



CAPITOL LAKE EXECUTIVE WORK GROUP

*Jefferson Building
First Floor Presentation Room
1500 Jefferson Street
Olympia, Washington 98504*

March 25, 2016
9:30 a.m.

(Approved: April 22, 2016)

JURISDICTIONAL MEMBERS PRESENT:

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

DES STAFF MEMBERS PRESENT:

Chris Liu, Director
Bob Covington, Deputy Director
Carrie Martin, Asset Manager

MEETING PRESENTERS:

Jessi Massingale, Floyd|Snider
Christina Martinez, Jacobs Engineering
Tessa Gardner-Brown, Floyd|Snider

OTHERS PRESENT:

Sally Toteff, Department of Ecology
Sue Patnude, DERT
Denis Curry, CLIPA
Tom Gow, Puget Sound Meeting Services
Gary Bahr, Department of Agriculture
Allen Pleus, WDFW
Martin McCallum, Citizen
Dave Peeler, DERT
Bob Barnes, SPSSEG
Steve Shanewise, Citizen
Lydia Wagner, Department of Ecology
Dan Smith, City of Tumwater
Lisa Herzog, House Legislative Office
Keith Dublanica, RCO
Jen Masterson, OFM
Caitlin Lopez, House Legislative Office
Dominick Regale, Citizen
Beverlee Boe, Alpine Sand & Gravel, Inc.

MEMBERS ABSENT:

Paul Dziedzic, Meeting Facilitator

Jack Havens, Citizen
Nouk Leap, DES
John Newman, Citizen
Jewel Goddard, Citizen
Daniel Einstein, DERT
Carl Nelson, Olympia Yacht Club
Bill Helbig, Port of Olympia
Chris Conklin, WDFW
Myra Downing, Olympia Yacht Club
Andy Haub, City of Olympia
Bob Wubbena, CLIPA
Ben Dennis, InStream Conservation
Brad Murphy, Thurston County
John DeMeyer, CLIPA/Olympia Yacht Club
Gary Larson, Citizen
Lisa Roen, Citizen
Kristin Swenddal, DNR
Gordon Boe, Alpine Sand & Gravel, Inc.

Welcome & Opening Comments – Updates – Status of Funding

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

Mr. Dziedzic reviewed progress to date. At the last meeting, members reviewed a draft work plan incorporating a three-phased approach. The first phase is completion of the budget proviso to set the stage for Phase II and completion of the Environmental Impact Statement (EIS) for moving the process forward on a decision for the long-term management of Capitol Lake. An open house was conducted on March 9 on the draft work plan and on public engagement. The March 25 meeting focused on the Implementation Plan for Phase I.

Director Chris Liu reported that because the Legislature is still in session, the status of funding is unknown at this time pending the passage of the budget.

Review of Agenda

Mr. Dziedzic reviewed the agenda, which includes a briefing on the EIS process, information from the March 9 public open house, and a briefing and discussion on the Implementation Plan.

Members of the Executive Work Group and the Meeting Presenters in attendance provided self-introduction.

Approval of January 29, 2016 & February 26, 2016 Meeting Minutes

By consensus, members approved the January 29, 2016 meeting minutes.

Approval of the February 26, 2016 minutes was deferred to the next meeting, scheduled for April 22, 2016.

Briefing on Environmental Impact Statement (EIS) Process

Christina Martinez Jacobs, Jacobs Engineering Group, clarified that the process at this point does not initiate an EIS. The EIS process is a component of Phase II. Phase I efforts implement the provisions of the legislative proviso. The briefing on the EIS will provide background information for members and the public and includes history on existing environmental documentation, general information on the EIS process, and possible expectations during Phase II. The work during Phase I is intended to support the later work of a future Phase II.

Tessa Gardner-Brown, Senior Environmental Planner, Floyd|Snider, reported that during the last month, efforts have been underway for determining the work that would be needed to complete an EIS and move forward with a potential management plan for Capitol Lake. It's important to understand where the process has been and what information will be provided moving forward into all three phases. Ms. Gardner-Brown provided history on completed environmental documentation for Capitol Lake.

