



Tillamook Oregon Solutions Flooding Project

Addendum to Declaration of Cooperation January 2009

The purpose of this document is to summarize actions taken on nine priority projects since the initial signing on October 31, 2007 of the Oregon Solutions Tillamook Declaration of Cooperation. In all, there were nineteen projects identified and prioritized by the Project Team in September 2007 (*See Attachment A*). Current status and future actions agreed upon to achieve successful completion of the nine projects are outlined in this addendum. On December 11, 2008 the Project Team reviewed and agreed with the state of each project listed on page 2. Project Exodus has been redefined as one project. Originally listed as priority projects #3, #8, #9, it now encompasses all three including a specific reference to Blind Slough. The addendum also contains a section which adds the Oregon Department of Environmental Quality (DEQ) as a party to the Declaration agreement. This is but one example of how a significant cooperative effort by Project Team members continues to evolve and improve this Tillamook project.

General Overview: During 2008, the Tillamook Project Team will have had five (5) meetings. Shortly after the signing of the Declaration on 10/31/07, a Design Committee (D/C) began meeting for the purpose of implementing prioritized infrastructure projects. Between November 2007 and December 2008, the D/C will have met eleven (11) times. The Design Committee has taken on the responsibility of essentially being an “executive committee” and reviews project action steps along with approving expenditure of funds. The D/C is chaired by Rick Klumph, ODF&W North Coast Watershed District Manager, and both Co-Conveners Senator Betsy Johnson and Tillamook County Commissioner Mark Labhart attend all meetings. (*See Attachment B and C* for updated membership rosters and dates of Project Team and Design Committee meetings) Funding to assist the implementation of projects was given a tremendous boost through a FY 07-09 legislative allocation of one million dollars. Senator Betsy Johnson led the effort to secure this initial “Seed Money” funding and at the January 30th Project Team meeting a representative check was presented to the project Co-conveners to celebrate this achievement. Use of these funds is detailed in several sections of this document.

State and Federal Involvement: Two state legislators, the Governor’s Economic Revitalization Team (ERT), along with seven state agencies have been very involved in this project. Their analysis and ability to recommend courses of action on numerous projects has been most helpful. A strong endorsement of project efforts was made by the Governor’s Natural Resources Policy Advisor, Michael Carrier, through correspondence he sent to state agency directors. (*See Attachment D*) Both the U.S. Army Corps of Engineers and NOAA –Fisheries have been very involved with Project Team and Design Committee meetings.

Local Involvement: Project Team activities continue to be successful in large part due to significant contributions by local interests. The range of entities includes strong support from Tillamook County, Tillamook City, the Port of Tillamook Bay, several associations, business persons, farmers, Tillamook Estuary Partnership (TEP) and Tillamook Bay Habitat and Estuary Improvement District (TBHEID).

**Oregon Solutions
Prioritized Tillamook Flood Projects
Status as of January 2009**

Wilson/Trask Gated Spillway: Completed September 2008

Tone Road Gated Spillway: Construction began December 2008 - expected completion spring 2009

Comprehensive Community Vision & Strategic Plan: DLCD grant provided - selection of consultant expected January 2009 with project completion July 2009

Trask Hook: Tabled by Design Committee Dec. 11, 2008. Will analyze effectiveness of Tone Road Spillway before pursuing.

Implement City Flood mitigation Plan: Contract with consultant to update Plan and implement Plan elements executed by January 2009 - expected completion July 2009

Mediated Gravel Agreement/Stream Corridor Management Plan: Document signatures completed January 2009

Project Exodus: [Includes Dougherty Slough, Blind Slough, Hall Slough and Wetland Restoration projects] January 2009 contract expected to be awarded to Northwest Hydraulic Consultants/HBH Consulting Engineers for modeling of numerous sub-components. USACE contract expected for oversight work. Final work products expected July 2009.

Priority Projects

In addition to information already provided in the initial Declaration of Cooperation, the following material describes the status of prioritized Oregon Solutions projects along with future action that may take place to achieve their completion.

Priority Projects # 1 & # 2: Wilson/Trask & Tone Road Spillways

Description & Status: Both projects address the need to reduce the height and duration of nuisance flooding and to provide a significant social, economic and environmental benefit to the community.

These projects demonstrate a significant collaborative effort between the permitting agencies and interested parties, showing that the Oregon Solutions process works.

U.S. Corps of Army Engineers (USACE) Involvement: In December 2007 a major storm causing flooding hit the Oregon Coast. Following disaster declarations by Oregon's Governor Kulongoski and President Bush, Tillamook County made an application to the Corps for Advance Measures consideration on these two spillway projects. Under this program, the Corps modeled a series of structures, including rock-reinforced temporary structures with the minimal elevation and sizing permitted under the Emergency Measures Program. Although the temporary measures proved to be unfeasible, the Corps analysis provided valuable information on the optimal design criteria for permanent concrete structures.

