

**Date:** March 16, 2022 Time: 2:00-2:50 pm

Location: Zoom Topic: Executive and Funding and Governance Work Group

#### **Meeting Participants**

#### **Executive Work Group Members**

- Michael Althauser, City of Tumwater
- Jeff Dickison, Squaxin Island Tribe
- Joe Downing, Port of Olympia

- Carolina Mejia, Thurston County
- Lisa Parshley, LOTT Clean Water Alliance
- Cheryl Selby, City of Olympia

#### Funding and Governance Work Group Members

- Jay Burney, City of Olympia
- John Doan, City of Tumwater
- Jeff Gadman, Thurston County
- Sam Gibboney, Port of Olympia
- Rich Hoey, City of Olympia

- Matt Kennelly, LOTT Clean Water Alliance
- Justin Long, LOTT Clean Water Alliance
- Ray Peters, Squaxin Island Tribe
- Alex Smith, Department of Natural Resources

#### **Department of Enterprise Services**

- Ashley Howard
- Linda Kent
- Ann Larson

- Carrie Martin
- Tara Smith

#### Office of the Attorney General

David Merchant

## EIS Consultants/Facilitators

- Tessa Gardner-Brown, Floyd | Snider
- Karmen Martin, ESA

• Ray Outlaw, Floyd | Snider

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#### **Observers**

Michael Bezanson

Abby Barnes

• Dick Binns

• R. Boone

• Joel Carlson

• Jack De Meyer

• Steve Finney

Susan Hayman

• Karen Janowitz

• A.T. Miller

Rick Panowicz

• Sue Patnude

- Steve Shanewise
- Tom Skillings
- Dan Smith
- Lawrence Sullivan
- Kristen Swenddal
- Ann Van Sweringen
- Ben Watson
- Nancy Zabel
- Dave [last name unknown]
- Drew [last name unknown]
- Robert [last name unknown]

#### **Meeting Notes Summary**

#### Welcome and Introductions

Tara Smith, Enterprise Services Director, welcomed the attendees. She thanked the group for their participation and shared her excitement to participate in the meeting.

Carrie Martin, Enterprise Services Project Manager, welcomed two new members of the Executive Work Group, Councilmember Michael Althauser, City of Tumwater, and Commissioner Joe Downing, Port of Olympia. She also welcomed Commissioner Carolina Mejia, Thurston County, who joined the meeting in Commissioner Tye Menser's absence.

She then reviewed the meeting agenda, discussed the public comment process during the meeting, and reminded attendees the meeting was being recorded and would be <u>posted on the project website</u>.

## Final EIS — Top 8 Focus Areas

Tessa Gardner-Brown explained that between November and January, the Environmental Impact Statement (EIS) Project Team completed review and characterization of every comment on the Draft EIS, including more than 850 submissions and more than 2,000 unique comments. The EIS Project Team will be working over the coming months to update the technical analyses as needed in response to comments received on the Draft EIS.

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Tessa described the primary focus areas of this work resulting from comments on the Draft EIS, as summarized below. She noted this is a summary of primary focus areas and is subject to change as work advances.

- 1. **Water Quality:** evaluate alternatives against water quality standards/total maximum daily load (TMDL) allocations in coordination with Department of Ecology
- 2. 5<sup>th</sup> Avenue Bridge: evaluate options and costs to avoid long-term closure
- 3. **Cost:** estimate in-water disposal of dredged material for all alternatives, including the Managed Lake Alternative
- 4. **Fish & Wildlife:** in coordination with Department of Fish and Wildlife, review any additional, relevant studies related to bat impacts and consider potential mitigation measures; review fish-related studies (salmonids) submitted by stakeholders and update analysis as appropriate
- 5. Navigation: describe potential impacts if funding lapses for maintenance dredging
- 6. **Cultural Resources:** incorporate determinations of eligibility from the Department of Archaeology and Historic Preservation and supplement tribal history
- 7. **Draft EIS Comments:** respond to ~2,000 unique comments from the Draft EIS comment period
- 8. **Agency Coordination:** continue engagement to confirm a range of assumptions included in the Draft EIS

#### Final EIS — Primary Agency Coordination

Tessa described anticipated agency coordination efforts going forward, noting the list is a summary and does not include all anticipated coordination efforts.

- U.S. Army Corps of Engineers and Port of Olympia
  - Timing of remedial actions in Budd Inlet
  - Existing and future dredging assumptions
  - Alternative design, relative to future review under Section 408 (USACE only)
- City of Olympia
  - o 5<sup>th</sup> Avenue Bridge
- Department of Ecology
  - TMDL allocations
  - o Remedial actions in Budd Inlet
- Department of Fish and Wildlife
  - Potential impacts to bats
  - Salmonid use of the study area
  - o Distribution of New Zealand mudsnail

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#### Funding And Governance — Next Steps

Tessa explained that the Funding and Governance Work Group (FGWG) will reconvene in late March. The intent is to begin a series of meetings with the goal of confirming a proposed funding and governance approach for the Final EIS.

