

Meeting Minutes – Nisqually Watershed Planning Unit

November 14, 2018 – 9:00 a.m. – 12:00 p.m.

Billy Frank Jr. Nisqually National Wildlife Refuge

Present:

George Walter, Nisqually Indian Tribe
Lisa Dally Wilson, Dally Environmental
Jesse Barham, City of Olympia
Barbara Ann Smolko, Pierce County
Rance Smith, Pierce County
Lois Ward, NRC CAC
Abby Gribi, Town of Eatonville
Kevin Hansen, Thurston County
Allison Osterberg, Thurston County
David Troutt, Nisqually Indian Tribe
Mike Gallagher, Dept. of Ecology

Tom Kantz, Pierce County
Julie Rector, City of Lacey
Matt Curtis, WDFW
Grant Beck, City of Yelm
Tom Culhane, Dept. of Ecology
Emily McCartan, Nisqually River
Foundation
Phyllis Farrell, NRC CAC
Dave Nazy, EA Engineering
Zena Hartung, League of Women Voters
Tristan Weiss, WDFW

1. Introductions, Housekeeping, Agenda, Minutes

The October 17 meeting minutes were approved. The Planning Unit Working Agreement has been signed by all members and will be distributed via email. The Yelm newspaper ran an article last month about the Planning Unit, advising that the deadline for formal participation was October 31. Members of the public and other entities are still welcome to attend meetings but will not be voting on the final addendum. Olympia Master Builders, the Eatonville School District, and Squaxin Island Tribe have been following our work.

Project Grant Applications: Four funding proposals were submitted to Ecology for the grant round which closed on Oct. 31. The Planning Unit submitted letters of support for all four projects:

- Nisqually Land Trust – Busy Wild Creek Protection (acquire and permanently protect 910 acres of commercial forestland in the upper Mashel; \$3.7 million requested)
- Nisqually Land Trust – Powell Creek Protection (acquire and permanently protect 240 acres of forestland scheduled for clearcutting along Powell and Elbow Lake Creeks; \$2.6 million requested)
- Nisqually Land Trust – Riparian and Floodplain Habitat Protection (matching funds to permanently protect 400 acres in 10 parcels along Nisqually mainstem, Ohop and Lackamas Creeks; \$1.3 million requested)
- Thurston County – Peissner Road at Toboton Creek Fish Passage Project (replace three fish barrier culverts; \$655,000 requested)

SEPA: Ecology advised that a SEPA analysis is required for the plan addendum. The rules state that a local (non-Tribal) agency – one of the counties – needs to be the lead agency for SEPA review. There is still uncertainty about the process and Ecology and the counties need to follow up. Mike confirmed that the PU has discussed with Ecology the

need to send the final addendum through a parallel review process with the Implementing Governments and Ecology.

2. Watershed Addendum Progress Report

The PU is 4 months into a very aggressive 6 month project to produce this document. Agency staff have been working very hard, but we are at risk of not meeting schedule and content goals for a number of components per the schedule discussed at the September and October meetings. Approximately 1/3 of the addendum content is completed to date.

Behind-Schedule Deliverables:

- Habitat projects chapter (approach finalized/approved today, outline and draft incomplete)
- Other strategies chapter (approach and strategies need to be fleshed out and written up)

Legislative Deadline: February 1 – Ecology approval deadline, parallel with County and Tribal adoption processes

The final draft addendum is due to Ecology by January 2 for review (the law requires Ecology to adopt by Feb. 1). It is not clear how much opportunity there will be for an interactive review process with chances for the PU to address issues. County and Tribal participants noted that it would be helpful to have an adaptive review to allow time to incorporate feedback and create the best quality product.

The Tribe has begun exploring the possibility of seeking an extension from the Legislature. An extended deadline would enable staff to complete more thorough modeling and analysis to achieve specific NEB quantification for conceptual actions, which won't be possible in the current timeframe. PU members indicated support for an extension if possible, noting that we have done a lot of good work to date and want to continue making progress towards a thorough and quality plan addendum. **County and Tribal leads will schedule a conference call to discuss legislative strategy in December.** The Legislature's committee deadlines mean that a change is not likely to be formally passed before Feb. 1, so we need to continue working on the current timeframe. An extension would not change the scope of work, but would allow greater detail and quantification in the addendum.

3. Status of Plan Components

- **Consumptive Water Use Forecast by Sub-Basin: Complete**
 - Counties completed first draft write-ups and edits. Lisa will have the final draft complete and formatted by next week and will circulate to the PU to review by Nov. 30. Comments will be due by December 12.
 - Outstanding components:
 - General land use writeup for Pierce/WRIA 11 (from Jessica, in review)
 - Pierce sub-basin writeup (from Jessica, coming this week)
 - Pierce County and Lewis County memos for appendix
 - Technical summary:

