CAPITOL LAKE EXECUTIVE WORK GROUP

Jefferson Building - First Floor Presentation Room
1500 Jefferson Street
Olympia, Washington 98504
June 24, 2016
9:30 a.m.

(Approved: July 22, 2016)

JURISDICTIONAL MEMBERS PRESENT:

Cathy Wolfe, Thurston County
Pete Kmet, City of Tumwater
Cheryl Selby, City of Olympia
Julie Hankins, City of Olympia
Jeff Dickison, Squaxin Island Tribe
Bill McGregor, Port of Olympia
Neil McClanahan, City of Tumwater

DES STAFF MEMBERS PRESENT:

Bob Covington, Department of Enterprise Services
Carrie Martin, Department of Enterprise Services
Ann Sweeney, Department of Enterprise Services
Curt Hart, Department of Enterprise Services
Gabrielle Stillwater, Department of Enterprise Services
Jon Pretty, Department of Enterprise Services
Jim Erskine, Department of Enterprise Services
Rose Hong, Department of Enterprise Services
Nouk Leap, Department of Enterprise Services

PRESENTERS/FACILITATORS::

Paul Dziedzic, Meeting Facilitator
Jessi Massingale, Floyd|Snider
Anise Ahmed, Department of Ecology
Rich Doenges, Department of Ecology

OTHERS PRESENT:

Dennis Burke, E^3
Jerilyn Walley, SPSSEG
Kristin Swenddal, Department of Natural Resources
Tom Gow, Puget Sound Meeting Services
Jack Havens, Citizen
Joe Downing, Port of Olympia
Steve Finney, Recreational Boating Assn of WA
Clydia Cuykendall, Citizen
Stephanie Cushman, Citizen
Dan Smith, City of Tumwater
Judy Bartley WaTech
Bob Jensen, DERT
Chris Conklin, WDFW
Ed Crawford, Citizen
Brad Murphy, Thurston County
Zena Hartung, DERT
Bob Holman, CLIPA
Ben Dennis, InStream Conservation
Wayne Gilham, Recreational Boating Assn of WA
Bill Helbig, Port of Olympia
Lydia Wagner, Department of Ecology
Cristina Figureva, Department of Ecology
Andy Haub, City of Olympia
Mark Dahlen, Citizen
Wendy Steffensen, LOTT Clean Water Alliance
John DeMeyer, Citizen
Sue Patnude, DERT
Ruth Peterson, Office of Senator Braun
Helen Wheatley, Citizen
Gary Larson, Citizen
Bob Wubbena, CLIPA
Dave Peeler, DERT
Sally Toteff, Department of Ecology

Opening Comments and Review of Agenda
Paul Dziedzic, Facilitator, called the meeting to order at 9:34 a.m. He welcomed everyone to the meeting.

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

The committee will receive a presentation from Department of Ecology representatives on the Deschutes Watershed Water Quality Study for background information, a second touch review of Best Available Science, a first touch review on Draft Purpose and Need Statement, a first touch review on Identification of Hybrid Options, and an update on the process from DES.

Approval of May 27, 2016 Minutes
By consensus, members approved the May 27, 2016 meeting minutes as published.

Department of Ecology Presentation – *Information*
Mr. Dziedzic introduced Rich Doenges, Manager, Southwest Region Water Quality, Department of Ecology, and Dr. Anise Ahmed, Lead Scientist, Department of Ecology. Mr. Dziedzic referred members to additional information supplementing the presentation.

Mr. Doenges reported the briefing would cover 20 years of technical and scientific studies completed by the Department of Ecology (ECY) to analyze water quality problems and implement solutions to improve water quality throughout Washington waters for over 40 years. Part of that effort is communicating the work completed. ECY anticipates and welcomes different opinions and perspectives on the work because the causes and solutions of water quality problems involve and affect the entire community.

The most challenging problem in Budd Inlet is the lack of dissolved oxygen. The lack of oxygen is not sufficient to meet water quality standards and without oxygen, aquatic life suffers. Dr. Ahmed cited the analogy of the lack of circulating water in an aquarium and the detrimental affect it has on fish.

The federal Clean Water Act serves as the foundation for much of the work completed by ECY, the Environmental Protection Agency (EPA), and local governments. In 1972, the federal government passed the Clean Water Act. In 1973, EPA designated ECY as the lead agency overseeing the Clean Water Act in Washington State. Of the critical work by ECY, one of the most important is water quality standards, which define the goals of the water body by designating beneficial uses, such as recreation, aquatic life, boating, and aesthetics and establishing criteria to protect those uses through provisions to protect water bodies from pollutants. The Clean Water Act is also the legal framework for regulatory provisions, such as NPDES permits allowing wastewater discharge at a specific level to ensure designated beneficial uses are not impacted. Examples include the LOTT Clean Water Alliance Wastewater Treatment Plant permit and municipal permits issued to Thurston County and cities. Another requirement of the Clean Water Act is monitoring water quality in streams, lakes, rivers, and marine waters. ECY has collected data since it was designated as the lead agency by EPA. When water bodies are not meeting water quality standards, those bodies are included on the 303(d) list.