Design/Build Process: On February 19, 2008 the Design Committee authorized proceeding with a design/build contract with Nehalem Marine. An amount of \$300,000 was authorized out of the legislative allocation to design both projects and construct the Trask/Wilson spillway. A contract between Nehalem Marine and Tillamook County was executed for this amount and a \$10,000 change order for additional design work necessary for permit review was authorized by the Project Team on April 11th. On September 23, 2008 the Trask/Wilson spillway project was completed and the Project Team visited the site for a short dedication ceremony.

On October 28, 2008, it was announced at a Design Committee meeting that all necessary permits had been obtained for the Tone Road spillway. Tillamook County then issued a \$276,000 contract modification to Nehalem Marine for construction. At the meeting, ODF&W and NOAA-Fisheries confirmed that in-water construction could take place into February, 2009. Permit applications for both spillway projects were facilitated through Tillamook County, as the project sponsor. A great deal of credit goes to Tillamook County's Facilities, Fleet and Contract Director Paul Levesque and Legal Assistant Aaron Palter for successfully working through contract and permit issues.

Significant collaborative efforts continue to guide this Oregon Solutions program. At the April 11, 2008 Project Team meeting Department of State Lands (DSL) Deputy Director Kevin Moynahan announced that spillway permit fees would be waived and the review process would be expedited. Special note should be made that Robert Anderson with NOAA-Fisheries has been very helpful in guiding the permit review process through his agency. USACE Chief of Programs and Project Management, Doug Clarke, continues to work actively on the Design Committee and the Project Team. He has been an invaluable link to Oregon Solutions efforts.

Anticipated Future Action:

- Construction of the Tone Road Spillway will be completed in the spring of 2009
- A November 2008 flood in Tillamook showed that the Trask/Wilson spillway performed as designed. Numerous parties indicated their pleasure that the project was a very successful example of Oregon Solution flood reduction efforts.

Priority Project # 3: Dougherty Slough Log Jam

(See discussion under Project Exodus)

Priority # 4: Comprehensive Community Visioning

Description & Status: Relying on infrastructure projects alone will not alleviate the negative impacts of flooding. It will take a serious community conversation on how best to redesign the use and location of property in the Basin. This includes adopting long term strategies, and subsequent plan amendments for providing assistance and land use alternatives for businesses along North Hwy 101. Emphasis on maintaining business viability within the community is key to this effort. Land use planning efforts, including inventories of available land for commercial purposes, are important to the success of this project. Having a discussion on best appropriate uses of vacant land owned by Tillamook City along North Hwy 101 must also take place in this community visioning process.

In late 2007, the Department of Land Conservation and Development, through its project Team representative Laren Wooley, offered to draft a scope of work to address this project. In January 2008, it was agreed upon by the Project Team to not pursue the project immediately and concentrate on infrastructure projects since the design/build process for two spillways and removal of the Dean dirt pile was underway. At the April 2008 Project Team meeting there was consensus to again begin working on the Comprehensive Community Visioning project. The Oregon Futures Council was briefly mentioned as a mechanism to sponsor those discussions; however, there is not unanimous consensus within that body to offer that service. The Tillamook City Council has endorsed moving ahead with the concept and welcomes any assistance Oregon Solutions might offer to this Priority # 4 effort. It was expressed that funding for this project should not be used from the legislative allocation.

Anticipated Future Action:

- DLCD representative Laren Woolley has offered assistance to help where needed and as requested. To address this project a Scope of Work was developed by the City with the help of DLCD. A \$20,000 grant was awarded from the Department to Tillamook City. Following an RFP review process in December 2008, work as outlined below will be assisted through a consultant. Product completion is anticipated by June 2009.
 - A. Tillamook City will lead efforts to develop a buildable lands inventory (landing sites) to assist commercial businesses that might wish to expand or relocate out of the flood plain.
 - B. Tillamook City will lead efforts to design suitable uses for city owned land now vacant along North Hwy 101. Approximately eight acres of land are involved and a community discussion on restoration options may lead to City Comprehensive Plan and Zoning amendments.

Added relevance for Priority Project #4 is given through the **Tillamook City Flood Mitigation Plan (See Project # 6)**

Short Term Action Item # 3: Develop a commercial district flood management study.

