



**CAPITOL LAKE/LOWER DESCHUTES WATERSHED
EXECUTIVE WORK GROUP
Jefferson Building
Presentation Room 1213
1500 Jefferson Street
Olympia, Washington 98504
October 28, 2016
9:30 a.m.**

(Approved December 16, 2016)

JURISDICTIONAL MEMBERS PRESENT:

Cheryl Selby, City of Olympia
Pete Kmet, City of Tumwater
Julie Hankins, City of Olympia
Jeff Dickison, Squaxin Island Tribe
EJ Zita, Port of Olympia (Alternate attending for
Bill McGregor)

JURISDICTIONAL MEMBERS ABSENT:

Cathy Wolfe, Thurston County
Neil McClanahan, City of Tumwater

DES STAFF MEMBERS PRESENT:

Chris Liu, Department of Enterprise Services
Bob Covington, Department of Enterprise Services
Carrie Martin, Department of Enterprise Services
Ann Sweeney, Department of Enterprise Services

Nouk Leap, Department of Enterprise Services

PRESENTERS/FACILITATORS:

Paul Dziedzic, Meeting Facilitator
Jessi Massingale, Floyd|Snider

Tessa Gardner-Brown, Floyd|Snider

OTHERS PRESENT:

Gabrielle Stilwater, DES
Sally Toteff, Department of Ecology
Keith Dublanica, RCO
Tom Gow, Puget Sound Meeting Services
Bob Holman, CLIPA
Zena Hartung, DERT
Allen Miller, N. Cap. Campus Dev. Assn
Steve Masse, Legislative Staff
Jack Havens, CLIPA
Kristin Swenddal, Department of Natural Resources

Clydia Cuykendall, Citizen
Andy Haub, City of Olympia
Wendy Steffensen, LOTT Clean Water Alliance
Sue Patnude, DERT
Bob Wubbena, CLIPA
Dave Peeler, DERT
Martin McCallum, Citizen
Doug Mah, Citizen
Dick Burns, Citizen
Penny Black, Citizen

Opening Comments and Review of Agenda

Paul Dziedzic, Facilitator, called the meeting to order at 9:32 a.m. He welcomed everyone to the meeting.

Members of the Executive Work Group and meeting presenters provided self-introduction.

The agenda includes a process update from DES on Funding and Governance, a second touch review on Relative Comparison of Costs for Options and Overview of Community Input, a review of the Draft Proviso Report and Overview of Feedback from Technical Committee, and a review of Next Steps. A Year-In-Review meeting is scheduled on December 16.

Mr. Dziedzic reminded members that a two-week input period on the meeting materials follows the meeting.

Approval of September 30, 2016 Minutes - Action

The following correction was requested to the minutes of September 30, 2016:

- Correct the spelling of Mr. Dickison's name within the sixth paragraph on page 7.

Members by consensus approved the minutes as amended.

Process Updates from DES – Information

Funding and Governance

Bob Covington, Deputy Director, DES, reported on the status of efforts by the Funding and Governance Committee. Members have continued to meet to identify a model for shared governance and funding. Given the future identification of a long-term management option and the currently unknown implications of sediment and other factors, members agreed that a conclusion could not be achieved on a shared governance and funding model at this time. Members discussed attributes critical to shared governance and funding and agreed to continue working on shared governance and funding concurrent with the Environmental Impact Statement (EIS) process. A major point of the discussion was recognition of the issues surrounding sediment. Members want to ensure sediment is acknowledged and elevated within the Proviso Report, as well as included in the chapter within the overall report recognizing the implications sediment would have on governance and funding. The committee reviewed and supported the current draft of the chapter, which is currently posted on the DES website for review.

Mayor Kmet noted that the entire watershed is discussed within the Proviso Report even though a small portion extends into Lewis County. He asked whether the intent of the committee's recommendation is to include that portion of the watershed in Lewis County. Deputy Director Covington said the committee agreed to keep options open but not define specific entities for funding and governance involvement at this point. Should the process be successful in securing funding for an EIS, there could be other partners identified that could be part of the conversation, such as representatives from Lewis County, LOTT Clean Water Alliance, or the City of Lacey. Rather than addressing that specific issue now, the committee agreed to leave options open for potential inclusion later in the process.

Mr. Dickison said he was asked the same question earlier in the process. His response at that time was that he didn't believe it was necessary to include Lewis County because the portion of the watershed extending into the boundaries of Lewis County is mostly forest land managed, governed, and regulated by the Department of Natural Resources (DNR). Lewis County would likely not have a substantive role over that land area.