Today, the work envisioned as part of Phase I and completion of a project-level EIS in Phase II builds from previous work completed as the Final Programmatic EIS identified many options and approaches that could be selected to manage the lake, as well as setting the stage for consideration of the alternatives as part of a project-level EIS moving forward.

Ms. Martinez provided an overview of the EIS process. An EIS is a type of environmental review and documentation under the State Environmental Policy Act (SEPA), which requires agencies and officials to evaluate the social, environmental, and economic impacts of a proposed action or decisions to be rendered. Actions could include issuing an environmental permit or approving a plan. The community, as a whole, evaluates the social, environmental, and economic impacts of a project. Environmental review includes several forms. Some actions that have less impact are categorically exempt from preparation of an EIS, while other actions might have significant environmental impacts requiring an EIS. An EIS is a document evaluating the impacts of the decision and identifies alternatives that are less impactful and ways to lessen them through mitigation actions. Through the process of developing an EIS, decision-makers engage the community to weigh in on the alternatives under consideration and resulting impacts. All comments received during the review process are included within the EIS. Procedurally, the EIS is prepared prior to the issuance of any permits. However, information generated during the EIS process is also used during the environmental permitting phase.

The EIS process essentially involves five major processes:

- Issuance of Determination of Significance and Scoping Notice involves a public notice advising the community of the intent to prepare an EIS and inviting public, agency, and tribal input on the types of impacts that should be evaluated within the EIS.
- The scoping effort identifies key issues to evaluate during the EIS, as well as those issues of less importance that require no additional investigation. Scoping provides information on the types of alternatives that should be evaluated in the EIS. A public comment period following the scoping is afforded for feedback from the public, agencies, and tribes. The input is analyzed to determine the issues to analyze and evaluate and the alternatives to consider in the EIS.
- Preparation of the EIS entails reviewing all pertinent issues, such as sediment, recreation, social, and economic concerns, etc., and comparing those concerns against the alternatives to identify what alternatives may generate more impacts and in what specific areas. The information is compiled and produced to create the EIS.
- The Draft EIS is published for feedback and comment. Additionally, public meetings are held to review the Draft EIS and the alternatives.
- Following all public comments, a Final EIS is prepared and released.

The schedule envisions preparation of the EIS as part of Phase II. Phase I is the current phase that would be initiated pending funding and entails preparation for a report responding to the legislative proviso by examining key issues prior to embarking on an EIS. The outcome of Phase I entails a review of issues and alternatives to assist in the preparation of the EIS during Phase II. Phase I is anticipated to end early next year with the expectation Phase II begins sometime in 2017 and concludes within the next three to five years.

Mayor Kmet asked for clarification as to whether the report to the Legislature is considered Phase I of the process. Director Liu said Phase I includes completion of a report to the Legislature. Ideally, this work would have been completed over a longer period, but due to funding availability, DES will be completing 20-22 months of work in a seven-month period.

Mr. Dickison suggested compressing the EIS schedule similar to the Phase I timeline, as it's possible to complete an EIS within a several year effort.

Jessi Massingale, Floyd|Snider, noted that the schedule for Phase II includes the successful receipt of funding. The goal of Phase I is to increase the efficiency of the EIS process during Phase II. If funding becomes available in early 2017, the goal is to complete the EIS within several years rather than a longer five-year period.

Mr. Dziejczak asked how a decision on a preferred alternative would lead to implementation during Phase 3. The foreseeable goal is pursuing a project-specific EIS rather than a programmatic EIS (best used for policy decisions) because a project-EIS would result in a decision that could be executed as part of Phase 3. All the work completed in the past in the 1990s and 2000s would funnel into the project EIS.

Ms. Martinez added that when the team reviewed the information, the team agreed there were more benefits from a project EIS rather than a programmatic EIS. A project EIS is appropriate for this project while programmatic EIS's are well suited for non-project actions or a suite of projects. Programmatic EIS's also benefit planning decisions, are conceptual and strategic, and are used to analyze policies or programs. A project EIS supports the implementation of a specific project. Many times, a programmatic EIS serves as the first step or a predecessor to prepare a project-level EIS. This project EIS is expected to provide good information on water quality improvements expected from the various alternatives.

