup projects are the first phase of a larger community or economic redevelopment project where the cleanup site is the focal point of the project.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

Description**How will clients be affected and services change if this project is funded?**

This project will allow Ecology to focus resources on contaminated sites in Eastern Washington, reducing exposure of hazardous substances to the environment and public. The number of contaminated sites cleaned up will increase, resulting in less public and environmental exposure to hazardous substances.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

Local governments will be positively affected as contaminated sites are returned to use, benefiting the local economy.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

Ecology considered several alternatives for funding these projects. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of the third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology's ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

If an alternative solution is not provided, Ecology would not be able to restore funding to these projects in the 2017-19 Biennium. SBCA funding is the best option because it will restore the original projects as the Legislature intended, and give Ecology the resources to continue cleanup work on these projects.

What is the agency's proposed funding strategy for the project?

Ecology requests \$2.9 million from the SBCA to restore funding for these projects and help bridge the gap until MTCA revenue recovers. This will allow important cleanup work to continue in the 2017-19 Biennium.

Note: The total amount being requested in bond funding for 2017-19 Eastern Washington cleanup projects is \$10.37 million,

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

Description

which includes this \$2.94 million to restore reductions from the 2016 Supplemental Budget, \$2.2 million for projects delayed due to the MTCA revenue shortfall in reappropriation 30000432, and \$5.23 million in new funding to start or continue the next phase of projects. Traditional new investments in Eastern Washington cleanup projects have averaged around \$9.6 million a biennium over the last three biennia.

Proviso

None

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 2,936,000 | | | | 2,936,000 |
| | Total | 2,936,000 | 0 | 0 | 0 | 2,936,000 |

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000715

SubProject Title: Airport Kwik Stop

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000715

SubProject Title: Airport Kwik Stop

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 8

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. The enacted 2016 Supplemental Capital Budget reduced two reappropriations for Eastern Washington cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since the February 2014 forecast. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$2.9 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Continue interim actions which include air sparging, soil vapor extraction, and enhanced bioremediation to address gasoline contamination to soil and groundwater. The contamination has migrated +1/2 mile off site, has impacted several residential drinking water sources and threatens to contaminate the Pend Oreille River.

Location

City: Lone

County: Pend Oreille

Legislative District: 007

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 193,000 | | | | 193,000 |
| | Total | 193,000 | 0 | 0 | 0 | 193,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000715

SubProject Title: Airport Kwik Stop

Operating Impacts

No Operating Impact

SubProject Number: 30000716

SubProject Title: Colville Post & Pole

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 8

Project Summary

Project Summary There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. The enacted 2016 Supplemental Capital Budget reduced two reappropriations for Eastern Washington cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since the February 2014 forecast. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$2.9 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Includes interim action at a former wood treatment facility -- removing and disposing contaminated soil, and installing monitoring wells. Confirmed dioxin contamination has increased cleanup costs at the site including the need for collecting additional soil samples to define the vertical extent of the dioxin contamination.

Location

City: Colville

County: Stevens

Legislative District: 007

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000716

SubProject Title: Colville Post & Pole

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,242,000 | | | | 1,242,000 |
| | Total | 1,242,000 | 0 | 0 | 0 | 1,242,000 |

Future Fiscal Periods

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000717

SubProject Title: Schwerin Concaves

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 8

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. The enacted 2016 Supplemental Capital Budget reduced two reappropriations for Eastern Washington cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since the February 2014 forecast. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$2.9 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Includes cleanup to remove chromium contaminated soil and groundwater, and groundwater monitoring and treatment. Bids are being prepared for Summer/Fall 2017 public works construction.

Location

City: Walla Walla

County: Walla Walla

Legislative District: 016

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000717

SubProject Title: Schwerin Concaves

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 318,000 | | | | 318,000 |
| | Total | 318,000 | 0 | 0 | 0 | 318,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000718

SubProject Title: Marshall Landfill

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000718

SubProject Title: Marshall Landfill

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 8

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. The enacted 2016 Supplemental Capital Budget reduced two reappropriations for Eastern Washington cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since the February 2014 forecast. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$2.9 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Includes: installation of up to (2) deep aquifer wells, decommission up to (4) damaged wells; repair up to (2) damaged wells; perform hydraulic conductivity tests; conduct geophysical survey to assess subsurface geology; and additional groundwater monitoring. Evaluate placing cover material in areas where refuse is exposed at the surface.

Location

City: Unincorporated

County: Spokane

Legislative District: 006

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 927,000 | | | | 927,000 |
| | Total | 927,000 | 0 | 0 | 0 | 927,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000718

SubProject Title: Marshall Landfill

Operating Impacts

No Operating Impact

SubProject Number: 30000719

SubProject Title: Tiger Oil - North 1st Street

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 8

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. The enacted 2016 Supplemental Capital Budget reduced two reappropriations for Eastern Washington cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since the February 2014 forecast. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$2.9 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

This project is the remediation and redevelopment of an old abandoned gas station. The property is located right on entrance to the City of Yakima.

Location

City: Yakima

County: Yakima

Legislative District: 015

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 120,000 | | | | 120,000 |
| Total | | 120,000 | 0 | 0 | 0 | 120,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000719

SubProject Title: Tiger Oil - North 1st Street

| | | Future Fiscal Periods | | | |
|--------------|-------------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | | | | |
| Total | | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000720

SubProject Title: Central Wash University 4

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 8

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. The enacted 2016 Supplemental Capital Budget reduced two reappropriations for Eastern Washington cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since the February 2014 forecast. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request for \$2.9 million restores those reductions, to keep important cleanup work moving forward in the 2017-19 Biennium, consistent with legislative direction. (State Building Construction Account)

Project Description

Central Washington University has four cleanup sites that are in various stages of investigation and cleanup. This funding would complete the investigation at the sites and provide funding to complete the necessary cleanup work.

Location

City: Ellensburg

County: Kittitas

Legislative District: 013

Project Type

Grants

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 5:56PM

Project Number: 30000704

Project Title: 2015-17 Restored Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000720

SubProject Title: Central Wash University 4

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 136,000 | | | | 136,000 |
| | Total | 136,000 | 0 | 0 | 0 | 136,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Eastern Washington Clean Sites Initiative</u> |
| Project Number: | <u>30000704</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Budget Project List
Toxics Cleanup Program
Eastern Washington Clean Sites Initiative - Restored (30000704)
September 8, 2017

Purpose: This project list represents the restored Eastern Washington Clean Sites Initiative projects requested in the 2018 Supplemental Capital Budget proposal. This list represents projects that are underway and need additional funding to continue the cleanup for ready to proceed projects. This list is a plan based on the best information available to Ecology. The plan may change as more information becomes available.

Background: The enacted 2016 Supplemental Capital Budget reduced two reappropriations for Eastern Washington cleanup projects to balance the Model Toxics Control Act (MTCA) accounts in response to the drop in revenue since May 2015. Proviso language in the budget bill specifies the Legislature intends to restore the reductions in future biennia. This request restores those reductions to keep important cleanup work moving forward in the 2017-19 Biennium. This list represents the projects Ecology is requesting to be restored in order to keep important cleanup work funded according to the original legislative intent.

| ECY Rank | Project | Description | Phase of Cleanup | County | Amount | Address | City | Leg. Dist. | Lat. | Long. |
|---|------------------------------|---|-----------------------------------|--------------|-----------|--------------------------|-------------|------------|------|------------------|
| 1 | Airport Kwik Stop | Continue the interim actions which include air sparging, soil vapor extraction, and enhanced bioremediation to address gasoline contamination to soil and groundwater. The contamination has migrated +1/2 mile offsite, has impacted several residential drinking water sources and threatens to contaminate the Pend Oreille River. | Cleanup / Post Closure Monitoring | Pend Oreille | 193,000 | Hwy 31 & Greenhouse Road | Ione | 7 | 48.7 | -117.4 |
| 2 | Tiger Oil - North 1st Street | This project is the remediation and redevelopment of an old abandoned gas station. The property is located right on entrance to the City of Yakima. | Cleanup / Post Closure Monitoring | Yakima | 120,000 | 1808 N 1st Street | Yakima | 15 | 46.6 | -120.5 |
| 3 | Colville Post & Pole | Includes interim action at a former wood treatment facility -- removing and disposing contaminated soil, and installing monitoring wells. Confirmed dioxin contamination has increased cleanup costs at the site including the need for collecting additional soil samples to define the vertical extent of the dioxin contamination. | Cleanup / Post Closure Monitoring | Stevens | 1,242,000 | Hwy 395 | Colville | 7 | 48.6 | -118.0 |
| 4 | Central Wash University 4 | Central Washington University has four cleanup sites that are in various stages of investigation and cleanup. This funding would complete the investigation at the sites and provide funding to complete the necessary cleanup work. | Cleanup / Post Closure Monitoring | Kittitas | 136,000 | 400 E University Way | Ellensburg | 13 | 47.0 | -120.5 |
| 5 | Schwerin Concaves | Includes cleanup to remove chromium contaminated soil and groundwater, and groundwater monitoring and treatment. Bids are being prepared for Summer/Fall 2017 public works construction. | Cleanup / Post Closure Monitoring | Walla Walla | 318,000 | 1106 Sappolil Road | Walla Walla | 16 | 46.1 | -118.2 |
| 6 | Marshall Landfill | Includes: installation of up to two deep aquifer wells, decommission up to four damaged wells; repair up to two damaged wells; perform hydraulic conductivity tests; and additional groundwater monitoring. Evaluate placing cover material in areas where refuse is exposed at surface. | Cleanup / Post Closure Monitoring | Spokane | 927,000 | Andrus & Spotted Road | Marshall | 6 | 47.6 | -117.5 |
| Total 2018 Supplemental Budget Request for Restored Projects | | | | | | | | | | 2,936,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

Ecology's primary tool for helping local governments clean up contaminated sites is the RA grant program. The purpose of this program is to expedite cleanup and redevelopment of contaminated sites and to ease the financial impact of cleanup on local ratepayers and taxpayers. The funding is intended to supplement local government funding and funding from other sources, including insurance and contribution claims. Cleaning up contaminated sites protects the groundwater that serves over half of the state's population, and it promotes a healthy environment for Washingtonians. Cleaning up contaminated sites can provide other benefits, including:

- Reusing scarce industrial sites in urban areas.
- Expanding local tax bases.
- Promoting livable communities.
- Promoting local economic redevelopment.
- Preserving farmland.

Ecology worked with local government partners to estimate the 2017-19 local government toxic site cleanup needs. Local governments self-reported an estimated total state share need of \$154 million for the biennium. Ecology published the 2016 Model Toxics Control Act (MTCA) Accounts Ten-Year Financing Report in October 2016 that provided a long-term view of cleanup needs. The report estimated the total RA grant need (state share) for the ten-year period to be \$811 million.

The biennial request for 2017-19 RA grant projects (this request of \$28.6 million plus the request for delayed RA grants of \$23.8 million) of \$52.5 million is consistent with the historical funding level of the program, averaging \$71 million per biennium since 2007. Ecology is proposing projects that are ready to proceed, address the needs and capacity of local government for the 2017-19 Biennium, and align with our cleanup project managers' capacity to oversee the cleanups. The attached project list reflects the biennial cash flow requirements of projects. This request is slightly lower than the biennial request last year of \$39.9 million because Ecology reviewed the status of all projects and updated the delayed Remedial Action reappropriation project list (project 30000458) and the project list for this request to better reflect funding needs for the 2017-19 Biennium. The Site Hazard Assessment grants Ecology used to provide local health departments are no longer needed because the program has been cancelled due to instability of funding the last two years. Likewise, several projects from last year's list will not need funding until next biennium.

There are four categories of grants included in this 2017-19 request.

1. Oversight RA grants help pay for local governments to clean up contaminated sites where the work is being conducted under an enforcement order, agreed order, or consent decree issued under MTCA (Chapter 70.105D RCW). Cleanups conducted under an order or decree issued by the Environmental Protection Agency (EPA) under the federal cleanup law are also eligible. For these grants, Ecology normally funds 50 to (maximum) 75 percent of the eligible project costs, depending on the economic status of the community.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

Description

2. Independent RA grants provide funding to local governments that investigate and clean up contaminated sites independently under Ecology's Voluntary Cleanup Program. For these grants, Ecology funds 50 to (maximum) 75 percent of the eligible project costs, depending on the economic status of the community.

3. Area-wide Groundwater Investigation grants provide funding to local governments that investigate groundwater contaminated by hazardous substances from multiple sources. The purpose of these investigations is to identify the sources and facilitate cleaning up the area-wide contamination. For these grants, Ecology may fund up to 100 percent of the eligible project costs.

4. Integrated Planning grants provide targeted funding for assessment of contaminated lands that have a potential future land use as housing. Washington has identified low income and affordable housing as a critical need. This funding would allow assessment of contamination that could galvanize subsequent investment in housing projects and leverage other public and private funding sources including Department of Commerce's fund targeted for housing projects.

Attached is a prioritized list of projects that will be funded with this request. The projects have been reviewed and are ready to proceed according to the MTCA regulatory process.

MTCA's cleanup process informs project prioritization. Ecology's Toxics Cleanup Program (TCP) guides all cleanup projects through MTCA's regulatory process and requirements, including those seeking state capital budget funding. MTCA requires all cleanup projects proceed through the following phases:

1. Assessment: All projects are prioritized based on human health and environmental risks. Cleanup projects address risks from exposure to contaminated soil; contaminated groundwater and drinking water; contaminated marine water and sediment, which pose human health risks from consuming fish and shellfish; toxic vapors; or a combination of the above.
2. Remedial Investigation: Remedial investigations define the nature, extent, and magnitude of contamination on all projects.
3. Feasibility Study: Feasibility studies are conducted on all projects and include alternative analysis, cost-benefit analysis, long-term or life-cycle cost analysis, and cleanup technology preferences.
4. Cleanup Action Plan: Information from the remedial investigation and feasibility study are included in a cleanup action plan that describes cleanup standards, methods, monitoring requirements, and schedule – including any time-critical elements.
5. Comment: The public is encouraged to review and comment on the projects' investigations, feasibility studies, and cleanup plans during public comment periods.
6. Cleanup: Designing, constructing, operating, and monitoring the cleanup. At this phase, projects are ready to proceed: They are in construction; they have permits or are in the permitting process; their design is complete or underway; or they are under contract. A cleanup is complete when Ecology determines cleanup standards have been met.

In addition to projects being evaluated according to the MTCA regulatory process, the project list is prioritized based on:

1. Continuing RA grant investments at sites with ongoing cleanup projects.

In 2013, there were significant changes made to MTCA. Among them, was direction for Ecology to plan hazardous site cleanup at a pace that matches the estimated cash resources in the MTCA accounts. (RCW 70.105D.170) Cleanups can take many years once a site has been contaminated with toxic chemicals. Three major factors determine the length of time for cleanup: the regulatory process used (formal versus independent cleanup); the nature of the contaminants (how difficult they are to remediate); and the type of contaminated media (soil, groundwater, sediments, etc.) Ecology established an ideal target for achieving site cleanup within five years; and has been actively working toward this target by employing model remedies, supporting local governments to plan for cleanup with Integrated Planning Grants, and developing tools and policies to help achieve cleanup faster.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

Description

Local governments need financial certainty for cleanup project development to ensure existing projects are completed as envisioned, and new projects can be planned and designed to maximize environmental and public health improvements and economic development opportunities. The MTCA revenue decline that resulted in cleanup project delays in the 2015-17 Biennium created uncertainties for public funding. Despite Department of Revenue's Hazardous Substance Tax (HST, MTCA's major revenue source) forecasts projecting a recovery in the next few years, delays in HST revenue recovery will continue to restrain cleanup projects funded with MTCA.

2. Applying the enacted 2015-17 biennial capital budget criteria for prioritizing cleanups outlined in Second Engrossed House Bill 1115 - Section 7038 and the MTCA Cash Management Plan.

Section 7038 (3) authorized Ecology to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution. Ecology used this authority in the 2015-17 Biennium to guide project priority and followed the same criteria for prioritizing the 2017-19 biennial budget request.

3. Where groups of projects have met all of the same Section 7038 criteria, projects are ranked based on Ecology's regional and program priorities and staff capacity to oversee the cleanup. A recovered economy is delivering a record number of cleanup sites to Ecology to review and act on – from 200-300 per year on average, to over 400 in 2015 – but there is no MTCA funding to support additional cleanup project oversight. Economic conditions require Ecology to maintain the current work force and find ways to manage work load while continuing existing cleanup priorities.

4. Reviewing current information from grant recipients and Ecology's regional cleanup managers on the status of projects to further refine prioritization. This includes the construction stage of projects, schedule changes, whether permits are in hand, if projects are ready to bid, if projects leverage partnerships, and if projects have already incurred eligible costs.

What opportunity or problem is driving this request?**The reason for the project:**

RA grants are used to help local governments clean up contaminated sites. This protects the groundwater that serves over half the state's population, and it promotes a healthy environment for Washingtonians. Cleaning up contaminated sites can provide other benefits including: reusing scarce industrial sites in urban areas; expanding local tax bases; promoting livable communities; promoting local economic redevelopment; and, preserving farmland.

The effects of non-funding:

The RA grant program is well established for helping local governments clean up contaminated sites in their communities. It is a high funding priority in MTCA, and is the mechanism for carrying out the provisions of this law. Funding this request will allow the state to further meet its statutory obligation to provide continued support to local governments for cleaning up toxics in the environment. If this proposal is not funded, the state would not be able to support local governments in meeting their obligations to eliminate toxic threats and protect the people living in their communities.

How does the project support the agency and statewide results?

This project is essential to implementing a strategic priority in Ecology's strategic plan by supporting the priority to Prevent and Reduce Toxic Threats. It contributes resources to continue activity A005, "Clean the Worst Contaminated Sites First."

This request is essential to support the Governor's budget and economic priorities by investing funds to protect public health and natural resources. This request will also support Results Washington Goal 3, Sustainable Energy and a Clean Environment, by cleaning up and managing contaminated sites that pose threats to public health, the environment, groundwater, and fish and wildlife resources. Specifically:

Goal-topic: Clean and Restored Environment – Sub-topic: Healthy Lands.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

Description

Outcome Measure 3.1 – Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020.

Leading Indicator 3.1.a – Increase number of contaminated brownfield sites returned to economically productive use from 476 to 641 by 2016.

This work also supports Goal 2, Prosperous Economy, by creating and supporting jobs and making it possible to redevelop previously contaminated land to support economic growth in communities.

This request also supports Puget Sound Action Agenda implementation through the following strategies:

Strategy 21, Address and clean up cumulative water pollution impacts in Puget Sound, substrategy 21.2, Clean up contaminated sites within and near Puget Sound by reducing and controlling the sources of pollution. Ecology's work to cleanup areas contaminated with hazardous substances returns a polluted or degraded environment, as much as possible, to a healthy, self-sustaining ecosystem. Through the RA grant program, Ecology works in partnership with local governments to fund remedial actions at contaminated sites in Puget Sound.

Strategy 10, Use a comprehensive approach to manage urban stormwater runoff at the site and landscape scales, substrategy 10.3, Fix problems caused by existing development, and regional priority 10.3-2, Provide infrastructure and incentives to accommodate redevelopment within designated urban centers in urban growth areas. This request relates to the Puget Sound Action Agenda sub-strategy and regional priority by helping local governments clean up contaminated sites, and providing 50 percent match (or more depending on circumstances) of eligible project costs.

What are the specific benefits of this project?

This request contributes to cleanup progress in Washington, and there will be a direct impact on human health and the environment by fully funding these cleanups. The impacts will be largely felt in areas in or immediately adjacent to Puget Sound. There will also be economic redevelopment benefits, because cleanup at a number of these sites is the first step in the redevelopment process.

This is a continuing and well established program to help local governments. Funding this request will allow Ecology to provide continued and enhanced support to local governments for cleaning up toxics in the environment.

Cleaning up contaminated property is usually integrated with economic redevelopment, habitat restoration, and public recreation projects. Most cleanup projects are the first phase of a larger community or economic redevelopment projects where the cleanup site is the focal point of the project.

This project will also provide economic benefits to the state by creating up to 179 jobs during the next two years, based on Office of Financial Management estimates.

How will clients be affected and services change if this project is funded?

This request will continue to provide funding to meet local government RA grant needs. This funding will help local governments clean up contaminated properties to be redeveloped and provide an economic benefit to the community.

Are FTEs required to support this project?

This project requires a total of 2.88 FTEs. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

The RA grant program has two full-time grant administrators managing approximately 80 grants. They are responsible for grant

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

Description

writing, invoice review and approval, and grant status reporting. This core work assures prudent oversight and careful financial management of state funds. The grant administrators also provide technical expertise to program development and policy work and to agency-wide projects. This includes their input and review of policy documents and helping manage Ecology's grant and loan system.

How will the other state programs or units of government be affected if this project is funded?

The costs of remediating hazardous waste sites are often beyond the financial means of local governments and ratepayers. The RA grant program is used to supplement local government funding and funding from other sources to carry out required remedial action. This grant program will continue to benefit local governments statewide if this request is funded.

What is the impact on the state operating budget?

None

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

One of Ecology's three environmental goals is to clean up pollution, and the RA grant program is an integral part of cleaning up the worst contaminated sites to protect and improve the lives of people and the environment. The RA grant program has traditionally received Local Toxics Control Account (LTCA) funding as one of the top priorities under RCW 70.105D.070, and State Building Construction Account (SBCA) bond funding. Revenue projections for LTCA in the 2017-19 Biennium are not enough to support new capital projects, so Ecology is requesting SBCA funding to support this important work in 2017-19. Funding with bonds is the best option because it will continue cleanup investments that protect human health and natural resources, and support economic redevelopment in Washington.

What is the agency's proposed funding strategy for the project?

Traditionally, the RA program has been funded with MTCA funding. The Hazardous Substance Tax (HST) is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10th of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years, and so have HST collections and revenues. The MTCA fund balances cannot support new appropriation requests for the RA grant program. Projected negative balances in the MTCA accounts in the 2017-19 Biennium mean no MTCA funding can be requested for new RA grant projects. Ecology requests funding from the SBCA to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.

- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.

- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

Description

11 agencies today).

- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.

- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.348 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology’s ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the GF-S. There were direct transfers, but the Legislature also preserved investments in cleanup. In the RA grant program, the SBCA was used to backfill MTCA transfers. This provided funding for existing projects and invested in new RA grants during the economic downturn. Now, the economy is in a growth period – the very time when toxic site cleanup is affordable and interest in redevelopment is high. Providing SBCA funding will allow important, ready-to-proceed cleanup projects to move forward.

Ecology requests \$28.6 million from the SBCA in new funding for projects that protect public and environmental health, create jobs, and promote economic development. This will allow important cleanup work to continue in the 2017-19 Biennium.

Note: The total amount being requested in bond funding for 2017-19 Remedial Action Grants is \$52.5 million, which includes this \$28.6 million in new funding to start or continue the next phase of projects; and due to the MTCA revenue shortfall, \$23.8 million for projects that will continue to be delayed in reappropriation 30000458, unless a revenue solution is provided. Traditional new investments in Remedial Action Grants have averaged around \$71 million a biennium over the last five biennia.

Proviso

None

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

Description

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|----------------------------|--------------------|-------------------|-------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 103,643,000 | | | | 28,643,000 |
| 174-1 | Local Toxics Control-State | 225,000,000 | | | | |
| | Total | 328,643,000 | 0 | 0 | 0 | 28,643,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 75,000,000 | | | | |
| 174-1 | Local Toxics Control-State | | 75,000,000 | 75,000,000 | 75,000,000 | |
| | Total | 75,000,000 | 75,000,000 | 75,000,000 | 75,000,000 | |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 3000751

SubProject Title: Grant Management

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000751

SubProject Title: Grant Management

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

Funding for the administration of the remedial action grant program. Administration includes writing all grant agreements; reviewing and approving all invoices related to the more than 70 active grant agreements. 2.9 FTE are needed for grant administration, central budget office capital support and agency administrative overhead.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 600,000 | | | | 600,000 |
| Total | | 600,000 | 0 | 0 | 0 | 600,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000751

SubProject Title: Grant Management

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000752

SubProject Title: Sudbury Road Landfill

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

The Sudbury Road Landfill is located west of the City of Walla Walla. It disposed municipal solid waste in unlined trenches from 1978 to 2006. The groundwater at the site contains tetrachloroethylene and vinyl chloride, a carcinogen, at levels that pose a threat to human health. The City of Walla Walla completed the Remedial Investigation/Feasibility Study under an agreed order with Ecology and is implementing the cleanup action plan under a consent decree. This project provides matching funds for the grant to conduct groundwater monitoring required as part of the cleanup.

Location

City: Walla Walla

County: Walla Walla

Legislative District: 016

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 3000752

SubProject Title: Sudbury Road Landfill

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 57,000 | | | | 57,000 |
| | Total | 57,000 | 0 | 0 | 0 | 57,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 3000753

SubProject Title: Baywood Products

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 3000753

SubProject Title: Baywood Products

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project provides additional matching grant funds for conducting the sediment cleanup for the site. This will be the final action required to complete full cleanup of the Baywood site by addressing dioxin/furans, carcinogenic polycyclic aromatic hydrocarbons (cPAHs) and woodwaste in the marine sediments. This effort will also provide for an enhanced shoreline habitat and public access to the shoreline and intertidal zone.

Location

City: Everett

County: Snohomish

Legislative District: 038

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,550,000 | | | | 1,550,000 |
| | Total | 1,550,000 | 0 | 0 | 0 | 1,550,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000753

SubProject Title: Baywood Products

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000754

SubProject Title: Gold Knob Prospects

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

Saddle Rock is a community landmark that was mined for gold between 1891 and 1989. In June 2013, The City of Wenatchee completed the remedial investigation and the feasibility study for the site. Soils on the site were found to be contaminated with metals. A draft Cleanup Action Plan has been completed and 30% design plans were prepared for the selected remediation alternative. The project is included in the City of Wenatchee's Capital Plan. The area will be used on a year round basis for a variety of outdoor recreation and education purposes ranging from snowshoeing, to walking, running, hiking, and equestrian uses.