Director Chris Liu noted that a representative from DNR is also a member of the Funding and Governance Committee.

Second Touch on Relative Comparison of Costs for Options and Overview of Community Input – Discussion

Jessi Massingale, Floyd|Snider, reported that this is the last regular meeting of the Executive Work Group with final meetings by both the Technical and Funding and Governance Committees held last week. A Year-In-Review meeting is scheduled in December. The team is drafting the agenda for that.

The draft Proviso Report is posted on the DES website and includes three figures for the two-week review and comment period. The file is substantial because it includes an appendix summarizing all surveys and public input. Members of the Technical Committee and the Funding and Governance Committee were asked to provide comments and feedback on the report by November 3. The Executive Work Group is encouraged to submit comments and feedback by November 11. After receipt of all input, the consultant team will assess the feedback to determine any potential conflicts. The consultant team will consider contacting commenters to ascertain the intent of the comment and what makes the most sense for what might be revised or resolved within the report.

On December 1, DES will submit the final draft Phase 1 Report to the Office of Financial Management (OFM) followed by the December 16 Year-in-Review meeting. The report will be submitted to the Legislature at the end of December.

Mayor Kmet asked about any opportunities to consider comments that might be submitted during the last review cycle. Ms. Massingale advised that unless the Executive Work Group schedules an additional meeting or a conference call, the consultant team could share comments with members independently. Another option could be during the redline review of the final report by the consultant team.

Mr. Dziejdzic noted that another option could entail scheduling a conference call to discuss any last minute issues that might arise.

Ms. Massingale reported the review of the Proviso Report later in the meeting is a final walk-through to help orient members to the material and structure of the report to help facilitate each member's review of the report, as well as identifying sections or content of particular interest to each member. The figures and information within the report have been reviewed each month by members. The narrative provides additional context and an opportunity to describe input and capture feedback that couldn't be conveyed within the graphics. Content not previously reviewed by the Executive Work Group will be reviewed as well.

Ms. Massingale began the review of the three figures. The three figures are currently in a two-week public comment period for a second touch review. September materials reviewed by members included the Relative Cost Comparison graphic and the Phase 1 to Phase 2 transition piece. The latter did not have any edits and has been incorporated within the Proviso Report.

The current version of Figure 7a, *Overview of Alternate Options for Long-Term Management*, includes a change to one of the options since the last review. After the last Executive Work Group and community meetings, an option was modified by the proponent. The Capitol Lake Improvement & Protection Association (CLIPA) changed its option, which resulted in changes to the *Relative Cost* figure, as well as to the figures used to present and describe the options.

Ms. Massingale presented revised Figures 7a and 7b for review. Figure 7a is an overview of alternate options for long-term management that were submitted by the community. The *DELI Option* did not change. However, the former *Percival Creek Rechanneling Option* was changed.

Previously, the option was titled, *Percival Creek Rechanneling*, and included a reconfiguration of Percival Creek. That component has been removed with no work proposed for Percival Creek, which makes the option a managed lake sub-option. The figure includes a new description and bulleted project components similar to the other options. The modified *Managed Lake CLIPA Sub-Option* retains the 5th Avenue Dam and the tide gate in its existing configuration, includes initial dredging in the north basin and river channel of the middle basin with maintenance dredging continuing in the middle basin over time, includes clean-up dredging in Budd Inlet to ensure recreational, commercial, and community uses, and retains the north basin as a managed lake for public swimming and other freshwater recreation. The terms described in the option are consistent with the message received from the proponent. The figure also includes a note to address how the option is different from the *CLAMP Managed Lake Option*. The note describes the primary difference as dredging quantities and transitioning the middle basin to a freshwater wetland. The revised *Managed Lake CLIPA Sub-Option* proposes significantly less initial dredging, with an amount comparable to the quantity estimated for the *Restored Estuary Option*. The revised option is essentially a managed lake but much shallower than the *CLAMP Managed Lake Option* with the presence of wetlands in the south and middle basins and a permanent, dedicated hydraulic dredge system in the north basin. The Percival Creek Rechanneling component is also removed.

Ms. Massingale referred to Figure 7b on *Reported Consistency with Goals, Based on Opinion of the Proponents and Not Based on Technical Analyses*. The figure was reviewed by CLIPA as the project proponent to ensure the figure accurately represents the revised option. The figure was updated similarly when the figure was initially populated with information from the other option proponents to ensure fairness for all options, as well as ensuring that all statements for consistency with goals focus on describing the particular option rather than on comparative statements to other options.