- *Target repetitive flood loss or floodway commercial properties for acquisition and/or relocation projects*
- *Seek funding and technical assistance for a comprehensive business evaluation of the commercial district*
- *Promote and support cluster commercial development in non floodway areas and within the flood plain Continue to restrict new or improved developments that increase flooding to adjacent properties in access of current city standards.*
- *Help secure funding and resources to facilitate relocating of businesses that wish to move from flood hazard areas along the commercial corridor.*

Priority #5: Trask Hook

Description and Status: This project was initially envisioned as constructing a box culvert to direct high water on the Trask River through a short cut into the Tillamook River. Engineer Steve Blanton of Entrix, Inc. located in Portland offered pro-bono work to ascertain the scope of work for this project. In late 2007, a site visit was conducted with Entrix and ODF&W representative Rick Klumph to look at options for the project. Further analysis by Entrix through modeling data provided by the Corps of Engineers revealed that surface flood water trapped in the vicinity behind levees was approximately the same height as the adjacent Tillamook River, and therefore the hydraulic flow from the Trask River and ponding areas would be negligible. Several attendees at the Design Committee meeting on May 6, 2008 expressed that the project would still be of value.

Subsequent information was provided to the Design Committee by Leo Kuntz of Nehalem Marine. In a letter dated May 15, 2008, Leo states that a structure of adequate size to accommodate 3,000cfs would make an impact during some flooding conditions. It was estimated that a structure to address this problem would cost about \$300,000.

Anticipated future action:

- On December 11, 2008, the Design Committee tabled this project. Conflicting hydraulic analysis and anticipated high cost of the project helped lead to this decision. In addition, the Committee wanted to see if the Tone Road Spillway might lessen flood water in an adjacent flood cell.

Priority Project # 6: Implement City/County Flood Mitigation Plans

Description and status: The City of Tillamook Flood Mitigation Action Plan, dated November 2003, is an excellent comprehensive document which provides short and long term goals addressing measures to reduce or eliminate risk of flood damage on property under the National Flood Insurance Program. (NFIP) Plan maintenance must happen to keep it an active and relevant document. The Flood Mitigation Plan is essential to preserve and/or enhance benefits to property owners for FEMA and flood insurance rates. The plan calls for a revision to occur every five years.

Implementation of the Plan is recommended through existing programs and procedures whenever possible. As one resource for plan implementation, Oregon Solutions (O/S) provides a partnership structure with community involvement to address many of the issues discussed in the plan. O/S projects show positive progress and compliance with numerous areas in the plan such as:

1. *Short-term Goal No 2:* Reduce flood plain insurance premiums by flood damage reduction (see O/S Priority projects # 1, #2, # 3, #8, #9)
2. *Short-term Goals No 3:* Develop a commercial district flood plain management strategy (see O/S Priority # 4)
3. *Long-term No 2:* Develop a flow regime project proposal, utilizing computerized hydraulic models to run flow regime scenarios. (see Project Exodus discussion)
4. *Long-term No 4:* Restore riparian areas, flood plains and wetlands and protect water quality. (see Project Exodus discussion)
5. *Long-term #5:* Strengthen land use planning and zoning (see priority project #4 discussion)

Since Tillamook City has limited resources to do an in-house update of the Flood Mitigation Plan, several inquiries were made for outside assistance. The original Plan was prepared by the Community Service Center at the University of Oregon. They have expressed an inability to assist with this project in the near future. Another inquiry was made to the Oregon Consensus Program at P.S.U. and a proposal for services has been submitted to the City. A third proposal was submitted to the City from VLG Consulting in Tillamook. At the May 21, 2008 Project Team meeting it was

suggested that the O/S Design Committee pursue a discussion with the City on options to assist in the Plan's required five year update/revision. In early December the Tillamook City Council passed a motion to use VLG Consulting to assist with a Plan update along with implementation of projects. The Council further directed staff to pursue funding assistance from Oregon Solutions. On December 11, 2008 the Design Committee passed a motion to provide \$27,500 toward the cost of VLG services. [Note: Originally, this priority project listed both City and County Flood Mitigation Plans. The Tillamook County Flood Mitigation Plan is a very comprehensive document and no items in the County Plan were selected by the Project Team for implementation.

Holden Creek:

Holden Creek is specifically mentioned within Tillamook City's Flood Mitigation Plan. The Creek's drainage predominantly runs along the south boundary of Tillamook City, flows under Hwy 101 and discharges into the Trask River. Water quality in Holden Creek is extremely poor, channel maintenance is not performed, culverts have been damaged and fish passage is not possible. During flooding conditions, water ponds upstream from Hwy 101 and affects residential and farming areas, the high school property and Evergreen Drive. FEMA indicates that federal funding for a study and improvements may be available for Holden Creek. The City has been asked to provide information to FEMA for a cost/benefit evaluation. It was indicated at the Dec. 11, 2008 Design Committee meeting that O/S may be of assistance in the future to help secure permits for the project.

Anticipated Future Action:

- TBHEID has indicated that they would like to assist the City in implementing some projects in the Plan. Those discussions continue.
- Tillamook City will be working with a consultant to update and implement the City's Flood Mitigation Plan. Work is expected through June/July 2009. The City will be using an "Oversight Committee" to assist in the Plan's update.
- The City has expressed interest in having Oregon Solutions help with permit issues as they might arise.