Location

City: Wenatchee

County: Chelan

Legislative District: 012

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 3000754

SubProject Title: Gold Knob Prospects

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 900,000 | | | | 900,000 |
| | Total | 900,000 | 0 | 0 | 0 | 900,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 3000755

SubProject Title: Weyerhaeuser Sawmill Aberdeen

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 3000755

SubProject Title: Weyerhaeuser Sawmill Aberdeen

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

Past operations of the Weyerhaeuser Sawmill contaminated this site with dioxins, mercury, petroleum hydrocarbons, and polychlorinated biphenyls. Contamination extends onto state owned aquatic lands. Since the Grays Harbor Historic Seaport Authority (GHSA) purchased the property in 2013, Ecology has worked with them to investigate the contamination at the site and evaluate potential future uses for the property. This project will build on those prior grant investments in the next phase of cleanup. This project would provide funding for engineering and design work and cleanup of the site. Ultimately, the GHSA plans to redevelop the site into a community asset that provides public access to the waterfront.

Location

City: Aberdeen

County: Grays Harbor

Legislative District: 019

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1)Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 2,070,000 | | | | 2,070,000 |
| | Total | 2,070,000 | 0 | 0 | 0 | 2,070,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000755

SubProject Title: Weyerhaeuser Sawmill Aberdeen

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000757

SubProject Title: Yakima City Landfill

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

The closed City of Yakima Landfill is located on the redevelopment site of the closed Boise Cascade Mill Site in Yakima. The City conducted a supplemental remedial investigation in 2014 and 2015 and found evidence of soil and groundwater contamination. Additional Remedial Investigation and Feasibility Study will be used to determine the appropriate clean-up action plan. This is a high profile economic development site with a potential of 4,000 jobs created on this 220 acre redevelopment site.

Location

City: Yakima

County: Yakima

Legislative District: 015

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 3000757

SubProject Title: Yakima City Landfill

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 7,000,000 | | | | 7,000,000 |
| | Total | 7,000,000 | 0 | 0 | 0 | 7,000,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 3000759

SubProject Title: Weyerhaeuser Mill A

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000759

SubProject Title: Weyerhaeuser Mill A

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project provides additional matching grant funds for completing cleanup activities - upland and sediment cleanup. This project addresses Boeing needs for 787 production.

Location

City: Everett

County: Snohomish

Legislative District: 038

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,000,000 | | | | 1,000,000 |
| | Total | 1,000,000 | 0 | 0 | 0 | 1,000,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000759

SubProject Title: Weyerhaeuser Mill A

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000760

SubProject Title: Quiet Cove

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project provides additional matching grant funds for the on-going site investigation and cleanup activities for a site at the Port of Anacortes - Quiet Cove in Fidalgo Bay. This is for upland and possible sediment cleanup.

The site began operating as a bulk fuel terminal and storage facility as early as 1909. The Port of Anacortes (Port) purchased the upland area of the Site in July 2013 and performed an environmental investigation the following year. This investigation found several contaminants exceeding accepted cleanup levels under the Model Toxics Control Act (MTCA). Soil samples showed hydrocarbon and heavy metal contamination. Groundwater samples showed TPHs and arsenic. The current remedial investigation includes the extent of soil and groundwater contamination and will determine if Guemes Channel sediments require cleanup as well.

Location

City: Anacortes

County: Skagit

Legislative District: 040

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 3000760

SubProject Title: Quiet Cove

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 1,000,000 | | | | 1,000,000 |
| | Total | 1,000,000 | 0 | 0 | 0 | 1,000,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|---------------|----------|-------------------------|----------|----------|
| | | 057-1 | State Bldg Constr-State | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 3000761

SubProject Title: I & J Waterway

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000761

SubProject Title: I & J Waterway

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This 3-acre sediment site is located along the shore of Bellingham Bay, immediately north of downtown Bellingham. Historically, upland property adjacent to the site was used for a variety of industrial operations including: a lumber mill, rock-crushing plant, and food processing facilities. As a result of these activities, marine sediment contains levels of contamination that pose a risk to human health and the environment.

The Port of Bellingham and City of Bellingham plan to develop a portion of the site into a public use area in conjunction with cleanup activities. The public use area is part of a large-scale City/Port waterfront redevelopment project.

In addition, the Port of Bellingham plans to replace an aging dock and bulkhead in conjunction with cleanup activities. These infrastructure improvements are necessary to the on-going operations of a seafood processing company.

Funds are needed to prepare final plans and engineering design for cleanup at the site. This work will protect human health and the environment from harm and allow development for public and private use.

Location

City: Bellingham

County: Whatcom

Legislative District: 042

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000761

SubProject Title: I & J Waterway

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 100,000 | | | | 100,000 |
| | Total | 100,000 | 0 | 0 | 0 | 100,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|---------------|----------|-------------------------|----------|----------|
| | | 057-1 | State Bldg Constr-State | 0 | 0 |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000762

SubProject Title: Central Waterfront

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 3000762

SubProject Title: Central Waterfront

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This site is located on the shore of Bellingham Bay in downtown Bellingham. Historically, a municipal landfill, a bulk fuel terminal, a foundry, and a boat maintenance and storage facility operated on the site, resulting in elevated concentrations of contaminants in soil, soil vapor, groundwater and sediment. The concentrations present pose a risk to human health and the environment.

The Port of Bellingham plans to develop the site in conjunction with, or following cleanup activities. The site is within a large City/Port waterfront redevelopment district.

Contaminated sediment from this site was addressed by the cleanup of an adjacent site. Previous interim actions removed or isolated contaminated soil within portions of the site. Additional funds are needed to complete cleanup construction for remaining areas of the site. This work will protect human health and the environment from harm.

Location

City: Bellingham

County: Whatcom

Legislative District: 042

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000762

SubProject Title: Central Waterfront

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|---------------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reappropriations</u> | <u>New Appropriations</u> |
| 057-1 | State Bldg Constr-State | 1,100,000 | | | | 1,100,000 |
| | Total | 1,100,000 | 0 | 0 | 0 | 1,100,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000764

SubProject Title: Eldridge Municipal Landfill

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This site is about 32,000 square feet in Little Squalicum Park in Bellingham and adjacent to Bellingham Technical College campus. Historically, the City of Bellingham used the property as a garbage dump. As a result, soil and groundwater contain levels of contamination that pose a risk to human health and the environment.

A previous interim action removed the majority of the garbage and contaminated soil. Funding is needed to continue to assess post-construction groundwater quality to ensure cleanup measures result in decreasing contaminant levels over time.

Location

City: Bellingham

County: Whatcom

Legislative District: 042

Project Type

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

Project Type

SubProject Number: 30000764

SubProject Title: Eldridge Municipal Landfill Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 11,000 | | | | 11,000 |
| | Total | 11,000 | 0 | 0 | 0 | 11,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000766

SubProject Title: Independent Remedial Action Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000766

SubProject Title: Independent Remedial Action Grants

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

Grant funding to local governments who cleanup contaminated properties through Ecology's Voluntary Cleanup Program.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,500,000 | | | | 1,500,000 |
| | Total | 1,500,000 | 0 | 0 | 0 | 1,500,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000766

SubProject Title: Independent Remedial Action Grants

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000767

SubProject Title: Park Laundry

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

A dry cleaners at the Park Laundry site contaminated the soil and groundwater with the dry cleaning solvents, tetrachloroethylene (PCE) and trichloroethylene (TCE). This Site is adjacent to city owned property. The city has expressed interest in purchasing and cleaning up the property after participating in an integrated planning grant (IPG). The IPG examined potential future uses for the site. This project would provide funding for developing a clean up action plan. This step is needed to reach desired outcome of returning this site to productive use. Ultimately the city plans to redevelop the site into a community asset that provides public access to the waterfront.

Location

City: Ridgefield

County: Clark

Legislative District: 018

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000767

SubProject Title: Park Laundry

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 915,000 | | | | 915,000 |
| | Total | 915,000 | 0 | 0 | 0 | 915,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|---------------|----------|-------------------------|----------|----------|
| | | 057-1 | State Bldg Constr-State | 0 | 0 |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000769

SubProject Title: Shelton C Street Landfill

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000769

SubProject Title: Shelton C Street Landfill

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

The City of Shelton used this site as a landfill. Waste dumped at the site included road sweepings, pruning debris, sludge from the wastewater treatment plant, and ash from the Simpson Shelton mill. Potential contaminants at the site include metals and dioxins. This project will fund the remedial investigation and feasibility study for the site. Work will include sampling to determine which contaminants affect the site at levels that pose a threat to human health and the environment and the evaluation of potential cleanup alternatives.

Location

City: Shelton

County: Mason

Legislative District: 035

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 315,000 | | | | 315,000 |
| | Total | 315,000 | 0 | 0 | 0 | 315,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000769

SubProject Title: Shelton C Street Landfill

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000770

SubProject Title: East Waterway

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

This project provides additional matching grant funds remedial investigation activities - sediment cleanup.

Location

City: Everett

County: Snohomish

Legislative District: 038

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 3000770

SubProject Title: East Waterway

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 1,000,000 | | | | 1,000,000 |
| | Total | 1,000,000 | 0 | 0 | 0 | 1,000,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|---------------|----------|-------------------------|----------|----------|
| | | 057-1 | State Bldg Constr-State | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 3000771

SubProject Title: Marine Terminal Complex (TPH) Site

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000771

SubProject Title: Marine Terminal Complex (TPH) Site

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

Industrial activities at this site have resulted in suspected petroleum contamination including total Petroleum Hydrocarbons (TPH) from leaking underground storage tanks and other petroleum storage and conveyance activities. This project provides funding for site investigation work to confirm the suspected contamination and do further investigation of other potential sources of contamination. It also would provide funding to develop an interim action to deal with abandoned pipeline under the shipping berths that still contains petroleum product.

Location

City: Longview

County: Cowlitz

Legislative District: 019

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|---------------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reappropriations</u> | <u>New Appropriations</u> |
| 057-1 | State Bldg Constr-State | 375,000 | | | | 375,000 |
| Total | | 375,000 | 0 | 0 | 0 | 375,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 30000771

SubProject Title: Marine Terminal Complex (TPH) Site

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000772

SubProject Title: Areawide Groundwater

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

Grant funding to local governments that investigate groundwater contaminated by hazardous substances from multiple sources. The purpose of these investigations is to identify the sources and facilitate the cleanup of the area-wide contamination.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 3000772

SubProject Title: Areawide Groundwater

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|--------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reapprops</u> | <u>New Approps</u> |
| 057-1 | State Bldg Constr-State | 1,500,000 | | | | 1,500,000 |
| | Total | 1,500,000 | 0 | 0 | 0 | 1,500,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 4000092

SubProject Title: Cornwall Avenue/ R.G. Haley

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 40000092

SubProject Title: Cornwall Avenue/ R.G. Haley

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

The Port and City of Bellingham have been working with Ecology under existing Remedial Action Grants to understand the extent, nature and ultimate cleanup plans for two adjacent properties, the Cornwall Avenue Landfill and R.G. Haley Wood Treating. These are commonly referred to as Cornwall Avenue and R.G. Haley sites. Additional state funding for these sites has been significantly delayed – both by projects “Delayed” from the 2015-17 biennium (R.G. Haley) and now by the “New” project funding in the 2017-19 biennium not being appropriated by the Legislature (to both sites) through a new Capital Budget.

The Cornwall Avenue and R.G. Haley cleanup sites are adjacent, their contaminants overlap and Ecology is working with two different potentially liable parties to complete cleanup. At Cornwall Avenue, garbage and wood waste were dumped into Bellingham Bay creating the 12 acre site. The R.G. Haley site held a wood treating facility. Its operation resulted in elevated concentrations of highly toxic wood treatment chemicals. At both sites, contamination in the soil, soil vapor, groundwater and sediment pose a risk to human health and the environment. Cleanup of both sites must occur at the same time to most efficiently and cost effectively proceed with cleanup. So, Ecology is now combining the budget request for the two areas so the funding for this work does not become “de-linked” through the state budgeting process. Funds are needed from both the “Delayed” and “New” funding lists.

As a result of time passing, Ecology and the potentially liable parties have learned more about these sites and what is required to clean them up. The Port and City of Bellingham and Ecology have prioritized and now better understand the funding required to prepare the final plans and engineering design of the Cornwall Avenue/R.G. Haley sites for construction at the beginning of the 2019-21 Biennium.

Ecology is requesting that the \$3.0 million formerly slated for the G.P. West site be substituted for Cornwall Avenue on this “Delayed” funding list. Additionally, the “New” funding included in the 2017-19 biennial Capital Budget request for Cornwall Avenue is still needed. The \$3.0 million on the “Delayed” list for R.G. Haley is still needed as well as a lower, \$3.75 million on the “New” list.

Regarding site rank, work in Bellingham Bay was the top priority on the “Delayed” list. Ecology is now substituting the combined Cornwall Avenue/R.G. Haley funding request for the G.P. West site that was formerly ranked first for “Delayed” funding.

The sites are currently unusable. The Port of Bellingham and City of Bellingham plan to develop Cornwall Avenue/R.G. Haley into a public use area in conjunction with cleanup activities. The public use area, a high priority in Bellingham, is part of a large-scale City/Port waterfront redevelopment project.

Location

City: Bellingham

County: Whatcom

Legislative District: 040

Project Type

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

Project Type

SubProject Number: 40000092

SubProject Title: Cornwall Avenue/ R.G. Haley Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 5,950,000 | | | | 5,950,000 |
| | Total | 5,950,000 | 0 | 0 | 0 | 5,950,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000093

SubProject Title: Port Townsend Boat Haven Integrated Planning Grant

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 40000093

SubProject Title: Port Townsend Boat Haven Integrated Planning Grant

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

Grant funding to develop plans to redevelop the contaminated Boat Haven shipyard property. This project was included in the House and Senate budget proposals at the end of the 2017 3rd Special Session of the Legislature. This has been added by Ecology to recognize the priorities of the Legislature.

Location

City: Port Townsend

County: Jefferson

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 200,000 | | | | 200,000 |
| | Total | 200,000 | 0 | 0 | 0 | 200,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 40000093

SubProject Title: Port Townsend Boat Haven Integrated Planning Grant

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000094

SubProject Title: Integrated Planning Grants: Targeted Housing Assessment

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington State. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

Funding for integrated planning grants or areawide grants that provides targeted funding for assessment of contaminated lands that have a potential future land use as housing. Washington state has identified low income and affordable housing as a critical need. This funding would allow assessment of contamination that could galvanize subsequent investment in housing projects and leverage other public and private funding sources including Department of Commerce's fund targeted for housing project.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 3000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 4000094

SubProject Title: Integrated Planning Grants: Targeted Housing Assessment

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 1,500,000 | | | | 1,500,000 |
| | Total | 1,500,000 | 0 | 0 | 0 | 1,500,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|---------------|----------|-------------------------|----------|----------|
| | | 057-1 | State Bldg Constr-State | 0 | 0 |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 4000100

SubProject Title: 2017-19 Remedial Action Grants Ten Year Financing Plan

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 40000100

SubProject Title: 2017-19 Remedial Action Grants Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 14

Project Summary

Ecology manages the Remedial Action (RA) grant program to help local governments clean up contaminated sites in Washington. This request for \$28.6 million will fund pass-through grants for ready-to-proceed projects and actual spending requirements for the 2017-19 Biennium. RA grants support cleanup at contaminated industrial sites that impact the air, land, and water resources of the state, and continued cleanup of Puget Sound. This grant funding will protect public and environmental health, create jobs, promote economic redevelopment by allowing contaminated properties to be redeveloped, and leverage local match funding for this work. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description

Ten year financing plan.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local Government

RCW that establishes grant: Chapter 70.105D RCW

Application process used

(1) Project solicitation. Biennially, Ecology will solicit project proposals from local governments to develop its budget and update the MTCA Ten-Year Financing Plan for RA grants. (2) Legislative Action. Projects are ranked and included in Ecology's budget for legislative action. (3) Application submittal. Once the budget is passed by the Legislature, applicants are notified and required to complete a detailed application. Applications must be submitted on electronic forms provided by Ecology. For multi-biennial oversight RA grant projects, an application must be submitted before each biennium for which additional funds are requested. (4) Agreement development. Ecology uses the information in the application to negotiate with the applicant the final scope of work and budget for the grant and develop the agreement.

Growth Management impacts

Supports redevelopment of brownfield properties in urban areas

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 75,000,000 | | | | |
| | Total | 75,000,000 | 0 | 0 | 0 | 0 |

461 - Department of Ecology
 Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:24PM

Project Number: 30000707

Project Title: 2017-19 Remedial Action Grants

SubProjects

SubProject Number: 40000100

SubProject Title: 2017-19 Remedial Action Grants Ten Year Financing Plan

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|----------------------------|--------------------|----------------|------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 174-1 | Local Toxics Control-State | 225,000,000 | | | | |
| | Total | 225,000,000 | 0 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|-------------------|----------|----------|----------|
| 057-1 State Bldg Constr-State | 75,000,000 | | | |
| Total | 75,000,000 | 0 | 0 | 0 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|----------|-------------------|-------------------|-------------------|
| 174-1 Local Toxics Control-State | | 75,000,000 | 75,000,000 | 75,000,000 |
| Total | 0 | 75,000,000 | 75,000,000 | 75,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Remedial Action Grants</u> |
| Project Number: | <u>30000707</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Project List
Toxics Cleanup Program
Remedial Action Grants - New (30000707)
August 15, 2017

Purpose: This project list represents the new Remedial Action Grant projects requested for funding in the 2018 Supplemental Capital Budget proposal. This list represents additional cleanup projects that are underway and need additional funding to continue the cleanup for ready to proceed projects. This list is a plan based on the best information available to Ecology. The plan may change as more information becomes available.

| Rank | Recip. | Project | Description | Phase of Cleanup | Section 7038 Criteria | | | County | State Share | Site Address | City | Leg. District | Lat. | Long. |
|------|---|-------------------------------|--|-----------------------------------|-----------------------|----------------|-------------|--------------|-------------|--------------------------------|-------------|---------------|-----------|-----------|
| | | | | | Acu. of Need | Read. to Proc. | Cost Effic. | | | | | | | |
| 1 | Statewide | Grant Management | Funding for the administration of the remedial action grant program. Administration includes writing all grant agreements, reviewing and approving all invoices related to the more than 70 active grant agreements. 2.9 FTE are needed for grant administration, central budget office capital support and agency administrative overhead. | All | 1 | 1 | 1 | Statewide | 600,000 | Statewide | Statewide | Statewide | Statewide | Statewide |
| 2 | Walla Walla, City of | Sudbury Road Landfill | The Sudbury Road Landfill is located west of the City of Walla Walla. It disposed municipal solid waste in unlined trenches from 1978 to 2006. The groundwater at the site contains tetrachloroethylene and vinyl chloride, a carcinogen, at levels that pose a threat to human health. The City of Walla Walla completed the Remedial Investigation/Feasibility Study under an agreed order with Ecology and is implementing the cleanup action plan under a consent decree. This project provides matching funds for the grant to conduct groundwater monitoring required as part of the cleanup. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Walla Walla | 57,000 | 414 Sudbury Road | Walla Walla | 16 | 46.1 | -118.4 |
| 3 | Everett, Port of | Baywood Products | This project provides additional matching grant funds for conducting the sediment cleanup for the site. This will be the final action required to complete full cleanup of the Baywood site by addressing dioxin/furans, carcinogenic polycyclic aromatic hydrocarbons (cPAHs) and woodwaste in the marine sediments. This effort will also provide for an enhanced shoreline habitat and public access to the shoreline and intertidal zone. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Snohomish | 1,550,000 | 200 W Marine View Drive | Everett | 38 | 48.0 | -122.2 |
| 4 | Wenatchee, City of | Gold Knob Prospects | Saddle Rock is a community landmark that was mined for gold between 1891 and 1989. In June 2013, The City of Wenatchee completed the remedial investigation and the feasibility study for the site. Soils on the site were found to be contaminated with metals. A draft Cleanup Action Plan has been completed and 30% design plans were prepared for the selected remediation alternative. The project is included in the City of Wenatchee's Capital Plan. The area will be used on a year round basis for a variety of outdoor recreation and education purposes ranging from snowshoeing, to walking, running, hiking, and equestrian uses. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Chelan | 900,000 | Circle Street & Dry Gulch Road | Wenatchee | 12 | 47.4 | -120.3 |
| 5 | Grays Harbor Historic Seaport Authority | Weyerhaeuser Sawmill Aberdeen | Past operations of the Weyerhaeuser Sawmill contaminated this site with dioxins, mercury, petroleum hydrocarbons, and polychlorinated biphenyls. Contamination extends onto state owned aquatic lands. Since the Grays Harbor Historic Seaport Authority (GHHSA) purchased the property in 2013, Ecology has worked with them to investigate the contamination at the site and evaluate potential future uses for the property. This project will build on those prior grant investments in the next phase of cleanup. This project would provide funding for engineering and design work and cleanup of the site. Ultimately, the GHHSA plans to redevelop the site into a community asset that provides public access to the waterfront. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Grays Harbor | 2,070,000 | 500 N Custer Street | Aberdeen | 19 | 47.0 | -123.8 |

| Rank | Recip. | Project | Description | Phase of Cleanup | Section 7038 Criteria | | | City | Leg. District | Lat. | Long. |
|------|----------------------------|-----------------------------|---|-----------------------------------|-----------------------|----------------|-------------|------------|---------------|------|--------|
| | | | | | Act. of Need | Read. to Proc. | Cost Effic. | | | | |
| 6 | Bellingham, Port & City of | Cornwall Avenue/ R.G. Haley | The Port and City of Bellingham have been working with Ecology under existing Remedial Action Grants to understand the extent, nature and ultimate cleanup plans for two adjacent properties, the Cornwall Avenue Landfill and R.G. Haley Wood Treating. These are commonly referred to as Cornwall Avenue and R.G. Haley sites. Additional state funding for these sites has been significantly delayed – both by projects "Delayed" from the 2015-17 biennium (R.G. Haley) and now by the "New" project funding in the 2017-19 biennium not being appropriated by the Legislature (to both sites) through a new Capital Budget. The Cornwall Avenue and R.G. Haley cleanup sites are adjacent, their contaminants overlap and Ecology is working with two different potentially liable parties to complete cleanup. At Cornwall Avenue, garbage and wood waste were dumped into Bellingham Bay creating the 12 acre site. The R.G. Haley site held a wood treating facility. Its operation resulted in elevated concentrations of highly toxic wood treatment chemicals. At both sites, contamination in the soil, soil vapor, groundwater and sediment pose a risk to human health and the environment. Cleanup of both sites must occur at the same time to most efficiently and cost effectively proceed with cleanup. So, Ecology is now combining the budget request for the two areas so the funding for this work does not become "de-linked" through the state budgeting process. Funds are needed from both the "Delayed" and "New" funding lists. As a result of time passing, Ecology and the potentially liable parties have learned more about these sites and what is required to clean them up. The Port and City of Bellingham and Ecology have prioritized and now better understand the funding required to prepare the final plans and engineering design of the Cornwall Avenue/R.G. Haley sites for construction at the beginning of the 2019-21 Biennium. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Bellingham | 40 | 48.7 | -122.5 |
| 7 | Yakima, City of | Yakima City Landfill | Ecology is requesting that the \$3.0 million formerly slated for the G.P. West site be substituted for Cornwall Avenue on this "Delayed" funding list. Additionally, the "New" funding included in the 2017-19 biennial Capital Budget request for Cornwall Avenue is still needed. The \$3.0 million on the "Delayed" list for R.G. Haley is still needed as well as a lower, \$3.75 million on the "New" list. Regarding site rank, work in Bellingham Bay was the top priority on the "Delayed" list. Ecology is now substituting the combined Cornwall Avenue/R.G. Haley funding request for the G.P. West site that was formerly ranked first for "Delayed" funding. The sites are currently unusable. The Port of Bellingham and City of Bellingham plan to develop Cornwall Avenue/R.G. Haley into a public use area in conjunction with cleanup activities. The public use area, a high priority in Bellingham, is part of a large-scale City/Port waterfront redevelopment project. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Yakima | 15 | 46.6 | -120.5 |
| 8 | Everett, Port of | Weyerhaeuser Mill A | The closed City of Yakima Landfill is located on the redevelopment site of the closed Boise Cascade Mill Site in Yakima. The City conducted a supplemental remedial investigation in 2014 and 2015 and found evidence of soil and groundwater contamination. Additional Remedial Investigation and Feasibility Study will be used to determine the appropriate clean-up action plan. This is a high profile economic development site with a potential of 4,000 jobs created on this 220 acre redevelopment site. This project provides additional matching grant funds for completing cleanup activities - upland and sediment cleanup. This project addresses Boeing needs for 787 production. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Everett | 38 | 48.0 | -122.2 |
| 9 | Anacortes, Port of | Quiet Cove | This project provides additional matching grant funds for the on-going site investigation and cleanup activities for a site at the Port of Anacortes - Quiet Cove in Fidalgo Bay. This is for upland and possible sediment cleanup. The site began operating as a bulk fuel terminal and storage facility as early as 1909. The Port of Anacortes (Port) purchased the upland area of the Site in July 2013 and performed an environmental investigation the following year. This investigation found several contaminants exceeding accepted cleanup levels under the Model Toxics Control Act (MTCOA). Soil samples showed hydrocarbon and heavy metal contamination. Groundwater samples showed TPHs and arsenic. The current remedial investigation includes the extent of soil and groundwater contamination and will determine if Guemes Channel sediments require cleanup as well. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Anacortes | 40 | 48.5 | -122.6 |