The three figures have advanced to the two-week public comment period to ensure the review process remains intact to enable everyone to communicate feedback on the options as one has changed.

Mayor Kmet recalled that the estuary dredging component involved some dredging. He asked whether the higher cost was attributed to repositioning sediment within the north basin. It appears that part of the lake would revert to a wetland because the area would be shallower. Ms. Massingale replied that the assumption would need to be confirmed with CLIPA. The cost graphic includes edits for CLIPA's option and assumes that the dredge materials would be added to the lake. Otherwise the materials would require upland disposal, increasing the cost.

Mayor Kmet added that the revised option appears to reflect that the middle basin would revert to a wetland. Ms. Massingale said the option proposes dredging only in the river channel so wetland would develop along the shorelines. The figure includes a discussion of the wetlands naturally forming from sediment accumulation.

Ms. Massingale described changes to Figure 8, *Relative Cost Comparison for Long-Term Management Options*, from the Funding and Governance Committee pertaining to messaging, as well as some considerations and concerns expressed by the Technical Committee. Figures 7a and 7b have been revised to reflect CLIPA's change to its option, which is also reflected in the Proviso Report. However, Figure 8 has not been revised in the Proviso Report, but has been modified to reflect input from the Funding and Governance Committee in terms of the messaging presented within the graphic rather than any specific changes to cost components.

Ms. Massingale described some edits to the notes primarily to provide clarity for the majority of the costs represented in the bar graphs and to clarify key assumptions around initial and maintenance dredging. The figure includes modifications to the notes to reflect those changes. Community input reflected that the initial yellow section in the bar graph for construction cost factors was titled as *5th Avenue Dam Removal/Bridge Construction or Dam Maintenance*. Community feedback recommended that dam maintenance should be reflected as a maintenance cost factor rather than as an initial repair and should be included within maintenance cost factors. The proposed change reduces the yellow section in the bar graph denoting construction cost factors for both Managed Lake Options (CLAMP and the CLIPA Sub-Option) to reflect that only the initial dam repair as part of initial construction is included, as well as including the CLAMP level of effort assumed for dam maintenance over time within the dark brown section of the bar graph denoting maintenance cost factors. The dark brown maintenance cost factor includes maintenance of the reflecting pool and barrier wall for the hybrid options or for the 5th Avenue Dam. Dark brown sections were added to both managed lake options to reflect dam maintenance over the maintenance period. The team received additional comments expressing concerns surrounding the timing of construction and the 50-year maintenance period and whether that leads to questions on the life of the dam at that point. However, at this level and because of the intent of the process is not to evaluate the options, technical feasibility/design was not assessed.

Mayor Kmet questioned the design life of the current structure. Deputy Director Covington offered to follow-up with additional information. Mayor Kmet noted the structure has periodically malfunctioned. Deputy Director Covington acknowledged that DES has encountered some challenges with the dam. He offered to follow up with staff to obtain accurate information about the dam. Mayor Kmet suggested the costs associated with mechanical components of the structure should be considered for the managed lake or lake sub-options. Ms. Massingale affirmed that a review and estimation would occur during the EIS process.

Ms. Massingale reported that as part of the dialogue with CLIPA regarding the changed option, clarity for the basis of the cost factors was important, as well as improving the notes to describe how the majority of the projected costs were generated from the CLAMP Alternatives Analysis, as well as from the dredge and disposal analysis. The team considered the upper end of those costs where conditions had changed that influenced dredging. However, feedback indicated the discussion versus the notes did a better job of communicating that information. Subsequently, more detail was added to the notes to address that feedback.

Since the last review, the consultant team and DES staff met with representatives from OFM to discuss the draft construction and maintenance costs per the Proviso directive. The team presented the cost graphic and described why the information is only a relative figure and doesn't include firm estimates because of too many data gaps and the lack of a decision for any option. Additionally, input from CLIPA stressed the importance of present value for the maintenance costs because they are projected over a 50-year period. Consequently, the discussion with OFM explained how the figures are present value. However, OFM viewed the information as a point of confusion to include within the graphic because the information is condensed and doesn't necessarily add value, as present values do not vary substantially between the options. Additionally, the information is not consistent with OFM's position in terms of how funds would either be saved, spent, or allocated for maintenance costs. Based on OFM's recommendation, the figure does not represent present value.