Dean Dirt Pile:

Description & Status: This project was the first to be undertaken by Oregon Solutions. It addresses issues under Priorities # 4 and # 6. At Land Use Committee work group meetings in mid 2007, some discussion centered around projects that inhibited drainage on land immediately adjacent to Hwy 101. The City of Tillamook Flood Mitigation Plan was referenced in these discussions and the Dean dirt pile was suggested as a good opportunity to preserve and enhance water conveyance in the flood plain.

The pile was situated on the west side of North Hwy 101 (North Main Avenue) between Hoquarten and Dougherty Sloughs. It contained approximately 12,000 cubic yards of fill placed in the flood plain years ago for the purpose of providing an elevated place to store cars during floods. The site is now owned by the City of Tillamook as a result of a FEMA voluntary buy-out program.

In February 2008, Oregon Solutions undertook this project. Through the Oregon Army National Guard's Innovative Readiness Training (IRT) Program, and with the use of local trucking companies, approximately 8,590 cubic yards of this fill have since been removed. The material has been placed at various sites around the county. Most of the material was trucked to S. C. Paving. This company waived its per yard disposal fee to the Oregon Solutions process. This equates to a \$25,770 donation to the project. The Tillamook County Parks department has also used some of the material at its Barview Park and Habitat for Humanity has also been the recipient of some material. Weather conditions became a factor in late March and hauling was stopped.

During September 2008, the final 3400 cu/yds of material was removed under contract with Nahalem Marine. This material was reused as part of an approved fill across from the Tillamook Cheese Factory. In addition to the *National Guard* and *S. C. Paving* mentioned above, several other parties were instrumental in removal of the Dean pile. *Paul Levesque* with Tillamook County became the project manager and coordinated removal activities with Tillamook City Manager *Mark Gervasi*. The *ERT* was involved early on. They reviewed and outlined requirements for the solid waste permit, soil testing requirements and a consent agreement with the *Department of State Lands*. Soil testing was conducted through contract with the City of Tillamook. The soil was tested, found to be non-toxic waste and *TBHEID* paid \$2,100, through a city budget allocation, for the soil testing. From the legislative allocation, \$50,000 was authorized by the Design Committee at their February 19, 2008 meeting to help move the pile. (*See Attachment E* for In-Kind Contributions)

Anticipated Future Action:

- There are opportunities to return the land to a more natural state. Ed Armstrong with the Tillamook School District has announced that the District has been awarded \$8,000 from the Oregon Youth Conservation Corps and Trust Management Services for a flood mitigation and restoration project at the Dean dirt pile site. The idea would be to remove non-native vegetation and restore the area using a variety of native plants.
- Land uses for city owned open space along North Hwy 101 will in part be determined through the community discussion as outlined above under Priority # 4.

Priority Project # 7: Gravel Agreement: Stream Corridor Management Plan.

Description and Status: In 1991 ODF&W requested that DSL deny new permits or requests for renewal of existing permits for commercial gravel operations on numerous rivers, including the Wilson, Trask and Kilchis because of the critical status of Tillamook Bay chum salmon and the importance of gravel in their life history. A mediated agreement with affected parties was initiated in 1992 to set policies for in stream removal, including research and monitoring. Modifications to the agreement were developed in 1999 and in 2005. A focus group lead to the current revision of the mandated agreement now under consideration.

Mediation and facilitation services were needed to bring the parties together to determine any issues to be addressed in order to execute a new document. The Oregon Consensus Program (OCP) at P.S.U. through the services of Turner Odell, Natural Resources Program Manager for OCP, offered to assist with facilitation services for the gravel agreement. Funding for facilitation services was requested from the Samuel Johnson Foundation; the aggregate industry; and the Oregon Consensus Program at P.S.U. There was also the possibility of assisting this effort with Tillamook Oregon Solutions money. The lead for the project is Paul Levesque.

On May 27, 2008 local, state and federal parties assembled in Tillamook for their first meeting. The agenda was to identify remaining or new issues and concerns about the draft document, and determine steps needed to move forward with the Mediated Agreement, or identify alternative approaches to achieve the desired outcomes. Subsequent meetings were held and a consensus on wording to a revised Plan and Agreement was achieved. During the meetings, questions arose about federal jurisdiction over Tillamook gravel operations. The U.S. Corps of Engineers, U.S. Fish and Wildlife, and Oregon Department of Environmental Quality will not be in a position to sign onto the agreement, and it is anticipated that permit issues under the federal Clean Water Act will continue to be discussed outside the scope of this Agreement.

Anticipated Future Action:

- Signatories to the revised Mediated Agreement and Management Plan reviewed final language. Document signed by all parties in January 2009.