| Rank | Recip. | Project | Description | Phase of Cleanup | Section 7038 Criteria | | | County | State Share | Site Address | City | Leg. District | Lat. | Long. |
|------|---------------------|------------------------------------|--|-----------------------------------|-----------------------|----------------|-------------|-----------|-------------|-----------------------|------------|---------------|-----------|-----------|
| | | | | | Act. of Need | Read. to Proc. | Cost Effic. | | | | | | | |
| 10 | Bellingham, Port of | 1 & J Waterway | This 3-acre sediment site is located along the shore of Bellingham Bay, immediately north of downtown Bellingham. Historically, upland property adjacent to the site was used for a variety of industrial operations including: a lumber mill, rock-crushing plant, and food processing facilities. As a result of these activities, marine sediment contains levels of contamination that pose a risk to human health and the environment. The Port of Bellingham and City of Bellingham plan to develop a portion of the site into a public use area in conjunction with cleanup activities. The public use area is part of a large-scale City/Port waterfront redevelopment project. In addition, the Port of Bellingham plans to replace an aging dock and bulkhead in conjunction with cleanup activities. These infrastructure improvements are necessary to the on-going operations of a seafood processing company. Funds are needed to prepare final plans and engineering design for cleanup at the site. This work will protect human health and the environment from harm and allow development for public and private use. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Whatcom | 100,000 | Bellweather Way | Bellingham | 42 | 48.8 | -122.5 |
| 11 | Bellingham, Port of | Central Waterfront | This site is located on the shore of Bellingham Bay in downtown Bellingham. Historically, a municipal landfill, a bulk fuel terminal, a foundry, and a boat maintenance and storage facility operated on the site, resulting in elevated concentrations of contaminants in soil, soil vapor, groundwater, and sediment. The concentrations present pose a risk to human health and the environment. The Port of Bellingham plans to develop the site in conjunction with, or following cleanup activities. The site is within a large City/Port waterfront redevelopment district. Contaminated sediment from this site was addressed by the cleanup of an adjacent site. Previous interim actions removed or isolated contaminated soil within portions of the site. Additional funds are needed to complete cleanup construction for remaining areas of the site. This work will protect human health and the environment from harm. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Whatcom | 1,100,000 | F Street | Bellingham | 42 | 48.8 | -122.5 |
| 12 | Bellingham, City of | Eldridge Municipal Landfill | This site is about 32,000 square feet in Little Squalicum Park in Bellingham and adjacent to Bellingham Technical College campus. Historically, the City of Bellingham used the property as a garbage dump. As a result, soil and groundwater contain levels of contamination that pose a risk to human health and the environment. A previous interim action removed the majority of the garbage and contaminated soil. Funding is needed to continue to assess post-construction groundwater quality to ensure cleanup measures result in decreasing contaminant levels over time. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Whatcom | 11,000 | 3100 Block W Illinois | Bellingham | 42 | 48.8 | -122.5 |
| 13 | Statewide | Independent Remedial Action Grants | Grant funding to local governments who cleanup contaminated properties through Ecology's Voluntary Cleanup Program. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Statewide | 1,500,000 | Statewide | Statewide | Statewide | Statewide | Statewide |
| 14 | Ridgfield, City of | Park Laundry | A dry cleaners at the Park Laundry site contaminated the soil and groundwater with the dry cleaning solvents, tetrachloroethylene (PCE) and trichloroethylene (TCE). This site is adjacent to city owned property. The city has expressed interest in purchasing and cleaning up the property after participating in an integrated planning grant (IPG). The IPG examined potential future uses for the site. This project would provide funding for developing a clean up action plan. This step is needed to reach desired outcome of returning this site to productive use. Ultimately the city plans to redevelop the site into a community asset that provides public access to the waterfront. | Plan | 1 | 1 | 1 | Clark | 915,000 | 122 N Main Avenue | Ridgfield | 18 | 45.8 | -122.7 |
| 15 | Shelton, City of | Shelton C Street Landfill | The City of Shelton used this site as a landfill. Waste dumped at the site included road sweepings, pruning debris, sludge from the wastewater treatment plant, and ash from the Simpson Shelton mill. Potential contaminants at the site include metals and dioxins. This project will fund the remedial investigation and feasibility study for the site. Work will include sampling to determine which contaminants affect the site at levels that pose a threat to human health and the environment and the evaluation of potential cleanup alternatives | Feasibility Study | 1 | 1 | 1 | Mason | 315,000 | C Street | Shelton | 35 | 47.2 | -123.1 |
| 16 | Everett, Port of | East Waterway | This project provides additional matching grant funds remedial investigation activities - sediment cleanup. | Remedial Investigation | 1 | 1 | 1 | Snohomish | 1,000,000 | Hewitt Avenue | Everett | 38 | 48.0 | -122.2 |

| Rank | Recip. | Project | Description | Phase of Cleanup | Section 7038 Criteria | | | City | Leg. District | Lat. | Long. | |
|------|------------------------|---|---|------------------------|-----------------------|----------------|-------------|--|---------------|-----------|-----------|-------------------|
| | | | | | Actu. of Need | Read. to Proc. | Cost Effic. | | | | | |
| 17 | Longview, Port of | Marine Terminal Complex (TPH) Site | Industrial activities at this site have resulted in suspected petroleum contamination including total Petroleum Hydrocarbons (TPH) from leaking underground storage tanks and other petroleum storage and conveyance activities. This project provides funding for site investigation work to confirm the suspected contamination and do further investigation of other potential sources of contamination. It also would provide funding to develop an interim action to deal with abandoned pipeline under the shipping berths that still contains petroleum product. | Remedial Investigation | 1 | 1 | 1 | Longview | 19 | 46.1 | -123.0 | |
| 18 | Statewide | Areawide Groundwater | Grant funding to local governments that investigate groundwater contaminated by hazardous substances from multiple sources. The purpose of these investigations is to identify the sources and facilitate the cleanup of the area-wide contamination. | Remedial Investigation | 1 | | | Statewide | Statewide | Statewide | Statewide | |
| 19 | Port Townsend, Port of | NEW Port Townsend Boat Haven Integrated Planning Grant | Grant funding to develop plans to redevelop the contaminated Boat Haven shipyard property. This project was included in the House and Senate budget proposals at the end of the 2017 3rd Special Session of the Legislature. This has been added by Ecology to recognize the priorities of the Legislature. | Plan | | 1 | 1 | Port Townsend | 24 | 48.6 | -122.5 | |
| 20 | Statewide | NEW Integrated Planning Grants: Targeted Housing Assessment | Funding for integrated planning grants or areawide grants that provides targeted funding for assessment of contaminated lands that have a potential future land use as housing. Washington state has identified low income and affordable housing as a critical need. This funding would allow assessment of contamination that could galvanize subsequent investment in housing projects and leverage other public and private funding sources including Department of Commerce's fund targeted for housing project. | Plan | | 1 | 1 | Statewide | Statewide | Statewide | Statewide | |
| | | | | | | | | Total 2018 Supplemental Budget Request for New Projects | | | | 28,643,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:09PM

Project Number: 30000670

Project Title: ASARCO Cleanup

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 19

Project Summary

This request continues cleanup work related to ASARCO smelter sites in Everett and Tacoma. ASARCO operated smelters in Everett and Tacoma that released arsenic, lead, and other contamination into the air. The pollution settled down to earth in Everett and in the Tacoma Smelter Plume. In Tacoma, the smelter operated from 1890 to 1986 and contaminated over 1,000 square miles in the lower Puget Sound. The Everett site operated from 1894 to 1912, and caused smaller scale contamination. This request will protect public and environmental health, create jobs, and promote economic development by allowing contaminated properties to be redeveloped. Related to Puget Sound Action Agenda Implementation. (Cleanup Settlement Account)

Project Description**What is the proposed project?**

The Cleanup Settlement Account (CSA) was created by the Legislature in 2008 as an interest-bearing account in the state treasury to manage money from settlements or court orders in cases of bankruptcy, limited ability to pay, or natural resource damages. The account ensures settlement funds are linked to specific site cleanup activities or to address injuries to natural resources.

Ecology needed this new account because it anticipated several large settlements – one of them being the ASARCO settlement. In November 2009, ASARCO emerged from bankruptcy, having paid out a \$1.79 billion settlement. Washington's share was deposited in the CSA in December 2009.

Beginning in the 2010 Supplemental Budget, Ecology received its initial funding from the Legislature to implement its 10-year cleanup plans for the Tacoma Smelter Plume and Everett Smelter site. The Legislature funded years one through seven of these plans; this request will fund years eight and nine.

Tacoma Smelter Plume - \$24.0 million and 10.4 project FTEs (FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.)

Approximately two-thirds of this 2018 Supplemental budget request will support a program to remove contaminated soils from residential yards. The Soil Safety Program will continue cleaning up contaminated park play areas and soil sampling for new licensed childcares. The free technical assistance program will promote soil cleanup during development projects and will help other agencies and local governments institutionalize soil sampling and cleanup requirements. Funds will also support Dirt Alert outreach programs to raise awareness and promote behaviors that reduce soil contact, especially for families with children. Specific activities include:

- Clean up more than 200 residential yards in north Tacoma and on southern Vashon-Maury Island.
- Sample 100 residential yards in north Tacoma and on southern Vashon-Maury Island.
- Sample approximately 40 new licensed childcares, and clean up two to three parks and any contaminated childcare play areas.
- Provide around 15-20 development projects with free technical assistance and cleanup approval for addressing plume contamination.
- Help the City of Ruston remove and dispose of contaminated soil as they move forward with public works projects in the city. They are planning road work where contamination is in the rights-of-way and parks projects impacting public recreation areas.
- Teach 100,000 people about reducing soil contact through home visits, events, mailers, and interactive media.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:09PM

Project Number: 30000670

Project Title: ASARCO Cleanup

Description

Everett Smelter Site - \$4.7 million and 4.0 project FTEs (FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.)

In Everett, new appropriations will be dedicated to sampling and cleanup work in the Uplands (residential area along East Marine View Drive), starting cleanup in the Lowlands (industrial area on the east side of the site) and community outreach and education.

In the Upland area, new funds will support continued:

- Removal of contamination from residential properties, which will reduce residents' risk of potential exposure. 10-15 properties will be cleaned up.
- Soil sampling in the cleanup area. Approximately 50 acres (about 300 properties) will be sampled. Results will help determine where future cleanup is needed.

In the Lowland area, funds will start cleanup. So far, work has verified there is a deep groundwater plume that extends east toward the Snohomish River. New funds will support:

- Removal of groundwater plume source material in an area near the original smelter located at the intersection of Highway 529 and East Marine View Drive.
- Cleanup of the shallow groundwater entering the Snohomish River south of the SR 529 Bridge.

What opportunity or problem is driving this request?**The reason for the project:**

In late 2009, Washington State received settlement funds from ASARCO to pay for cleanup costs at its former smelter operations in Tacoma and Everett and its mining operations located in Northwest and Eastern Washington. The proceeds from this settlement were deposited into the CSA and can only be used to pay for cleanup costs associated with these former ASARCO sites. Ecology developed 10-year cleanup plans to address the cleanup work needed at these sites. In the 2010 Supplemental Budget, the Legislature appropriated spending authority from the CSA to begin implementing the plans. This request will provide the needed spending authority to continue the ASARCO cleanups in the 2017-19 Biennium.

The effects of non-funding:

The settlement funds received and deposited in the CSA would not be available for cleanup activities if this new appropriation is not approved. Without a new appropriation, cleanup at the former ASARCO smelter sites would stop once all reappropriated funds are spent, leaving cleanups incomplete. Stopping and restarting these projects would delay cleanup and likely increase total costs.

Also, over the last few biennia the Legislature has authorized settlement funds for loans and direct appropriations. There is sufficient fund balance in the account to support this 2018 Supplemental request. However, any additional loans or direct appropriations could jeopardize Ecology's 10-year plan for the work intended to be funded by the Cleanup Settlement Account.

How does the project support the agency and statewide results?

This request supports Ecology's strategic priority to Prevent and Reduce Toxic Threats by cleaning up contaminated sites to protect human health and the environment. It contributes resources to continue activity A005, "Clean the Worst Contaminated Sites First."

This request is essential to support the Governor's budget and economic development priorities by investing funds to protect public health and natural resources. This request also supports the Governor's Results Washington Goal 3: Sustainable Energy

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:09PM

Project Number: 30000670

Project Title: ASARCO Cleanup

Description

and a Clean Environment, Goal Topic: Clean and Restored Environment and Sub-Topic: Healthy Lands, by cleaning up and managing contaminated upland sites and contaminated sediments in the aquatic environment, so we can:

- Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020. (Outcome measure 3.1)
- Increase the number of contaminated brownfield sites returned to economically productive use from 476 to 641 by 2016. (Leading indicator 3.1a)

This request supports Puget Sound Action Agenda implementation through strategy 21 "Address and clean up cumulative water pollution impacts in Puget Sound," substrategy 21.2 "Clean up contaminated sites within and near Puget Sound". This request relates to the Puget Sound Action Agenda strategy and substrategy by reducing and controlling the sources of pollution. Cleaning up the former ASARCO smelter sites in Tacoma and Everett that are contaminated with arsenic, lead and other contamination supports the Action Agenda by returning a polluted or degraded environment, as much as possible, to a healthy, self-sustaining ecosystem.

What are the specific benefits of this project?

Funding this request will continue cleanup activities at the Everett and Tacoma Smelter Plume sites. Soil sampling and remediation planning work will continue as outlined in the 10-year cleanup plans. After cleanup work is completed over the next several years, public health and the environment will be better protected from these toxic chemicals.

This project will also provide economic benefits to the state by creating up to 165 jobs during the next two years, based on estimates from the Office of Financial Management.

How will clients be affected and services change if this project is funded?

Local governments and homeowners in the contaminated areas will receive guidance and technical support regarding sampling for contaminants and guidance on how to implement remediation activities on their properties.

Are FTEs required to support this project?

This project requires a total of 14.38 FTEs to continue to support the ASARCO remediation activities as part of the 10-year cleanup plan and maintain existing staff levels. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

How will the other state programs or units of government be affected if this project is funded?

Local government, including schools, will benefit from investing cleanup settlement dollars into implementing the 10-year cleanup plans because Ecology will direct funding to the best approaches to address risks from contaminated soils at schools, parks, childcare facilities, and camps. Also, local government planning offices will receive guidance on how to incorporate sampling and remediation when permitting new developments or redevelopment in the contaminated zones.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

There is no other mechanism to access the funds in the CSA.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:09PM

Project Number: 30000670

Project Title: ASARCO Cleanup

Description

What is the agency's proposed funding strategy for the project?

Settlement funds from this bankruptcy deposited into the CSA are to be used exclusively for cleaning up ASARCO contaminated sites.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Department of Ecology

RCW that establishes grant: Chapter 70.105D RCW

Application process used

This is a capital project directly operated and controlled by Ecology.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|------------------------|-------------------|------------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 15H-1 | Cleanup Set Acct-State | 51,359,000 | | | | 28,760,000 |
| | Total | 51,359,000 | 0 | 0 | 0 | 28,760,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 15H-1 | Cleanup Set Acct-State | 18,191,000 | 4,408,000 | | | |
| | Total | 18,191,000 | 4,408,000 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000675

SubProject Title: Tacoma Smelter Plume

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:09PM

Project Number: 30000670

Project Title: ASARCO Cleanup

SubProjects

SubProject Number: 30000675

SubProject Title: Tacoma Smelter Plume

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 19

Project Summary

This request continues cleanup work related to ASARCO smelter sites in Everett and Tacoma. ASARCO operated smelters in Everett and Tacoma that released arsenic, lead, and other contamination into the air. The pollution settled down to earth in Everett and in the Tacoma Smelter Plume. In Tacoma, the smelter operated from 1890 to 1986 and contaminated over 1,000 square miles in the lower Puget Sound. The Everett site operated from 1894 to 1912, and caused smaller scale contamination. This request will protect public and environmental health, create jobs, and promote economic development by allowing contaminated properties to be redeveloped. Related to Puget Sound Action Agenda Implementation. (Cleanup Settlement Account)

Project Description

Approximately two-thirds of the 2018 Budget request will support a program to remove contaminated soils from residential yards. The Soil Safety Program will continue cleaning up contaminated park play areas and soil sampling for new licensed childcares. The free technical assistance program will promote soil cleanup during development projects and will help other agencies and local governments institutionalize soil sampling and cleanup requirements. Funds will also support Dirt Alert outreach programs to raise awareness and promote behaviors that reduce soil contact, especially for families with children. The funding also will assist the City of Ruston remove and dispose of contaminated soil as they move forward with public works projects in the city. They are planning road work where contamination is in the rights-of-way and parks projects impacting public recreation areas.

Location

City: Tacoma

County: Pierce

Legislative District: 027

Project Type

Grants

Grant Recipient Organization: Department of Ecology

RCW that establishes grant: Chapter 70.105D RCW

Application process used

This is a capital project directly operated and controlled by Ecology.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|------------------------|-------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 15H-1 | Cleanup Set Acct-State | 24,023,000 | | | | 24,023,000 |
| Total | | 24,023,000 | 0 | 0 | 0 | 24,023,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:09PM

Project Number: 30000670

Project Title: ASARCO Cleanup

SubProjects

SubProject Number: 30000675

SubProject Title: Tacoma Smelter Plume

| | Future Fiscal Periods | | | |
|------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 15H-1 Cleanup Set Acct-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000676

SubProject Title: Everett Smelter Plume

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 19

Project Summary

This request continues cleanup work related to ASARCO smelter sites in Everett and Tacoma. ASARCO operated smelters in Everett and Tacoma that released arsenic, lead, and other contamination into the air. The pollution settled down to earth in Everett and in the Tacoma Smelter Plume. In Tacoma, the smelter operated from 1890 to 1986 and contaminated over 1,000 square miles in the lower Puget Sound. The Everett site operated from 1894 to 1912, and caused smaller scale contamination. This request will protect public and environmental health, create jobs, and promote economic development by allowing contaminated properties to be redeveloped. Related to Puget Sound Action Agenda Implementation. (Cleanup Settlement Account)

Project Description

This project will: 1) support cleanup and soil sampling in the cleanup area for the Upland (a residential area on the west side of the site); 2) fund more investigation to determine the full extent of contamination and examine possible cleanup alternatives in the Lowland (industrial area on the east side of the site); and 3) community outreach and education.

Location

City: Everett

County: Snohomish

Legislative District: 038

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:09PM

Project Number: 30000670

Project Title: ASARCO Cleanup

SubProjects

SubProject Number: 30000676

SubProject Title: Everett Smelter Plume

Grant Recipient Organization: Department of Ecology

RCW that establishes grant: Chapter 70.105D RCW

Application process used

This is a capital project directly operated and controlled by Ecology.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 15H-1 | Cleanup Set Acct-State | 4,737,000 | | | | 4,737,000 |
| | Total | 4,737,000 | 0 | 0 | 0 | 4,737,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 15H-1 | Cleanup Set Acct-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000910

SubProject Title: ASARCO Cleanup Ten Year Financing Plan

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:09PM

Project Number: 30000670

Project Title: ASARCO Cleanup

SubProjects

SubProject Number: 30000910

SubProject Title: ASARCO Cleanup Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 19

Project Summary

This request continues cleanup work related to ASARCO smelter sites in Everett and Tacoma. ASARCO operated smelters in Everett and Tacoma that released arsenic, lead, and other contamination into the air. The pollution settled down to earth in Everett and in the Tacoma Smelter Plume. In Tacoma, the smelter operated from 1890 to 1986 and contaminated over 1,000 square miles in the lower Puget Sound. The Everett site operated from 1894 to 1912, and caused smaller scale contamination. This request will protect public and environmental health, create jobs, and promote economic development by allowing contaminated properties to be redeveloped. Related to Puget Sound Action Agenda Implementation. (Cleanup Settlement Account)

Project Description

Ten Year Financing Plan.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Department of Ecology

RCW that establishes grant: Chapter 70.105D RCW

Application process used

This is a capital project directly operated and controlled by Ecology.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|------------------------|-------------------|------------------|------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 15H-1 | Cleanup Set Acct-State | 22,599,000 | | | | |
| | Total | 22,599,000 | 0 | 0 | 0 | 0 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 15H-1 | Cleanup Set Acct-State | 18,191,000 | 4,408,000 | | | |
| | Total | 18,191,000 | 4,408,000 | 0 | 0 | |

Operating Impacts

No Operating Impact

Ecology 2018 Supplemental Budget Project List
Toxics Cleanup Program
ASARCO Cleanup - New (30000670)
September 7, 2017

Purpose: This list provides project details about the 2017-19 ASARCO Cleanup budget request. This list represents additional cleanup projects that are underway and need additional funding to continue the cleanup for ready to proceed projects. This list is a plan based on the best information available to Ecology. The plan may change as more information becomes available.

| Rank | Recipient | Project | Description | Phase of Cleanup | County | Amount | Running Total | Site Address | City* | Leg. District** | Latitude* | Longitude* |
|---------------------------------------|-----------------------|-----------------------|--|-----------------------------------|-----------|-------------------|---------------|---|---------|-----------------|-----------|-------------|
| 1 | Tacoma Smelter Plume | Tacoma Smelter Plume | Approximately two-thirds of the 2018 Supplemental Budget request will support a program to remove contaminated soils from residential yards. The Soil Safety Program will continue cleaning up contaminated park play areas and soil sampling for new licensed childcares. The free technical assistance program will promote soil cleanup during development projects and will help other agencies and local governments institutionalize soil sampling and cleanup requirements. Funds will also support Dirt Alert outreach programs to raise awareness and promote behaviors that reduce soil contact, especially for families with children. The funding also will assist the City of Ruston remove and dispose of contaminated soil as they move forward with public works projects in the city. They are planning road work where contamination is in the rights-of-way and parks projects impacting public recreation areas. | Cleanup / Post Closure Monitoring | Pierce | 24,023,000 | 24,023,000 | NA this a cleanup project funding work across the smelter plume | Tacoma | 27 | 48.4939 | -122.60331 |
| 2 | Everett Smelter Plume | Everett Smelter Plume | This project will: 1) support cleanup and soil sampling in the cleanup area for the Upland (a residential area on the west side of the site); 2) fund more investigation to determine the full extent of contamination and examine possible cleanup alternatives in the Lowland (industrial area on the east side of the site); and 3) community outreach and education. | Cleanup / Post Closure Monitoring | Snohomish | 4,737,000 | 28,760,000 | NA this a cleanup project funding work across the smelter plume | Everett | 38 | 48.133101 | -123.453712 |
| Total Request for New Projects | | | | | | 28,760,000 | | | | | | |

* The city, county, legislative district are tied to the Latitude/Longitude coordinates provided which are within the plumes. However, there are likely multiple cities, counties and legislative districts impacted by these contaminated sites. This is a cleanup project funding work across the smelter plumes.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:17PM

Project Number: 4000062

Project Title: Coord. Prevention Grants - Local Solid Waste Financial Assistance

Description

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 20

Project Summary

The Coordinated Prevention Grant – Local Solid Waste Financial Assistance Grant (LSWFA) Program supports required local solid and hazardous waste plans and resource conservation through waste reduction, recycling, and reuse programs. LSWFA enforcement grants help local governments ensure solid waste facilities comply with applicable laws to protect human health and the environment, and reduce human exposure to toxins. For the 2017-19 Biennium, Ecology requested \$28.2 million (the 2013-15 Biennium funding level) in grant funding for the two-year period for the LSWFA program. Since the Legislature did not pass a 2017-19 Capital Budget during the 2017 Legislative Session, Ecology is reducing the request to \$15.0 million so that local governments can successfully implement solid waste programs in the second year of the biennium. (State Building Construction Account)

Project Description**What is the proposed project?**

The LSWFA Program supports ongoing waste reduction and recycling programs, household hazardous waste collection, and local health department regulatory oversight of solid waste facilities and illegal dump cleanup. LSWFA grants support innovative programs to increase organics diversion and recycling, help reduce wastes and toxic threats, and safely manage household hazardous wastes such as fertilizers, solvents, and automotive chemicals.

Ecology's objectives are to optimize safe waste management by ensuring landfills are operated appropriately, diverting solid waste from disposal, and reusing and recycling materials to reduce environmental risks and greenhouse gas emissions. These activities help protect Washington's groundwater and air, save energy, and provide jobs and new sources of recycled material for manufacturing.

The enacted 2015-17 Capital Budget reduced LSWFA grant funding to \$15.0 million, which is half of historical funding levels. This reduction negatively impacted local government programs, local businesses, the economy, human health, and the environment.

Based on results from a survey Ecology conducted with LSWFA grant recipients on the impacts of the budget reduction in the 2015-17 Biennium, the program expects an estimated 2,500 fewer responses to illegal dumping complaints and technical assistance requests; 70,000 fewer tons of material recycled or diverted; and the loss of grant-funded jobs during this time period. The lack of a 2017-19 Capital Budget has resulted in 11 local health departments reducing staff and inspection of solid waste facilities, and three health departments suspending all solid waste enforcement activities except for response to complaints or threats to human health. Seven counties have reduced operation of their household hazardous waste and recycling facilities, and three counties have closed their household hazardous waste facilities until funding is restored.

Starting in the 2015-17 Biennium, Ecology tracks the results of solid and hazardous waste management through its Administration of Grants and Loans (EAGL) system. Ecology also uses the U.S. Environmental Protection Agency Waste Reduction Model (<https://www.epa.gov/warm>) to estimate greenhouse gas emissions reductions. Using this information produced the following results:

SAFE WASTE MANAGEMENT

Washington has 826 solid waste facilities (including landfills, leachate lagoons, transfer stations, moderate risk waste collection facilities, compost facilities, and recycling facilities). When operated properly, the risks to human health and groundwater are minimized. Local health departments regulate almost all solid waste facilities in the state. They conduct permitting, provide construction oversight, and review environmental monitoring data. Based EAGL information for the 2015-17 grant cycle, local health officials conducted about 4,983 facility inspections statewide; resolved about 7,384 illegal dumping and illegal waste storage complaints; and provided technical assistance to businesses and citizens.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:17PM

Project Number: 4000062

Project Title: Coord. Prevention Grants - Local Solid Waste Financial Assistance

Description

HOUSEHOLD AND SMALL BUSINESS HAZARDOUS WASTE

Hazardous waste collection and disposal ensure this toxic waste is managed safely. In the 2015-17 grant cycle, LSWFA-funded activities provided opportunities to exchange, recycle or safely dispose of 17,103 tons of hazardous materials. This reduced the risk of exposure and potential spills to the environment, and illegal dumping of hazardous wastes that could have affected groundwater and stormwater.