Based on several years of field data and lab analysis, the Deschutes River and its tributaries of Capitol Lake and Budd Inlet were listed as unhealthy in the mid 1990s. Once listed, ECY is obligated under the Clean Water Act to take steps to improve water to meet water quality standards and remove the water bodies from the 303(d) list. That listing triggered the Deschutes Water Quality Improvement Plan, identifying pollution sources in the watershed and specifying how much pollution must be reduced to achieve clean water.

ECY's study focused on the watershed above Tumwater Falls and identified problems with low dissolved oxygen, high stream temperature, high pH, too much fecal coliform bacteria, and too much fine sediment. The draft report, "Deschutes River, Percival Creek, and Budd Inlet Tributaries Temperature, Fecal Coliform Bacteria, Dissolved Oxygen, pH, and Fine Sediment TMDL: Water Quality Improvement Report and Implementation Plan, was submitted to the EPA in December 2015 for approval. The plan identifies specific implementation plans to ensure water quality standards are achieved for freshwater. Some implementation measures include riparian restoration, maintaining stream corridors, removal of pet waste, improving stormwater management, and implementing low impact development standards.

The foundation of those efforts include two key technical studies to include the June 2012 study to determine the capacity of the Deschutes River to handle fecal coliform, temperature, dissolved oxygen, pH, and fine sediment and recommending reductions in the amount of pollutants to achieve water quality standards. The 2012 study also includes information on how the Budd Inlet and Capitol Lake model was developed, calibrated, and used to assess dissolved oxygen.

In 2015, a supplemental report included more modeling analyses for Budd Inlet and Capitol Lake. Some of the different scenarios were reviewed with the Deschutes Advisory Group during 2012-2013. The Deschutes Advisory Group continues its engagement in the process, which includes transitioning its focus to work on Capitol Lake and Budd Inlet.

Dr. Ahmed reviewed how water quality in Budd Inlet is connected to Capitol Lake. Human sources are contributing nitrate and phosphate to Budd Inlet through wastewater plants and through non-point sources, such as agriculture. Nitrates and phosphate are nutrients and together with sunlight and carbon dioxide produce algae blooms on the surface layer of Budd Inlet. During the day through photosynthesis, algae produces oxygen; however, at night, algae uses oxygen and releases carbon dioxide. Because summer days are longer, the net result is the production of oxygen in the upper surface layers. At the end of the lifecycle, algae die and settle to the bottom of the inlet and become organic matter. Organic matter discomposes through bacteria, which uses oxygen and depletes oxygen from the bottom layer of the water body. The result is high oxygen at the surface and low oxygen at the bottom.

A similar scenario is occurring in Capitol Lake. The only difference is the presence of freshwater algae. When freshwater algae contact marine water, freshwater algae die and become organic matter contributing to the depletion of oxygen. For every pound of nitrate consumed by algae leaving the lake, approximately seven pounds of organic matter is produced in Budd Inlet equating to 18.7 pounds of oxygen depletion.

Dr. Ahmed reviewed modeling results. The Budd Inlet/Capitol Lake water quality model was built using the GEMSS framework, which has been used nationwide for rivers, lakes, estuaries, and coastal waters. The model is a simulation of physics, chemistry, and biology of the system. Computer models are used for a variety of reasons. One example includes weather forecasters who use computer models to predict daily weather. One of the models used from the GEMSS framework was the hydrodynamic module covering the physics of the system (tidal action, flows from river and the lake, flows from wastewater plants, rainfall, and wind). Chemistry and biology are intertwined and were addressed in three modules within the GEMSS framework comprised of the water quality module, algae module, and the macrophytes module. Macrophytes simulate bottom plants in Capitol Lake. Because biology and chemistry are intertwined, it creates cycling of nutrients of carbon resulting in higher oxygen in the top layer and lower oxygen in the bottom layer.

The model was originally created by the LOTT Clean Water Alliance for its Budd Inlet Scientific Study completed in 1998. That model did not include Capitol Lake. ECY's study added Capitol Lake to the modeling.

Dr. Ahmed reviewed how ECY satisfied the intent of best available science. That effort included the collection of field data from a multitude of sources followed by calibration of the Capitol Lake model with data from 2004 and verification of the model with data from 2001. Additionally, the intent was satisfied through model evaluation, verification, and subsequent improvements through extensive peer reviews.

The first peer review was completed by Robert Ambrose, a former EPA employee with over 25 years experience in water quality modeling, as well as the developer of the water quality model, WASP, which is widely used. The review included two tasks. The first was a review of the GEMSS model codes. Based on Mr. Ambrose's review and recommendations, the developers of GEMSS modified some codes according to the recommendations. Additionally, verification tests were required to ensure code changes were applied correctly. Following completion of verification tests, Mr. Ambrose was satisfied the model was correctly modeling.

Independent peer review is considered the highest level of peer review because it's overseen by an independent third party. For the study, EPA was the third party reviewer. EPA selected Professor Scott Wells of Portland State University. He is the co-author of the water quality and hydrodynamic model, CE-QUAL-W2, used throughout the world for temperature and water quality modeling studies. He and Dr. Chris Berger, Research Assistant Professor, were the pioneers of the macrophytes module used in GEMSS. His two tasks included a review of all input files created by ECY, review of both sets of model calibration/confirmation results, and calibration and verification of the model. Dr. Wells' report is 169 pages. All recommendations and suggestions were addressed to his satisfaction. Dr. Wells also reviewed how GEMSS was wired for macrophytes. He was satisfied with the model.