Ms. Massingale reviewed the revised *Managed Lake CLIPA Sub-Option*. The revised option includes a substantial reduction in dredge volumes. Previously, the amount was on par with the *CLAMP Managed Lake Option*. Under the new proposal, initial dredge volume would not be as large as the *CLAMP Managed*

Lake Option but would be comparable to the *Restored Estuary Option*, which is why the construction cost factor within the bar graph is significantly reduced. The yellow cost factor within the bar graph reflects initial dam repairs. The orange cost factor within the bar graph reflects mitigation for construction impacts (for maintenance dredging, displacement, and construction access and staging in the uplands). The light blue cost factor within the bar graph represents maintenance dredging and sediment disposal costs for the current version and is presented on par with the *Restored Estuary Option* or the *Dual Basin Option*. The consultant team received additional concerns by the Technical Committee for that specific cost factor. The lighter orange cost factor represents mitigation for maintenance dredging impacts and is similar to the mitigation for construction because it pertains to dredging and access covering a 50-year period. The dark brown cost factor, as previously described, pertains to the maintenance of the dam over time with acknowledgment from community input that mechanical components may be a factor. Other cost factors represented in the bar graph remain unchanged.

The Funding and Governance Committee commented on the importance of organizing and presenting the options consistent with previous figures (CLAMP options) that were evaluated as part of the CLAMP process because those options included some conceptual/preliminary design and technical analysis that informs initial costing, while the right side of the figure should include concept ideas that were offered by the community and lacking technical analysis. The figure was revised to reflect those recommendations.

Figure 8 was developed for relative cost comparison to meet the directive of the Proviso representing a point in time, as all options have data gaps and unknowns. Future design and feasibility review would provide information on each option. Unlike other materials, such as the Purpose and Need Statement, which will flow forward to the EIS process, Figure 8 would be superseded once the process moves forward to an EIS.

Ms. Massingale reviewed feedback from the Technical Committee. Concerns centered on whether the intent of a managed lake could be achieved if the revised sub-option has less dredging initially creating shallower lake conditions with naturally forming wetlands. Less dredging initially, combined with the continued deposition of 35,000 cubic yards of sediment annually entering the system, could lead to the expectation that more maintenance dredging, especially with the assumption of dredging in Budd Inlet, has resulted in feedback that more maintenance dredging or a higher frequency of dredging would be required as part of the *Managed Lake CLIPA Sub-option* than compared to a restored estuary option. Technical Committee members recommended that the light blue cost factor for maintenance dredging should be greater than reflected in the figure to reflect a more accurate representation.

Ms. Massingale added that the recommendation pertains to how the process has strived to acknowledge input, data gaps, and key questions while understanding that technical feasibility is not part of Phase 1. It's also important to understand that the process is not assessing the efficiency of any type of permanent dredge system the options might have proposed. The figure was not edited to reflect the committee's input, but rather the information is being shared with the Executive Work Group.

Ms. Massingale invited comments, questions, and feedback.

Director Liu commented that the original CLIPA submittal included Percival Creek Rechanneling for salmon restoration. Ms. Massingale affirmed that salmon restoration was included within the title of the original option. Director Liu asked whether CLIPA shared any reason as to why salmon restoration was eliminated from the revised option. Ms. Massingale replied that the information reflects only that the component was removed. According to the information, the language speaks to retaining freshwater habitat

to support existing salmon and brown bat populations. She added that she couldn't speak to CLIPA's intent or whether that issue was considered.

Director Liu said it appears the intent of the new proposal is unknown at this time. Councilmember Hankins noted that the two options from the community (CLIPA & DERT) include language provided by the proponents. She noted a reader could be misled about the benefits stated for each option because following further review some of the benefits might not be feasible. She recommended including clarifying language that speaks to the benefits as based on the opinion of the proponents. Ms. Massingale replied that additional language could be included clarifying that the long-term benefits as described are the opinion of the proponent. Councilmember Hankins recommended including the language at the top of the material prior to listing the goals.

Mayor Kmet added that he believes the revised title of a *Managed Lake CLIPA Sub-Option* is no longer reflective of a managed lake. Rather, it's a managed lake/wetlands system. The figure illustrating the freshwater basin today reveals a thicket of trees along the perimeter. Without saltwater within the middle basin, trees would continue to survive leading to the loss of the reflective component in the middle basin, as well as the west side of the north basin. The proposal is essentially antithetical to the original proposal. The revised option is no longer a hybrid option. It's clear that the option drives the cost down, but other desired objectives would be lost.

Director Liu inquired as to whether the proponent of the DELI option submitted any changes to the original proposal. Ms. Massingale said the proponent submitted minor changes within the period the team received and was reviewing hybrid options.