Some hazardous waste materials contain persistent bioaccumulative and toxic chemicals (e.g., mercury in thermostats and fluorescent bulbs), while others contain carcinogens (e.g., pesticides, cleaning agents, and solvents). Still others pose a risk due to flammability or explosion potential. Some collected chemicals are reused or recycled, but many are incinerated or safely disposed at hazardous waste landfills instead of a solid waste landfills.

RECYCLING

Recycling reduces pollution and saves energy. Manufacturing processes that use recycled materials replace the need for resource extraction, which is generally a wasteful and energy intensive process. Typically, manufacturing with recycled materials uses between 50 to 90 percent less energy and water than manufacturing with virgin materials. LSWFA grants support ongoing recycling operations, education, and promotion programs. LSWFA funds helped curbside recycling become a statewide practice and has continued to provide needed program information and support. During the 2014 calendar year, 2.9 million tons of residential and commercial recyclables were collected statewide. During the 2015-17 Biennium, LSWFA funded programs diverted 101,478 tons of recyclables from landfills. The recycling programs funded through LSWFA grants reduced greenhouse gas emissions by 88,140 metric tons of carbon equivalent.

CLOSING THE LOOP ON ORGANICS

Many LSWFA-funded organics projects focus on taking materials considered waste and turning them into useful products. Keeping these wastes out of landfills reduces greenhouse gas emissions and potential contamination of groundwater from methane. LSWFA funded organics projects converted 230,573 tons of yard and food waste into compost and other useful soil amendments during the 2015-17 Biennium. These amendments improve soil quality, create cleaner stormwater, and eliminate or reduce the need for pesticides and fertilizers, which are often toxic.

ELIMINATING WASTE THROUGH PREVENTION

The most cost-effective way to handle waste is not a matter of which technology is used to manage it, but how waste can be prevented in the first place. Prevention reduces the amount of materials, chemicals, and energy needed to produce, transport, and ultimately dispose of products. LSWFA funds programs like food recovery, where county agencies collaborate with local food banks to capture edible food from sources like school food programs, local restaurants, and large distribution centers before it gets landfilled and then provide it to food insecure families in our communities. In the 2015-17 cycle, a modest estimate of food recovered is 373 tons. LSWFA also funds programs to reuse materials, such as construction debris. Preventing waste is the smartest, cheapest, and healthiest way to protect human health and the environment. In the 2015-17 cycle an estimated 512 tons of material was reused.

What opportunity or problem is driving this request?**The reason for the project::**

Washington State's total waste generation per capita continues to increase, from 6.25 pounds per capita per day of municipal solid waste in calendar year (CY) 1999, to 6.72 pounds per capita per day in CY 2014. Waste generation includes all recovered and disposed materials like recycling, organics, landfilled and incinerated. The LSWFA program helps effectively manage and ultimately reduce the growing and evolving waste stream.

LSWFA grants support ongoing waste reduction and recycling programs, and oversight of solid waste facilities. From CY 1999 to 2014, municipal solid waste disposal (all the waste from homes and businesses sent to a landfill or incinerated) decreased

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:17PM

Project Number: 4000062

Project Title: Coord. Prevention Grants - Local Solid Waste Financial Assistance

Description

from 4.21 pounds per person per day to 3.60 pounds per person per day, while recycling increased during that time period from 2.04 pounds per person per day to 3.13 pounds per person per day. This reduction in disposal and increase in recycling is due in part to the success of LSWFA funded programs. As of CY 2016, 88 percent of Washington residents had access to curbside recycling. To continue this trend, local governments need LSWFA funding to give residents wider access to curbside recycling.

Legislative intent for the LSWFA grant program is established in RCW 70.105D.070 (4) (a) of the Model Toxics Control Act: "The department shall use moneys deposited in the local toxics control account for grants or loans to local governments for the following purposes in descending order of priority: (i) Extended grant agreements... (ii) Remedial actions... (iii) Storm water pollution... (iv) Hazardous waste plans and programs... (v) Solid waste plans and programs... (vi) Petroleum-based plastic or expanded polystyrene foam debris cleanup."

WAC 173-312-010 establishes the purpose and requirements for the LSWFA grant program to provide grants to local governments for local hazardous and solid waste plans and programs.

RCW 70.95.020, the Solid Waste Management Act, assigns primary responsibility for managing and regulating solid waste handling to local government. It also encourages developing and operating waste recycling facilities and requires Ecology to provide technical and financial assistance to local governments in planning, developing, and conducting solid waste handling programs.

RCW 70.95.130, financial aid to counties and cities, directs Ecology to provide financial aid for solid waste planning activities.

RCW 70.95.180, permit for solid waste handling facility – applications, fee, establishes the jurisdictional health department as the entity to investigate and permit solid waste handling facilities.

RCW 70.95.220, financial aid to jurisdictional health departments, provides a mechanism for financial aid from Ecology for enforcing solid waste management rules and regulations.

The effects of non-funding:

Without funding, local waste management and prevention functions would be severely impacted in almost all small counties. According to a recent Local Health Jurisdictions survey, failure to pass a 2017-2019 Capital budget resulted in 11 local health departments reducing staff and inspection of solid waste facilities and three health departments suspending all solid waste enforcement activities except for response to complaints or threats to human health. Seven counties have reduced operation of their household hazardous waste and recycling facilities and three counties have closed their household hazardous waste facilities until funding is restored.

There is less regulatory oversight of solid waste facilities and a statewide drop in recycling and household hazardous waste programs. There are fewer resources available to support small communities in their efforts to develop and maintain infrastructure and strategies to reduce disposal of solid waste.

LSWFA grants support ongoing waste prevention and reduction throughout the entire state at the local level, which plays a significant role in providing green jobs that contribute to growing a green economy, as well as reducing greenhouse gases. LSWFA program provides funding opportunities for all communities to become actively engaged in climate change solutions. Without this funding, waste prevention and reduction efforts would stall, more greenhouse gases would be released, the potential for groundwater contamination would increase, and there would be fewer green jobs in Washington State.

How does the project support the agency and statewide results?

This request supports Ecology's strategic priority, Prevent and Reduce Toxic Threats, by:

- Keeping hazardous wastes from being stored or disposed of improperly and polluting Washington's surface and groundwater.
- Promoting energy and resource conservation through waste reduction, recycling, and composting.
- Promoting use of less toxic alternatives.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:17PM

Project Number: 4000062

Project Title: Coord. Prevention Grants - Local Solid Waste Financial Assistance

Description

This request provides essential support to two of the Governor's Results Washington goals:

Goal 3, Sustainable Energy and Clean Environment. This request supports this goal by reducing greenhouse gas (GHG) emissions through recycling and composting. Using recycled materials for manufacturing reduces energy needs and the associated GHGs. Composting diverts organics material from landfills, where they create methane, a potent GHG. During the 2015-17 Biennium, LSWFA funded programs diverted 101,478 tons of recyclables and 230,573 tons of yard and organic material from landfills and reduced greenhouse gas emissions by 112,241 metric tons of carbon equivalent.

In CY 2014, statewide recycling helped us avoid emitting 2.8 million tons of greenhouse gases into the atmosphere. Also, recycling saved 118 trillion BTU's, enough energy to power 1.0 million homes for a year. Composting also reduces leachate in landfills. Leachate, or "garbage juice" contains toxic chemicals and must be managed in waste water treatment facilities. This request also promotes reduction and safe management of toxic products by funding collection and safe disposal of unused products and encouraging the use of safer, less-toxic alternatives.

Goal 4, Healthy and Safe Communities. This request supports this goal by funding local hazardous and solid waste plans and programs. Local government is responsible for managing and regulating solid waste handling facilities to make sure they are safely and properly run. During the 2017-19 Biennium, Thurston County expects to divert 1,025 tons of edible food from the waste stream with the help of 100 residential and 20 business participants. This good food will be used to feed hungry people instead of being landfilled or composted.

What are the specific benefits of this project?

Projects from LSWFA funded programs provide many benefits to Washington's citizens. They protect human health by removing household hazardous wastes from homes; inspecting solid waste facilities and enforcing solid waste facility rules; cleaning up illegal dumps; and providing information on less toxic alternatives. Less direct benefits include promoting energy and resource conservation through recycling and composting. These activities decrease airborne toxics and carcinogens that result from energy production, limit greenhouse gas emissions, and create green jobs.

In the 2015-17 Biennium grant cycle, LSWFA funding supported local programs that kept 17,103 tons of household and business hazardous waste out of Washington's rivers, streams, and groundwater. During this time, 2.9 million tons of residential recyclable material were collected statewide. Of this amount, LSWFA funded programs diverted 101,478 tons of recyclable materials from landfills.

LSWFA funds also create a broad base of organics projects that turn yard and food waste into compost and other useful soil amendments. In the 2015-17 grant cycle, recycling and organics diversion through LSWFA reduced greenhouse gas emissions by 112,241 metric tons of carbon equivalent, or saved the equivalent of 1.5 trillion British Thermal Units (BTUs). This carbon emission reduction is calculated using the U.S. Environmental Protection Agency Waste Reduction Model (<https://www.epa.gov/warm>).

Projects that promote organics recycling include food waste and backyard composting, making use of composted products and other natural yard care techniques. They increase the quality and productivity of soil, and reduce soil erosion, water requirements, and the need for fertilizers and weed and pest control chemicals.

LOCAL GOVERNMENT RESULTS

Local recycling programs are the key players behind Washington's leading national recycling rate. LSWFA program played a pivotal role in financing programs. For example, there were 7.9 million tons of materials recovered for recycling and reuse in CY 2013. Today, the LSWFA program is refining the success of existing local projects and pioneering the next wave of waste prevention. Examples of local success stories from the 2015-17 grant cycle are:

Grant County provided Moderate Risk Waste (MRW) disposal options for residents and small businesses. The County promoted collection and provided technical assistance, and collected and properly disposed of 52 tons of MRW from

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:17PM

Project Number: 4000062

Project Title: Coord. Prevention Grants - Local Solid Waste Financial Assistance

Description

approximately 382 residential participants and four businesses. They provided county residents and Small Quantity Generators (SQGs) proper disposal options, kept MRW out of landfills, and prevented illegal dumping.

Thurston County continued the comprehensive, county-wide food waste prevention campaign. Phase two of the campaign focused on expanding the success of providing equipment, tools, supplies, and infrastructure to their main food bank in phase one, to county food bank satellite/mobile locations, food pantries, meal programs, and other dedicated storage facilities. Thurston County diverted 103 tons of edible food in one year from satellite locations. The food was used to feed people instead of being landfilled or composted.

Snohomish County Health District's Pharmaceuticals Take-Back program began in 2009 and provides one of the largest programs in the state, maintaining up to 29 secure drop boxes at law enforcement offices throughout the county. Illegal handling, storage, and disposal of pharmaceutical wastes can lead to environmental and human health threats. The County properly disposed of 2,541 pounds of controlled substances or other unwanted pharmaceuticals as moderate risk waste from 24,263 resident and 25 business participants, and provided education, outreach, and training materials to households and businesses.

Benton County designed and began permitting the construction of a new fixed MRW facility from an unused County Road's building. They anticipate it being operational and open to the public in early 2018. In the interim, they provided county residents a proper disposal option by holding four Hazardous Household Waste (HHW) collection events, collecting and properly disposing of 155 tons of HHW keeping it out of landfills and preventing illegal dumping.

How will clients be affected and services change if this project is funded?

LSWFA program supports more than 100 ongoing local recycling, household hazardous waste, and regulatory oversight programs. Financial assistance supports the implementation of statewide priorities involving waste reduction, reuse, recycling, composting, and reducing human exposure to toxic chemicals. This request maintains LSWFA funded programs. Local health jurisdictions will be able to maintain the staff needed to inspect solid waste handling facilities and enforce solid waste regulations as required by RCW 70.95.180. Many county solid waste programs do not receive any portion of the tipping fees a county may collect. Instead, they depend on permit fees that are not sufficient to fully fund enforcement.

Based on the 2015-17 LSWFA grant applications submitted by grant recipients at full funding of \$29.6 million, the LSWFA Program would have partially funded more than 700 local government and contracted staff between implementation (508 staff) and enforcement (201 staff) activities, totaling about 369,000 staff hours. This is equivalent to creating employment opportunities for approximately 89 FTEs (369,000 hours/2,080 work hours a year/2 years). With 2015-17 LSWFA funding at about half the amount of 2013-15, there were commensurate local government staff reductions resulting in less services from those who ensure solid waste is managed to protect humans and the environment. If this request is fully funded at \$15.0 million for the second fiscal year in 2017-19, service levels will improve and LSWFA funded programs will continue the great accomplishments achieved in the 2015-17 Biennium.

Are FTEs required to support this project?

Ecology FTEs that support these projects are in the operating budget.

How will the other state programs or units of government be affected if this project is funded?

LSWFA funded programs provide indirect benefits to many other governmental bodies. Solid waste management requires coordination between local governments and the state. LSWFA funding complements the Puget Sound Partnership and Ecology's Water Quality Program activities by supporting local government projects that protect and restore Puget Sound and other water bodies, including groundwater, which is the source of drinking water for over half of Washington citizens. It also supports Ecology's Hazardous Waste and Toxic Reduction Program's efforts to eliminate hazardous waste and reduce use of toxic products. Properly managing solid waste facilities also prevents future cleanup sites.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:17PM

Project Number: 4000062

Project Title: Coord. Prevention Grants - Local Solid Waste Financial Assistance

Description**What is the impact on the state operating budget?**

The LSWFA Program is supported by 5.5 FTEs in the operating base budget.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

The LSWFA Program was established in 1989. This grant program has been instrumental in helping local governments develop and maintain programs and services to help Washington citizens reduce, recycle, and prevent waste and properly dispose of hazardous waste. LSWFA grant monies are being used to move toward eventually eliminating waste and toxics, and safely handling what remains.

LSWFA program is an established mechanism for distributing funds. If the program did not exist, there would be a reduction in services and increased costs to Washington citizens, both monetarily and environmentally. For example, local governments may have to reduce or eliminate hours of operation for their household hazardous waste facilities or cease operation of their mobile collection events, leading to increased illegal or improper disposal of these materials. There would be less oversight and inspection of solid waste facilities, decreasing environmental protection and increasing risks to human health (e.g., drinking water contamination, vermin habitat/food sources, fire hazards, odors, and physical hazards).

What is the agency's proposed funding strategy for the project?

Ecology normally requests Local Toxics Control Account (LTCA) funding for LSWFA program since RCW 70.105D.070 (4) explicitly authorizes this work under LTCA. However, with the projected shortfall in LTCA in 2017-19, Ecology requests State Building Construction Account funding be provided since this was the fund source proposed for LSWFA program in the final proposals considered during the 2017 Legislative Session (Engrossed Substitute House Bill 1075 and Senate Bill 5981). The \$15 million in this request is estimated to leverage \$3.8 million in local funding, for a total of \$18.8 million combined state and local dollars since local governments are required to provide a 25 percent match.

Traditionally the LSWFA program has been funded by LTCA, which is part of the Model Toxics Control Act (MTCA). The Hazardous Substance Tax (HST) is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10th of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the last few years, and so have HST collections and revenues. The MTCA fund balances cannot support new appropriation requests for the LSWFA grant program. Projected negative balances in the MTCA accounts in the 2017-19 Biennium mean no MTCA funding can be requested for new projects.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 biennium, and a \$201 million drop for 2017-19 biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:17PM

Project Number: 40000062

Project Title: Coord. Prevention Grants - Local Solid Waste Financial Assistance

Description

11 agencies today).

- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.

- Since the 2007-09 biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met.

During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of the third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.348 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology's ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

Proviso

None

Project Type

Grants

Grant Recipient Organization: Local Governments Statewide**RCW that establishes grant:** Chapter 70.105D RCW**Application process used**

LSWFAs are funded in two grant cycles: Regular and Offset. The regular grant cycle funds are distributed based on a base, plus a population formula. Almost all of the counties choose to apply for all of the funds. Applications are submitted and scored based on the following elements: project description, title, goal statement, outcome statement, work plan, and timeline. Applications are evaluated to ensure the activity is consistent with the local solid and hazardous waste management plan. The Offset Cycle funds are distributed through a competitive process. An awards committee, comprised of grant officers and technical experts, reviews and scores the applications based on eligibility, quality of project, and state and local need. A project ranking list is created and available funding is awarded in priority order.

Growth Management impacts

None

Funding

Expenditures

2017-19 Fiscal Period

461 - Department of Ecology

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 10:17PM

Project Number: 40000062

Project Title: Coord. Prevention Grants - Local Solid Waste Financial Assistance

Funding

| Acct Code | Account Title | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
|-----------|-------------------------|-------------------|----------------|------------------|------------------|--------------------|
| 057-1 | State Bldg Constr-State | 15,000,000 | | | | 15,000,000 |
| | Total | 15,000,000 | 0 | 0 | 0 | 15,000,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|---------------------|-----------------------|---|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>My-Hanh Mai</u> | Email: | <u>mmai461@ECY.WA.GOV</u> |
| Phone: | <u>360-407-6996</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Coordinated Prevention Grants – Local Solid Waste Financial Assistance</u> |
| Project Number: | <u>40000062</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:55PM

Project Number: 40000096

Project Title: Mount Baker Properties Cleanup and Affordable Housing Development

Description

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 22

Project Summary

The Mount Baker Housing Association (MBHA) is a not-for-profit organization with a mission to create quality affordable housing in southeast Seattle. The organization is in the process of redeveloping five contaminated properties (the site) for affordable housing. Ecology and the MBHA entered into a Prospective Purchaser Consent Decree (PPCD). The objective of the PPCD is to facilitate site cleanup by the MBHA to allow for redevelopment and reuse as transit-oriented affordable housing. Ecology will pass through this funding to the MBHA as outlined in the PPCD. This request supports development and completion of the plans and specifications to finalize the Cleanup Action Plan (CAP), conduct pilot testing of the groundwater treatment, complete the engineering design report, and conduct related public notice and outreach. (State Building Construction Account)

Project Description**What is the proposed project?**

The Mount Baker Housing Association (MBHA) is in the process of redeveloping five properties for transit-oriented affordable housing. High levels of chlorinated solvents, petroleum chemicals, and other contaminants have impacted these properties and hinder development and safe future use for affordable housing.

The MBHA began site cleanup in partnership with Ecology during the 2015-17 Biennium. Ecology committed \$400,000 to begin a Remedial Investigation and Feasibility Study (RI/FS). Work is well underway, and MBHA wants to move quickly to clean up and redevelop these properties. Ecology is also requesting \$1.1 million in our 2018 Supplemental Capital Budget as part of a Clean Up Toxics Sites – Puget Sound new project to complete the RI/FS and draft CAP to implement the cleanup. This request for \$5.1 million will provide funding for the MBHA to design the remedy and implement the CAP, which will be completed in conjunction with housing unit construction, starting in the Fall of 2018.

The PPCD is designed so state funding may contribute to the cleanup and monitoring costs. Funding to construct the housing units will be provided by the MBHA through insurance proceeds, settlement funds obtained from potentially liable persons, and housing-oriented grants.

If this request is funded, together with the other \$1.1 million request, MBHA can move forward with the cleanup and affordable housing construction project.

Below is a cost summary of the specific tasks in this request:

2018 Supplemental Capital Budget Request \$5,100,000

Complete Final CAP, Conduct Pilot Testing of In-situ Groundwater Treatment Technique, Engineering Design Report (EDR) and Project Specifications, Associated Public Notice and Outreach.

2019-21 Estimated Funding Request \$1,915,000

Post-Construction Groundwater Monitoring, Model Toxic Control Act (MTCA) & PPCD Regulatory Closure.

Grand Total Project Budget \$7,015,000 (not including the \$1.1 million in a separate request for the RI/FS and draft CAP).

What opportunity or problem is driving this request?**The reason for the project:**

There is an extreme lack of affordable housing in Seattle. The City of Seattle and the Governor's Office are concerned with this critical issue. The City of Seattle is targeting areas like the Mount Baker neighborhood and leveraging additional local government funds and private funds to accomplish the goal of more affordable housing in Seattle. Available and desirable

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:55PM

Project Number: 4000096

Project Title: Mount Baker Properties Cleanup and Affordable Housing Development

Description

properties for development are becoming scarce. Local governments are now looking to build in areas that have been previously overlooked. Developers have begun considering abandoned or underused properties where environmental contamination exists. Redevelopment efforts are often hindered by the liability for the cleanup or the uncertainty of cleanup costs. Brownfield sites that sit and remain contaminated represent lost opportunities for economic development and other community improvements. Cleaning up these unused properties and meeting the need for affordable housing is a new and cooperative approach to brownfield cleanup and redevelopment.

The effects of non-funding:

The need for affordable housing in Seattle is well documented. A recent Seattle Times article (dated May 25, 2017 <http://www.seattletimes.com/seattle-news/data/seattle-once-again-nations-fastest-growing-big-city-population-exceeds-700000/>) cited Seattle as one of the fastest-growing cities in America, with 21,000 new residents moving into the city last year. The City of Seattle passed Resolution 31731, creating the Mount Baker McClellan Street Redevelopment Opportunity Zone. The resolution included the following language: "The City of Seattle's Housing Affordability and Livability Agenda Report found that Seattle is experiencing a housing affordability crisis unlike any Seattle has experienced since the Second World War and affordable housing is one of the most significant challenges facing Seattle."

If this request is not funded, Ecology would miss an opportunity to clean up unused contaminated properties and meet the need for affordable housing. The availability of affordable housing would continue to be a growing problem.

Contaminated soil and groundwater would continue to pose a risk to human health and the environment in this part of Seattle.

How does the project support the agency and statewide results?

This request is essential to implementing a strategic priority in Ecology's strategic plan to prevent and reduce toxic threats and supports two of our strategic goals to:

- Protect and restore land, air, and water by protecting human health from contaminants that are harmful and pose a health risk.
- Promote healthy communities and natural resources by leveraging cleanup to invest in and support communities.

This request supports the Governor's Results Washington goals:

Goal 2, Prosperous Economy; Goal Topics: Quality of Life and Vibrant Communities by creating and supporting jobs and making it possible to redevelop previously contaminated land to support economic growth in communities. About half of the units are expected to be family housing units with two to three bedrooms.

Goal 3, Sustainable Energy and a Clean Environment; Goal-topic: Clean and Restored Environment – Sub-topic: Healthy Lands.

-Outcome Measure 3.1 – Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020.

-Leading Indicator 3.1.a – Increase number of contaminated brownfield sites returned to economically productive use from 476 to 1,090 by 2020.

Goal 4, Healthy and Safe Communities by providing affordable, transit-oriented housing that contributes to fostering the health of Washingtonians.

What are the specific benefits of this project?

This request will protect people in the community from contaminants that are harmful and pose a health risk. The final outcome will provide the community with approximately 150 housing units; nearly half being family housing with two or three bedrooms.

This project will also provide economic benefits to the state by creating up to 43 jobs during the 2017-19 Biennium, based on estimates from the Office of Financial Management.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:55PM

Project Number: 40000096

Project Title: Mount Baker Properties Cleanup and Affordable Housing Development

Description**How will clients be affected and services change if this project is funded?**

MBHA will be able to fund and advance remediation of the site. After cleanup and housing construction, the blighted neighborhood will be transformed to a mixed-use retail and residential space. Affordable housing will be built and become available to the community, so citizens will be able to live close to where they work.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

This request will allow MBHA and the City of Seattle to address the extreme lack of affordable housing in Seattle. Ecology's support of this project is influencing the participation of other entities and may leverage other funding sources. This includes a King County targeted assessment grant, a Department of Housing and Urban Development grant, an Ecology Public Participation Grant, and settlements or insurance proceeds from other potentially liable parties.

There are two elements of this project: remediation and the eventual construction of housing units. This request is to address the cleanup component. MBHA will identify other non-Ecology sources of funding for housing construction.

What is the impact on the state operating budget?

None

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

One of Ecology's three environmental goals is to clean up pollution as an integral part of cleaning up the worst contaminated sites to protect and improve the lives of people and the environment. Traditionally, this type of work has received MTCA funding. Revenue projections for the MTCA accounts in the 2017-19 Biennium are not enough to support new capital projects, so Ecology is requesting State Building Construction Account (SBCA) funding to support this important work in 2017-19.

What is the agency's proposed funding strategy for the project?

Traditionally, remediation work has been funded through MTCA. The Hazardous Substance Tax (HST) is the primary revenue source for MTCA accounts, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10 of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years, and so have HST collections and revenues. The MTCA fund balances cannot support new appropriation requests for toxic site cleanup. Projected negative balances in the MTCA accounts in the 2017-19 Biennium mean no MTCA funding can be requested for new cleanup projects. Ecology requests funding from the SBCA to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million – a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:55PM

Project Number: 40000096

Project Title: Mount Baker Properties Cleanup and Affordable Housing Development

Description

- An additional \$240 million in appropriations, above the projected fund balances were made in the past two enacted biennial budgets. This was done by assuming that spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.

- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05 to 11 agencies today).

- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.

- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology and \$11 million to other agencies).

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/Senate Bill 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, House Bill 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of the third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology's ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the GF-S. There were direct transfers, but the Legislature also preserved investments in cleanup. For toxic site cleanup, the SBCA was used to backfill MTCA transfers. This provided funding for existing projects and invested in new toxic site cleanups. Now, the economy is in a growth period – the very time when toxic site cleanup is affordable and interest in redevelopment is high. Providing SBCA funding will allow important, ready-to-proceed cleanup projects to move forward.