The next independent review was completed by Jim Fitzpatrick who was recommended by EPA's Chesapeake Bay Program as an individual with the knowledge and experience to review models such as GEMSS. Mr. Fitzpatrick reviewed the work of Robert Ambrose and completed another verification test. His final report is only four pages. Mr. Fitzpatrick was satisfied with the accuracy of the model. Additionally, Mr. Fitzpatrick reviewed the research paper on the water quality model and its implementation within the GEMSS model to ensure accuracy in the codes. Overall, field data, calibration and verification, and extensive peer reviews met the intent of best available science according to statute.

Dr. Ahmed displayed a snapshot of the dissolved oxygen impact in Budd Inlet's East Bay. The slide reveals the proportion of the impact from difference sources on dissolved oxygen violations. He demonstrated the levels exceeding water quality standards. Four main sources of impact to oxygen are present in Budd Inlet. They include the impact from wastewater plants within Budd Inlet, impacts from non-point sources in Budd Inlet, impacts of sources external to Budd Inlet, and impacts from the Capitol Lake dam. Because many sources affect dissolved oxygen, all efforts are required to solve the problem.

Mr. Doenges added that all the sources impacting dissolved oxygen exceed water quality standards.

Dr. Ahmed displayed a slide of Budd Inlet and the Capitol Lake dam. The slide includes information on water quality conditions caused from all human sources, non-point sources, sources external to Budd Lake,

and the dam. Water quality conditions were graphed representing only three of the sources – direct, non-point, and external sources. With the dam in place, Budd Inlet experiences more water quality violations.

Mr. Dickison pointed out that the different graphs are not comparable in scale. Dr. Ahmed acknowledged the difference in scale between the different graphs.

Dr. Ahmed reviewed why Capitol Lake has such a huge impact on dissolved oxygen levels in East Bay. The primary reason is because the lake increases total organic carbon loads to Budd Inlet, as well as reducing mixing action in East Bay by increasing the time water remains in East Bay causing decomposition of organic matter.

Another graph demonstrated how more organic carbon matter travels to Budd Inlet because of the presence of the dam.

The project has completed a high level of peer review by scientists from across the country. ECY has confidence in the predictions and findings of the model, as well as the understanding of the lower Deschutes/Capitol Lake/ Budd Inlet system. Dr. Ahmed shared the address of the website containing the two reports and ECY contacts for additional information.

Mr. Dziedzic invited questions and comments from members.

Mayor Selby asked about members of the Deschutes Advisory Group. Staff replied that members include representatives from the cities of Olympia and Tumwater, Thurston County, Squaxin Island Tribe, Thurston Conservation District, nonprofit organizations, Black Hills Audubon Society, Department of Fish and Wildlife, CLIPA, Department of Health, Department of Natural Resources, the EPA, and others. The group was formed in 2009.

Mr. Dickison thanked the presenters for the information. ECY has done an exceptional job over the years in developing the information and having it evaluated and tested. In terms of the Deschutes River and water quality standards that have been exceeded, additional water quality parameters are included on the 303(d) list that are not included within the TMDL. One additional parameter is the standard for large woody debris (LWD) found naturally throughout the system that often helps capture fine sediment and helps regulate temperature.

Mr. Dickison referred to the bar chart comparison of pollutant sources. One significant source is LOTT's wastewater discharge, which is regulated by ECY through its issuance of LOTT's discharge permit. When water quality standards are not being achieved, all polluting sources should be considered, and in particular, those areas where ECY has regulatory control. Non-point sources are more difficult to regulate; however, it's possible to regulate LOTT's discharge. Since the entire environment in Budd Inlet is affected, it's likely that in the next review cycle, LOTT would be required to meet water quality standards. External sources also play a role in terms of water circulating into and out of Budd Inlet from areas to the north, which also include a component of discharges from other sewer plants. The large Tacoma/Pierce County Plant at Chambers Bay, as well as plants in Seattle contribute sources. It speaks to the argument that ECY should further regulate the discharges from those plants to meet water quality standards in Budd Inlet. That action would represent a significant regulatory undertaking, but not without precedent. Finally, the Capitol Lake dam is a choice. It could be argued that it may be possible to select one of the sources to pursue as public policy

acknowledging that not all sources would likely be targeted to achieve water quality standards. Mr. Dickison asked all LOTT partners whether they would prefer a means to continue the present highly-treated LOTT discharge to Budd Inlet or whether they prefer retaining the lake. Essentially, the choice is one or the other.

Mayor Kmet questioned why the presentation did not address water quality in the main body of Budd Inlet or Capitol Lake as opposed to East Bay. Dr. Ahmed responded that the East Bay cell experienced the highest impact. Solving water quality issues in East Bay would solve water quality issues in Budd Inlet, as well as Capitol Lake. Mr. Doenges said the flows from Capitol Lake through Budd Inlet are captured in East Bay where the flow lingers and lacks flushing action. Dr. Ahmed added that organic matter released from Capitol Lake reaches East Bay. During modeling, dye was injected in Capitol Lake and tracked revealing that some dye reached East Bay revealing how water in East Bay is trapped.