Priority Project # 8 & # 9: USACE Feasibility Study - Hall Slough Project and Modified Wetland Restoration and Swale Project

On December 18, 2008 the Project Team requested that henceforth Project Exodus be designated as including Dougherty Slough (formerly # 3), Blind Slough, Hall Slough (formerly # 8), and Wetland Restoration Projects (formerly # 9).

Description and status: The Portland District U.S. Army Corps of Engineers completed a Tillamook Bay and Estuary General Investigation Feasibility Report dated February 2005. It identified various alternatives for flood reduction and ecosystem restoration in the Tillamook Bay watershed. Two of the projects identified were: Hall Slough Project; Modified Wetland Restoration and Swale Project. The latter included a description of Blind Slough improvements in the Army Corps of Engineers Feasibility Study dated February 2005.

After reviewing the above projects it was suggested by Pete Dickerson with the Army Corps of Engineers that a more comprehensive project could be designed to incorporate various flood mitigation alternatives from these two projects. The combined project has been called Project Exodus and proposes to explore various project modifications for maximum flood reduction benefit. It was also suggested by Mr. Dickerson that Priority Project # 3, the Dougherty log jam, could best be accommodated by incorporating it into Project Exodus design alternatives.

Moving Forward on Project Exodus:

Through the year of 2008, the Design Committee wrestled with putting a Scope of Work together for Project Exodus. The Scope of Work will drive required modeling services for the most workable solutions and elements to be obtained later from a consultant/engineering firm. The Engineering firm of David Evans and Associates, Inc. (DEA) offered pro-bono to help write the Scope of Work. The first phase of the work by them with the Design Committee was to develop “success” criteria that are compatible with the following Project Goal statement: *The Goal of project exodus is to develop and implement long term solutions for the Tillamook Watershed that reduce flooding and improve ecosystem function while incorporating environmental, social and economic values.*

On October 28th the Design Committee finalized its work on Project Exodus elements. Subsequently a Scope of Work was crafted by Paul Levesque with Tillamook County. Request for proposals for computer modeling were sent out to several engineering firms along with the U.S. Corps of Engineers. While Project Exodus is aimed at optimizing the movement of flood water into Tillamook Bay, the RFP requested that qualified consultants or firms break down the measures into the smallest projects that can be implemented independently in the short or long term to mitigate flooding conditions. The RFP also identifies the Army Corps as working with the Oregon Solutions Design Committee for modeling input, modeling quality assurance and assistance with storm surge analysis.

On December 11, 2008, the Project Team agreed with the recommendation of the Design Committee to use the firm of Northwest Hydraulic Consultants – HBH Consulting Engineers. Tillamook County is designated as the lead procurement and contracting agency and will be proceeding with award of contracts. Using NHC/HBH and including USACE oversight work, a contractual amount of \$131,575 is expected to be used from Oregon Solutions funding.

Anticipated Future Action:

- Modeling of various sub-projects in Project Exodus will take place through June 2009. The Design Committee will work closely with the selected engineering firm on project elements that address both community interests and flood reduction. In 2009 and beyond, various pieces of Project Exodus identified through modeling will be implemented subject to their accessibility to permits and funding.

Safeway and Project Exodus: A discussion was held at the Project Team meeting of April 11, 2008 relating to a previous Design Committee decision to spend \$38,000 as a refundable deposit to keep an option open to purchase the old Safeway building on North Hwy 101. What funds would be used and what party would become the owner was not specified in those discussions. Since the old Safeway building sits in the floodway, it was seen by members of the Design Committee as an action that would be consistent with Priority # 6: Flood Mitigation Plan and Priorities # 8 & # 9: Project Exodus.

Several issues surfaced during the Project Team discussion on April 11th. They included: Is it a reasonable action for Oregon Solutions to secure this property?; Where would the purchase funds come from?; Who would own the property?; How would the property be cleared, if it did prove useful for Project Exodus?; and, What is the value of that property as a continued commercial business? The Project Team also heard that the City of Tillamook Council took a position stating that Oregon Solutions should not acquire the property. After Project Team discussion, Co-Convener Senator Johnson asked that the issue be tabled and the Team agreed.

Anticipated Future Action:

- The Safeway issue emphasizes the need to have a community conversation (Priority # 4) on land use development in the flood plain. It is anticipated that as Project Exodus is being modeled, it will become clearer as to whether or not properties such as Safeway could be part of the solution. One or more businesses are also interested in purchasing the Safeway property which might therefore eliminate this specific property for consideration as being part of a Project Exodus solution.

Funding for Administration & Projects

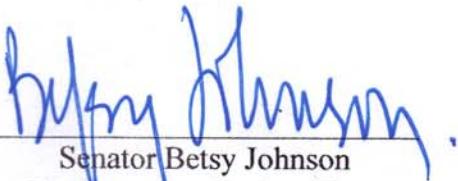
Projects: Funding for construction of priority projects outlined above is problematic. Making application for construction funding is usually dependant upon design and engineering and then permit issuance. The \$1 million allocated through the legislature has been a tremendous opportunity to begin this work; however, additional sources of revenue will be necessary to design and implement projects.

