



**Funding and Governance Committee  
Capitol Lake Long-Term Management Planning  
1500 Jefferson Street SE, Room 2229, Olympia, Washington 98501  
9:00 a.m. to 11:00 a.m.  
June 21, 2016**

**Meeting Notes**

**Participants**

John Doan, City of Tumwater  
Megan Duffy, Natural Resources  
Ed Galligan, Port of Olympia  
Steve Hall, City of Olympia  
Rich Hoey, City of Olympia  
Ray Peters, Squaxin Island Tribe

**Enterprise Services**

Bob Covington  
Searetha Kelly  
Chris Liu  
Carrie Martin  
Ann Sweeney

**Consultant Team**

Tessa Gardner-Brown, Floyd | Snider  
via teleconference  
Christina Martinez, Jacobs, Facilitator

**Meeting Purpose**

1. Review the conceptual models identified at the May 2016 meeting and group similar options.
2. Begin to evaluate potential models for funding and governance in light of the matrix developed in May 2016.

**Notes**

**1. Welcome and Introductions**

- A. Christina Martinez welcomed participants to the meeting.
- B. Participants introduced themselves.
- C. Welcome to Megan Duffy, who joined the committee as a representative of the Washington State Department of Natural Resources.

**2. Review Meeting Purpose and Agenda**

- A. Christina reviewed the meeting purpose, goals, agenda, and next steps/action items from the May 17, 2016 meeting.

**3. Process Updates**

- A. Bob Covington described a two-touch process for all materials with two reviews built in for the Technical Committee, Executive Work Group, and Community.

- B. Bob explained the Executive Work Group's extended sessions on May 27 and June 24 to provide time for presentations by community members.
- C. Proviso Discussion
  - i. Conceptual models for funding and governance (funding models and sources)
  - ii. Initial infrastructure (short-term); grants may help support initial improvements
  - iii. Provide examples of funding and governance options in the Proviso Report to the state Legislature.
  - iv. Purpose and need statement(s) are being drafted to incorporate the goals and objectives developed last month.
  - v. Need to demonstrate that government partners can work together with a path forward to move into an Environmental Impact Statement process as a proposed Phase 2.
  - vi. Need to be able to explain the story for the Proviso Report. Statements from each of the governments might be helpful to demonstrate all working toward a common goal.

#### **4. Update on May 2016 Action Items**

- A. Thurston County provided information on the Conservation Futures Fund, which is a land preservation program.
- B. DES sent information to Funding and Governance Committee members on the history of Capitol Lake and a draft matrix for conceptual governance options.
- C. City of Olympia will continue to look for draft legislation done previously on drainage maintenance districts.
- D. DES is exploring possibilities to learn more about the Chesapeake Bay project.
  - i. What was the problem to solve?
  - ii. What was the approach to solve the problem?
  - iii. What is the governing body for the Chesapeake Bay project?
  - iv. What is the funding model or financial structure to support the project?

#### **5. Discussion of Identified Conceptual Options; Grouping of Similar Options**

- A. Review models used by other entities
- B. Considerations
  - i. Applicability to Capitol Lake
  - ii. Gap analysis
  - iii. Similar options for consideration may be grouped together
  - iv. Initial funding source(s) to make improvements
  - v. Long-term revenue stream

#### **6. Work Session: Completion of Matrix for Each Conceptual Option and Brainstorm on Other Approaches**

- A. Long-term Funding and Governance Approaches
  - i. County-wide taxing through Thurston County
  - ii. Port taxing authority
  - iii. User fees similar to LOTT (Lacey, Olympia, Tumwater, and Thurston County)