Mr. Dickison commented that although he doesn't want to dispute Ms. Massingale's characterization of remaining true to the process, the proposal clearly does not. Procedurally, staying true to the process is not represented by the last minute change to the CLIPA proposal. Substantially, he agrees with Mayor Kmet that the option is no longer a hybrid proposal. As much as the earlier proposal was a pipe dream, it certainly had some elements of accomplishing some of the goals and objectives of a hybrid option. This option no longer accomplishes those goals. This change so late in the process represents a complete change and doesn't attempt to meet the objectives. He believes the option no longer belongs in consideration with other options included in the Proviso Report. A subsequent stage in the process to consider all alternatives during the EIS would be a venue that the proponents are entitled to explore. Changing the option at the last minute apparently to drive down the cost speaks to an unknown value because the EIS is not constrained by selecting a least-cost option. The Funding and Governance Committee could likely share that the different options ultimately pursued would have different commitments for financing partnerships. Any version of a managed lake option would essentially have no long-term financing partners because of opposition to the option. He asked whether permitting costs were incorporated within any of the analyses. Ms. Massingale replied that no permitting costs were included. Mr. Dickison replied that since permitting costs were not included no legal costs were included as well, which could be a future factor. The Tribe is not supportive of continuing to placate this constituent with consideration of an option as represented in the figures and in the report. A section of the report (Appendix C) includes options that were submitted by the community that received no analysis or did not meet other tests for the hybrid options. That section of the report includes three alternative options. He recommended moving the CLIPA revised option to the same section of the report to total four alternative options.

Mr. Dzedzic invited additional comments on the materials and information provided in the presentation.

Mayor Kmet referred to the Technical Committee's recommendation for expanding the light blue cost factor for maintenance dredging. The expansion should be greater for the darker blue cost factor for initial lake channel pre-dredging because CLIPA refers to an initial dredging cost in lower Budd Inlet as part of the initial costs. Ms. Massingale responded that one member of the Technical Committee offered feedback on both initial and maintenance dredging in terms of the costs presented in the bar charts. Dredging in lower Budd Inlet hasn't been quantified. That's why the information includes no volume or geographical extent of any dredging activity. CLIPA's option description does not provide a purpose, location, or volume for the clean-up dredging in Budd Inlet. It likely would be a separate project from Capitol Lake because there is no justification for it if the dam is retained. Permitting would also be challenging.

Ms. Massingale spoke to Mr. Dickison's recommendation. During the process, other proposals were submitted by the community during a three-month period for seeking hybrid ideas. It was important to acknowledge those ideas and ensure they remained as part of the record. Additionally, any proposal could be resubmitted in the early phase of an EIS. However, the team with input from executives developed visual representations of those options and included them in Appendix C. The options include a Managed Lake Sub-Option centered on expanded park space, a Managed Lake Sub-Option with nutrient harvesting to improve water quality, a Seasonal Hybrid Option allowing water into the system retained during the summer and lowered later in the year and converting to an estuary system during the fall and winter, and a Restored Estuary Sub-Option with expanded freshwater wetlands. The options were written based on descriptions submitted by community members. The consultant team drafted to the best extent possible, graphical depictions of those options.

The Technical Committee stressed the importance of the text clarifying that the revised option represented a substantial change from the Percival Creek Rechanneling Option as the survey and the documentation previously included a reference to Percival Creek Rechanneling as an option.

Mayor Selby asked how the revised *Managed Lake CLIPA Sub-Option* was elevated to this stature at such a late date. Ms. Massingale said the question speaks to the issue. CLIPA advised of a change to its option. When the option was revised, it replaced the original option. The issue is whether the change is minor or substantial. The consultant team is attempting to remain true to the process of having the graphics reviewed during a two-week comment period acknowledging that the comments by Mr. Dickison are valid as the process circumvented the three-month review process of options. The Proviso directive required visual representations of the recommended options submitted during the process; however, there is also a shared understanding of the importance of moving forward to the EIS and that the change to such a large degree speaks to the point about how dynamic the options are. The next step of an EIS process is to advance design and address the questions.

Mr. Dziejdzic asked for final input.

Mr. Dickison suggested there is a need for the Executive Work Group to determine how it plans to address the issue.

Mayor Kmet asked about the potential of retaining the original Percival Creek Rechanneling Option as a hybrid option to include in the Proviso Report versus the revised option.

Mr. Dickison suggested the option would be problematic because there is no advocate for the original option. It's also important to clarify that the report includes options or alternatives and not constituencies, such as CLIPA or DERT.