This coordination is to address a top theme from Draft EIS comments, and also from state legislators, that a funding and governance approach for long-term maintenance must be confirmed. Enterprise Services agrees and continues to acknowledge that long-term funding and governance is key to decision durability.

She reviewed the existing recommendations from the FGWG, which were included in the Draft EIS and state the following:

- Construction funding should remain the state's responsibility
- Long-term funding:
  - Estuary Alternative funding responsibilities could be shared
  - Managed Lake Alternative funding would be the responsibility of the state
  - Hybrid Alternative funding responsibilities are unknown

The FGWG paused following these recommendations but committed to reconvening and confirming the approach for long-term funding and governance of the preferred alternative after it had been identified.

Question: Who is on the FGWG, is that the same as the Executive Work Group (EWG)?

Response: Representation on the FGWG includes the same entities of the EWG but with different representatives. John Doan is the representative for Tumwater.

## Identifying A Preferred Alternative

Karmen Martin explained that the State Environmental Policy Act provides the lead agency, in this case Enterprise Services, wide discretion with regard to when and how to identify the preferred alternative. She noted that while SEPA allows for discretion on the part of the lead agency, it was important for this process to be transparent and based on informed decision-making.

Karmen then reviewed the components of informed decision-making, which were previously shared:

- The Draft EIS as the body of technical work that adequately discloses impacts and benefits.
- Comments on the Draft EIS that inform whether additional technical work is needed, and an understanding of whether additional technical work may substantively change findings in the EIS.

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 Input from engaged stakeholders on which alternative could be supported as the preferred.

Karmen noted that the Final EIS will include updated analyses in response to public comments on the Draft EIS. Although some findings may be revised, Enterprise Services has concluded that these changes are unlikely to be significant enough across the range of technical analyses to change the preferred alternative.

#### Preferred Alternative Identification Process

Karmen reviewed the preferred alternative identification process as described in the Draft EIS and during previous work group meetings. She explained the five **technical** criteria that the EIS Project Team and Enterprise Services used to evaluate the alternatives.

- **Projects Goals** encompass Water Quality, Sediment Management, Ecological Functions, and Active Community Use.
- **Environmental Disciplines** includes the disciplines in the EIS with significant impacts or benefits that are not captured by Project Goals such as cultural resources and transportation.
- **Construction** includes the scale and duration of work, in-water impacts, and the duration and impacts of a 5<sup>th</sup> Avenue closure.
- **Environmental Sustainability** focuses on the level of active management required to achieve project goals but also encompasses resiliency to climate change.
- **Economic Sustainability** includes initial construction costs, the potential for diversified funding for construction and/or maintenance (e.g., funding from non-state sources), maintenance dredging costs, and impacts to downstream commercial activity if long-term funding lapses.

#### Decision Durability — Feedback Process

Ray Outlaw explained that in December 2021 Enterprise Services requested and received input from each EWG member entity and the Community Sounding Board (CSB) with regard to Decision Durability.

He noted that the EWG and CSB were asked to respond to an identical set of questions, summarized below:

- First, the level of support for each alternative on a scale of 1-10.
- Second, narrative responses describing what increased and decreased their support for each alternative to inform the overall work as it relates to the EIS, funding and governance, and other factors.

This resulted in numerical scores and narrative responses from each EWG member entity and the CSB.

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#### Decision Durability — EWG and CSB Responses

Ray then reviewed the scores provided by each entity and the averages by alternative. He noted the Squaxin Island Tribe chose to only score the Estuary Alternative and that the CSB result is the average score of the 22 responses received. The average scores for each alternative were as follows: Estuary Alternative, 8.1; Hybrid Alternative, 3.9; Managed Lake Alternative, 3.2; No Action, 1.1.

Comment: Thurston County noted the County did not coordinate their scores. The three commissioners scored the alternatives individually, then the average was submitted as the County's response.

Comment: The reason why Tumwater scored the Estuary Alternative a 9 instead of 10 is because there are opportunities for the EIS/alternative to be improved. But there is strong support for the Estuary Alternative.

Comment: The Squaxin Island Tribe did not want to enter a numerical value for any options besides the Estuary. However, the Tribe is a participant in the process. Mathematically you did not include the Tribe. It is probably inappropriate to include us for only one alternative.

Question: How many members on the CSB responded?