Proviso

No

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:55PM

Project Number: 40000096

Project Title: Mount Baker Properties Cleanup and Affordable Housing Development

Description

Grant Recipient Organization: MBHA

RCW that establishes grant: None

Application process used

Not applicable

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 7,015,000 | | | | 5,100,000 |
| | Total | 7,015,000 | 0 | 0 | 0 | 5,100,000 |

| Acct Code | Account Title | Future Fiscal Periods | | | |
|-----------|-------------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 1,915,000 | | | |
| | Total | 1,915,000 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>Angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360)407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Mount Baker Properties Cleanup and Affordable Housing Development</u> |
| Project Number: | <u>40000096</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 23

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. This request for \$5.2 million will continue the initiative to have a statewide cleanup program by making investments outside of the Puget Sound basin and Western Washington. (State Building Construction Account)

Project Description**What is the proposed project?**

The Eastern Washington Clean Sites Initiative funds remediation activities on contaminated sites in Eastern Washington. By focusing resources directly to the communities east of the Cascade Mountains, Ecology will have the resources to fund cleanup work related to metals contamination, leaking underground storage tanks, landfills, salvage yards, and wood treatment facilities. The funds will be used to pay for cleanup at contaminated sites where the responsible party (land user, facility operator, or property owner) is either unwilling or unable to pay costs related to the cleanup activities. Ecology will recover cleanup costs where possible.

Attached is a prioritized list of projects that will be funded with this request. The projects have been reviewed and are ready to proceed according to the MTCA regulatory process.

MTCA's cleanup process informs project prioritization. Ecology's Toxics Cleanup Program guides all cleanup projects through MTCA's regulatory process and requirements, including those seeking state capital budget funding. MTCA requires all cleanup projects proceed through the following phases:

1. Assessment: All projects are prioritized based on human health and environmental risks. Cleanup projects address risks either from exposure to contaminated soil, contaminated groundwater and drinking water, contaminated marine water and sediment which pose human health risks from consuming fish and shellfish, toxic vapors, or a combination of the above.
2. Remedial Investigation: Remedial investigations define the nature, extent, and magnitude of contamination on all projects.
3. Feasibility Study: Feasibility studies are conducted on all projects and include alternative analysis, cost-benefit analysis, long-term or life-cycle cost analysis, and cleanup technology preferences.
4. Cleanup Action Plan: Information from the remedial investigation and feasibility study are included in a cleanup action plan that describes cleanup standards, methods, monitoring requirements, and schedule – including any time-critical elements.
5. Comment: The public is encouraged to review and comment on the projects' investigations, feasibility studies and cleanup plans during public comment periods.
6. Cleanup: Design, construction, operations, and monitoring of the cleanup. A cleanup is complete when Ecology determines cleanup standards have been met. At this phase, projects are ready to proceed: They are in construction; they have permits or are in the permitting process; their design is complete or underway; or they are under contract.

In addition to projects being evaluated according to the MTCA regulatory process, the project list is prioritized based on:

1. Continuing investments at sites with ongoing cleanup projects.

In 2013, there were significant changes made to MTCA. Among them, was direction for Ecology to plan hazardous site cleanup

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

Description

at a pace that matches the estimated cash resources in the MTCA accounts. (RCW 70.105D.170) Cleanups can take many years once a site has been contaminated with toxic chemicals. Three major factors determine the length of time for cleanup: the regulatory process used (formal versus independent cleanup); the nature of the contaminants (how difficult they are to remediate); and the type of contaminated media (soil, groundwater, sediments, etc.). Ecology established an ideal target for achieving site cleanup within five years; and has been actively working toward this target by employing model remedies and developing tools and policies to help achieve cleanup faster.

Financial certainty for cleanup project development is critical to ensure existing projects are completed as envisioned, and new projects can be planned and designed to maximize environmental and public health improvements and economic development opportunities. The MTCA revenue decline that resulted in cleanup project delays in the 2015-17 Biennium created uncertainties for public funding. Despite Department of Revenue's Hazardous Substance Tax (HST, MTCA's major revenue source) forecasts projecting a recovery in the next few years, delays in HST revenue recovery will continue to restrain cleanup projects funded with MTCA. For 2017-19, five existing projects are proposed for continuing through cleanup and there is only one new project identified on the prioritized list.

2. Applying the enacted 2015-17 biennial capital budget criteria for prioritizing cleanups outlined in Second Engrossed House Bill 1115 - Section 7038 and the MTCA Cash Management Plan.

Section 7038 (3) authorized Ecology to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution. Ecology used this authority in the 2015-17 Biennium to guide project priority and followed the same criteria for prioritizing the 2017-19 biennial budget request.

3. Where groups of projects have met all of the same Section 7038 criteria, projects are ranked based on Ecology's regional and program priorities and staff capacity to oversee the cleanup. A recovered economy is delivering a record number of cleanup sites to Ecology to review and act on – from 200-300 per year on average, to over 400 in 2015 – but there is no MTCA funding to support additional cleanup project oversight. Economic conditions require Ecology to maintain the current work force and find ways to manage work load while continuing existing cleanup priorities.

4. Reviewing current information from grant recipients and Ecology's regional cleanup managers on the status of projects to further refine prioritization. This includes the construction stage of projects, schedule changes, whether permits are in hand, if projects are ready to bid, if projects leverage partnerships, and if projects have already incurred eligible costs.

What opportunity or problem is driving this request?**The reason for the project:**

This request addresses the toxics cleanup needs of contaminated sites in Eastern Washington. Other capital budget funds for toxic cleanup activities have been directed to sites within the Puget Sound basin. This funding will allow Ecology to continue focus on cleaning up contaminated sites in Eastern Washington. These cleanups protect public and environmental health, create jobs, and promote economic redevelopment.

The effects of non-funding:

If this request is not funded, ongoing Eastern Washington cleanup projects would not be completed and new projects would not be started. Eastern Washington work would be underfunded; particularly if investments continue at cleanup sites in and around Puget Sound. Communities in Eastern Washington would continue to be impacted by hazardous substances and degraded water resources.

How does the project support the agency and statewide results?

This project is essential to implementing a priority in Ecology's strategic plan by supporting the priority to Prevent and Reduce Toxic Threats. It contributes resources to continue activity A005, "Clean the Worst Contaminated Sites First."

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

Description

This request is essential to support the Governor's budget and economic priorities by investing funds to protect public health and natural resources. This request will also support Results Washington Goal 3, Sustainable Energy and a Clean Environment, by cleaning up and managing contaminated sites that pose threats to public health, the environment, groundwater, and fish and wildlife resources.

Specifically:

Goal-topic: Clean and Restored Environment – Sub-topic: Healthy Lands.

Outcome Measure 3.1 – Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020.

Leading Indicator 3.1.a – Increase number of contaminated brownfield sites returned to economically productive use from 476 to 1,090 by 2020.

This work also supports Goal 2, Prosperous Economy by creating and supporting jobs and making it possible to redevelop previously contaminated land to support economic growth in communities.

What are the specific benefits of this project?

Cleaning up contaminated sites in Eastern Washington will yield the following benefits:

- Cleaning up toxic contaminated sites.
- Reduce exposure of hazardous substances to the environment and public as work progresses on these sites.
- Economic redevelopment as abandoned sites move forward through the cleanup process.

Cleaning up contaminated property is usually integrated with economic redevelopment, habitat restoration, and public recreation projects. Most cleanup projects are the first phase of a larger community or economic redevelopment project where the cleanup site is the focal point of the project.

This project will also provide economic benefits to the state by creating up to 32 jobs during the next two years, based on Office of Financial Management estimates.

How will clients be affected and services change if this project is funded?

This project will allow Ecology to focus resources on contaminated sites in Eastern Washington, reducing exposure of hazardous substances to the environment and public. The number of contaminated sites cleaned up will increase, resulting in less public and environmental exposure to hazardous substances.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

Local governments will be positively affected as contaminated sites are returned to use, benefiting the local economy.

What is the impact on the state operating budget?

None.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

Description**Does this request include funding for any IT-related costs?**

No.

Why is this the best option or alternative?

One of Ecology's three environmental goals is to clean up pollution, and the Eastern Washington Clean Sites Initiative is an integral part of cleaning up the worst contaminated sites to protect and improve the lives of people and the environment. This work has traditionally received MTCA funding. Revenue projections for the MTCA accounts in the 2017-19 Biennium are not enough to support new capital projects, so Ecology is requesting SBCA funding to support this important work in 2017-19. Funding with bonds is the best option because it will continue cleanup investments that protect human health and natural resources, and support economic redevelopment in Washington.

What is the agency's proposed funding strategy for the project?

Traditionally, the Eastern Washington Clean Sites Initiative has been funded with MTCA funding. The Hazardous Substance Tax (HST) is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10th of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past two years and so have HST collections and revenues. The MTCA fund balances cannot support new appropriation requests for toxic site cleanup. Projected negative balances in the MTCA accounts in the 2017-19 Biennium mean no MTCA funding can be requested for new cleanup projects. Ecology requests funding from the SBCA to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 Biennium, and a \$201 million drop for 2017-19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).
- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.
- Since the 2007-09 Biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

Description

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation.

Also, any additional loan could jeopardize Ecology’s ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to the GF-S. There were direct transfers, but the Legislature also preserved investments in cleanup. For toxic site cleanup, the SBCA was used to backfill MTCA transfers. This provided funding for existing projects and invested in new toxic site cleanups. Now, the economy is in a growth period – the very time when toxic site cleanup is affordable and interest in redevelopment is high. Providing SBCA funding will allow important, ready-to-proceed cleanup projects to move forward.

Ecology requests \$5.23 million from the SBCA in new funding for cleanup projects to protect public and environmental health, create jobs, and promote economic development. This will allow important cleanup work to continue in the 2017-19 Biennium.

Note: The total amount being requested in bond funding for 2017-19 Eastern Washington cleanup projects is \$10.37 million, which includes this \$5.23 million in new funding to start or continue the next phase of projects, \$2.94 million to restore reductions from the 2016 Supplemental Budget, and \$2.2 million for projects delayed due to the MTCA revenue shortfall in reappropriation 30000432. Traditional new investments in Eastern Washington cleanup projects have averaged around \$9.6 million a biennium over the last three biennia.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-------------------|-------------------|-------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 45,233,000 | | | | 5,233,000 |
| | Total | 45,233,000 | 0 | 0 | 0 | 5,233,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | |
| | Total | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 30000743

SubProject Title: Airport Kwik Stop

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 23

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. This request for \$5.2 million will continue the initiative to have a statewide cleanup program by making investments outside of the Puget Sound basin and Western Washington. (State Building Construction Account)

Project Description

This site is a former gas station that released significant quantities of gasoline to soil and groundwater. Groundwater contamination extends over one-half mile from the source and has impacted several residential drinking water supplies. Additionally, the contaminant plume is near the Pend Oreille River. The air sparging and soil vapor extraction systems have been expanded. Nutrient injections for enhanced bioremediation were completed and additional injections will be needed. Funds will also continue to support remediation system operation (power) and groundwater monitoring to assess the efficacy of the treatment systems.

Location

City: Ione

County: Pend Oreille

Legislative District: 007

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 275,000 | | | | 275,000 |
| | Total | 275,000 | 0 | 0 | 0 | 275,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000743

SubProject Title: Airport Kwik Stop

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000744

SubProject Title: Colville Post and Pole

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 23

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. This request for \$5.2 million will continue the initiative to have a statewide cleanup program by making investments outside of the Puget Sound basin and Western Washington. (State Building Construction Account)

Project Description

This site is a former wood-treating facility that has contaminated soil and groundwater with pentachlorophenol (PCP), diesel fuel, and dioxin. The site is adjacent to the Colville River, and poses a risk to surface water and aquatic species. Ecology has conducted Remedial Investigation (RI) activities to identify and characterize the nature and extent of contamination. Data gaps have been identified and additional work will be completed in order to complete the RI. Upon RI completion Ecology will prepare a Feasibility Study (FS) to evaluate final cleanup alternatives.

Location

City: Colville

County: Stevens

Legislative District: 007

Project Type

Grants

461 - Department of Ecology
Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000744

SubProject Title: Colville Post and Pole

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 1,100,000 | | | | 1,100,000 |
| | Total | 1,100,000 | 0 | 0 | 0 | 1,100,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000745

SubProject Title: Schwerin Concaves

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000745

SubProject Title: Schwerin Concaves

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 23

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. This request for \$5.2 million will continue the initiative to have a statewide cleanup program by making investments outside of the Puget Sound basin and Western Washington. (State Building Construction Account)

Project Description

The site is a former hard chromium electroplating facility located outside of Walla Walla that has contaminated soil and groundwater. The site is adjacent to Dry Creek, but surface water impacts have not been observed. Ecology has completed a RI/FS and written a Cleanup Action Plan (CAP). The funding will be used to implement the final cleanup for the site.

Location

City: Walla Walla

County: Walla Walla

Legislative District: 016

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 365,000 | | | | 365,000 |
| | Total | 365,000 | 0 | 0 | 0 | 365,000 |

Future Fiscal Periods

| Acct Code | Account Title | Future Fiscal Periods | | | |
|-----------|-------------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000745

SubProject Title: Schwerin Concaves

No Operating Impact

SubProject Number: 30000746

SubProject Title: Marshall Landfill

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 23

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. This request for \$5.2 million will continue the initiative to have a statewide cleanup program by making investments outside of the Puget Sound basin and Western Washington. (State Building Construction Account)

Project Description

This site is a former privately-owned municipal landfill that is unlined and has not received waste since 1990. The site has released volatile organic compounds (primarily solvents) and other hazardous substances to groundwater, impacting down gradient residential drinking water supplies. Ecology has conducted a remedy investigation (RI) to identify and characterize the nature and extent of contamination. Upon completion of the RI, Ecology will prepare a feasibility study (FS) to evaluate final cleanup alternatives. Standard practice in conducting cleanups at large scale municipal landfills is to place a low permeability cover (cap) over the waste repository. Upon completion of the RI/FS, this funding will be used to conduct interim action of preparing the site for the cap. Activities include waste consolidation, site grading, stormwater improvements, etc. Impermeable cover (geomembrane) installation will be conducted when funding is available.

Location

City: Unincorporated

County: Spokane

Legislative District: 006

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000746

SubProject Title: Marshall Landfill

| <u>Funding</u> | | <u>Expenditures</u> | | | <u>2017-19 Fiscal Period</u> | |
|------------------|-------------------------|------------------------|-----------------------|-------------------------|------------------------------|---------------------------|
| <u>Acct Code</u> | <u>Account Title</u> | <u>Estimated Total</u> | <u>Prior Biennium</u> | <u>Current Biennium</u> | <u>Reappropriations</u> | <u>New Appropriations</u> |
| 057-1 | State Bldg Constr-State | 2,860,000 | | | | 2,860,000 |
| | Total | 2,860,000 | 0 | 0 | 0 | 2,860,000 |

| | | <u>Future Fiscal Periods</u> | | | |
|-------|-------------------------|------------------------------|----------------|----------------|----------------|
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> |
| 057-1 | State Bldg Constr-State | | | | |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000747

SubProject Title: Priceless Gas

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 23

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. This request for \$5.2 million will continue the initiative to have a statewide cleanup program by making investments outside of the Puget Sound basin and Western Washington. (State Building Construction Account)

Project Description

This site is a former gas station that released petroleum products to soil and groundwater. Groundwater impacts extend to nearby residential and commercial properties. Ecology has conducted a number of cleanup activities on this site, including underground storage tank system removal, contaminated soil excavation and disposal, and installation of air-sparge and soil vapor extraction systems. Monitoring of the site indicates that past activities have been effective. However, continued operation of the treatment systems, and groundwater monitoring are necessary to achieve final cleanup goals. This funding will allow for these continued operations, as well as injection of in-situ chemical treatments that will aid in removal of some remaining contamination that has been resistant to current treatment technology.

Location

City: Davenport

County: Lincoln

Legislative District: 013

Project Type

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

Project Type

SubProject Number: 30000747

SubProject Title: Priceless Gas Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used
N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 83,000 | | | | 83,000 |
| | Total | 83,000 | 0 | 0 | 0 | 83,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000748

SubProject Title: Stubblefield Salvage Yard

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000748

SubProject Title: Stubblefield Salvage Yard

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 23

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. This request for \$5.2 million will continue the initiative to have a statewide cleanup program by making investments outside of the Puget Sound basin and Western Washington. (State Building Construction Account)

Project Description

This site is a former scrap metal salvage yard that operated in Walla Walla for over forty years. The site has contaminated soil and groundwater with multiple hazardous substances, including solvents, polychlorinated biphenyls (PCBs), heavy metals, and dioxins. The site is adjacent to Mill Creek. Funding for this project will be used to conduct a remedial investigation (RI) to identify and characterize the nature and extent of contamination. Upon completion of the RI, Ecology will prepare a feasibility study to evaluate final cleanup alternatives.

Location

City: Walla Walla

County: Walla Walla

Legislative District: 016

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 550,000 | | | | 550,000 |
| | Total | 550,000 | 0 | 0 | 0 | 550,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000748

SubProject Title: Stubblefield Salvage Yard

No Operating Impact

SubProject Number: 30000916

SubProject Title: Eastern Washington Clean Sites Initiative Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 23

Project Summary

There are properties in Eastern Washington contaminated with hazardous wastes that have been abandoned or have owners unwilling or unable to pay for site investigation and cleanup. Without cleanup, these sites pose threats to public health, the environment, groundwater, and fish and wildlife resources. Cleaning up these sites protects public and environmental health, creates jobs, and promotes economic growth as the sites are redeveloped. This request for \$5.2 million will continue the initiative to have a statewide cleanup program by making investments outside of the Puget Sound basin and Western Washington. (State Building Construction Account)

Project Description

Ten Year Financing Plan

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: N/A

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

N/A

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 40,000,000 | | | | |
| | Total | 40,000,000 | 0 | 0 | 0 | 0 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 6:28PM

Project Number: 30000742

Project Title: Eastern Washington Clean Sites Initiative

SubProjects

SubProject Number: 30000916

SubProject Title: Eastern Washington Clean Sites Initiative Ten Year Financing Plan

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|-------------------|-------------------|-------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| | Total | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Eastern Washington Clean Sites Initiative</u> |
| Project Number: | <u>30000742</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Budget Project List
Toxics Cleanup Program
Eastern Washington Clean Sites Initiative - New (30000742)
September 18, 2017

Purpose: This project list represents the new Eastern Washington Clean Sites Initiative projects requested for the 2018 Supplemental Capital Budget proposal. This list represents additional projects that are underway and need additional funding to continue the cleanup for ready to proceed projects. This list is a plan based on the best information available to Ecology. The plan may change as more information becomes available.

| Section 7038 Criteria | | | | | | | | | | | | | |
|-----------------------|------------------------|--|-----------------------------------|----------------|----------------------|-----------------|--------------|-----------|--------------------------|-------------|------------|------|--------|
| ECY Rank | Project | Description | Phase of Cleanup | Acuity of Need | Readiness to Proceed | Cost Efficiency | County | Amount | Address | City | Leg. Dist. | Lat. | Long. |
| 1 | Airport Kwik Stop | This site is a former gas station that released significant quantities of gasoline to soil and groundwater. Groundwater contamination extends over one-half mile from the source and has impacted several residential drinking water supplies. Additionally, the contaminant plume is near the Pend Oreille River. The air sparging and soil vapor extraction systems have been expanded. Nutrient injections for enhanced bioremediation were completed and additional injections will be needed. Funds will also continue to support remediation system operation (power) and groundwater monitoring to assess the efficacy of the treatment systems. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Pend Oreille | 275,000 | Hwy 31 & Greenhouse Road | lone | 7 | 48.7 | -117.4 |
| 2 | Colville Post and Pole | This site is a former wood-treating facility that has contaminated soil and groundwater with pentachlorophenol (PCP), diesel fuel, and dioxin. The site is adjacent to the Colville River, and poses a risk to surface water and aquatic species. Ecology has conducted Remedial Investigation (RI) activities to identify and characterize the nature and extent of contamination. Data gaps have been identified and additional work will be completed in order to complete the RI. Upon RI completion Ecology will prepare a Feasibility Study (FS) to evaluate final cleanup alternatives. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Stevens | 1,100,000 | Hwy 395 | Colville | 7 | 48.6 | -118.0 |
| 3 | Schwerin Concaves | The site is a former hard chromium electroplating facility located outside of Walla Walla that has contaminated soil and groundwater. The site is adjacent to Dry Creek, but surface water impacts have not been observed. Ecology has completed a Remedial Investigation and Feasibility Study (RI/FS) and written a Cleanup Action Plan (CAP). Plans and specifications have been completed for final cleanup implementation. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Walla Walla | 365,200 | 1106 Sappollil Road | Walla Walla | 16 | 46.1 | -118.2 |
| 4 | Marshall Landfill | This site is a former privately-owned municipal landfill that is unlined and has not received waste since 1990. The site has released volatile organic compounds (primarily solvents) and other hazardous substances to groundwater, impacting down gradient residential drinking water supplies. Ecology has conducted a remedy investigation (RI) to identify and characterize the nature and extent of contamination. Upon completion of the RI, Ecology will prepare a feasibility study (FS) to evaluate final cleanup alternatives. Standard practice in conducting cleanups at large scale municipal landfills is to place a low permeability cover (cap) over the waste repository. Upon completion of the RI/FS, this funding will be used to conduct interim action of preparing the site for the cap. Activities include waste consolidation, site grading, stormwater improvements, etc. Impermeable cover (geomembrane) installation will be conducted when funding is available. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Spokane | 2,860,000 | Andrus & Spotted Road | Marshall | 6 | 47.6 | -117.5 |
| 5 | Pricless Gas | This site is a former gas station that released petroleum products to soil and groundwater. Groundwater impacts extend to nearby residential and commercial properties. Ecology has conducted a number of cleanup activities on this site, including underground storage tank system removal, contaminated soil excavation and disposal, and installation of air-sparge and soil vapor extraction systems. Monitoring of the site indicates that past activities have been effective. However, continued operation of the treatment systems, and groundwater monitoring are necessary to achieve final cleanup goals. This funding will allow for these continued operations, as well as injection of in-situ chemical treatments that will aid in removal of some remaining contamination that has been resistant to current treatment technology. | Cleanup / Post Closure Monitoring | 1 | 1 | 1 | Lincoln | 82,500 | 1108 Morgan Street | Davenport | 13 | 47.7 | -118.2 |

Section 7038 Criteria

| ECY Rank | Project | Description | Phase of Cleanup | Acuity of Need | Readiness to Proceed | Cost Efficiency | County | Amount | Address | City | Leg. Dist. | Lat. | Long. |
|---|---------------------------|---|------------------------|----------------|----------------------|-----------------|-------------|------------------|----------------|-------------|------------|------|--------|
| 6 | Stubblefield Salvage Yard | This site is a former scrap metal salvage yard that operated in Walla Walla for over forty years. The site has contaminated soil and groundwater with multiple hazardous substances, including solvents, polychlorinated biphenyls (PCBs), heavy metals, and dioxins. The site is adjacent to Mill Creek. Funding for this project will be used to conduct a remedial investigation (RI) to identify and characterize the nature and extent of contamination. Upon completion of the RI, Ecology will prepare a feasibility study to evaluate final cleanup alternatives. | Remedial Investigation | 1 | | | Walla Walla | 550,000 | 535 Ofner Road | Walla Walla | 16 | 46.1 | -118.4 |
| Total 2018 Supplemental Budget Request | | | | | | | | 5,232,700 | | | | | |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 9:33AM

Project Number: 30000671

Project Title: Reducing Toxic Diesel Emissions

Description

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 25

Project Summary

Diesel exhaust is Washington's worst toxic air pollutant. Diesel exhaust causes and worsens heart disease, lung disease, asthma, and cancer. It contributes to more than 70 percent of Washington's airborne cancer risk according to Ecology's 2008 Toxic Air Pollutants Study. Nearly five million people in Washington live or work near ports and transportation corridors where they are exposed to high levels of diesel exhaust daily. Diesel engines last for decades. Without programs to clean them up, they will continue to harm public health. This request will significantly reduce health threats through vehicle/equipment replacement, and idle reduction for dirtier diesel engines operating in high exposure communities. Also, past state-funded diesel projects in Washington have typically leveraged significant federal, local-public, and private funds. Ecology requests grant funding for local entities to reduce diesel emissions in high-risk areas across the state. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

Ecology requests \$5.0 million in grant funding for clean diesel projects that reduce emissions in high-risk, densely populated urban areas, especially at and near ports and transportation corridors. This grant program will also fund projects in non-urban areas that reduce emission exposures to sensitive populations, such as children, the elderly, and people with existing health problems that put them at increased risk; and economically disadvantaged communities or communities with environmental justice concerns.

Past projects have typically leveraged significant additional federal, local-public, and private funds to support projects. For instance, in calendar year 2014, \$1 million of Ecology Clean Diesel Grant funds leveraged an additional \$3.4 million in federal, local-public, and private funds for port-related diesel emission reduction projects.

Program Details:

According to Ecology's Comprehensive Air Emissions Inventory in 2014, diesel engines in Washington emitted 5,436 tons of toxic diesel particulate emissions. Across the state, older, high polluting vehicles and equipment are being replaced with newer, less polluting vehicles and equipment as part of the natural diesel fleet turnover. But this is not happening fast enough. Because diesel engines last 20 to 30 years or more, less than one third of the current Washington diesel fleet has low polluting engines. Older, dirty engines will continue to harm human health for many years. A large number of the higher polluting diesel engines continue to operate in or near Washington's urban areas, ports, freight distribution centers, rail yards, school yards, and transportation corridors. These diesel hotspots adversely impact sensitive and general populations and remain a critical issue that needs to be addressed.

The Clean Diesel Grant Program has provided funding assistance to reduce over 50 tons of toxic particulate emissions and nearly 5,000 tons of greenhouse gases annually from publicly and privately owned diesel engines. This is based on the pollution control efficiency of the replacement technology compared to pre-retrofit conditions, and the average annual fuel consumption or miles traveled by the upgraded engine.

Nationally recognized as a leader in reducing diesel emissions, the program has:

- Installed retrofit emissions controls on more than 9,000 diesel engines.
- Scrapped and replaced almost 500 old, high polluting diesel vehicles and engines with newer, cleaner ones.
- Installed idle reduction technologies on more than 1,500 diesel engines.