Attachment E shows an example of the type of *in-kind match* that has been given in one project, the Dean Dirt Pile. It verifies that the community has made considerable effort to support the Oregon Solutions effort on designated priority projects. Project Team representatives will continue to work with funding entities and seek contributions to continue the work. Efforts will be made to work with TBHEID and TEP to solicit funding for mutually agreed upon projects. It is acknowledged that some environmental interests are hesitant to fund project development until they are assured that prior wetland restoration project commitments have been met. When the modeling activities as outlined above under Project Exodus have been completed, it is recommended that a meeting with federal agencies in Portland take place to explain the Oregon Solutions process and have them examine how their funding programs can be most useful.

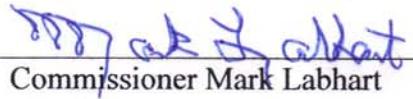
<i>Expenditures/Obligated 12/30/08 **</i>	<i>Revenues 12/30/08</i>
Dean Dirt Pile \$ 71,638	TBHEID \$ 10,000
Wilson/Trask Spillway \$317,484	Tillamook City \$ 2,765
Tone Road Spillway \$300,463	Legislative Allocation \$1,000,000
City Mitigation Plan \$ 27,500	Interest \$ 13,789
Exodus Engineering <u>\$131,575</u>	
Total: \$848,660	Total: \$1,026,555
Remaining Balance: \$177,895	
** Note: These amounts do not include 07/08 O/S project administration costs which are funded from local contributions and a \$10,000 Samuel Johnson Foundation grant.	

Project Management: Project management is facilitated through the Portland State University O/S office. Project funds are budgeted for expenditure through Tillamook County (*See Attachment F.*)

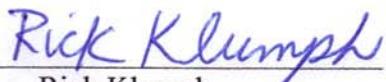
It is the intent of the Co-Conveners and the Chair of the Design Committee to continue both Project Team and various committee meetings on a regular basis to pursue Oregon Solutions project development. These parties acknowledge that the best solutions depend upon cooperation by all entities at the table. Accordingly, they recognize that each party has a unique perspective and contribution to make, and legitimate interests that need to be taken into account for the success of this project.



Senator Betsy Johnson
Co-Convenor, Project Team



Commissioner Mark Labhart
Co-Convenor, Project Team



Rick Klumph
Chair, Design Committee

Attachments

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Oregon

Theodore R. Kulongoski, Governor

Department of Environmental Quality

811 SW Sixth Avenue
Portland, OR 97204-1390
503-229-5696
TTY: 503-229-6993

Tillamook Oregon Solutions Declaration of Cooperation

Oregon Department of Environmental Quality (DEQ)

DEQ is responsible for protecting and enhancing Oregon's water and air quality and for managing the proper disposal and cleanup of solid and hazardous wastes. The Department will be involved with Tillamook Oregon Solutions flood reduction efforts as they relate to several infrastructure projects. The DEQ Water Quality Division sets and enforces standards for the Tillamook Basin and will ensure that permittees meet water quality standards. Understanding that DEQ has significant resource constraints, the agency will do its best to coordinate and communicate DEQ's requirements, timelines and processes with other permitting agencies and applicants.

DEQ staff can offer knowledge and expertise to assist in the design and permit decision-making process for Oregon Solutions projects. DEQ will work with the Tillamook Oregon Solutions as resource constraints and workload allows, including attending Project Team meetings when possible.

- DEQ will continue to cooperate and engage in discussions with other state, federal and local agencies concerning the permit process and any future implementation of projects identified through the Oregon Solutions process.
- DEQ will be guided in this participation throughout the Oregon Solutions process and any permitting decisions by applicable statutory and regulatory process.

Dick Pedersen, Acting Director, DEQ

June 3, 2008

Date

Attachment A

Oregon Solutions Projects (Prioritized by Project Team 9/12/07)

1. Wilson/Trask Spillway
2. Tone Road Spillway
3. Dougherty Slough Permanent Structure
4. Comprehensive Community Vision and Strategic Plan
5. Trask Hook
6. Implement City/County Flood Mitigation Plans
7. Mediated Gravel Agreement/Stream Corridor Management Plan
8. Hall Slough Project
9. Modified Wetland Restoration and Swale (279)

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Other Projects for Possible Future Consideration

10. Tomlinson Slough Connection/Restoration (316)
11. Study of Drainage/Diking District Issues (321)
12. Old Trask Channel Restoration (340)
13. Drainage Maintenance and Flood Structure Improvements (349)
14. Wilson River Dredging – Mouth & Bay Shoal (354)
15. Wilson River Restoration (358)
16. Upper Basin Storage (374)
17. Implement Storm Water Maintenance Plan (417)
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Attachment B