Response: 22 members responded.

#### Preferred Alternative Identification Process

Carrie explained that with an initial evaluation of the alternatives relative to technical criteria and the decision durability input, Enterprise Services has the information available to identify a likely preferred alternative. Enterprise Services shared this information to report out on progress; and importantly, because it allows the FGWG to reconvene to focus on funding and governance for long-term maintenance. The Final EIS will include a section to detail this process and the final outcomes.

## What Does "<u>Likely</u>" Preferred Alternative Mean?

Carrie explained the likely preferred alternative is based on the information available today, which generally represents the probable impacts and benefits of the alternatives as described earlier. While some findings in the EIS may be revised, the cumulative result of the possible changes is unlikely to be significant enough to alter the likely preferred alternative. She explained that providing an update with the likely preferred alternative now is necessary to allow funding and governance work to continue.

Carrie noted the likely preferred alternative is NOT a final decision and designation of a preferred alternative prior to issuance of the Final EIS in no way restricts final decisions. The alternatives

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WILL be re-evaluated based on new information and analysis prepared for the Final EIS. However, it is expected that the likely preferred alternative identified today will be confirmed as the preferred alternative in the Final EIS. The final preferred alternative will be included in the Final EIS.

#### **Likely Preferred Alternative**

Carrie explained that all information evaluated as part of this robust decision-making process, resulted in the identification of the Estuary Alternative as the likely preferred alternative.

She added that there is significant work ahead to deliver the Final EIS with a preferred alternative and funding and governance approach.

Question: Tell me again about the advantage of putting out early information about the likely preferred alternative now as opposed to issuance of the Final EIS?

Response: A top theme from the Draft EIS comments is that a funding and governance approach for long-term maintenance must be identified, which is the primary focus of the FGWG. The FGWG agreed to reconvene to advance a final long-term funding and governance approach after a preferred alternative is identified. Identifying a likely preferred alternative now allows the FGWG to reconvene and advance that important work, understanding that work is critical to decision durability. Their work will become part of the Final EIS. The legislation authorizing the EIS required that the Final EIS include a preferred alternative and a funding and governance approach.

Comment: Following the comment about finding a pathway to move forward on funding strategies; the Tribe has indicated a long-standing commitment to working on federal funding sources for this. We should note that there is significant funding authorized by congress in the infrastructure bill that will go to projects that remove fish passage barriers and those agencies that are involved in that are formulating the mechanism for distribution of those monies as we speak. It's important that we do move forward with an alternative for funding so that we can present a project to those funding sources, not some time in the future but now.

#### Next Steps — Stakeholder Engagement

Carrie explained that following this meeting Enterprise Services would send an e-newsletter to approximately 5,000 subscribers to share this information, provide links to materials on the website, and brief the State Capitol Committee on March 22.

The first meeting of up to six with the FGWG will occur on March 30, 2022. The goal for that work is to confirm and memorialize the funding and governance approach for the Preferred Alternative.

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#### Next Steps — Final EIS

Tessa briefly reviewed next steps for the Final EIS through spring, summer and fall of 2022. The Final EIS is anticipated to be issued in fall 2022.

Question: Can you elaborate on legislative participation in the FGWG going forward?

Response: Enterprise Services had some initial conversations with capital budget writers, and they showed interest in participating. The legislature allocated additional funding in the supplemental budget to help with a funding strategy.

Question: Is the capital budget request being contemplated for 2023 or 2024?

Response: The design and permitting request would be included in the 2023-25 biennial budget request.

Comment: The Port of Olympia is unique and directly affected by the decision. Removing the dam poses a threat to the existence of the Port. The Port agrees with the importance of water quality and hopes to find agreement on sediment management both for the Port and recreational boating.

#### Public Comment

Steve Shanewise – The Hybrid Alternative impoundment wall should be made of large, piled boulders, not driven sheet pile. A rock wall would be cheaper, easier, and faster to build. It would also survive major earthquakes and present a much softer visual impact. The 500' opening is an aesthetic consideration and not based in science. If there is a functional need to create the wide opening why isn't the same applied at Marathon Park. Not removing the full 500 feet will save money and avoid roadway closure.

Sue Patnude – You provided the FGWG recommendations for funding but to me the costs all seem shared because the state would pay for the project with the taxpayer dollars and the estuary would be the most likely alternative to receive federal funding plus local and state funding. If you could spell that out, it would be helpful. The Deschutes Estuary Restoration Team (DERT) is standing by and willing to help in any way that we can, even if it's heading to the east coast and talking to our representatives.

#### Adjourn

Carrie thanked the participants for their participation and adjourned the meeting at 2:50 p.m.