Ecology estimates that approximately 11,500 heavy-duty diesel engines in Washington are in critical need of improved emission controls. The cost to upgrade these engines exceeds \$100 million. This program targets high emitting, heavy duty diesel

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 9:33AM

Project Number: 3000671

Project Title: Reducing Toxic Diesel Emissions

Description

engines in areas with significant public exposure to diesel exhaust. These are mostly emergency response vehicles, school buses, and engines operating in densely populated urban areas at and near ports and along major transportation corridors. Continued investment in diesel emissions reduction projects to replace or upgrade these 11,500 engines will reduce approximately 10,100 additional tons of toxic and greenhouse gas emissions annually. Proposed projects include:

Idle reduction technology for:

- School buses.
- Fire engines and medic units operating in the Puget Sound area.
- Cargo handling engines at Ports of Seattle and Tacoma.
- Construction equipment and on-road trucks.
- Electric power to operate Puget Sound harbor vessels when moored at dock.
- Electric power to operate ocean-going vessels at dock at the Ports of Seattle and Tacoma.

Scraping and replacing the oldest, highest polluting vehicles, equipment, and engines:

- School buses.
- Harbor vessels operating in Puget Sound.
- Freight hauling trucks at Ports of Seattle and Tacoma.
- Cargo handling equipment at Ports of Seattle and Tacoma.
- Other equipment, such as diesel-fueled orchard heaters.

What opportunity or problem is driving this request?**The reason for the project:**

Diesel exhaust is the state's highest-risk toxic air pollutant. The International Agency for Research on Cancer has concluded that diesel exhaust is carcinogenic to humans (IARC Monograph 105 at <http://monographs.iarc.fr/ENG/Monographs/vol105/>). It contains fine particles, carcinogenic substances, black carbon, nitrogen oxides, and carbon dioxide. Fine particles, and the chemicals attached on the surface of those particles, increase the risk of serious heart and lung diseases, and some cancers. Those particles that fall to the ground within a short distance of emission also provide a way for toxic substances to get into stormwater and eventually downstream water bodies, including Puget Sound. The nitrogen oxides contained in the exhaust react with other chemicals and sunlight in the atmosphere to create ozone – a toxic air pollutant known to cause serious adverse public health effects. Carbon dioxide and black carbon emissions cause climate change.

Large numbers of diesel trucks, locomotives, cargo-handling equipment, and marine vessels operate at or near our ports, freight distribution centers, rail yards, truck stops, warehouses, and large construction sites, significantly increasing public exposure to toxic emissions. Operators frequently idle large diesel engines to maintain engine operating temperature and to operate on-board heaters, refrigerators, computers, air conditioners, and lights. Operating and idling engines can create health exposure risks close to densely populated areas and high-risk populations at schools, hospitals, nursing homes, and daycare centers.

Widespread community exposure occurs when many engines operate or idle in concentrated areas. Densely-populated and economically disadvantaged communities clustered nearby are exposed to higher amounts of air pollution than people in other areas. Continuing to reduce these emissions is an important health concern for these communities and a priority for Ecology. Reducing emissions near ports also helps protect the waters of Puget Sound by reducing airborne pollutants deposited to surface waters.

In both urban and rural areas, reducing children's exposure to diesel emissions is another high priority. Ecology will continue to help replace high-polluting, pre-2007 school buses that are too old and too polluting for exhaust retrofit emission controls. Installing idle reduction technologies on school buses helps reduce exposure in school yards and school buildings.

In some agricultural areas in Central and Eastern Washington, workers and economically-disadvantaged communities are

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 9:33AM

Project Number: 3000671

Project Title: Reducing Toxic Diesel Emissions

Description

exposed to toxic emissions from diesel-fueled orchard heaters. Replacing these heaters with low-emission alternatives, such as propane-fueled heaters or large fans that circulate air, can also help to reduce toxic exposures.

New idle reduction technologies pre-heat engines, or automatically shut off engines after preset criteria or elapsed times have occurred. Also, small auxiliary engines, or battery systems, can be used to provide necessary on-board power for heating, cooling, and other electronic and operational systems. Reducing engine idle time not only reduces emissions of, and exposure to, toxic emissions and the emissions that cause climate change, but reduces fuel use (saving owners/operators money and reducing state dependence on foreign sources of oil). It preserves large, capital equipment by reducing operating hours and maintenance.

In summary, this request will:

- Reduce public exposure to harmful toxic and carcinogenic pollutants.
- Reduce health care costs for Washington citizens.
- Reduce deposition of harmful pollutants to run-off and surface waters, including Puget Sound.
- Reduce emissions that cause climate change.
- Reduce fuel use and equipment operating costs.
- Help public sector entities get access to scarce capital resources that help them save money.

The effects of non-funding:

If this request is not funded, people would continue to be exposed to excessive levels of highly toxic diesel emissions and greenhouse gases. This would result in ongoing levels of serious disease and expensive community health care costs.

Specific impacts of non-funding include:

- For the next 20 years or more, older diesel engines operating at the ports of Seattle and Tacoma would continue to expose communities located in urban areas, especially near our ports and transportation corridors.
- For decades, school buses would continue to idle at school yards and expose nearly a million children to toxic emissions.
- For many more years, old high polluting school buses would continue to transport and expose children to toxic emissions.
- The benefits of reducing diesel emission deposition to stormwater run-off, pollution to surface waters, including Puget Sound, as well as climate change benefits, would be lost.
- Local governments with limited resources would not have funds to make necessary equipment and vehicle upgrades that can save them money on fuel, maintenance, and capital equipment replacement costs.
- People who live and work near orchards that use diesel-fueled orchard heaters would continue to be exposed to very high levels of toxic diesel emissions.

Failing to fund these projects would result in a missed opportunity to reduce future health care costs by millions of dollars.

How does the project support the agency and statewide results?

This request is essential to implementing Ecology's strategic priorities to Prevent and Reduce Toxic Threats, Protect and Restore Puget Sound, and the Governor and Ecology's joint priority to Reduce and Prepare for Climate Impacts by helping diesel engine owners reduce toxic diesel emissions and greenhouse gases. This request supports the following strategic outcomes: Prevent pollution and toxic runoff from reaching our waters, Clean waters and healthy ecosystems, and Prepare for and minimize impacts to natural and built communities.

By helping diesel engine owners reduce toxic diesel emissions and greenhouse gases, this request provides essential support

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 9:33AM

Project Number: 30000671

Project Title: Reducing Toxic Diesel Emissions

Description

to the Governor's Results Washington Goal 3, Sustainable Energy and a Clean Environment, Leading Indicator 3.3a: Decrease tons of toxic diesel soot air pollution emitted from mobile sources from 6,444 to 5,248 by 2016; and Outcome Measure 1.1: Reduce transportation-related greenhouse gas emissions from 44.9 mmt/year (projected 2020) to 37.5 mmt/year (1990) by 2020.

This request supports Puget Sound Action Agenda implementation through substrategy 9.3, Adopt and implement plans and control strategies to reduce pollutant releases into Puget Sound from air emissions, by eliminating excess toxic diesel contamination entering the air and entering Puget Sound through a variety of pathways (including direct deposition and surface/stormwater run-off).

What are the specific benefits of this project?

Reducing exposure to toxic chemicals in diesel exhaust significantly reduces public health risks, disease, and the related health care costs. The California Air Resources Board estimates that every one dollar spent toward diesel emission reductions saves three to eight dollars in health care and societal costs of diesel health impacts over a 15-year period ('Emission Reduction Plan for Ports and Goods Movement in California – Final,' CARB, April 6, 2006). The Union of Concerned Scientists estimates that society receives nine to sixteen dollars in public health and societal benefits for every one dollar spent on diesel emission reducing projects ('Sick of Soot: Reducing the Health Impacts of Diesel Pollution in California,' Union of Concerned Scientists, Cambridge, MA, 2004).

The greatest benefits are achieved in those areas where large concentrations of diesel engines are operated and idled, particularly in and around schools, hospitals, bus barns, ports, distribution centers/warehouses, rail yards, and transportation corridors. Over the past several years, Ecology has retrofitted pre-2007 school buses and public sector diesel equipment and vehicles with exhaust emission control technologies that capture toxic, fine particles during all modes of operation. Vehicles and equipment not suitable for exhaust retrofit have been scrapped and replaced. These projects have reduced emissions on each engine between 30 and 95 percent, depending on the age and type of engine. Most remaining engines are not suitable for exhaust retrofit and must be replaced with cleaner equipment and vehicles.

Idle reduction complements emission control systems and provides additional benefits. Idle reduction systems reduce toxic emissions and greenhouse gases by eliminating unnecessary engine idle time. They also cut fuel use and costs, and reduce engine wear, which can extend the life of expensive diesel engines.

Diesel vehicle, equipment, and engine replacements and installing diesel idle reduction technology create and maintain jobs for heavy-duty diesel engine mechanics and associated diesel industry jobs. Installing shore power stations creates and maintains jobs in the electrical and construction industries.

This request will also provide economic benefits to the state by creating or sustaining up to 29 jobs during the next two years, based on estimates from the Office of Financial Management.

How will clients be affected and services change if this project is funded?

Ecology will be able to build on and improve current efforts to reduce harmful diesel pollution in communities around the state.

People who live and work near high-exposure areas will be protected from increased incidence of serious disease. Citizens, businesses, and governments will save on health care costs related to the adverse health effects of diesel pollution exposure. Children riding school buses and people living in economically disadvantaged communities near ports will be exposed to significantly fewer toxic pollutants.

Diesel vehicle and equipment owners will save on fuel and operating costs. Ecology's Clean Diesel Team provides expert staff and contractors to help client fleets select the idle reduction technology, replacement engines, or emission reducing projects that best suit the use of the vehicle or equipment.

School districts that still rely on pre-1994 vintage buses can scrap and replace old, high-polluting, fuel-inefficient, and less

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 9:33AM

Project Number: 3000671

Project Title: Reducing Toxic Diesel Emissions

Description

reliable buses with newer buses. The newer buses will produce significantly fewer emissions, use less fuel, and require less maintenance.

Other owners of construction equipment, harbor vessels, port dray trucks, and cargo-handling equipment that use diesel engines will benefit from scrapping older, dirtier, less efficient equipment and engines and replacing them with newer, cleaner versions. Installing idle reduction technologies or installing shore power electrical infrastructure will also help these owners reduce emissions and save fuel.

Are FTEs required to support this project?

This request requires a total of 1.15 FTEs to implement the diesel emission reduction grant program, including evaluating client needs and solutions, soliciting applications, contracting with grant recipients, contracting with technology and service vendors, providing technical assistance, processing vendor/recipient payments, and closing grant awards. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

How will the other state programs or units of government be affected if this project is funded?

This request will provide funds to replace engines, vehicles, and equipment, and install idle reduction technology, to reduce pollution and lower operating costs – benefitting local public agency staff and budgets. Grant funds will focus on reducing emissions in high-risk, densely populated urban areas, especially at or near ports and transportation corridors, where many diesel engines operate and create high public exposure risk. Local school districts can scrap and replace old, inefficient, high-polluting buses with new, cleaner, more efficient buses, reducing health risks for thousands of children who ride those buses each year.

What is the impact on the state operating budget?

This grant program will not directly impact the state's Operating Budget. But, 1.75 FTEs in the Air Quality Program's operating budget provide support for planning and developing the diesel programs, including evaluating client needs and solutions, technical assistance, project management and oversight, and collecting grantee data on clean diesel project performance and results. This request complements an Operating Budget request, "Preventing Non-Attainment Areas," funded in 2015 for capacity and implementation strategies that reduce pollution in areas at risk of violating federal ozone and fine particle air quality standards throughout the state. We are also submitting a separate, but related, capital budget request, "Reducing Toxic Wood Stove Emissions," that supports reducing fine particulate matter statewide.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

Diesel equipment and vehicles last decades and are expensive to replace, upgrade, or retrofit. This means that older, higher polluting diesel engines remain in service for many years. Financial incentives encourage owners to upgrade, replace, retrofit, or supplement engines and engine operating systems to make them cleaner. This program accelerates the rate of fleet turnover, leading to reduced emissions significantly sooner than under normal fleet operation.

What is the agency's proposed funding strategy for the project?

Ecology proposes using the State Building Construction Account for this grant program. The State and Local Toxics Control Accounts funded these grants in the last few biennia, but the projected balances for the accounts are insufficient to fund this important work in the 2017-19 Biennium. Ecology will either grant funds directly to local governments or provide local governments with state contractors to perform these services.

Proviso

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for

461 - Department of Ecology
Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/2/2017 9:33AM

Project Number: 3000671

Project Title: Reducing Toxic Diesel Emissions

Description

projects that would not otherwise be funded by or are not eligible to be funded by the federal Volkswagen settlement.

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: None

Application process used

Grant awards will be based on viability of technology or program proposed, cost of the project, readiness to proceed, percent cost share, and estimated toxic and greenhouse gas emissions reduced as a result of the project. Also, Ecology will consider how the project will reduce exposure to sensitive populations (children, elderly, those with existing disease) and economically disadvantaged communities.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-------------------|------------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 25,000,000 | | | | 5,000,000 |
| | Total | 25,000,000 | 0 | 0 | 0 | 5,000,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 | |
| | Total | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 | |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|---------------------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Matthew Vandrush-Borgacz</u> | Email: | <u>mvan461@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-6646</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Reducing Toxic Diesel Emissions</u> |
| Project Number: | <u>30000671</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 6:51PM

Project Number: 30000674

Project Title: Reducing Toxic Woodstove Emissions

Description

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 26

Project Summary

Smoke from wood burning stoves causes significant health problems, including asthma, lung disease, heart disease, stroke, and premature death. This request will reduce emissions from old, high-polluting wood stoves in communities facing significant public health threats from wood smoke. Funds will be used to replace woodstoves with cleaner home heating options and deploy cleaner burning emission control solutions. Priority areas include communities at high risk of violating national ambient air quality standards to prevent violations and avoid significant economic, environmental, and public health consequences. Related to Puget Sound Action Agenda Implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

Woodstoves last 20 or more years, and the process to change over to cleaner home heating is slow. Based on residential wood combustion surveys in 2001 and 2007, and the number of housing units reported by OFM in 2011, Ecology estimates that over 200,000 uncertified, pre-1990, highly inefficient, and polluting woodstoves are still in use in Washington. Tens of thousands of these are located in high risk communities that violate or are close to violating federal fine particle pollution standards. Cleaner home heating devices, such as certified woodstoves, natural gas furnaces, or heat pumps are long-term capital investments that help speed the transition to cleaner, more efficient technology.

What opportunity or problem is driving this request?**The reason for the project:**

Multiple areas in Washington State measure pollution levels close to violation of the federal fine particle air pollution standards. Pollution from woodstoves is the principal cause of fine particle pollution problems in these communities.

Exposure to fine particles damages public health and is especially harmful to people with lung and heart diseases. Fine particles also carry toxic and carcinogenic chemicals (the by-products of combustion) and serve as a delivery system for these chemicals into the body and the environment. Combined, these pollutants cause or exacerbate asthma, heart disease, lung disease, and stroke and lead to cancer and premature death. Increased disease and associated health costs hurt the financial stability of families, businesses, and governments. Ecology's 2009 study on the health effects of fine particle pollution in Washington estimates that 1,100 people die each year from exposure to particulate matter, and the health care and societal costs of exposure-related diseases approach \$200 million (2009 dollars) each year (Department of Ecology. *Health Effects and Economic Impacts of Fine Particle Pollution in Washington*. 2009. <https://fortress.wa.gov/ecy/publications/publications/0902021.pdf>).

Violating the standards carries significant economic penalties for communities. It requires commercial, industrial, community, and private investment in strategies that will reduce existing pollution levels. It also raises the air quality permit requirements for new companies wanting to move into a community or for existing companies that want to invest in facility improvements. These requirements may dissuade new business in these communities and discourage existing companies from expanding, upgrading, or remaining. People may choose not to move to or live in a community with heavily polluted air, which can depress property values.

It is critical for public health and the economy to prevent areas from violating these standards and, where that is not possible, to clean the air as quickly as practical. The state and local communities have five years under federal law to bring violating areas back into compliance with federal standards. It is better to prevent violations of the standards than to be found in violation. Reducing fine particle emissions from tens of thousands of woodstoves is a crucial component in returning areas to clean air status and removing barriers to economic growth. The strategies supported by this request will lead to reduced atmospheric pollution levels, and ensure that fewer or less stringent regulatory options would be needed to achieve clean air in communities

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 6:51PM

Project Number: 30000674

Project Title: Reducing Toxic Woodstove Emissions

Description

where woodstove replacement programs take place.

The effects of non-funding:

Failure to address woodstove emissions would mean continued high exposure levels, resulting in preventable diseases and increased health care costs.

If the federal standards are violated, emission reductions would be imposed on all principal sources of fine particles in violating areas (including industrial, commercial, and transportation) within five years of being designated out of compliance. Strategies to reduce emissions can include stronger regulations, tougher permitting conditions, incentive programs (with costs for industry and local and state government), or a combination of these strategies. Strict regulatory strategies can have a negative effect on local economies, aggravating existing business and employment conditions, and impacting community livability.

If we do not adopt successful strategies, we risk federal intervention and decision making shifting to the federal government (through the imposition of a Federal Implementation Plan); increased costs/penalties for new or expanding businesses; and possible sanctions, including reduced federal air quality grants and withholding federal transportation grant funds.

How does the project support the agency and statewide results?

This project is essential to implementing the following priorities in Ecology's strategic plan:

-Prevent and Reduce Toxic Threats: Reduce exposure to toxic fine particle pollution that is hazardous to human health by replacing uncertified residential woodstoves. Supports strategic outcome: *Prevent pollution and toxic runoff from reaching our waters.*

-Protect and Restore Puget Sound: Reduce emissions and deposits of (PAH) polycyclic aromatic hydrocarbons from entering the waters of Puget Sound by replacing uncertified residential woodstoves. Supports strategic outcome: *Clean waters and healthy ecosystems.*

-Reduce and Prepare for Climate Impacts: Reduce emissions and deposits of black carbon, a climate warming pollutant, by replacing uncertified residential woodstoves. Supports strategic outcome: *Minimize impacts to ecosystems.*

This request provides essential support to the Governor's Results Washington Goal 3; Sustainable Energy and a Clean Environment; Goal Topic: Clean and Restored Environment; Sub Topic: Healthy Air.

-Outcome measure 3.3: Increase percent of population living where air quality meets federal standards from 92 percent to 100 percent by 2020.

-Leading indicator 3.3.b.: Increase number of woodstoves replaced with cleaner burning technologies from 2,777 to 5,500 by 2017.

This request supports Puget Sound Action Agenda implementation through strategy 9, Prevent, Reduce, and Control the Sources of Toxic Contaminants Entering Puget Sound and substrategy 9.3, Adopt and implement plans and control strategies to reduce pollutant releases into Puget Sound from air emissions. Residential wood stove contamination is a major source of PAH (polycyclic aromatic hydrocarbons) entering the waters of Puget Sound.

What are the specific benefits of this project?

Fine particle pollution will be reduced in communities that violate or are at risk of violating federal standards. Washington residents will breathe less toxic levels of air pollution, leading to fewer adverse health effects caused by the pollutant, and lower health care costs associated with lung and cardiovascular diseases. Ecology's 2009 study estimates that fine particle pollution in Washington is responsible for over 1,100 deaths and nearly \$200 million in public health and societal costs each year.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 6:51PM

Project Number: 30000674

Project Title: Reducing Toxic Woodstove Emissions

Description

Quickly reducing the amount of emissions from high-polluting woodstoves will also prevent or reduce the long-term economic impacts to the communities that are in violation of federal air quality standards.

Woodstove change-out programs provide jobs in a number of ways. These programs increase sales and installation of replacement stoves or other heating options in existing homes, resulting in creating or sustaining retail and construction jobs. In addition, three of the nation's top five woodstove manufacturers are located in Washington State. Many of the change-outs will result in sales of new appliances from these manufacturers, increasing and sustaining jobs in that sector of the economy. Replaced stoves have a value on the market as scrap metal. Replacing stoves can create or sustain jobs in the metal recycling industry.

This request will also provide economic benefits to the state by creating up to 23 jobs during the next two years, based on estimates from the Office of Financial Management.

How will clients be affected and services change if this project is funded?

Woodstoves can remain in use for 20 or more years. Without change-out programs or other incentives, they will continue as a primary source of winter smoke pollution for many years. Funding this request will accelerate removal of these high polluting stoves. Some woodstove owners will receive partial or full reimbursement for replacing old woodstoves with cleaner alternatives. Full-cost replacements for low-income residents that rely on wood heat has been a favored principle for both the Legislature and local communities facing high levels of wood smoke pollution.

Current programs prioritize replacement of older, high polluting, uncertified stoves in low-income, high wood-use homes. Replacements generate cleaner, more efficient heat, can save residents money on heating bills, and provide a more comfortable living space. Ecology will assess other strategies that reduce the need for wood heat, such as weatherization, improving home heating efficiency, or providing access to infrastructure such as natural gas or electricity that allows use of cleaner burning technologies or alternatives. Depending on the other strategies identified, people may have access to infrastructure that allows them to adopt cleaner burning alternatives.

Are FTEs required to support this project?

This request will use a total of 0.29 FTE. This position will administer the grant program, evaluate client needs and solutions, solicit applications, and provide technical assistance. This is the same level of staffing supporting this capital project in the 2015-17 Biennium. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

How will the other state programs or units of government be affected if this project is funded?

This request will help local counties and communities meet their obligations to reduce fine particle emissions and meet federal air quality standards under the State Implementation Plans required by federal law. This will help ensure healthy air quality, prevent unnecessary disease and health care costs, and help eliminate economic sanctions and constraints imposed when communities violate federal standards.

Ecology is also making a separate, but related, capital budget request, "Reducing Toxic Diesel Emissions," to promote additional strategies that will help address health risks from air pollution and prevent violations of federal air quality standards.

What is the impact on the state operating budget?

None.

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 6:51PM

Project Number: 30000674

Project Title: Reducing Toxic Woodstove Emissions

Description

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

During the last four biennia, funds from the state’s woodstove change-out grant program have replaced more than 4,500 uncertified woodstoves with cleaner burning alternatives, reducing more than 100 cumulative tons per year of fine particle pollution. In combination with better compliance programs, woodstove change-outs have helped substantially reduce high pollution measurements in Tacoma/Pierce County and in Yakima, bringing those communities into compliance with federal air quality standards.

Most grant funds were targeted toward old, high polluting, high-use stoves owned by low-income citizens. Ecology estimates the state’s high-risk air polluted areas still contain tens of thousands of uncertified wood-burning appliances. A combination of regulatory policies and incentives to reduce use of these stoves will be needed to achieve and maintain compliance with the federal air quality standards in high-risk and vulnerable areas.

What is the agency’s proposed funding strategy for the project?

Ecology proposes using the State Building Construction Account (SBCA) for this grant program. Several accounts have been used to fund this work in the past including SBCA and State and Local Toxics Control accounts, but the projected balances for State and Local Toxics Control accounts are insufficient to fund this important work in the 2017-19 Biennium.

Proviso

No

Project Type

Grants

Grant Recipient Organization: Local air Agencies and Ecology Regional Offices

RCW that establishes grant: N/A

Application process used

Competitive grants. Ecology establishes grant criteria for each grant cycle, such as: location in an area designated non-attainment for federal ambient air quality standards or at risk of being declared non-attainment; ability to leverage other funding sources; proposed actions resulting in the greatest PM 2.5 emission reductions; creative approaches to reach high volume wood users; replacement of uncertified devices that are a home’s primary heat source; education of consumers; readiness to proceed; and demonstrated capacity to spend the requested funding. All applications are evaluated and ranked against the adopted criteria, and decisions on funding are made based on the amount available and the worthiness of projects.

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-------------------|----------------|------------------|-----------------------|------------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 20,000,000 | | | | 4,000,000 |
| | Total | 20,000,000 | 0 | 0 | 0 | 4,000,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 10/1/2017 6:51PM

Project Number: 30000674

Project Title: Reducing Toxic Woodstove Emissions

Funding

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|------------------|------------------|------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |
| | Total | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

Agency ID: 461 **Agency Name:** Department of Ecology
Contact Name: Matthew Vandrush-Borgacz **Email:** mvan461@ecy.wa.gov
Phone: (360) 407-6646 **Fund Name:** State Building Construction Account
Fund(s) Number: 057 **Project Title:** Reducing Toxic Woodstove Emissions
Project Number: 30000674

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

Description

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description**What is the proposed project?**

The 2013 Legislature passed Second Engrossed Second Substitute Senate Bill (2E2SSB) 5296, which directed Ecology to develop model remedies and report back to the Governor and Legislature by November 1, 2016. Ecology's initial focus has been to develop model remedies for sites with petroleum contamination, with an emphasis on leaking fuel tanks. Ecology completed seven model remedies for sites with petroleum impacts to soil in September 2015 and recently proposed 12 model remedies for public review at sites with petroleum impacts to groundwater.

Model remedies and the work Ecology will complete with this funding are key parts of the agency's strategy to address sites with petroleum contamination. Even a small amount of petroleum released from a fuel tank can contaminate groundwater, which serves as a source of drinking water for over 50 percent of Washington residents.

In the early 1990s, the Environmental Protection Agency (EPA) established new regulatory requirements to prevent petroleum releases. Many gas station owners went out of business because they could not afford the cost of complying with the new regulations. This left properties abandoned without owners or owners who were bankrupt and without resources to clean up the contamination. These abandoned properties created a large backlog of potential cleanup sites.