Tillamook Oregon Solutions Project Project Team

Co-Conveners: Oregon State Senator Betsy Johnson
Tillamook County Commissioner Mark Labhart

Oregon State Representative Deborah Boone
Chad Allen, Vice-Chair TBHEID
Ken Bierly, Deputy Director, OWEB
Bub Boquist, Farming Community
Dale Buck, Regional Director, Oregon Farm Bureau
Jon Carnahan, President, Tillamook Bay Community College
Doug Clarke, Chief, Programs & Project Management, U.S. Army Corps of Engineers
Mark Ellsworth, ERT Regional Coordinator
Rudy Fenk, Chair, Tillamook Soil Water & Conservation District (or designee)
Mark Gervasi, Tillamook City Manager
(vacant – to be announced) Regional Coordinator, OECDD
Larry Davy, President, Tillamook County General Hospital
Andy White, District Forester, Tillamook District
Don Hurd, Downtown Businessman
Rick Klumph, Manager, North Coast Watershed District, ODF&W
Gordon McCraw, Tillamook County Emergency Management Director
Larry McKinley, Northwest Area 1 Manager, ODOT
Tillamook Mayor Bob McPheeters (or City Council designee)
Paul Levesque, Tillamook County Management Analyst
Denny Pastega, Downtown and Hwy 101 Business Owner, TBHEID Board
Sally Puent, Oregon Department of Environmental Quality
Bob Rees, Local Fishing Guide
Art Reidel, Commissioner, Port of Tillamook Bay
Shawn Reiersgaard, Environmental Supervisor, Tillamook County Creamery Association
Geoff Roach, State Director, Trust for Public Land
Cathy Tortorici, Branch Chief, NOAA's National Marine Fisheries
Val Folkema, Acting Director, Tillamook Estuaries Partnership
Joy Vaughan, Tillamook County Resource Coordinator, DSL
Steve Wille, U.S. Fish and Wildlife Service
Laren Woolley, North Coast Regional Rep., DLCD

► Congressional Representation: Participating to provide resource and liaison with federal agencies:

Fritz Graham, Senator Wyden's Office
(vacant – to be announced) Senator-elect Jeff Merkley's Office
(vacant – to be announced) Congressman-elect Schrader's Office

Project Manager: Dick Townsend, Salem, OR

Project Team meetings were held on: January 30, 2008; April 11, 2008; May 21, 2008;
September 23, 2008; and December 11, 2008



Attachment C

Tillamook Flood Reduction Design Committee October 31, 2007

Purpose:

1. To develop and implement work plans on infrastructure projects which were prioritized by the Project Team on September 12, 2007 (see list below). The Committee will focus on project design and work through details to assure success in permit application processes.
2. Outside of construction cost estimates, the Design Committee will not focus on finding adequate revenue to achieve these projects. Obtaining funding for projects will be a parallel effort as outlined in the Declaration of Cooperation.
3. Contracting for outside technical resources may be done upon request by the Committee and upon approval by the Project Team Co-Conveners. Expenditures for such costs will be paid through an Oregon Solutions line item in the Tillamook County budget.
4. The Committee will meet frequently to assure that work products move along.
5. The following persons have been appointed to the Design Committee by the project Co-conveners. Other parties may be added to the Committee's efforts as requested by the Committee and approved by the Co-conveners.

Design Committee:

1. Rick Klumph, ODF&W, Chair
2. Chad Allen, TBHEID
3. Robert Anderson, NOAA
4. Dale Buck, Farm Bureau
5. Doug Clarke, USACE
6. Mark Gervasi, Tillamook City
7. Paul Levesque, Tillamook County
8. Larry McKinely, ODOT
9. Rachael Hoffman, TEP
10. Joy Vaughan, DSL

Oregon Solutions Design Committee meetings were held on: November 2, 2007; November 30, 2007; December 14, 2007; January 29, 2008; February 19, 2008; March 17, 2008; May 6, 2008; August 26, 2008; October 6, 2008; October 28, 2008; and December 11, 2008.

Attachment D

THEODORE R. KUONGOSKI
GOVERNOR



OCT 8 2007

September 28, 2007

Stephanie Hallock, Director Department
Environmental Quality 811 SW Sixth Avenue
Portland, Oregon 97204

Roy Elicker, Department Director
of Fish & Wildlife 3406 Cheney
Avenue NE Salem, OR 97303

Phil Ward, Director Water Resources
Department 725 Summer Street NE,
Suite A Salem, OR 97301

Louise Solliday, Director Department
of State Lands 775 Summer Street NE,
Suite 100 Salem, OR 97301

Re: Oregon Solutions Tillamook Flooding Project

Dear Directors Hallock, Ward, Solliday, Elicker and Parker:

I was recently briefed by the Co-Convenors (Senator Betsy Johnson and Commissioner Mark Labhart) and Oregon Solutions staff on the status of the Tillamook Flooding Project. As you will recall, Governor Kulongoski authorized the creation of the project to address the regular flooding that occurs in Tillamook County associated with the Wilson and Trask rivers. The 2007 Legislature appropriated \$1 million for implementation of projects identified through the Oregon Solutions project.