- iv. Cross-county approach similar to flood management in Chehalis area or other district approach
- B. Capital – Primarily Short-Term Grant Resources
  - i. Estuary and Salmon Restoration Program
  - ii. Salmon Recovery Funding Board
  - iii. Washington Wildlife Recreation Program
  - iv. Aquatic Lands Enhancement Account
  - v. U.S. Fish and Wildlife Service Sport Fish Restoration Program
  - vi. U.S. Fish and Wildlife Service Coastal Program
- C. Items Applicable to both Capital and Maintenance and Operations
  - i. Conservation Futures Program Model ( RCW 84.34.210 and .220)
  - ii. Lake Management District Model
  - iii. County-wide Taxing Authority/LID. Consider payment versus benefits.
  - iv. Port-wide Taxing Authority (Example: Levy for sediment management)
  - v. LOTT– Independent nonprofit organization controlled through an intergovernmental agreement between Lacey, Olympia, Tumwater, and Thurston County. LOTT provides the service and cities collect the revenue to pay LOTT. LOTT has no taxing authority.
  - vi. Thurston County Public Utility District has county-wide taxing authority and a water quality mission.
  - vii. Flood Management Model
  - viii. Aquifer Protection District (Spokane County Model)
- D. Parking Lot Items (Consider and discuss any recommendations at next meeting)
  - i. How to involve other stakeholders, i.e. Recreation and Conservation Office (RCO)
  - ii. Sediment management costs
  - iii. Overall costs
  - iv. Confirm size of the watershed with Technical Committee
  - v. Compare various district models
    - i. Flood Management District
    - ii. Lake Management District
    - iii. Shellfish Protection District
  - vi. Begin to define each district model
    - i. Authorizing statute
    - ii. Where is the model currently used?
    - iii. How was the model established?
    - iv. How does the model continue to operate?
    - v. Is the model for funding or governance or both?
    - vi. How does the model generate revenue?

**7. Identify High-level Attributes for Long-term Funding and Governance**

- i. Dedicated and secure funding source. The chosen model needs to include adequate funding to do the job (cover capital and maintenance and operations costs) initially and in the long-term.

- ii. All those who contribute to the problem should participate in funding or paying for the solution (and possibly participate in governance).
- iii. All those who benefit from the solution should participate in funding or paying (and possibly participate in governance).
- iv. Watershed-wide in scale; include the entire Deschutes Watershed.
- v. Manageable governance structure. Not too unwieldy. The complexity of the structure and approvals must be reasonable.
- vi. Collaborative process with no veto power for any individual or entity that is part of the governance structure.
- vii. Identify the State's role and participation with the governing body and funding.
- viii. Ensure no individual or entity is harmed or "left holding the bag" as decisions are made.
- ix. Equitable distribution of costs. Perceived equity in the model.
- x. Adequately resourced administration for the governing body. Fund and execute administrative support for the governing body.
- xi. Model should support the goals and objectives of the long-term management of the Deschutes Watershed.

## **8. Next Steps/Action Items**

- A. Enterprise Services: Send email to Funding and Governance Committee with the Chesapeake Bay Governance Model and lists on the whiteboard from the work session.
- B. Enterprise Services: Contact the Chesapeake Bay project for possible teleconference at an upcoming meeting of the Funding and Governance Committee (and possibly Executive Work Group).
- C. Thurston County: Ask Shawn Myers if she can provide the total number of parcels in Thurston County and taxable valuation of the total parcels in Thurston County along with the total number of parcels in the Deschutes Watershed and taxable valuation of the total parcels in the Deschutes Watershed.
- D. City of Olympia: Steve Hall will check on draft legislation by Senator Karen Fraser for drainage maintenance district. (Enterprise Services is also trying to gather information.)
- E. Enterprise Services: Develop materials to draft a chart to compare district models.
- F. All: Provide additional details on Long-Term Funding and Governance Approaches (6A above).
- G. All: Committee members are encouraged to engage staff on the following items discussed during the work session and brainstorming.
  - i. Long-Term Funding and Governance Approaches (6A above)
  - ii. Capital (6B above)
  - iii. Items Applicable to both Capital and Maintenance and Operations (6C above)
  - iv. Parking Lot Items (6D above)

## **9. Next Meeting – July 19, 2016**

- A. Review conceptual models and comparison of district models.
- B. Review attributes.
- C. Compare approaches to attributes.
- D. Discuss degree of support and options for proviso report.

**10. Adjourn**

The meeting was adjourned at 11:04 a.m.