Since the early 1990s, Washington and other states have made steady progress investigating and cleaning up past releases. In Washington, nearly 4,000 leaking fuel tank sites have been evaluated and cleaned up. But Washington still has over 3,000 leaking fuel tank sites that require further action. The number of LUST sites on the list continues to grow as past releases are discovered during property and infrastructure development and improvements. Since 2008, property owners and developers have reported an average of 70 new sites per year. Over 50 percent of the approximately 6,000 total Washington cleanup sites are caused by releases from LUST facilities. In addition, petroleum contamination comes from other types of facilities. Over 85 percent of total site cleanups involve petroleum contaminants. These facilities are both privately and publicly owned and include bus barns, metro transit facilities, fire districts and public works facilities. Delays in cleanup actions increase the potential for releases to ground water and hinder efforts to redevelop contaminated properties.

This request will fund the following activities:

1. Site investigations and abandoned site cleanup. Many LUST sites lack current soil and groundwater data required to determine whether additional cleanup measures are needed. This request will pay for site investigations and allow Ecology to determine whether sites comply with Model Toxics Control Act (MTCA) cleanup standards. If a site meets MTCA standards, we will be able to provide the property owner with a no further action (NFA)* letter, which helps facilitate property redevelopment. If additional cleanup is needed, Ecology will use the petroleum soil and groundwater model remedies to the greatest extent possible to comply with MTCA and prevent remaining health and environmental risks.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

Description

Ecology will also conduct cleanup actions to prevent further environmental degradation at sites with abandoned tanks or at sites where property owners have declared bankruptcy. In these situations, Ecology will initiate cost recovery actions and may place liens on individual properties with the goal of recovering public expenditures when properties are redeveloped and sold.

Note: This request is \$63,000 less than the project list submitted last year because Lindsey Texaco received an NFA and does not need funding.

2. Evaluation and verification. Ecology has identified an initial list of sites that represent a wide range of environmental conditions and settings. Ecology will document, evaluate, and verify the effectiveness of model remedies at these sites. Environmental protection, cleanup costs, and cleanup timeframes will be considered when evaluating the effectiveness of the petroleum soil and groundwater model remedies. The evaluation results will be used when developing model remedies for other types of sites.

3. Model remedy research and technology assessment. Ecology held several stakeholder meetings during June 2016 to receive feedback on existing and proposed petroleum model remedies. Ecology also hopes to receive input on the next category of sites that stakeholders deem important or appropriate for a model remedy approach (e.g., mining sites – particularly in Eastern Washington- and metal plating operations.) Also, RCW 70.105D.030 (2)(k)(ii) directs Ecology to solicit and consider technology proposals from qualified individuals when developing model remedies. Ecology will evaluate and verify the effectiveness of proposed technologies.

Additional work to evaluate innovative technologies for LUST sites and other types of contaminated sites will include literature reviews, bench-scale testing, pilot projects, and regulatory evaluations designed to determine the appropriateness and effectiveness of various remedial technologies. Some reviews will require specialized expertise. Given the large number of LUST sites that require further work, the initial focus will be on innovative technologies that address petroleum contamination. Ecology will identify additional site categories after discussions with the regulated community, contractors, and the general public.

**Ecology provides written opinions on the adequacy of site sampling and cleanup actions through the Voluntary Cleanup Program. Ecology issues a no further action (NFA) letter to document our review when we determine that a cleanup action complies with the MTCA requirements.*

What opportunity or problem is driving this request?**The reason for the project:**

Washington has abundant, high quality groundwater resources that are critical to the health and economic well-being of Washingtonians. Leaking fuel tanks pose risks to Washington's groundwater resources, which serve as a source of drinking water for over 50 percent of Washington residents. Ecology estimates there are over 3,000 leaking fuel tank sites that need to be evaluated and potentially cleaned up. Many of these sites were first discovered in the 1990s. Long delays in starting and completing cleanup actions increase the potential for releases to groundwater. Delays also hinder local community efforts to redevelop contaminated brownfield properties, which are properties previously developed and currently abandoned or underutilized because their reuse is hindered by the release or threatened release of hazardous substances.

The effects of non-funding:

If this request is not funded, the regulated community would not receive the full benefits of model remedies, such as reduced evaluation costs and shorter cleanup timeframes.

A lack of funding for model remedies would reduce the effectiveness of Ecology's other regulatory streamlining efforts to accelerate investigation, cleanup, and delisting of leaking fuel tanks. The lack of additional funding for confirmation sampling would delay decisions on removing sites from the cleanup site list. The lack of additional funding for priority cleanup projects would increase the potential for releases to groundwater, surface waters and air, and hinder the redevelopment of contaminated

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 3000669

Project Title: Leaking Tank Model Remedies

Description

properties.

Providing funding will allow Ecology to continue direct cleanup investments across the state, streamline the leaking tank fuel cleanup process, and implement key tenets of Second Engrossed Second Substitute Senate Bill (2E2SSB) 5296. If this request is not funded, Ecology will have to delay these important cleanup projects until sufficient MTCA revenue is available.

How does the project support the agency and statewide results?

This request supports Ecology's strategic priority to Prevent and Reduce Toxic Threats by cleaning up contaminated sites to protect human health and the environment. It contributes resources to continue activity A005, "Clean the Worst Contaminated Sites First."

This request also supports Results Washington Goal 3, Sustainable Energy and a Clean Environment, by cleaning up and managing contaminated sites that pose threats to public health, the environment, groundwater, and fish and wildlife resources, so we can:

- Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020. (Outcome Measure 3.1)
- Increase the number of contaminated brownfield sites returned to economically productive use from 476 to 641 by 2016. (Leading Indicator 3.1.a)

This work also supports Goal 2, Prosperous Economy, by creating and supporting jobs so we can make it possible to redevelop previously contaminated land to support economic growth in communities.

Half of the sites listed on the attached project list are located in or near Puget Sound. This request supports Puget Sound Action Agenda implementation through substrategy 21.2 to Clean Up Contaminated Sites Within and Near Puget Sound. This request produces more efficient and cost effective cleanups that reduce and control sources of pollution. Investing in model remedy development and evaluation supports the Action Agenda by returning a polluted or degraded environment, as much as possible, to a health, self-sustaining ecosystem.

This request also supports the Puget Sound Action Agenda implementation through sub-strategy 10.3 "Fix problems caused by existing development," regional priority 10.3-5 "Research, study, and/or pilot legacy pollutant removal programs with intent of filling data gaps". This request relates to the Puget Sound Action Agenda sub-strategy and regional priority by streamlining the cleanup process to be faster and less expensive. These model remedies will focus on over 3,000 leaking underground storage tank (LUST) sites with petroleum contamination. These sites pose risks to Washington's ground and surface water resources. Addressing the contamination through accelerated cleanup will protect the environment and remove barriers to economic and community redevelopment. This funding will be used to (1) apply petroleum model remedies when performing site investigations and cleanups, (2) evaluate, document, and verify the effectiveness of model remedies, and (3) research and develop model remedies for LUST sites and other common site categories.

What are the specific benefits of this project?

This work will benefit Washingtonians by achieving economic and social results related to a clean and restored environment. Specifically, benefits of this request include:

- The contaminated sites identified in the attached project list will be evaluated and cleanup will be initiated at many of these.
- The people of Washington will have reduced exposure to hazardous substances.
- Opportunities for local economic and community development will increase as sites are cleaned up and returned to productive use.
- Improved economic health will promote more livable communities.

This project will also provide economic benefits to the state by creating up to 13 jobs during the next two years, based on estimates from the Office of Financial Management.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

Description**How will clients be affected and services change if this project is funded?**

Model remedies will provide greater predictability for site owners and operators on remedy selection and reduce evaluation costs and cleanup timeframes. By streamlining and eliminating steps in the assessment process, costs and the funding amount for each project are reduced. This reduction in costs per site will allow more cleanups to be funded.

Cleanup projects are usually the first phase of a larger community or economic redevelopment project. This is especially true for leaking fuel tank sites that are often located in prime urban redevelopment locations. Greater predictability and reduced cleanup timeframes will improve efforts to integrate cleanup timelines with area or property-specific redevelopment strategies.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

More than half of cleanup sites in Washington are leaking fuel tank sites. Some level of collaboration with local, tribal, state, and federal governments is required for most cleanup projects to be completed successfully. Some of the leaking fuel tank sites addressed through the model remedy program are owned or operated by local governments. The state partners with local governments to fund cleanup through the Remedial Action Grant Program. Using model remedies will benefit local governments by supporting efficient and effective use of available grant funding provided to manage, prevent, recycle, and clean up toxic and solid waste in the land, air, and water.

Some of the leaking fuel tank sites that will be addressed through the model remedy program are owned or operated by other state agencies, such as the Washington State Department of Transportation. These agencies will be able to use the model remedies to support cleanup decisions.

The EPA implements a national program designed to identify and clean up leaking fuel tank sites. This project will increase Ecology's ability to reduce Washington's share of the national backlog of leaking fuel tank sites.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

This option provides a cost-effective approach for implementing the model remedy program envisioned in the 2013 legislation.

What is the agency's proposed funding strategy for the project?

MTCA funding was appropriated for this work last biennium, but the projected balance for the accounts is insufficient to fund this in the 2017-19 Biennium. Ecology proposes using State Building Construction Account (SBCA) funding for this project next biennium to continue direct cleanups across the state and streamline the leaking tank fuel cleanup process.

The Hazardous Substance Tax (HST) is the primary revenue source for MTCA, and taxes are collected on the first possession of certain hazardous substances (taxed at 7/10 of one percent of the value of the product). Petroleum makes up about 90 percent of the revenue collected with the HST. The price of crude oil has dropped dramatically in the past 20 months, and so

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

Description

have HST collections and revenues. The MTCA fund balances cannot support a new appropriation request for Leaking Tank Model Remedies. Projected negative balances in the MTCA accounts in the 2017-19 biennium mean no MTCA funding can be requested for new projects. Ecology requests funding this work from the SBCA in 2017-19 to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Barrel prices were \$104 in the summer of 2014, and dropped to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$388 million—a \$187 million drop for the 2015-17 biennium, and a \$201 million drop for 2017-19 biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA..
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of the appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013-15, and an additional \$121 million was appropriated in 2015-17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003-05, to 11 agencies today).
- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.
- Since the 2007-09 biennium, \$75 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$64 million to Ecology, and \$11 million to other agencies).

Ecology considered several alternatives to address the MTCA revenue shortfall. One alternative considered was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach would be to pass a tax surcharge that turns on when certain revenue conditions are not met. During the 2017 Legislative Session, Ecology proposed House Bill 1663/SB 5501 that would apply a temporary surcharge to address the revenue shortfall. A similar bill, HB 2182, proposed a tiered tax surcharge based on certain revenue thresholds. Neither bill passed the Legislature. Instead, bond backfill and new bond funding was proposed to solve the MTCA revenue shortfall in the final capital budget proposals considered at the end of the third special session.

Another alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$75.4 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping back these operating expenditures from MTCA funding to GF-S would free up MTCA revenue.

The alternative of taking loans from the Cleanup Settlement Account has already been used twice – totaling \$23 million in the 2015-17 Biennium. This alternative is not being pursued or recommended for the 2017-19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. Also, any additional loan could jeopardize Ecology’s ten-year plan for the work intended to be funded by the Cleanup Settlement Account.

Proviso

No

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 3000669

Project Title: Leaking Tank Model Remedies

Description

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 9,687,000 | | | | 1,887,000 |
| | Total | 9,687,000 | 0 | 0 | 0 | 1,887,000 |

| | | Future Fiscal Periods | | | |
|-------|-------------------------|-----------------------|------------------|------------------|------------------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 1,950,000 | 1,950,000 | 1,950,000 | 1,950,000 |
| | Total | 1,950,000 | 1,950,000 | 1,950,000 | 1,950,000 |

Operating Impacts

No Operating Impact

SubProjects

SubProject Number: 3000677

SubProject Title: DSHS Rainer School

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000677

SubProject Title: DSHS Rainer School

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Buckley

County: Pierce

Legislative District: 031

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 20,000 | | | | 20,000 |
| | Total | 20,000 | 0 | 0 | 0 | 20,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000677

SubProject Title: DSHS Rainer School

No Operating Impact

SubProject Number: 30000678

SubProject Title: Endicott Standard Oil

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Endicott

County: Whitman

Legislative District: 009

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 50,000 | | | | 50,000 |
| Total | | 50,000 | 0 | 0 | 0 | 50,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000678

SubProject Title: Endicott Standard Oil

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000679

SubProject Title: Newman's Chevron 2021 6th St Bremerton

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Bremerton

County: Kitsap

Legislative District: 026

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000679

SubProject Title: Newman's Chevron 2021 6th St Bremerton

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 100,000 | | | | 100,000 |
| | Total | 100,000 | 0 | 0 | 0 | 100,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000681

SubProject Title: Chevron 90129 (Brooklyn Chevron)

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000681

SubProject Title: Chevron 90129 (Brooklyn Chevron)

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Seattle

County: King

Legislative District: 043

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 50,000 | | | | 50,000 |
| | Total | 50,000 | 0 | 0 | 0 | 50,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000681

SubProject Title: Chevron 90129 (Brooklyn Chevron)

No Operating Impact

SubProject Number: 30000682

SubProject Title: RJ Hopkins Lodging

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Port Angeles

County: Clallam

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 20,000 | | | | 20,000 |
| Total | | 20,000 | 0 | 0 | 0 | 20,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000682

SubProject Title: RJ Hopkins Lodging

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000683

SubProject Title: Strickland Chevron Lynnwood

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Lynnwood

County: Snohomish

Legislative District: 032

Project Type

Grants

461 - Department of Ecology
Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000683

SubProject Title: Strickland Chevron Lynnwood

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 50,000 | | | | 50,000 |
| | Total | 50,000 | 0 | 0 | 0 | 50,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000684

SubProject Title: Frank McPhee Property

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000684

SubProject Title: Frank McPhee Property

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Port Angeles

County: Clallam

Legislative District: 024

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 20,000 | | | | 20,000 |
| | Total | 20,000 | 0 | 0 | 0 | 20,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000684

SubProject Title: Frank McPhee Property

No Operating Impact

SubProject Number: 30000685

SubProject Title: AJR LLC

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Medical Lake

County: Spokane

Legislative District: 006

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 75,000 | | | | 75,000 |
| Total | | 75,000 | 0 | 0 | 0 | 75,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000685

SubProject Title: AJR LLC

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000686

SubProject Title: Hansen Drilling Co. Inc.

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Vancouver

County: Clark

Legislative District: 049

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000686

SubProject Title: Hansen Drilling Co. Inc.

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 20,000 | | | | 20,000 |
| | Total | 20,000 | 0 | 0 | 0 | 20,000 |

Future Fiscal Periods

| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|----------|----------|----------|----------|
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000687

SubProject Title: Willow Bay Resort

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000687

SubProject Title: Willow Bay Resort

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Unincorporated

County: Stevens

Legislative District: 007

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 63,000 | | | | 63,000 |
| | Total | 63,000 | 0 | 0 | 0 | 63,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000687

SubProject Title: Willow Bay Resort

No Operating Impact

SubProject Number: 30000688

SubProject Title: Chevron 97502 Sedro-Woolley

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Sedro-Woolley

County: Skagit

Legislative District: 039

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Expenditures | | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | Estimated Total | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 50,000 | | | | 50,000 |
| Total | | 50,000 | 0 | 0 | 0 | 50,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000688

SubProject Title: Chevron 97502 Sedro-Woolley

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000689

SubProject Title: Old Milton Svc. Station

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Walla Walla

County: Walla Walla

Legislative District: 016

Project Type

Grants

461 - Department of Ecology
Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000689

SubProject Title: Old Milton Svc. Station

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 75,000 | | | | 75,000 |
| | Total | 75,000 | 0 | 0 | 0 | 75,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000690

SubProject Title: Chevron 90619 Bellingham

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000690

SubProject Title: Chevron 90619 Bellingham

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Bellingham

County: Whatcom

Legislative District: 042

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 50,000 | | | | 50,000 |
| | Total | 50,000 | 0 | 0 | 0 | 50,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000690

SubProject Title: Chevron 90619 Bellingham

No Operating Impact

SubProject Number: 30000691

SubProject Title: Chevron 209335 Seattle Housing Authority

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Seattle

County: King

Legislative District: 043

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 50,000 | | | | 50,000 |
| Total | | 50,000 | 0 | 0 | 0 | 50,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000691

SubProject Title: Chevron 209335 Seattle Housing Authority

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000692

SubProject Title: Coldeen Property Old Gas Station

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Unincorporated

County: King

Legislative District: 034

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000692

SubProject Title: Coldeen Property Old Gas Station

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 100,000 | | | | 100,000 |
| | Total | 100,000 | 0 | 0 | 0 | 100,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | | | | | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000693

SubProject Title: Filbert Drive Site Bothell

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000693

SubProject Title: Filbert Drive Site Bothell

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Bothell

County: Snohomish

Legislative District: 001

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 100,000 | | | | 100,000 |
| | Total | 100,000 | 0 | 0 | 0 | 100,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000693

SubProject Title: Filbert Drive Site Bothell

No Operating Impact

SubProject Number: 30000694

SubProject Title: G and G Meats

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Snohomish

County: Snohomish

Legislative District: 044

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 100,000 | | | | 100,000 |
| Total | | 100,000 | 0 | 0 | 0 | 100,000 |

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000694

SubProject Title: G and G Meats

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 30000695

SubProject Title: Chevron 92546 Sedro-Woolley Herbs Chevron

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

Location

City: Sedro-Woolley

County: Skagit

Legislative District: 039

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000695

SubProject Title: Chevron 92546 Sedro-Woolley Herbs Chevron

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 50,000 | | | | 50,000 |
| | Total | 50,000 | 0 | 0 | 0 | 50,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 40000101

SubProject Title: Targeted Site Investigations and Abandoned Site Cleanup

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 40000101

SubProject Title: Targeted Site Investigations and Abandoned Site Cleanup

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Investigation, confirmation and additional remedial actions at Leaking Underground Storage Tank sites that may be eligible for a No Further Action determination.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 344,000 | | | | 344,000 |
| | Total | 344,000 | 0 | 0 | 0 | 344,000 |

Future Fiscal Periods

| Acct Code | Account Title | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
|-----------|-------------------------|----------|----------|----------|----------|
| | | | | | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 |
| | Total | 0 | 0 | 0 | 0 |

Operating Impacts

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 40000101

SubProject Title: Targeted Site Investigations and Abandoned Site Cleanup

No Operating Impact

SubProject Number: 40000106

SubProject Title: Model Remedy Evaluation and Verification

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Document and evaluate the effectiveness of leaking fuel tank model remedies. Consider reduction in cleanup time frames, costs and risks to human health and the environment.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|--------------|-------------------------|-----------------|----------------|------------------|-----------------------|----------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 300,000 | | | | 300,000 |
| Total | | 300,000 | 0 | 0 | 0 | 300,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 40000106

SubProject Title: Model Remedy Evaluation and Verification

| | Future Fiscal Periods | | | |
|-------------------------------|-----------------------|----------|----------|----------|
| | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 State Bldg Constr-State | | | | |
| Total | 0 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

SubProject Number: 40000107

SubProject Title: Model Remedy Research and Technology Review

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Solicitation and evaluation of proposed model remedies and technologies as required by RCW 70.105D030(2)(k)(ii), and identification of other site categories that may benefit from model remedy development.

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 40000107

SubProject Title: Model Remedy Research and Technology Review

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|-----------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 200,000 | | | | 200,000 |
| | Total | 200,000 | 0 | 0 | 0 | 200,000 |
| Future Fiscal Periods | | | | | | |
| | | <u>2019-21</u> | <u>2021-23</u> | <u>2023-25</u> | <u>2025-27</u> | |
| 057-1 | State Bldg Constr-State | 0 | 0 | 0 | 0 | |
| | Total | 0 | 0 | 0 | 0 | |

Operating Impacts

No Operating Impact

SubProject Number: 30000909

SubProject Title: Leaking Tank Ten Year Financing Plan

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 30000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 30000909

SubProject Title: Leaking Tank Ten Year Financing Plan

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 28

Project Summary

Model remedies are cleanup actions that Ecology has pre-approved for specific categories of contaminated sites. This is to streamline the cleanup process by providing protective cleanup actions that are faster and less expensive. In response to legislation passed in 2013, Ecology is developing model remedies to address leaking fuel tanks and other common types of contaminated sites to help quickly and effectively restore the environment and protect public health. Ecology is focusing on model remedies for sites with petroleum contamination, with an emphasis on over 3,000 Leaking Underground Storage Tank (LUST) sites. These sites pose risks to Washington's ground and surface water resources, and their continued listing on the hazardous sites list creates a barrier to economic and community redevelopment. This request will focus funding toward the implementation of these model remedies. Related to Puget Sound Action Agenda implementation. (State Building Construction Account)

Project Description

Ten year financing plan

Location

City: Statewide

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Multiple

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

None

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|-------------------------|------------------|------------------|------------------|-----------------------|-------------|
| | | | Prior Biennium | Current Biennium | Reapprops | New Approps |
| 057-1 | State Bldg Constr-State | 7,800,000 | | | | |
| | Total | 7,800,000 | 0 | 0 | 0 | 0 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 057-1 | State Bldg Constr-State | 1,950,000 | 1,950,000 | 1,950,000 | 1,950,000 | |
| | Total | 1,950,000 | 1,950,000 | 1,950,000 | 1,950,000 | |

Operating Impacts

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/29/2017 1:45PM

Project Number: 3000669

Project Title: Leaking Tank Model Remedies

SubProjects

SubProject Number: 3000909

SubProject Title: Leaking Tank Ten Year Financing Plan

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|--|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Leaking Tank Model Remedies</u> |
| Project Number: | <u>30000669</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

Ecology's 2018 Supplemental Budget Project List
Toxics Cleanup Program
Leaking Tank Model Remedies - New (30000669)

September 29, 2017

Purpose: **This project list represents the new Leaking Tank Model Remedies projects requested in the 2018 Supplemental Capital Budget proposal.** This list represents new projects that are ready to proceed. This list is a plan based on the best information available to Ecology. The plan may change as more information becomes available.

Description for Individual Project Sites: These projects are planned for limited site sampling and monitoring to confirm the site's status. Removal activities will be conducted if needed to bring the sites to closure.

| ECY Rank | Project | Description | County | Amount | Site Address | City | Leg. District | Lat. | Long. |
|----------|--|--|---------|---------|-------------------------|-----------------|---------------|------|--------|
| 1 | DSHS Rainer School | See Description for Individual Project Sites above in purpose section. | Pierce | 20,000 | Ryan Road | Buckley | 31 | 47.2 | -122.0 |
| 2 | Endicott Standard Oil | See Description for Individual Project Sites above in purpose section. | Whitman | 50,000 | Margin Street | Endicott | 9 | 46.9 | -117.7 |
| 3 | Newman's Chevron 2021 6th St Bremerton | See Description for Individual Project Sites above in purpose section. | Kitsap | 100,000 | 2021 6th Street | Bremerton | 26 | 47.6 | -122.6 |
| 4 | Chevron 90129 (Brooklyn Chevron) | See Description for Individual Project Sites above in purpose section. | King | 50,000 | 4700 Brooklyn Avenue NE | Seattle | 43 | 47.7 | -122.3 |
| 5 | RJ Hopkins Lodging | See Description for Individual Project Sites above in purpose section. | Clallam | 20,000 | 4317 Tumwater Truck Rte | Port Angeles | 24 | 48.1 | -123.5 |
| 6 | Strickland Chevron Lynnwood | See Description for Individual Project Sites above in purpose section. | King | 50,000 | 6808 196th Street SW | Lynnwood | 32 | 47.8 | -122.3 |
| 7 | Frank McPhee Property | See Description for Individual Project Sites above in purpose section. | Clallam | 20,000 | 719 S Race Street | Port Angeles | 24 | 48.1 | -123.4 |
| 8 | AJR LLC | See Description for Individual Project Sites above in purpose section. | Spokane | 75,000 | 106 N Lefevre | Medical Lake | 6 | 47.6 | -117.7 |
| 9 | Hansen Drilling Co. Inc. | See Description for Individual Project Sites above in purpose section. | Clark | 20,000 | 6711 58th Avenue NE | Vancouver | 49 | 45.7 | -122.6 |
| 10 | Willow Bay Resort | See Description for Individual Project Sites above in purpose section. | Stevens | 63,000 | 6607 Hwy 291 | Nine Mile Falls | 7 | 47.9 | -117.7 |

| ECY Rank | Project | Description | County | Amount | Site Address | City | Leg. District | Lat. | Long. |
|---|---|--|-------------|---------|--|---------------|---------------|-----------|------------------|
| 11 | Chevron 97502 Sedro-Woolley | See Description for Individual Project Sites above in purpose section. | Whatcom | 50,000 | 124 Ferry Street | Sedro-Woolley | 39 | 48.5 | -122.2 |
| 12 | Old Milton Svc. Station | See Description for Individual Project Sites above in purpose section. | Walla Walla | 75,000 | 4184 Old Milton Hwy | Walla Walla | 16 | 46.0 | -118.3 |
| 13 | Chevron 90619 Bellingham | See Description for Individual Project Sites above in purpose section. | Whatcom | 50,000 | 2200 Elm Street & 1205 Washington Street | Bellingham | 42 | 48.8 | -122.5 |
| 14 | Chevron 209335 Seattle Housing Authority | See Description for Individual Project Sites above in purpose section. | King | 50,000 | 1225 N 45th Street | Seattle | 43 | 47.7 | -122.3 |
| 15 | Coldeen Property Old Gas Station | See Description for Individual Project Sites above in purpose section. | King | 100,000 | 15631 Westside Hwy SW | Vashon | 34 | 47.5 | -122.5 |
| 16 | Filbert Drive Site Bothell | See Description for Individual Project Sites above in purpose section. | Snohomish | 100,000 | Filbert Drive & Filbert Road | Bothell | 1 | 47.8 | -122.2 |
| 17 | G and G Meats | See Description for Individual Project Sites above in purpose section. | Snohomish | 100,000 | 6425 S Machias Road | Snohomish | 44 | 47.9 | -122.1 |
| 18 | Chevron 92546 Sedro-Woolley Herbs Chevron | See Description for Individual Project Sites above in purpose section. | Whatcom | 50,000 | 224 W Ferry Street | Sedro-Woolley | 39 | 48.5 | -122.2 |
| 19 | Targeted Site Investigations and Abandoned Site Cleanup | Investigation, confirmation and additional remedial actions at Leaking Underground Storage Tank sites that may be eligible for a No Further Action determination. | Statewide | 344,000 | Statewide | Statewide | Statewide | Statewide | Statewide |
| 20 | Model Remedy Evaluation & Verification | Document and evaluate the effectiveness of leaking fuel tank model remedies. Consider reduction in cleanup time frames, costs and risks to human health and the environment. | Statewide | 300,000 | Statewide | Statewide | Statewide | Statewide | Statewide |
| 21 | Model Remedy Research & Technology Review | Solicitation and evaluation of proposed model remedies and technologies as required by RCW 70.105D030(2)(k)(ii), and identification of other site categories that may benefit from | Statewide | 200,000 | Statewide | Statewide | Statewide | Statewide | Statewide |
| Total 2018 Supplemental Budget Request | | | | | | | | | 1,887,000 |

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:01PM

Project Number: 30000708

Project Title: Swift Creek Natural Asbestos Flood Control and Cleanup

Description

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 29

Project Summary

Swift Creek is a small creek in the northeastern lowlands of Whatcom County. An ongoing landslide that started in the late 1930s or early 1940s resulted in a large load of naturally occurring asbestos and heavy metal contaminated sediment continuously filling up the creek bed. This request will fund construction of sediment traps and debris flow deflection levees, and complete the design and permitting for large sedimentation basins. These remediation actions will minimize public and environmental health impacts associated with exposure to asbestos. This request offers an interim solution that will address the historic liability of dredging and managing the sediment by stockpiling it next to the creek. It will also fund facilities needed to capture sediment over the next 10 to 15 years, depending on the rate of sedimentation. It provides time to develop a long-term strategy to either stabilize the slide or provide ongoing sediment management with help from the Army Corps of Engineers. (State Building Construction Account)

Project Description**What is the proposed project?**

Ecology got involved in this project in 2006 due to concerns about the presence of asbestos, a hazardous material, and Model Toxics Control Act authority to deal with it. Ecology worked with the Army Corps of Engineers to issue Whatcom County a 401 Water Quality Certification for a 404 permit. The permit authorized Whatcom County to conduct additional dredging of Swift Creek.