Carrie Martin, Asset Manager, DES, confirmed the presentation information would be posted on the agency's website.

Mayor Selby questioned how Phase I efforts by the work group relate to the EIS. Ms. Massingale said work during Phase I is in preparation for the EIS process that would occur as part of Phase II. Phase I includes identifying, categorizing, and comparing options without selecting specific options for consideration in the EIS. Some options could be filtered through the Phase I process; however, most of the options would be included in the project EIS to enable evaluation of all information and technical studies to help support a decision.

Commissioner Wolfe inquired about the point in time when the process moves to a selected project. Ms. Massingale said that when the Determination of Significance and Scoping Notice are released and when DES secures the necessary funding as the lead SEPA agency, the process proceeds to preparation of the EIS, which would work towards identifying a long-term management option, or selected project.

Mr. Dziejczak clarified that the question pertained to the timing of project selection. After the Legislature approves funding for the EIS and prep work has been completed during Phase I, the effort could move to Phase II to complete a project EIS to include a range of potential alternatives with one alternative selected as the project.

Councilmember McClanahan asked about the budget for the EIS process. Ms. Massingale replied that the Phase II EIS process is budgeted at approximately \$2 million. Phase I is budgeted at \$250,000.

Mayor Kmet commented that the process should result in an identified alternative that would be analyzed in the Draft EIS and possibly identified as the preferred alternative in the Draft EIS. Ms. Martinez replied that the Draft EIS considers reasonable alternatives or a range of reasonable alternatives for long-term management of Capitol Lake. During the preparation of the Draft EIS, options are available to identify which alternative is preferred; however, a decision is not necessarily rendered on the selected alternative until the public engagement process is completed resulting in the issuance of the

Final EIS. The objective of the entire EIS process is ensuring no decisions are rendered prior to adequately examining and considering the impacts of that decision. Although DES could identify a preferred alternative in the Draft EIS, the final decision is normally not rendered until the Final EIS.

Ms. Massingale added that during this year, the work group identifies different alternatives with no decisions, as each alternative would likely have some level of data gaps necessitating additional data and analysis. Those alternatives would be included in the EIS process, analyzed, and vetted. The objective of the project EIS is identifying a preferred alternative after completion of all required public and environmental review and assessment of impacts and benefits.

Mayor Kmet said it appears the work group would identify a range of alternatives that would be analyzed in the Draft EIS. However, is it also conceivable that the work group might select a preferred alternative as the Draft EIS is initiated? Ms. Massingale confirmed that such a selection is allowed within the EIS process.

Ms. Massingale added that at the conclusion of collaborating with the work group and the public, a front-runner could be identified that would move forward for inclusion within the EIS as an option to evaluate.

Discussion of March 9, Public Open House

Ms. Martin reported on March 9, DES hosted an open house as the first opportunity for public engagement on Capitol Lake Long-Term Management Planning. Citizens were encouraged to provide feedback on the plan for Phase I and on how citizens would like to participate in the process. Online comments were submitted as well.

The open house was held at the Jefferson Building in the evening with poster boards displaying the elements of the proviso on best available science, hybrid alternatives, governance, and funding. Approximately 65 people attended with 33 providing written feedback. Additionally, DES offered an online survey tool over the last several weeks generating another 29 responses. Approximately 73% of the participants identified themselves as citizens, 27% of the participants indicated affiliation with organized groups to include the Capitol Lake Improvement and Protection Association (CLIPA), the Deschutes Estuary Restoration Team (DERT), the North Capitol Campus Heritage Park Development Association, Black Hills Audubon, South Puget Environmental Educational Clearinghouse (SPEECH), Friends of the Lake, the Olympia Yacht Club, and the Burbank/Elliot Neighborhood Association.

All written and online comments have been posted on the website.