Director Liu added that the advocate for the Percival Creek Re-channeling Option withdrew the original option. Ms. Massingale affirmed the proponent replaced the option with the current version. Any option can move forward during the scoping process in the EIS. If additional analysis is completed or the proponent elects to resubmit the option, those options could be submitted during the EIS. At this point, the next step is to consider whether the revised option remains or moves to Appendix C with other managed lake sub-options.

Mayor Kmet said he's inclined to agree with Mayor Selby and Mr. Dickison, as the revision no longer represents a hybrid option and should be moved to Appendix C as another managed lake option.

Mayor Selby said she understands the Proviso directed consideration for hybrid options. The revised option is no longer a hybrid option.

Tessa Gardner-Brown, Floyd|Snider, reiterated that because the process didn't want to limit the discussion to hybrids only, Appendix C puts forth options that haven't undertaken the three-month sounding board review based on the format of the input. The revised option fits within that definition whereby new concepts included in Appendix C were not vetted as thoroughly through the three-month process.

Ms. Massingale added that in fairness to the proponent of the nutrient harvesting proposal, that proposal was very detailed but is not technically considered a hybrid and is represented as a managed lake sub-option.

Commissioner Zita expressed similar sentiments and noted the Technical Committee expressed similar concerns with the revised option as it hasn't been completely evaluated and doesn't appear to be realistic. It should be included in Appendix C. She added that as the alternate representing the Port she is unable to voice an opinion without consulting her colleague.

Mr. Dziejdzic recommended receiving input from Thurston County and additional input from the Port of Olympia and sharing the input with members. Members agreed with the recommendation.

Review of Draft Proviso Report and Overview of Feedback from Technical Committee – Discussion

Ms. Massingale introduced and led members through a review and discussion on the Draft Proviso Report.

The report includes an Executive Summary providing the Legislature with a sense of the project and how Phase 1 supports later phases.

Ms. Massingale reviewed the Table of Contents:

- 1.0 Introduction
- 2.0 Phase 1 Implementation and Stakeholder Participation – *Section describes the process, identifies stakeholder groups, meeting cycles, and communication and review.*
- 3.0 Proviso Elements
 - Goals and Objectives – *Materials developed for the Phase 1 Report*
 - Methodology for Best Available Science – *Identification and review of existing and alternate options and latest cost estimates. Materials were described that were developed for Phase 1 followed by materials for the EIS in Phase 2 to demonstrate how the work product was developed and how it will support Phase 2. The table within the Proviso Report describes the technical document list for water quality and habitat reports. The Technical Committee conducted best available science review of the reports using WAC criteria. Based on the*

directive from the Proviso, the Technical Committee considered only those reports that were identified as being related to water quality or habitat. The process retains a project bibliography of over 200 additional reports that will be relevant for technical analysis as part of the EIS.

- Identification and Review of Existing and Alternate Options, and New Concepts
- Cost Estimates
- 4.0 Sediment Management and Analysis in Phase 2 – *The section includes new text not previously reviewed by the Executive Work Group. The section is a review of an existing body of work in previous modeling around sediment management and the results of modeling, data gaps, and how the information feeds into the EIS during Phase 2. An element pertaining to how climate change might be factored within the modeling is also included. The section was prepared in coordination with a geomorphologist who routinely completes modeling for EIS processes for similar types of projects. Included within the section is a table summarizing existing sediment studies and reports.*
- 5.0 Funding and Governance
- 6.0 Next Steps
- 7.0 Environmental Impact Statement in Phase 2
 - *Process of an Environmental Impact Statement*

Ms. Massingale reviewed the List of Figures within the report:

Figure 1 Timeline of Events Related to Capitol Lake and Evolution of Goals and Objectives

Figure 2a Community Input on Project Goals from the 1999 Final EIS

Figure 2b Community Input on Project Goals from the 2009 CLAMP Alternatives Analysis

Figure 3 Community Input on Project Goals from the 2016 Phase 1 Process

Figure 4 Goals for Long-Term Management

Figure 5 Washington State Criteria for Ensuring Best Available Science is used in Policy

Figure 6a Overview of Existing Options for Long-Term Management, Previously Evaluated as part of CLAMP Process

Figure 7a Overview of Alternate Options for Long-Term Management, Concepts Provided by Private Citizens without Further Design and Technical Review

Figure 7b Alternative Options for Long-Term Management, Reported Consistency with Goals, Based on Opinion of the Proponents and Not Based on Technical Analyses

Figure 8 Relative Cost Comparison for Long-Term Management Options – *This figure was reviewed by the Executive Work Group during its September meeting and was revised to reflect CLIPA's new option. Dependent upon feedback from Commissioners Wolfe and McGregor, figures 7a and 7b could change*