Mayor Kmet said the information also didn't speak to Capitol Lake and whether it meets water quality standards. Dr. Ahmed said he understands Capitol Lake is included on the 303(d) list for phosphorous. If dissolved oxygen in Budd Inlet were resolved, some resolution of water quality issues in Capitol Lake would be resolved as well.

Councilmember Hankins commented that it appears improving water quality in Budd Inlet automatically improves water quality in Capitol Lake. Dr. Ahmed replied that resolving issues in Budd Inlet would also enable more focus on the lake.

Commissioner McGregor asked about date of the bar graph information. Dr. Ahmed advised that the bar graph was based on the Budd Inlet Scientific Study completed in 1998. Mr. Doenges added that a supplemental report includes a discussion on the allocation of the impacts.

Commissioner McGregor noted that in the late 1980s and early 1990s, the Port often placed large bay mixers off the end of East Bay piers to help circulate water because of inadequate flushing in the area. He's unsure whether that practice continues, as it may have been abandoned because it wasn't improving flushing activity. Additionally, because of water quality issues and lowering of permitted activities under the Port's NPDES permit for its industrial areas, the Port recently completed a new stormwater plant meeting most of the parameter benchmarks except for one parameter. The Port is working with ECY to improve that parameter to meet the standard. Although the Port is working to achieve the standards, it's likely not possible to achieve the required level.

Mr. Doenges said the Deschutes Advisory Group is working to identify solutions. One of the messages conveyed through the bar graph is that the pollution is not from one single source with many sources contributing to the problem. Mr. Ahmed added that every effort helps improve water quality.

Commissioner McGregor noted that the decay of freshwater algae is a cumulative impact. He questioned the timing of the decay process when oxygen is no longer consumed. Mr. Doenges said the lifecycle is quick; however, new algae replace decaying algae during the season. Dr. Ahmed said the amount of oxygen consumption is dependent upon the movement of the water.

Second Touch on Best Available Science and Overview of Community Input – *Discussion*

Jessi Massingale, Floyd|Snider, reported the second touch would cover best available science methodology and an overview of community input.

Ms. Massingale reviewed the summary of three potential methods to identify best available science. Revisions to information include the addition of text to clarify that the use of the information would be for the review of technical and scientific information as part of Phase 2 for the Environmental Impact Statement (EIS) process. Additionally, the technical document list includes technical documents, scientific studies, and other information that were initially identified based on various sources pertaining to the Capitol Lake basin and the Deschutes estuary. Since the last meeting, additional information was solicited from members, Technical Committee, and the community. The list was revised to include subheaders identifying the list of additional technical documents provided by the Technical Committee, Executive Work Group, and the community. Based on input and discussion by the Technical Committee, the list will be the primary focus on data, science, and documents relative to the Deschutes estuary and Budd Inlet. Additional documents that were not scientifically-based, relevant studies, or information about Puget Sound have been retained as part of the project bibliography in the Proviso Report as a tool for the future EIS.

Additionally, one of the questions before the Technical Committee, as well as to the Executive Work Group and the community was whether a methodology would be used to review the information on the list. Last month, the three groups identified the WAC methodology as the preferred method. The Technical Committee inquired as to whether the technical document list would be reviewed using the WAC methodology. The response to the committee indicated that because of lack of time and resources a review wouldn't occur as part of the process. Subsequently, some members of the Technical Committee offered to assume that task. A subcommittee of the Technical Committee plans to review the Technical Document list using the WAC methodology to identify best available science. The subcommittee will develop findings based on its WAC methodology review. Ms. Massingale asked for input on the step for moving best available science forward in the review of technical documents. There were no objections by members to the approach.

Mayor Selby asked whether it would be possible for the Technical Committee to remain on track in conjunction with the additional review. Ms. Massingale affirmed the schedule would be maintained. At the September meeting, an updated list produced from the subcommittee's review would be presented to members allowing for several months for the subcommittee's work.

Commissioner McGregor asked about the identity of members on the subcommittee. Ms. Massingale said membership is currently being determined. Scott Steltzner, Squaxin Island Tribe, and Rich Doenges, ECY, initially volunteered with several other members expressing interest.

Mr. Dziedzic added that members would receive an update on the work of the subcommittee.

Ms. Massingale reported that one other element was discussing with the Technical Committee the value in peer review and the importance of peer review. Peer review is a component of the WAC methodology. She referred members to information on a Peer Review Policy Brief. The intent is to recognize feedback from the Technical Committee and the component of peer review complimenting the goal of identifying best available science, as well as identifying the definition of peer review and how it's used in the evaluation of best available science. She asked members to review the brief and provide feedback. The information will be included within the Proviso Report.

Mayor Kmet asked whether any other suggested recommendations/adjustments in terms of the screening criteria were offered by the Technical Committee other than the additional technical studies. Ms. Massingale

advised that additional input would likely result from the additional review by the subcommittee. Any changes would be highlighted and reviewed by the Executive Work Group.

First Touch on Draft Purpose and Need State & Overview of Feedback from Technical Committee - *Discussion*

Ms. Massingale referred members to examples of Purpose and Need Statements used to establish the foundation of an EIS by providing a basis for the project and the criteria for which to compare identified alternatives. The statement is used as a governing structure for comparison of options to ensure both purpose and need are being achieved. The example Purpose and Need Statements are from projects that have been permitted and implemented or are currently under construction. Many different types of Purpose and Need Statements exist and most are customized for project complexities and objectives.