Many of the respondents expressed an interest in all of the stated issues of best available science, hybrid alternatives, shared funding, shared governance, sediment management, flood mitigation, and other. Of the topics, best available science, hybrid alternatives, and other issues garnered the most interest at 61%, 59%, and 59% respectively, followed by shared funding and sediment management at 46%. Other citizen comments ranged from voicing a preference for either an estuary, a managed lake, or some hybrid to frustration and community weariness over what was seen as “duplication of work that’s already been done.” DES was asked to consider a variety of issues surrounding sea level rise, economics, public and community benefits, public access, legal constraints, and the state’s interest under the Coastal Zone Management Act, the Shoreline Management Act, as well as the National Historic Preservation Act. DES was also asked to consider lessons from other areas (Nisqually, Grays Harbor, Mud Bay), future generations, outdoor recreation and tourism, citizen involvement and support, costs, age of the dam, invasive species, wildlife habitat, and migratory bird paths.

Ideas were offered for management, governance, and consideration of a Capitol Lake Management District. Some questions surrounded DES' management role and perhaps another agency such as the Washington State Department of Ecology or Department of Natural Resources would be more appropriate considering the lake is a natural system and not a building. One person recommended management by U.S. Fish and Wildlife Service. Another participant recommended considering non-profit and private entities as possible funding sources.

One participant suggested that for professional/science reports, the authors and references should be included along with reviews of the data by other scientists and professionals. Criteria used to select listed reports should be listed.

DES was asked to consider the value, goals, and mission, which will inform the choice, and to give people a chance to express their principles and values.

Feedback on preferred options for public engagement included the following suggestions and recommendations:

- Many of the participants expressed preference for focusing facilitated discussions as a means of providing input.
- More in-depth information should be available to the public.
- Afford an opportunity for the public to reflect upon all the alternatives.
- Interest in past work completed, such as the estuary feasibility study and the CLAMP recommendations.
- A presentation by Department of Ecology on its water quality study (TMDL) was recommended.
- Participants asked for distribution of unbiased information.
- Request for stakeholder presentations with time for the community to present ideas. The format should include an opportunity for questions and answers.
- The open house format and stakeholder presentations would be valuable for some topics. A design charrette might be useful for construction alternatives or refinement of options.
- Transparency of the process was encouraged by video recording of public meetings with public dissemination of information and providing an online opportunity to provide input for those unable to attend.
- Reach out to neighborhood associations nearby and surrounding Budd Bay, provide information at the Olympia Library, and post web addresses by Capitol Lake to inform people about the process underway.

This community input has been used during the development of the Phase I Implementation Plan.

Director Liu said the meeting was well attended. Mayor Kmet added that the weather did not cooperate and despite the rain, many people attended the meeting reflecting the level of interest by the community.

Briefing on Implementation Plan

Ms. Massingale briefed members on the process and 2016 schedule for the Phase I Implementation Plan. The graphic of the nearly year-long process provides an overview of the opportunities for public involvement and engagement, as well as participation by the Executive Work Group, a Technical Committee, a Funding and Governance Committee and a Sediment Management Panel. All materials

reviewed over the year will include a two-week public comment period to afford time for the community to provide input and help shape the final materials. The materials will be available immediately on the website, as well as during public meetings.

The work group will meet monthly. Monthly public meetings are also scheduled. Many participants at the open house expressed interest in having an opportunity to convey their respective knowledge and ideas on options for best available science. Work group members are encouraged to extend invitations to key community partners that have long-standing knowledge and a role in Capitol Lake to provide presentations to the work group affording a range of opportunities for the community to provide feedback.

Ms. Massingale reviewed the anticipated structure of public meetings while accommodating some flexibility based on the status of materials. Each public meeting includes opening remarks to present updates on the work followed by an open house format with the availability of materials or displays of story boards. The public meeting also includes a facilitated discussion followed by a question and answer session. When materials become publicly available, the community has approximately 10 days to review the materials, as well as an opportunity to attend a work group meeting and a public meeting to receive a brief recap on efforts to date. The objective of the public engagement process is to identify public support and concerns in a way that responds to feedback on public engagement provided by the community during the March 9 open house and through the March on-line survey.