Ms. Massingale reviewed the List of Tables:

Table 1 Technical Documents Related to Water Quality and Habitat in the Capitol Lake Basin – *Two new columns are included of, "Does it meet the WAC criteria for Best Available Science," and "Was there Peer Review?" The Technical Committee took time to review the documents. Specific documents for ecology or water quality were reviewed by Department of Ecology staff. DNR staff reviewed all habitat-related documents. The documents were reviewed by multiple reviewers. In those instances where "uncertain" is logged as the answer, it reflects that 1) not all reviewers could determine whether a peer review was completed, or 2) one of the reviewers had a different opinion and*

- therefore the decision was not unanimous. Table 2 Project Bibliography for the Capitol Lake/Lower Deschutes Watershed Long-Term Management Project
- Table 3 Potential Additional Components of Long-term Management Options – *The information was previously reviewed by the Executive Work Group with a second touch review in September. Mayor Kmet provided input on the organization and the listing of the goals and components supporting the goals. The information was changed to reflect that feedback since the second touch review. Additional content is also included for improving and supporting sediment management. Additionally, another category of potential components was added representing components that are separate and complimentary agency actions that would be in coordination but not necessarily led by DES.*
- Table 4 Sediment Studies for the Capitol Lake/Lower Deschutes Watershed – *The information was populated by the subset of Technical and Executive members in conjunction with DES. The geomorphologist reviewed the information as well.*

Ms. Massingale reviewed the List of Appendices:

- Appendix A Documents for Phase 1
- Legislative Proviso
 - Phase 1 Implementation Plan
- Appendix B Documents for Phase 2
- Next Steps for Capitol Lake/Lower Deschutes Watershed Long-Term Management Planning, Phase 1 Transition into Phase 2
 - Draft Final Purpose and Need Statement
 - Comparison Chart of district and other models for funding and governance – *Ms. Gardner-Brown reported that as part of the charge for the Funding and Governance Committee, members were asked to review existing models for potential shared funding and governance. One of the two key areas of the work was a review of existing models. DES in collaboration with members developed the information to inform the process on existing options and how the process might draw on existing examples in the future for shared funding and governance. The information may be utilized in Phase 2. Mayor Kmet pointed out that some information missing from the discussion is whether the jurisdictions have independent authority to raise funds or must seek voter authorization. Deputy Director Covington said that during the review by the committee, the statute identified two specific examples that should be reviewed during the Phase 1 process. During that review, members also identified other types of options with members concluding that the environment is unique and in a unique location with existing partners. No existing model could be applied to this situation, as it would require unique development of a funding and governance model to be effective for this specific area.*
- Appendix C Stakeholder Input from Phase 1
- Comments submitted during the established monthly input periods
 - Visual representations of new concepts for long-term management proposed during Phase 1
 - Documentation from Technical Committee, Executive Work Group, and Funding and Governance Committee meetings - *Ms. Massingale added that*

Appendix C is substantial in terms of the number of pages to ensure inclusion of all community feedback and comments submitted during the two-week public comment periods, feedback from the Technical Committee, Executive Work Group, and survey responses.

Ms. Massingale described the layout of the Proviso Report. Some graphics have been imbedded within the text.

Mayor Kmet asked whether the figures would be numbered in the final report. Ms. Massingale said if the figures are embedded, the figures are not numbered separately. The figures members previously reviewed are numbered. Mayor Kmet suggested that all illustrations should be numbered. Ms. Massingale acknowledged the request.

Ms. Massingale said the report describes the Proviso elements and the monthly process, goals and objectives, and materials for Phase 1. The timeline of events included some edits from various stakeholder groups where events were added because they were relevant. Other events that were not as relevant were captured as part of the documentation. Ms. Massingale summarized each section of the report and how the information evolved through Phase 1.

During the process, participants identified the value of including visual representation of the sediment management components or control structures. The report includes a visual developed by the consultant team of some potential component descriptions and where they potentially could be located.

Data gaps to be evaluated in Phase 2 are based on input from the geomorphologist. Because climate change is now more prevalent, climate change was included for future evaluation and future conversations on sediment movement and hydrodynamic modeling.