Ms. Massingale reviewed and compared the different examples:

- ***Straightforward-Development/Infrastructure Need.*** Projects have a defined need and outcome.
- ***Collaborative Redevelopment Project with Secondary Goals.*** Projects have a primary purpose while also meeting additional goals that need to be recognized within the project between the project partners.
- ***Primary Project Purpose Coupled with System-Wide Ecological Benefits.*** Describes primary purpose of addressing contamination with ECY regulatory oversight. The example involved lake remedial action by stakeholders and resource agencies engaged in the process that provided an opportunity to meet larger wetland ecosystem and floodplain goals that dovetailed into the primary purpose.
- ***South Bay Restoration Project.*** Project goals included maintaining or improving levels of flood protection, providing public access, and recreational opportunities. The project includes environmental objectives, as well as community resource and public use objectives.

Ms. Massingale encouraged members to review the example statements. Technical Committee members reviewed the examples.

One of the first questions by the consultant team during this process (and later echoed by a member of the Technical Committee) was whether a Purpose and Need Statement had been previously developed for Capitol Lake long-term management planning. Surprisingly, the previous EIS process and the work completed to date did not identify how the long-term management of Capitol Lake would solve a specific problem nor did it identify the purpose and need for a solution.

Ms. Massingale said it's likely all parties would view this process as a measure of success in working together to develop a revised Purpose and Need Statement similar to the approach for second touch that is reflective of community input, Executive Work Group input, and with a focus for input from the Technical Committee. The goal is to review a revised Purpose and Need Statement at the July meeting to achieve consensus on the statement identifying the goal for the future of Capitol Lake and the Deschutes estuary. The statement would be included in the Proviso Report and could serve as the foundation for a future EIS.

Ms. Massingale reviewed the first paragraph of the Capitol Lake Long-Term Management Project: Draft Purpose and Need Statement. The intent of the statement is tying and recognizing the value and importance of meeting water quality standards. Not all goals developed are weighted equally because of the difference in

state and federal laws. Part of the goal is managing invasive species to ensure a healthy sustainable ecosystem while also restoring community use. The second two paragraphs of the statement build on and provide context and history. The last paragraph speaks to additional information on the purpose and need to meet goals to include information about water quality, enhancing fish and wildlife and habitat, and the importance of managing sediment.

Ms. Massingale shared feedback on the statement from the Technical Committee. Major themes included consideration of a condensed version of the draft Purpose and Need Statement by removal of the two middle paragraphs (history and context) and retaining only the opening and closing paragraphs focusing on the problem. The recommendation was based on the ability of an EIS process to provide additional background and history avoiding the need to provide the information within the Purpose and Need statement.

Another recommendation was to ensure that throughout the document, the statement should be rebalanced to reflect that the primary focus is the environmental function of the basin and estuary and not as much on the community and recreational aspects of the area. The suggestion may reflect the proposed approach by several committee members whereby the goal is to manage an economically and environmentally sustainable resource. It also speaks to the first paragraph in the statement to improve water quality and manage invasive species, which would restore and enhance community use.

Another comment spoke to ensuring that the watershed is reflected in the draft Purpose and Need Statement, which could be remedied by expanding the Capitol Lake basin to include Deschutes River/Budd Inlet or by describing Capitol Lake in the larger context of its relationship with the Deschutes River and Budd Inlet.

Another recommendation pertained to language surrounding the cultural and historical importance of the area and specifically changing the resource reference to the "Deschutes River" in the sentence describing the importance predating construction of Capitol Lake. The recommendation was generated from several comments where the historical use of the area predates it as just the dam alone created in 1951. However, there is also historical use predating the dam as an estuary and tidal flat. Retaining the two middle paragraphs acknowledges those historical references.

Commissioner Wolfe requested receiving a copy of the written feedback from the Technical Committee.

Ms. Massingale said the last recommendation centers on the statement describing the lake in its current state, as well as implying the future state as a lake. The suggestion includes revising the language to avoid an inference of a managed lake option in the future.

Some feedback recommended modifying the middle two paragraphs providing history and context for supporting the goals while other feedback recommended streamlining the statement by stating the problem and the need. At the July meeting, two versions of the draft statement will be presented because of opposing feedback. Ms. Massingale noted that as the examples reflect, there isn't a one size fits all scenarios. She encouraged feedback from members before the closure of the two week review period on Thursday, June 30.

Councilmember Hankins expressed appreciation for receiving examples of statements, as they clearly stated a problem and what each project intended to accomplish. They provide a good model for this process because the intent of the process is to proceed to an EIS. It's important to be clear about the technical aspects. She appreciates the comments by the Technical Committee.

Mayor Selby concurred with the comments as well as assuming the project would involve the entire watershed because of the connectivity of the entire system. Ms. Massingale agreed and recommended revisions to the title to recognize the entire watershed because of the interconnectiveness of the river, lake, and Budd Inlet.

Deputy Director Covington inquired about the possibly of any negative aspects associated with the inclusion of the two middle paragraphs. Ms. Massingale replied that within the current process, the information would be helpful for the Legislature when it receives the Proviso Report because it provides important context to help legislators understand the purpose and goals of the project. It speaks to the importance of community use and recreation, as well as to the importance of water quality and invasive species. The second paragraph provides some background on the water quality issue. Inclusion of the two middle paragraphs would not be a downside for this particular process.