The goal is to focus comments on specific topics to help inform how the work group works through and evolves the materials with the ultimate goal of integrating the information within the proviso report to the Legislature at the end of the year. This work will demonstrate to the Legislature that tangible progress is being made and will ideally leverage those efforts to secure more funding for completing the EIS.

Because of community interest in the hybrid option, the normal two-week public comment period would be extended for approximately three months.

Ms. Massingale reviewed the timeline from March through December 2016.

The Phase I Implementation Plan is premised on a two-touch idea, whereby each stakeholder group will see the materials and have the opportunity to comment on those materials twice. An example of one of the proviso elements vetted through the 'two touch' system is identifying the methodology or the way of identifying best available science. The initial presentation of draft materials on best available science includes the methodology and the basis of how various technical studies and best available science have been categorized. The 'two touch' process affords an opportunity for the Technical Committee, Executive Work Group, and the public to provide input, which could entail revision of the methodology and recategorization of best available science.

At the end of the second touch cycle and at the end of the public comment period, the team prepares information for the proviso report. At the end of Phase I, the work group has an opportunity to review the outline to the proviso report depicting the structure of the proviso report and how the collaborative amount of work is included within the report. The public would also have an opportunity to review the outline. At that point, the team drafts the proviso report and releases it for review. Following the final review, any changes are incorporated for finalization and forwarding of the report to the Office of Financial Management (OFM) for review in December. On December 16, a public meeting with the Executive Work Group and committees includes a year-in-review of Phase I and the proviso report

followed by adoption of the report. On December 30, or no later than January 1, 2017, the Final Proviso Report is submitted to the Legislature.

Additionally, an ‘Other’ category includes sediment management and flooding. Sediment management is important regardless of the lake management option. Modeling of sediment transport is included within an EIS process; however, the intent is to remain within the directive of the proviso while maximizing the value of the time to move forward to Phase II and the EIS. A Sediment Management Panel of three to five subject matter experts on sediment transport would be tasked to complete the following goals:

- Review existing information about sediment deposition, sediment management, and sediment transport under existing conditions.
- Because the US Geological Survey (USGS) has been part of the previous work, the panel would contact USGS for potential input and/or participation on the panel, as well as providing any recommendations on future work on sediment transport.
- Identify sediment movement in “future conditions” regardless of the lake management option.

Although the scope of Phase I and lack of funding limits modeling, efforts could include developing the scope and the ‘To Do’ list of the modeling and the technical study in Phase II. The Sediment Management Panel would complete the work in parallel with the work group and committees. In September, the work of the panel would be reported to the work group, committees, and the public to provide an understanding of the findings and the scope required to fill any data gaps. The results would be summarized in a memorandum report for inclusion in the proviso report.

The proviso report summarizes the work completed during Phase I that builds off past work and consolidates all the information to demonstrate how a collaborative process was established to determine funding, governance, and positioning technical information for leveraging forward to a Phase II.

Director Liu noted the timeline includes accepting public comments on conceptual hybrid options beginning in April through June. Ms. Massingale noted that from mid-April through June, public comments would be accepted on hybrid options. In May, the focus is on best available science, as the process wouldn’t be considering hybrid options at that time; however, the intent is extending the public comment period to ensure that during the review in June, the work group has all the input and that adequate time was afforded for review and discussion. The remaining schedule is based on a two-week cycle to ensure the process continues moving forward. Director Liu summarized that the schedule is indicative of collecting public comments on hybrid options and ideas beginning in April. He asked how the comments would be publicized. Ms. Martin said the intent is compiling the information and publishing the information on the DES website to share information on other ideas with the public. At that point, no editing of the ideas is planned other than compiling and posting the ideas on the website acknowledging that the ideas haven’t been vetted or reviewed, which occurs later in the process. The intent of the process is to queue up all information to share with others.