Ms. Gardner-Brown reviewed information on the Funding and Governance section. The Funding and Governance Committee reviewed the existing statutes and legal framework. Members agreed an existing model was not available that could be overlaid as the Capitol Lake system is so unique. Instead, members concentrated on what a model should include, which led to questions about the selection of the final option and importance of understanding the design of a funding and governance model. Because the process at this point does not include the selection of an option, members discussed the attributes of a shared funding and governance model that could be used regardless of the outcome. During a series of meetings, the committee identified ten attributes they believed should be further developed. Two primary work products from the Funding and Governance Committee include the table (previously reviewed) of existing funding and governance models and a list of attributes that would be the focus and foundation for a future shared funding and governance model. However, the committee would need additional information on costs and the long-term management option to make an informed recommendation for shared funding and governance, as well as identifying affected parties. The committee committed to continue the discussions during the EIS process and to receive information from the Phase 2 process and work in a parallel and concurrent process. The section includes information on what work will occur in Phase 2 and it describes the commitment and the need for additional information to render any recommendation.

Mayor Kmet said it appears that the funding and governance model is not a component of the EIS process but would be pursued on a separate and parallel discussion track. Ms. Gardner-Brown said the discussion on shared funding and governance would be informed by the EIS process, but it would be a separate process. The EIS would likely document the cost estimates after preliminary design of the reasonable range of alternatives.

Review of Next Steps – Proviso Report Comments Due November 11, 2016, Year-In-Review Meeting December 16, 2016

Ms. Massingale reviewed next steps. The Year-in-Review meeting will include a review of the Phase 1 process, comments received, 2017 work plan, and the request for EIS funding. The meeting will also include an overview of the EIS process consisting of early scoping, identification of reasonable alternatives, a draft EIS of the technical analysis and discipline reports, and a final EIS. The agenda will include a review of the conclusion of the process and the importance of moving to Phase 2.

Mayor Kmet expressed appreciation for the work completed during the process. He noted that one missing element is a discussion on the water quality and the importance of that focus in terms of water quality violations in the lake and in lower Budd Inlet and what the modeling has revealed about the impact of the dam on water quality. He suggested adding a section in the report on water quality, which speaks to why the process was initiated.

Ms. Massingale referred to the Purpose and Need Statement as addressing the urgency surrounding water quality. With input from the Technical Committee, a footnote and discussion are included to ensure a connection to the TMDL process. The Purpose and Need Statement offers an opportunity to remove the footnote reference and include it as a subsection describing the goal that was identified for water quality and compliance with state and federal standards. Mayor Kmet agreed and noted that the figure provided by the Department of Ecology reflecting relative impacts from all sources on water quality is an important visual that could be included in the report as well.

Mayor Selby inquired about what the Executive Work Group could pursue as a body to advocate for funding Phase 2 from the Legislature. Director Liu responded that DES submitted Phase 2 funding as part of the capital budget, which is working through the review process. Given the status of the process, local governments will need to make individual decisions in terms of coordination between members of the Executive Work Group entities.

Councilmember Hankins pointed out that since the report is directed to the Legislature, she supports including more information on water quality within the introduction because it speaks to the urgency of the situation. Lack of action related to water quality could result in consequences.

Mr. Dickson asked about the status of the discussion from the Funding and Governance Committee regarding a joint cover letter accompanying the Proviso Report. Deputy Director Covington replied that the discussion included a recommendation by a member to identify in writing their strong support for an EIS to help move the process forward. However, members discussed whether it should be drafted by members of the Funding and Governance Committee or should be submitted by the Executive Work Group or both. Committee members are scheduled to discuss the issue with their respective Executive Work Group members and follow up with DES. The process is pending that feedback. He encouraged members to follow up with committee members to conclude the direction.

Ms. Massingale commented on the timing to receive joint or individual support letters within the next month to enable incorporation within the report. Any letters would be compelling as it conveys a commitment by local governments to participate in an EIS.

Commissioner Zita asked whether each organization should consider drafting a letter. Deputy Director Covington advised of the possibility of submitting letters individually or submitting one common letter

signed by the organizations. Either option would be effective. However, the final decision is up to each organization.

Director Liu acknowledged the Squaxin Island Tribe's tribal nation rights. A letter from the Tribe might not be appropriate.

Ms. Massingale suggested each member should follow up with their respective funding and governance representative to discuss support for a joint or individual letter.

Mr. Dziejdzic reminded members of the two-week public comment period for feedback and questions on the Proviso Report.

Director Liu added that a pending question still exists for Appendix C after receiving input from Commissioners Wolfe and McGregor regarding placement of CLIPA's revised option in Appendix C.

Members commented favorably on the support and responsiveness to Executive Work Group members throughout the entire process.

Adjournment

With there being no further business, Mr. Dziejdzic adjourned the meeting at 11:21 a.m.