In my briefing, I learned that the project team has identified a number of priority projects that will reduce flood potential or mitigate flood impacts. Some of these projects are being acted upon immediately. With regard to some of the priority projects, your agency will be asked to participate in early consultation regarding environmental and permit issues and your agency will very likely receive permit applications as a result of that consultation.

This letter is to express the importance the Governor assigns to the successful and timely completion of the Tillamook Flooding Project and to stress the need for state agencies to fully engage in consultation, when requested, and to give high priority to issuance of permits when needed. If issues arise concerning agency jurisdiction, inter-agency coordination, or state-federal coordination, please do not hesitate to call on me for any assistance I can offer.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Carrier".

Michael Carrier, Natural Resources Policy Director

Attachment E

DEAN DIRT PILE

Matching Funds Progress Report
May 21, 2008

City of Tillamook

City staff	to be provided
Porta-Potty	\$ 195.00
Rock	\$ 735.00
Dumpster	\$ 155.00
MTC Crew (Solid Waste Cleanup)	\$ 1,109.00
Nehalem Marine	to be provided

Tillamook County

Paul Levesque (Project Manager)	\$ 6,095.00
Aaron Palter (Environmental Assessment)	\$ 165.00
Public Works	\$ 6,748.00
Fair Board Water Truck @ \$300/day	\$13,800.00
Parks Dept. (55 truck loads)	\$ 2,975.00
Solid Waste Disposal Fee	\$ 1,012.00

Others

Habitat for Humanity (6 truck loads)	\$ 420.00
Nehalem Marine (ONG Training/Equip. Use)	\$ 3,000.00
S-C Paving Push Fee (8590 yds @ \$3/yd)	\$25,770.00

Sub total to Date: \$62,179.00

Attachment F

Use of Funds Held Under the County

The 2007 Legislature authorized \$ 1 million over the 2007-09 biennium for the Tillamook Oregon Solutions project. Tillamook County has agreed to manage the Oregon Solutions account. Attachment C outlines the expenditure process for these legislative funds and was approved by the Project Team on October 2007.

An amendment to the Expenditure Policy was approved through an email dated March 4, 2008 which asked and subsequently received consent to the following:

1. *Added Language to policy No 7 -* Expenditure approval of Oregon Solutions funds can occur from two sources: Source 1. The Tillamook Project Design Committee of the Tillamook Oregon Solution Project Team, or Source 2. For expenditures under \$1,000, unanimous written approval of the two Co-conveners and the Design Committee Chair.
2. *Added Language to Policy No 8 –* Checks can be signed by the County Treasurer and one of the Co-conveners or the Chair of the Project Design Committee.

Process for Expenditure of Legislative Funds
Tillamook Oregon Solutions Project
October, 31, 2007

1. Agreement is in preparation with Oregon Solutions and Tillamook County to outline the process to transfer the funds from the state to Tillamook County. Agreement should be final within a few weeks.
2. The \$1 million of state funds will be electronically transferred to Tillamook County in two equal \$500,000 payments. One as soon as the agreement is signed and one July 1, 2008. All other funds (local, state, federal, grant) allocated to the Oregon Solutions effort will be placed in this same account and be tracked for audit purposes by Tillamook County.
3. Tillamook County will manage the Oregon Solutions account. Any interest earnings from state deposits into the county and PSU accounts will be credited to the Tillamook project to be used for project implementation.
4. Tillamook County will not take any administrative charge for management of the Oregon Solutions Account.

5. Tillamook County will competitively procure contracts if needed and administer them under public contracting procedures.
6. Tillamook County will monitor expenditures from the Oregon Solutions Account and will provide necessary documentation for audit purposes.
7. The Tillamook Project Design Committee of the Tillamook Oregon Solutions Team will authorize the expenditure of funds.
8. The Tillamook Project Design Committee will inform the County to negotiate contracts or payments for specific projects agreed upon by the Design Committee. Once the contract or project is funded, Tillamook County will disburse the funds as appropriate from the Oregon Solutions Account. Checks will require the signature of the County Treasurer and the Chair of the Project Design Team.
9. There may be specific grant funds, state or federal dollars that must be spent for specific projects as defined in the grant, state or federal dollars and these will be tracked and expended as defined in the fund allocations.

Approved by Tillamook Oregon Solutions Project Team on October 31, 2007