As the Swift Creek project evolved over time, it became clear that neither Whatcom County nor the Environmental Protection Agency (EPA) had the resources alone to address the problems at this site. In 2014, Ecology entered a partnership with the county and EPA through a Joint Agency Agreement (JAA). This agreement details an interim strategy to reduce flood risks and reduce the transport of asbestos-containing sediment downstream and across the floodplain. Ecology's principal obligation in the JAA is to seek funding through the state Legislature. Each party's commitment to the agreement and investments are noted below.

This request will fund construction of sediment traps and debris-flow deflection levees, and complete design and permitting for large sedimentation basins. Securing state funding will fulfill Ecology's commitment outlined in the JAA to share costs by seeking capital funding for building the sediment management facilities. Funding will be immediately put to use in the 2017-19 Biennium on engineering, design, and permitting work. Ecology proposes this request be funded from the State Building Construction Account (SBCA), because the major long-term expense is constructing sediment basins to capture future sediment loading to alleviate flooding. This funding mechanism is consistent with how the Legislature has funded other flood control projects in Ecology's and other agencies' budgets. This request is for the first two years of funding needed; additional state funding will be needed in the 2019-21 Biennium, as outlined in the 10-year detail. Consistent with the JAA, Ecology requests state capital appropriation to pass-through to Whatcom County through an interagency agreement.

Below is a cost summary of the specific tasks identified in this request:

\$2,000,000 Land acquisition

\$ 947,457 Construct sediment traps

\$ 976,330 Construct Upper Deflection Levee

\$ 163,619 Dredging to maintain flow under bridges

\$ 200,000 Emergency dredging contingency

\$2,287,406 Construction subtotal

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:01PM

Project Number: 3000708

Project Title: Swift Creek Natural Asbestos Flood Control and Cleanup

Description

\$1,083,500 Engineering and design (for \$15 million project over four to six years)

\$ 441,750 License/permit fees (for \$15 million project over four to six years)

\$1,525,250 Design and permitting subtotal

\$5,812,656 Grand Total 2018 Supplemental Budget Request

EPA and Whatcom County have made ongoing contributions and have additional responsibilities for the project under the JAA. Land acquisition is key to this request. Efforts to control flooding and manage landslide-derived sediment containing hazardous asbestos will require engineered hydrologic controls, infrastructure, and access. Ecology, the county, and EPA are discussing property requirements needed to achieve these remedial measures. EPA is currently negotiating with the largest affected landowner to convey property in exchange for liability relief.

EPA has spent approximately \$3 million to date on the Swift Creek project for a wide range of scientific and engineering work. This includes, for example, stabilizing sediment piles, United States Geological Survey (USGS) hydrologic study, activity-based sampling, engineering evaluation, and cost analysis of cleanup alternatives.

Under the JAA, EPA's contributions include providing technical assistance and regulatory input for design and construction, excavating and/or stabilizing dredged materials, and transporting and placing dredged materials at staging areas. Whatcom County and its Flood Control Zone District contributions include assessing feasibility of rerouting a portion of Swift Creek to reduce transport of asbestos-containing sediment, undertaking alternatives analysis of potential repository locations, providing funds for routine operations and maintenance, and preparing annual reports for the project.

What opportunity or problem is driving this request?**The reason for the project:**

Because this contamination is naturally occurring, agencies have been struggling to respond to the situation. Whatcom County does not have the financial resources to deal with this problem and has asked the state and federal governments for help. The federal government has provided significant staff time for technical assistance and funding for sediment testing and stabilizing existing sediment piles. The county makes annual investments in maintenance dredging. But, with no place to put the sediment, they will be unable to continue dredging in the future. Funding this request will begin investment in the interim strategy outlined in the JAA and demonstrate that the state is in partnership with these agencies to move toward a long-term solution to address this significant human health and environmental problem.

The effects of non-funding:

Failure to manage Swift Creek sediment according to the JAA would result in the creek filling with sediment, overflowing its banks, and depositing asbestos and metals contaminated sediment on nearby farmland, residential lands, and wetlands. Specifically, it would likely spill over into un-impacted Breckenridge Creek and its high quality wetlands. This creek and associated wetlands are an important salmon spawning habitat. Sediment loading on the Sumas River would also increase. Eventually, dredging would be needed in that river, too. And, as the sediment moves down the Sumas River, it would impact numerous farms and developed areas within the cities of Nooksack and Sumas and their urban growth areas. This happened in 2009, when a flood deposited sediment with asbestos concentrations in excess of 20 percent on the banks of the Sumas River. In comparison, materials containing more than one percent asbestos are regulated as 'asbestos containing materials' by the Clean Air Act.

Swift Creek also came very close to overflowing its banks in the spring of 2014. Emergency dredging and levee repair by Whatcom County averted a flood.

Once the creek leaves its current channel, it is unlikely to return. The current channel is choked with sediment and is several feet above the surrounding land. The creek's flow, and the contaminated sediment it carries, is only confined to the channel by

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:01PM

Project Number: 30000708

Project Title: Swift Creek Natural Asbestos Flood Control and Cleanup

Description

large dikes. The current extent of the filling creek channel since the last major dredging a few years ago is illustrated in the attached photos called "Attachment A."

How does the project support the agency and statewide results?

This request supports Ecology's strategic priorities to Preventing and Reducing Toxic Threats and Protecting and Restoring Puget Sound by capturing and removing sediment from Swift Creek before it flows into the Sumas River, which flows north to the Fraser River and then discharges to Puget Sound. Without this project, the creek bed would continue to:

- Fill up with sediment and overtop its banks.
- Flood and contaminate nearby lowlands and wetlands with naturally occurring asbestos and metals.
- Potentially impact several county roads and bridges, along with a number of private residences, farms, and businesses.

Managing Swift Creek sediment will:

- Reduce the need to dredge after the sediment has been deposited in the creek and adjoining areas.
- Protect the habitat from being smothered by sediment that is inhospitable to Pacific Salmon and other aquatic life.
- Clean up historic contamination and prevent further contamination of lands in the vicinity of the creek and Sumas River.
- Greatly reduce the impacts of the sediment loading from the landslide. For example, during rainfall events, the turbidity, nickel, and asbestos levels in these water bodies exceed water quality criteria.

This request is essential to support the Governor's budget and economic development priorities by investing funds to protect public health and natural resources. The Governor supported this request in his 2015-17 Biennial, 2016 Supplemental and 2017-19 Biennial budget proposals.

This request is essential to support the Governor's Results Washington Goal 3: Sustainable Energy and a Clean Environment as follows:

- Goal Topic: Healthy Fish and Wildlife, Sub Topic: Healthy Fish and Wildlife and Pacific Salmon, Outcome Measure: 3.2.2 Increase the percentage of ESA listed salmon and Steelhead populations at healthy, sustainable levels from 16 percent to 25 percent by 2022.
- Goal Topic: Clean and Restored Environment, Sub Topics: Clean Cool Water and Healthy, Outcome Measures: 3.3.1 Increase the number of contaminated sites cleaned up by 17 percent from 5,815 to 6,803 by 2020 and 3.3.2 Increase the percentage of rivers meeting good water quality from 43 percent to 55 percent by 2020.

This request makes a key contribution to statewide results by preserving, maintaining, and restoring natural systems and landscapes. Building sediment management facilities to capture contaminated sediment will provide ongoing management and future safeguards to Swift Creek and the surrounding areas.

What are the specific benefits of this project?

Funding this request will prevent further threats to human health and the environment from the asbestos and metals in these sediments. It will also help protect Puget Sound (where these sediments will eventually discharge). While this doesn't support new economic development, it does help preserve valuable farm land that could be irreversibly contaminated if Swift Creek or the Sumas River flood and smother fields with contaminated sediment.

Economic Impact: This project will also provide economic benefits to the state by creating up to 38 jobs during the next two years, based on estimates from the Office of Financial Management.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:01PM

Project Number: 3000708

Project Title: Swift Creek Natural Asbestos Flood Control and Cleanup

Description**How will clients be affected and services change if this project is funded?**

Right now, Whatcom County is responding to Swift Creek sediment accumulations on an emergency basis, when the sediment builds up to the point of causing Swift Creek to flow out of its channel. This request will invest in a planned, more systematic approach to managing the accumulated sediment. It will help fulfill the state's obligations under the JAA between Whatcom County, Ecology, and EPA.

Are FTEs required to support this project?

No.

How will the other state programs or units of government be affected if this project is funded?

This request will allow local government to continue addressing this threat to human health and the environment from the asbestos and metals in these sediments.

This request was developed and shared with stakeholders and the Attorney General's Office. Those parties support this request. A letter of support from Whatcom County is included as Attachment B. Also, several local legislators and representatives from the offices of Congressman Rick Larson, Senator Patty Murray, and Senator Maria Cantwell have been interested in addressing the problems at this site and have participated in conference calls, site visits, and other communications over this issue.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Why is this the best option or alternative?

There are currently no alternative fund sources available. The county has requested funding for an Army Corps of Engineers project, but this funding is several years away, even in the best scenario.

What is the agency's proposed funding strategy for the project?

Ecology requests the state's portion of the project be funded through the SBCA, because the Legislature has decided to fund other flood control projects in Ecology's and other agencies' budgets from this account. This request is consistent with that approach. Federal and local funding also support the project as described in the JAA.

Proviso

No

Project Type

Grants

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:01PM

Project Number: 30000708

Project Title: Swift Creek Natural Asbestos Flood Control and Cleanup

Description

Grant Recipient Organization: Whatcom

RCW that establishes grant: N/A

Application process used

N/A

Growth Management impacts

This project will help preserve farmland and open space, resulting in less pressure to redevelop these areas, supporting GMA.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|-----------|-------------------------|-------------------|----------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 057-1 | State Bldg Constr-State | 17,013,000 | | | | 5,813,000 |
| | Total | 17,013,000 | 0 | 0 | 0 | 5,813,000 |

| Acct Code | Account Title | Future Fiscal Periods | | | |
|-----------|-------------------------|-----------------------|----------|----------|----------|
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 |
| 057-1 | State Bldg Constr-State | 11,200,000 | | | |
| | Total | 11,200,000 | 0 | 0 | 0 |

Operating Impacts

No Operating Impact

Expected Use of Bond/COP Proceeds

| | | | |
|------------------------|-----------------------|-----------------------|---|
| Agency ID: | <u>461</u> | Agency Name: | <u>Department of Ecology</u> |
| Contact Name: | <u>Angie Wirkkala</u> | Email: | <u>Angie.wirkkala@ecy.wa.gov</u> |
| Phone: | <u>(360) 407-7219</u> | Fund Name: | <u>State Building Construction Account</u> |
| Fund(s) Number: | <u>057</u> | Project Title: | <u>Swift Creek Natural Asbestos Flood Control and Cleanup</u> |
| Project Number: | <u>30000708</u> | | |

1. Will any portion of the project or asset ever be owned by any entity other than the state or one of its agencies or departments? Yes No
2. Will any portion of the project or asset ever be leased to any entity other than the state or one of its agencies or departments? Yes No
3. Will any portion of the project or asset ever be managed or operated by any entity other than the state or one of its agencies or departments? Yes No
4. Does the project involve a public/private venture, or will any entity other than the state or one of its agencies or departments ever have a special priority or other right to use any portion of the project or asset to purchase or otherwise acquire any output of the project or asset such as electric power or water supply? Yes No
5. Will any portion of the Bond/COP proceeds be granted or transferred to nongovernmental entities or granted or transferred to other governmental entities which will use the grant for nongovernmental* purposes? Yes No
6. If you have answered "Yes" to any of the questions above, will your agency or any other state agency receive any payments from any entity, other than the state or one of its agencies or departments or any local government units, for the use of, or in connection with, the project or assets? Yes No
7. Will any portion of the project or asset, or rights to any portion of the project or asset, ever be sold to any entity other than the state or one of its agencies or departments? Yes No
8. Will any portion of the Bond/COP proceeds be loaned to nongovernmental entities or loaned to other governmental entities that will use the loan for nongovernmental purposes? Yes No
9. Will any portion of the project or asset be used to perform sponsored research under an agreement with a nongovernmental person, such a business corporation or the federal government, including any federal department or agency? Yes No

***Nongovernmental purposes is defined in the Glossary and examples provided in Section 4.3 of the Capital Budget Instructions.**

- If the answer to any one of questions 1 through 5 is yes and answers to 6, 7, and 8 are no, request tax exempt funding.
- If the answer to any one of questions 1 through 5 is yes and 6 is yes, request taxable funding from Fund 355.
- If the answer to all of questions 1 through 6 are no and the answer to either question 7 or 8 is yes, request taxable funding from Fund 355.
- If the answer to question 9 is yes, please provide a detailed explanation of the terms of any and all of such sponsored research agreements.

Attach this form to your project in CBS. The Office of the State Treasurer, bond counsel, or the Office of Financial Management may review this form for any projects requested in the budget.

**WHATCOM COUNTY
EXECUTIVE'S OFFICE**

County Courthouse
311 Grand Avenue, Suite #108
Bellingham, WA 98225-4082



ATTACHMENT B
Jack Louws
County Executive

The Honorable Jay Inslee,
Governor of the State of Washington
P.O. Box 40002
Olympia, WA 98504-0002

RE: Swift Creek Sediment Management

August 7, 2015

Governor Inslee,

The purpose of this letter is to reinforce the request from Whatcom County for the participation and support of the State of Washington in the management of the Swift Creek landslide sediment.

To address the regional and international impact of the significant sediment transported through the Swift Creek channel from the landslide on Sumas Mountain, Whatcom County (the County), the Whatcom County Flood Control Zone District (Flood Control Zone District), the Washington State Department of Ecology (Ecology), and the U.S. Environmental Protection Agency, Region 10 (EPA) entered into a Joint Agency Agreement (JAA) in March of 2014. This agreement establishes the roles, responsibilities and areas that each agency can contribute to address the naturally occurring asbestos sediment.

As outlined in the JAA, Whatcom County continues to seek funding from the State legislature to pay for the balance of the capital construction as outlined in the Swift Creek Sediment Management Action Plan.

I appreciate the ongoing effort by WA Department of Ecology. Your administration's continued participation in the working group with Whatcom County and EPA is critical to resolving this large and complicated sediment management problem. I look forward to accomplishing the next step in the JAA by securing the necessary State funding.

Sincerely,



Jack Louws
Whatcom County Executive

ATTACHMENT A

Swift Creek photos comparing fall 2007 to June 2015

Attachment to Budget Request,

Pete Kmet, July 2015

Oat Coles Road bridge - November, 2007



Oak Coles Road bridge – June, 2015



Looking east from Oat Coles Bridge - November, 2007



Looking east from Oat Coles Bridge – June, 2015



Goodwin Road Bridge - September, 2007



Goodwin Road Bridge - June, 2015



Looking west from Goodwin Road Bridge - October, 2007



Looking west from Goodwin Road Bridge - May 2015



Looking east from Goodwin Road Bridge - September 2007



Looking east from Goodwin Road Bridge - May 2015



Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:26PM

Project Number: 30000672

Project Title: Waste Tire Pile Cleanup and Prevention

Description

Starting Fiscal Year: 2018

Project Class: Grant - Pass Through

Agency Priority: 32

Project Summary

Illegally dumped tires in Washington continue to pose public health and environmental threats. Tire piles pose risks for highly toxic fires, pollutant leaching and run-off, and provide habitat for mosquitoes and other disease carriers. Ecology is requesting \$1.0 million to continue funding preventing and removing waste tire piles, enforcement, and education on tire storage and hauling regulations. (Waste Tire Removal Account)

Project Description**What is the proposed project?**

An environment free of waste tires is important to the public health of Washington citizens. Piles of waste tires harbor mosquitoes, snakes, and other vermin. West Nile Virus and now the potential for the Zika Virus transmitted by mosquitos pose a threat to public health. Tire piles that have existed for a long time are a fire hazard. State and local officials responsible for cleaning up unauthorized dump sites and preventing more waste accumulation are continually challenged by illegally dumped tires. In the past, the state has witnessed catastrophic tire pile fires, such as the Everett and Dorman tire fires of 1984. Funding is needed to prevent tire stockpiling, unwanted tire piles, and tire fires, as required by RCW 70.95.532.

RCW 70.95.510 established a one dollar per tire fee on the sale of new replacement vehicle tires. Revenues from this fee are deposited in the Waste Tire Removal Account (WTRA), which are to be used for cleaning up unauthorized waste tire piles and measures that prevent future accumulation of unauthorized waste tire piles, as per RCW 70.95.500.570.

Ecology uses funding from the WTRA for pile removals, amnesty events, enforcement, cleanups, and education programs. Ecology also provides technical support on preventing waste tire piles and enforces tire hauling and storage requirements. During the 2015-17 Biennium, this dedicated funding was used to remove 34 abandoned tire piles and historic waste tire accumulations, and hold 48 tire amnesty events hosted by local governments, where residents can drop off waste tires at no charge. During the last eleven years, Ecology removed nearly 67 thousand tons of tires from 352 locations in 37 counties across the state, helping local governments stretch their limited resources to clean up waste tires, and in some cases removing tires that they could not fund to remove.

What opportunity or problem is driving this request?**The reason for the project:**

Illegally dumped tires pose a fire hazard. Because tires are mostly made of rubber (natural and synthetic), they are hard to extinguish when they catch fire, the smoke is extremely toxic and full of cancer-causing chemicals, and the runoff contaminates the ground. Due to their heavy metal and other pollutant content, tires pose a risk for leaching toxic chemicals into groundwater. Piled tires capture water and create the ideal habitat for mosquitoes and flies. With Avian flu, the West Nile Virus, and possibly Zika Virus on the rise, mosquito control is an important concern. Tire piles also provide habitat for other vermin like rats and snakes. Tires have been used as reefs in Puget Sound and as bulkheads along shorelines, contaminating the water.

The effects of non-funding:

Without enforcing storage and hauling regulations, illegal waste tire piles would continue to accumulate. Minimal cleanups could occur through voluntary action of owners or through enforcement actions by local governments. Without dedicated tire removal funding, local governments lack resources to concentrate on this difficult waste stream. Removing tire piles quickly reduces the potential for those piles to grow exponentially.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:26PM

Project Number: 3000672

Project Title: Waste Tire Pile Cleanup and Prevention

Description**How does the project support the agency and statewide results?**

Funding the waste tire prevention and cleanup program supports Ecology's strategic priority to Protect and Restore Puget Sound. It does this through education, enforcement, and cleanup efforts that reduce waste tire accumulations around the state and within Puget Sound. This program also supports Ecology's strategic priority to Prevent and Reduce Toxic Threats. Cleaning up tire piles prevents future impacts and costs of tire fires or other environmental contamination from tires accumulation.

This request provides essential support to the Governor's Results Washington Goal 3, Sustainable Energy and a Clean Environment and Goal 4, Healthy and Safe Communities. Funding from this dedicated account is used for tire removals, tire regulation enforcement, and educating businesses about proper handling, storage, recycling, and disposal. This helps protect ground and surface waters, prevents the spread of disease, and improves living conditions in communities. Tire pile clean up also prevents tire fires, helping to protect Washington's air quality.

This request makes a key contribution to statewide results by providing funding to prevent tire accumulation by offering amnesty events for residents, educate businesses, and enforce waste tire regulations. These efforts remove tires and reduce negative impacts on the environment and promote tire recycling.

What are the specific benefits of this project?

Specific cleanup and prevention benefits include eliminating the risk of tire pile fires, reducing habitat for vermin and disease spreading insects, removing the physical hazard that tire piles pose, and increasing used tire recycling. Cleaning up tire piles also provides recycled materials to local markets, reducing the demand on natural resources.

How will clients be affected and services change if this project is funded?

Ecology provides funds to public entities for preventing tire piles, enforcing tire regulations, and removing waste tires from the local community. Funding in the 2017-19 Biennium will allow continued prevention, enforcement, and removal of waste tires across the state. This provides financial relief to residents, businesses, and local communities that may otherwise not remove waste tires from their communities due to financial constraints.

Are FTEs required to support this project?

This project requires a total of 1.15 FTEs. This is the same level of FTEs currently supporting this capital project in the 2015-17 Biennium. Staff is required to manage and coordinate tire contract and grant efforts, and provide technical support for prevention, enforcement, and removal efforts. Without a 2017-19 Capital Budget, Ecology has suspended all tire cleanup and prevention activities. FTE estimates are for the biennial workload for this project. Actual FTEs may vary depending on the timing of the enacted budget.

How will the other state programs or units of government be affected if this project is funded?

Using funding from the WTRA to remove waste tire piles and prevent re-accumulation reduces the financial burden on other state and local government programs. This cleanup program reduces the need for local governments to respond to burning tire piles and insect and vermin problems.

What is the impact on the state operating budget?

None.

Does this request include funding for any IT-related costs?

No.

Capital Project Request

2017-19 Biennium

*

Version: S1 2018 Supplemental

Report Number: CBS002

Date Run: 9/30/2017 8:26PM

Project Number: 30000672

Project Title: Waste Tire Pile Cleanup and Prevention

Description

Why is this the best option or alternative?

In the early 1990s, a similar state-funded tire pile cleanup effort cleaned up 29 tire piles in Washington. The funding ran out before several large tire pile sites were cleaned up. Without a continual tire prevention and enforcement program, those large tire piles remained and more piles were created.

In 2005, the tire fee provided funding to remove the tire piles left behind in the 1990s and funded removal of more than 130 additional piles identified across the state. If this program funding is not continued, there is no other fund source available to deal with tire piles. Experience shows that local governments do not have resources to clean up tire piles. Without funding from the WTRA, there is no other state or local program, or funding source, to conduct a comprehensive waste tire program.

What is the agency's proposed funding strategy for the project?

The law directs Ecology to use this dedicated funding source from the WTRA to pay for waste tire pile cleanups, education, prevention, and enforcement. This request implements the legislative intent for this funding source.

Project Type

Grants

Grant Recipient Organization: Public entities including cities, counties, irrigation or mosquito control districts, universities, and t

RCW that establishes grant: Chapter 70.95 RCW

Application process used

Ecology and public entities work together to provide opportunities for waste tire pile prevention, enforcement, and cleanup across the state of Washington.

Growth Management impacts

None.

Funding

| Acct Code | Account Title | Estimated Total | Expenditures | | 2017-19 Fiscal Period | |
|------------------------------|----------------------------|------------------|------------------|------------------|-----------------------|--------------------|
| | | | Prior Biennium | Current Biennium | Reappropriations | New Appropriations |
| 08R-1 | Waste Tire Removal A-State | 5,000,000 | | | | 1,000,000 |
| | Total | 5,000,000 | 0 | 0 | 0 | 1,000,000 |
| Future Fiscal Periods | | | | | | |
| | | 2019-21 | 2021-23 | 2023-25 | 2025-27 | |
| 08R-1 | Waste Tire Removal A-State | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | |
| | Total | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | |

Operating Impacts

No Operating Impact

2018 Supplemental Budget Request

ELECTRONIC SUBMITTAL CONFIRMATION FORM

Agency Number: 461

Agency Name: Ecology

Agencies are required to provide electronic access to each decision package in their budget request as part of the submittal process. Confirm Option 1 or 2 below:

Option 1(Preferred):

This agency posts all decision packages for our 2018 supplemental budget request to our public facing website at the following URL:

URL: [http:// www.ecy.wa.gov/services/fs/17-19budget.html](http://www.ecy.wa.gov/services/fs/17-19budget.html)

Option 2:

This agency does not post decision packages and has forwarded copies via e-mail to OFM.Budget@ofm.wa.gov.

These decision packages conform to ADA accessibility compliance policy.

Agency Valerie Pearson
Contact: _____

Contact Phone: 360-407-6985

Contact E-mail: Valerie.Pearson@ecy.wa.gov

Date: 10/03/2017