Mayor Kmet commented that the first paragraph should capture three elements surrounding the improvement of water quality and ecological functions, restoring and enhancing community use and recreational opportunities, as well as managing sediment (missing piece) because the goal is to maintain navigation in lower Budd Inlet. Those three elements should be included in the first paragraph.

Ms. Massingale acknowledged the input as the statement does recognize the importance of managing sediment in the last paragraph and it could, to some extent, become lost in the context of the entire statement. A Technical Committee member had offered a revision of the first paragraph to include the importance of sustainability. Detailed red line edits as well as suggestions in terms of the order of importance would be presented as part of the ongoing review.

Mayor Kmet noted that the primary concern surrounding sediment management is navigation. He is also concerned about the use of sustainable because of its overuse and different interpretations. He recommended including additional qualifying information surrounding sustainability because all the goals are elements of a sustainable system. Ms. Massingale replied that similar to sediment management, explanation of sustainability is lost within the statement. She acknowledged the collaborative process of review and the importance of the Technical Committee's review. Many of the elements are beginning to jell through the process and no major red flags have been identified. However, if concerns persist during the July reviews of both drafts, sufficient time is available to resolve concerns.

Commissioner McGregor acknowledged Mayor Kmet's recommendation to include sediment management and commerce.

First Touch on Identification Hybrid Options and Overview of Feedback from Technical Committee – *Discussion*

Ms. Massingale presented information on hybrid options. During Phase 1, the primary objective is meeting the directive of the Proviso Report. The effort is collectively proceeding to the next level as a way to facilitate the EIS process. The proviso specified identifying hybrid options with certain terms and identifying broad community support or concerns. This month, the focus in on hybrid options while next month, the process will consider a full range of options. She reminded members that from mid-April to June, the process has welcomed other ideas for hybrid options from the community. The information provided on the website included the three main hybrid options.

Ms. Massingale reviewed the three hybrid options:

- ***Dual Basin.*** The option was a result of the 1998 EIS through the CLAMP process and represents the most detail in conceptual design and technical analysis. It was also included in the Deschutes Estuary Feasibility Study.
- ***Dual Estuary/Lake Idea (DELI).*** The option was offered by a community member. Mr. Shanewise, the primary proponent of DELI, is scheduled to provide a presentation on the option during the second half of the meeting.
- ***Percival Creek Rechanneling and Salmon Habitat Rehabilitation Plan***. The option was submitted by CLIPA.

Other options submitted include a hybrid similar to the dual basin with a freshwater reflecting pool, a Capitol lagoon options that includes brackish lake management modeled after a typical coastal lagoon with saltwater input during winter months when the dam is lowered enabling tidal action creating a brackish system, and an option for nutrient harvesting. The last option wasn't viewed as a hybrid option but a component that could be included with any option. During next month's review of expanded options, the option would be described in more detail.

The three main options are of focus this month for review. During the meeting with the Technical Committee, members received a similar graphic of the three hybrid options, as well as a table of key components for each option. Members recommended avoiding some confusion by eliminating the table of elements and focusing on the higher level of hybrid options. The committee recommended completing an initial comparison of the options with project goals. The work group's review of the three hybrid options includes more context to enable input and offer ideas for different components of hybrid options or other hybrid options. Additionally, a table was developed identifying the goals of any option that were established during the collective process for identifying how any particular option would comply with or compare with project goals. The intent is to provide the table to CLIPA and to the proponent of DELI to populate (narrative form) on how their option complies with the initial project goals. The consultant team plans to complete a similar exercise for the managed lake and estuary/dual basin recommendations generated by the CLAMP process. That process would occur in early July. Ms. Massingale pointed out that none of the options are at a design level or have had a technical evaluation to determine feasibility.

Mr. Dickison asked about the objective at this point in considering the multiple hybrid options. Ms. Massingale replied that the proviso directs the identification of concerns and support for various hybrid options. That entails the two-week comment period affording time for submittal of ideas in July to address concerns about any of the options and whether broad community support exists for any particular option. The final point for consideration of all options is determined by the Executive Work Group as a collective decision.

Mr. Dickison acknowledged the requirement for responsiveness to the proviso. However, in the long-term, the proviso is a just a distraction. He questioned the objective in terms of the EIS and whether the hybrid options are limited or unlimited. Ms. Massingale commented that if the process were limited only to the proviso, a number of hybrid options would be reviewed for concurrence or concerns. However, for the EIS process, the scoping process and initial engagement provides an opportunity for submittal of more ideas. The process depends on whether it results in a consensus surrounding an option or different options this month or next month.

Mr. Dziedzic said it could entail multiple hybrid options as a framework for the EIS. Part of Phase 1 is providing the framework and advocating support for the EIS process to secure funding.

Mr. Dickison remarked that conceivably, the process could result in an untold number of options. It's important to determine the path forward.

Mr. Dziedzic said that inherent within the Phase 1 process is readying and setting the stage for the Phase 2 EIS. The request to provide additional information by the proponents on the three hybrid options in terms of how the option addresses the goals. Part of the work during Phase 1 is identifying what is required to make some decisions moving forward to an EIS. Part of that determination by the work group is assisting in identifying which hybrid options should move forward.