Mayor Selby stressed the importance of addressing and emphasizing sea level rise and its impact on downtown Olympia within the process. Sea level rise should be wedded to the process because the future disposition of the basin will impact downtown Olympia. She asked how sea level rise is addressed within the process. Ms. Massingale responded that sea level rise is identified in several areas to include sediment transport. Both flood management relative to any function of the lake, as well as sea level rise or change are threaded through the Technical Committee work.

Mayor Kmet remarked that it appears a step is missing in terms of identifying criteria for evaluating the hybrid options. Ms. Massingale replied that although criteria are not directly stated, criteria are components of the proviso elements. Part of the review of existing and hybrid options includes comparison of the options against criteria. Criteria have been defined in the proviso as the five elements. During the April meeting, the work group will discuss goals for the long-term management of the lake and measures of success, which inherently includes comparison against criteria as a way to identify success. The input will be translated to EIS terminology, which becomes the problem statement. The problem statement is an example of the goal to achieve during Phase I in addition to satisfying the proviso conditions within the context of a Phase II EIS.

Commissioner McGregor referred to the period for accepting public comments on conceptual hybrid options. Ms. Massingale advised that the dates for community presentations haven't been identified at this time but because review of hybrid options is scheduled in July with public comment closing at the end of the month, scheduling and logistics could include a key community or interest group presenting information in early July. The team could accommodate the input with the goal to generate input during the May, June, and early July timeline to adhere to the schedule.

Director Liu recommended including a statement or note advising of potential changes in the schedule prior to publishing the document.

Mr. Dzedzic advised that the timeline for community presentations is not intended as a substitute for participating in the public engagement process, but it could entail an opportunity for the work group to identify specific groups who could talk directly with members about how they perceive the world and how their input will feed into the process. Presentations were added to provide another opportunity for the work group to receive other perspectives.

Mr. Dzedzic added that additional or extended meetings for the work group might be required.

Mr. Dickison asked whether the information on the Sediment Management Panel inaccurately characterizes sediment deposition and transport in Capitol Lake rather than sediment management beyond the footprint of Capitol Lake. Ms. Massingale advised that the statement is limited because of space. In terms of existing conditions, the focus is on the lake; however, during future scoping of sediment transport future conditions outside the lake would be included.

Mr. Dickison asked whether the characterization of the task in July for the Funding and Governance Committee limits the identification of funding and governance models to only Capitol Lake. He asked whether limiting consideration to Capitol Lake is intentional or whether the intent is for a broader scale. Ms. Massingale responded that there was no intent to limit the geographic scope or agency connection. The group may identify a watershed or a more holistic approach other than only Capitol Lake.

Mayor Kmet commented on potential conflicts with the public meeting dates. Ms. Massingale encouraged members to provide feedback on public meeting dates. Director Liu offered an alternative of sending a representative to the public meetings. He recommended members review their respective calendars and provide feedback on preferred dates. Mayor Kmet recommended considering a Wednesday for the public meetings. Director Liu recommended revising the schedule to incorporate the suggested changes and public meeting dates.

Members approved the process and 2016 schedule as amended with the proposed changes.

Revised 2016 Meeting Schedule

Ms. Martin reviewed the revised meeting schedule reflecting some changes to accommodate member schedules. The meetings are scheduled from 9:30 a.m. to 11:30 a.m.

Mr. Dziejczak noted the possibility of adding or extending several meetings later to accommodate community presentations.

Next Steps

Ms. Massingale reported that funding for the process would be determined by the Legislature. DES is currently in a holding pattern in terms of the funding appropriation; however, DES is also moving forward to maintain the schedule. Next steps include revising the process and 2016 schedule based on feedback from members for publication on the website. The schedule will serve as a roadmap for identifying which meetings members might want to attend. The team will begin working on the materials the work group will be reviewing over the next several months.

Mr. Dziejczak added that members of the Funding and Governance Committee are designated by the work group. He encouraged members to identify their respective member assignment within the next several days.

Adjournment

With there being no further business, Mr. Dziejczak adjourned the meeting at 11:26 a.m.