Ms. Massingale added that during the next meeting, members are scheduled to review the initial comparison of goals and the purpose and need. Part of the challenge is that each option would need further design and technical analysis to determine feasibility of the option.

Deputy Director Covington said the proviso provides funds for specific tasks while the effort also entails much more value than the proviso provided. When the information is combined in the Proviso Report, it demonstrates how well all partners came together in establishing a stage of conceptual options for funding or a degree of general support for a set of alternatives. Part of the messaging is whether the entities are able to work together effectively as partners and provide the Legislature some sense of confidence when considering some difficult decisions during the next biennium and whether there is a willingness to fund the next effort.

Mr. Dziedzic invited reactions to the conversation about next steps moving forward.

Mayor Kmet said there appears to be a process issue because earlier there was some discussion to schedule a design charrette or provide an opportunity for the community to offer ideas. He would like to ensure the process provides an opportunity for the community. Another element that appears to be missing in all the options is sediment management. An alternative for managing sediment is using the South Basin in the area south of Interstate 5 as the location to manage and contain sediment. The option could include installation of an adjustable weir on the south side of I-5 that remains in the lower position most of the year to afford saltwater interaction to reduce algae while enabling raising of the weir during major storm events to assist in slowing the flow in the South Basin to reduce the large volume of large sediment as a way to control sediment loading in the lake and lower Budd Inlet. That option doesn't necessarily address finer sediment. Another idea discussed with a local resident is adding a jetty to the outlet extending past the grocery store and Yacht Club to direct fine sediment further into the inlet to avoid sediment loading in the navigational channel. The South Basin alternative could exclude the weir control. At one point in the past, the plan was to create a pocket to slow flows and trap larger sediment in the South Basin.

Councilmember McClanahan confirmed that in the early 1980s, the South Basin included a sediment trap.

Mayor Kmet offered that the process is constrained by the dual basin hybrid options dictated in the proviso. If the process is preparation for an EIS, it's important to consider other ways to address some of the important issues. The options don't appear to capture any of those issues.

Ms. Massingale pointed out the next meeting includes a review of all options rather than focusing only on hybrid options. The community meeting next week includes an opportunity for a facilitated discussion and for participants to submit ideas. Using the Proviso Report as a tool to collect and condense all

information would help to aid the scoping and initiation of the EIS by identifying some options, as well as components of options that would benefit other long-term goals.

Mr. Dziedzic questioned the concerns surrounding insufficient options. Mayor Kmet said his concern is that the public meeting would only include three options and it wouldn't accomplish the goal to obtain more ideas on how to manage the system to achieve numerous goals. Ms. Massingale assured members that the efforts have included an online survey, as well as questions on other ideas. The intent is for the community meeting on June 29 to include a component of soliciting other ideas through an informal charrette. The community meeting is used as forum for ideas while the Technical Committee and the Executive Work Group meetings would also offer ideas. It appears that the channels are available for bringing forward ideas while the collaborative brainstorming effort might be lacking. Mayor Kmet said his goal is not restricting the effort only to hybrid approaches. The CLAMP report spoke to creating an artificial lake through high tides. It could entail re-examining that alternative or enhancing the feature without having to expend funds to create an artificial barrier. Other options could be reviewed other than those included in the proviso. His concern is the focus is only on those options in the proviso instead of considering all viable solutions.

Ms. Massingale noted that the Phase 1 process is not comprehensive in evaluation of options, design, or technical analysis to assess feasibility, benefits, and impact. The EIS would serve those functions.

Deputy Director Covington asked about the opportunity to expand on the Mayor's ideas at the next meeting. Ms. Massingale affirmed that the Technical Committee could be queried on option components that might be valuable. During the July meeting, a portion of the agenda could include a discussion on those components with the community meeting following a similar format.

Members agreed with Ms. Massingale's recommendation. She encouraged members to review the descriptions of each hybrid option.

Process Update from DES

Funding and Governance Committee

Deputy Director Covington reported the committee met earlier in the week. All participants are engaged with the discussion centered on the attributes of governance and funding models. Staff is summarizing the meeting results for dissemination to members. He encouraged members to engage with committee members to receive information on the attributes under consideration. The committee is also exploring other areas, such as long-term management and the boundary of the system, as well as identifying major capital or infrastructure improvements that might be required as part of the initial project, as well as different components or alternatives to pursue for funding.

Councilmember McClanahan asked about the funding available to advance to the EIS. Deputy Director Covington replied that the proviso included $250,000 to complete the Phase 1 work (whereas the EIS is slated for the work as part of Phase II). Sediment management was not included in the proviso. From a funding perspective, DES is able to complete the work required by the proviso with no funds available to complete work on sediment management. DES examined all aspects of the project to complete requirements of the proviso. No funds exist for the inclusion of sediment management although there is a common interest to continue pursuing sediment management because there is agreement it is a critical element of the project. Part of that effort entails identifying how to fund that activity, such as exploring grants to support the effort.

Councilmember McClanahan referred to historical efforts to raise $1.3 million for the first study of Capitol Lake. He asked whether DES is prepared to pursue funding pending the conclusion of the Proviso Report. Deputy Director Covington affirmed the agency's intent to move the process forward. Councilmember McClanahan pointed out how the prior process generated a recommendation and how nothing happened. His intent and willingness is to support the effort as long as the outcome is the final iteration. Deputy Director Covington affirmed his and Director's Liu's commitment to move the process forward.

Mr. Dickison pointed out that when all the partners involved in the CLAMP process met and discussed ways to move forward, there was consensus about two issues. The first was the need to do something and that continuing to spin the process wasn't acceptable. The second was unanswered questions about sediment management that needed to be addressed. Those discussions involved many of the members and occurred prior to the proviso. There was commitment at that time to move forward on that basis. As he indicated earlier, the proviso is just a distraction, and, if anything, it's a delaying tactic. All the focus is on things that have been previously completed with no focus, according to the assessment, on the issue that everyone agrees needs to be done to advance the discussion. Hence, a delaying tactic that is not acceptable from his perspective. The Tribe is evaluating the status of the process and is questioning whether it's worth the Tribe's trouble to keep playing this game of spinning around in circles and not advancing the issue.

Deputy Director Covington acknowledged the frustration in wanting to move forward; however, DES is committed to doing everything possible to move the process forward with the funds provided by the Legislature to complete the project based on the direction within the proviso. DES is following the direction and is open to partner with members to identify other means for working together to identify funding sources that could be used to address sediment management.

Mr. Dickison said his comments pertain to action rather than words. DES was a member and made a commitment and he would like action to occur.

Commissioner McGregor remarked that in support of the comments, one of the prime reasons the Port is concerned about what happens with the lake is the management of sediment as it flows into Budd Inlet and into the navigation channel. Those concerns were addressed by Mayor Kmet, Mr. Dickison, and Councilmember McClanahan. Although there are efforts by the Port to identify funds for sponsoring some of the work, much time has been spent discussing the issue. If the effort doesn't result in action, it reflects another frustrating scenario. Sediment management from the Port's perspective is a concern.

Councilmember McClanahan noted the Executive Work Group has been meeting for six months while he and other members spent seven years discussing the issue. He reiterated the importance of ensuring this process concludes.

Councilmember Hankins questioned the ability of the Funding and Governance Committee to develop funding estimates without the benefit of having information on sediment management.

Ms. Massingale replied that this process was the result of a legislative proviso. The proviso could be a tool to secure funding to render a final decision. The historical record reflects some starts, stops, and pieces of work with funding but no firm direction on the outcome. The next step is the EIS to follow the state process to determine the preferred solution. DES has discussed using the process as a tool to demonstrate consensus to obtain funds to move forward. Part of that effort is support of a method of funding and governance by the entities to demonstrate cooperation and a desire to move forward into Phase 2. The Sediment Management Panel envisioned as part of this process was to provide an updated summary

of all technical sediment work completed by the USGS sediment transport deposition study to help improve the efficiency of the EIS demonstrating to the Legislature that the process is ready to advance to implementation of a project. Historical starts and stops over the last 30 years were not because of the lack of interest but because of lack of funds, which speaks to the need for a Funding and Governance Committee and efforts to structure the committee outside the scope of the proviso directives.

Mr. Dickison said the Sediment Management Panel was essentially a compromise when DES first attempted to remove sediment management from the discussion. Looking back at the feasibility study, there was substantial work completed on sediment, as well as modeling information on sediment movement. USGS offered some recommendations about ways to improve sediment management. Many studies are available on sediment management. The intent to complete some screening to help prepare for the EIS is not sufficient, as more work is required. The process has entailed incremental chipping away at what was a commitment by DES. His request is that DES should live up to its commitment.

Mayor Kmet said part of the concern was the lack of a definition for the purpose of the Sediment Management Panel. With only four months remaining, it's not realistic to expect the USGS to model different scenarios. He suggested that if the effort entails summarizing previous work, brainstorming potential solutions, or re-examining the recommendations from USGS to scope a task to seek funding as part of the EIS, it might be a task the Technical Committee or a joint Technical/Executive Work Group could consider.

Deputy Director Covington replied that the purpose of the panel was identifying and evaluating all previous work completed to date.

Ms. Massingale pointed out that the framework for completing the tasks is the EIS. Sediment modeling in the EIS is necessary to further the design of sediment management components of a jetty, trap, or other options that have different configurations to evaluate the different options for identifying how sediment acts within those options both within the lake and in the inlet. That effort to assess the impacts and the costs directly links to governance and funding. In terms of scoping, DES was mindful of the limitation of budget and time for a thorough modeling exercise. However, it's necessary to identify sediment options to complete one-time modeling.

Mayor Kmet asked about the possibility of tasking the Technical Committee with assistance by Councilmember McClanahan and Mr. Dickison to scope the status and identify what's required without additional consultant expertise.

Deputy Director Covington affirmed willingness for staff and the consultant team to consider and follow up on the recommendation.

Other Business

Mr. Dickison shared information on the Tribe's website link to DES for the Capitol Lake process. Additionally, the Tribe's website includes information on a paper authored by Emmett O'Connell on the history and development of Capitol Lake and many myths surrounding the development of the lake, particularly the nature of Wilder and White campus design myths.

Next Steps

Mr. Dziedzic reviewed the presentations following lunch from community groups and individuals.

Adjournment
With there being no further business, Mr. Dziedzic adjourned the meeting at 11:45 a.m.

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