- Total forecasted consumptive water use from new domestic permit-exempt wells (DPEWs) in WRIA 11: 0.439 CFS.
 - Total estimated legal consumptive use: 7.598 CFS.
 - Largest sub-basin for DPEW growth is Thompson/Yelm, of which over half are within UGA and theoretically would connect to municipal water.
 - Need to find mitigation for Prairie Tribes in Pierce and for Thompson/Yelm, and Lackamas/Toboton/Powell in Thurston. Small numbers of projected connections in Ohop and Mashel are not difficult to find offsets for.
- **Next steps: Pierce County and Lewis County submit outstanding components; Lisa to finalize draft and circulate to PU for comment by 11/30.**
- **Sub-Basin Specific Mitigation/Offset Strategies: Not Complete**
 - *Thurston PUD well replacement or upgrade projects* (review existing Group A & B systems, identify water quality/quantity issues that could be resolved by drilling to the deeper aquifer or other methods). Two projects are identified in Yelm/Thompson and one in Prairie Tribes. The PUD expects to identify and implement more maintenance and improvements over time in the next 20 years.
 - **Next steps: identify who is writing up this section (George/PUD staff); apply hydrogeology analysis in Yelm for benefit estimates by 11/30.**
 - *City of Yelm water supply* (hydrogeologist will provide analysis of net impact from bringing deeper aquifer water to the surface). Need to establish infrastructure development needs/costs, net from going deep; converting wells within UGA/city limits to city water; habitat restoration options from reclaimed water. These reclaimed water benefits are not part of the mitigation established in Yelm's water right application for impacts to Yelm and Nisqually creeks (not double-counting).
 - **Next steps: Grant will provide write-up and engineering analysis by 12/19.**
 - *County micro-mitigation via health department and building permit conditions* (Pierce and Thurston county stakeholders are meeting with George and Lisa to discuss Other Strategies list distributed at previous meeting. Counties need to determine which strategies are viable for implementation and continuing oversight to ensure enforcement of perpetual benefit – similar to stormwater regulations). Ecology noted that any benefits counted for 6091 mitigation must be achieved by going above and beyond existing regulations or by retrofitting grandfathered properties to avoid double-counting.
 - **Next steps: Counties and health departments to achieve internal concurrence and produce write-ups (Pierce by 12/14 (Rance and Barbara Ann), Thurston by 12/19 (Kevin)).**
 - *Washington Water Trust (WWT) study of water right acquisition options* (focusing on acquiring portions of active water rights in irrigation agricultural use, mostly in Prairie Tribes where we have the most difficulty identifying

other mitigation options. Yelm/Thompson is not a likely candidate but may discuss further; include rationale if it is not included).

- **Next steps: George to prepare intro by 12/15, and get summary of results for Addendum from WWT by 12/30. Schedule a meeting for WWT presentation to the Other Strategies work group and others interested by 12/17 or when possible. Barbara Ann will prepare a short overview of WRs for Ag and summarize county approach to AG lands in context of the addendum.**
- *Sub-basin specific habitat projects* (any county projects not on the salmon recovery strategy, such as floodplain projects, with caution against identifying specifics that might drive up property costs – eg., Levee setback in Upper Nisqually).
 - **Next steps: Tom and Kevin to identify any potential projects or templates with benefit estimates (Pierce by 12/5, Thurston by 12/19).**
- **Habitat Projects with Net Ecological Benefit: Not Complete**
 - The Tribe’s salmon recovery staff are refining a list of habitat initiatives with opportunities for quantifiable streamflow benefits and significant watershed-wide net ecological benefit (NEB). Thurston County staff have offered to assist with quantitative assessment using a “template” approach to types of projects.
 - David provided an overview of the approach to NEB and habitat projects. The Tribe’s overall goal is to move beyond micro-mitigations that address small impacts at the sub-basin level, and towards steps that provide NEB by forwarding critical salmon recovery efforts. Over the last 20 years, salmon populations have declined with significant impacts on the Nisqually Tribe’s way of life - they used to have fishing for 8 months of the year and now have 8 days. Steelhead runs have fallen from 6,000-8,000 fish to under 500. The Tribe’s overall salmon recovery strategy is focused on restoring habitat in basins that will give the best results for salmonid populations based on best available science, including factors of abundance, genetic, and spatial diversity. The Tribe’s goal for this effort is to mitigate significantly more than 7.5 cfs in the Nisqually Watershed. Tributaries (Mashel, Ohop, and to some extent Yelm) are critical for salmon habitat and in poor condition (mainstem Nisqually is of relatively less concern because flows are managed at Alder Dam and over 70% of the mainstem is in permanent protection). The Tribe’s strategic approach for salmon recovery, which they are translating to the 6091 habitat strategy, is to identify crucial factors limiting salmon in sub-basins, and identifies *kinds* of projects (not specific projects) that would help address those factors.
 - *Mashel*: VELMA modeling has shown that changing stand age from a 40-year rotation to a 60-80 year rotation will add 10 cfs to the Mashel River. Forestry management changes will also provide critical Chinook and steelhead benefits by restoring long-term ecosystem functions (generating large woody debris, etc). We can’t solve these

issues by regulation, so the focus is on acquisition and protection of current commercial timber properties.

- *Ohop*: goals are to reconnect floodplain from former agricultural channels, restore forests and channel migration, and create more flood and surface water storage capacity.
 - *Muck/Prairie*: critical habitat for steelhead and chum. Nisqually chum latest run on the Pacific Rim, co-evolved with our prairie systems that run dry in the summer, so maintaining the timing of winter recharge is very important.
 - *Yelm*: while Yelm Creek often runs dry, the lower reach provides in-season updates for chum and is the basis for escapement calculations for the whole watershed, so maintaining and increasing flows is key.
- Salmon recovery projects are not developed in advance of funding: design process is expensive, identifying properties as potential mitigation sites drives up prices, and science-driven models require adaptive and opportunistic approaches to property acquisitions and restorations that maximize benefits to fish. The intent for the addendum is to describe this approach and provide some “example projects” that will further NEB, with specific projects to be identified through future grant rounds. The top three projects alone would put 15 cfs into the Mashel.
 - Many of these are long-term efforts, so we need to start now to realize gains in 40 years. Timing is crucial for salmon populations at critical points: Chinook stocks may be low enough that fishing is closed on the Washington coast within 5 years.
 - David noted that staffing and modeling time constraints mean that project calculations will be on the rough side, and hoped that Ecology’s review process will allow for continued refinement. Sample project quantifications will probably be mostly at the watershed scale rather than sub-basin scale, because modeling and Tribe’s NEB stance are done at the watershed level looking at maximum benefit to salmonid populations.
 - Ecology stated that they are likely to be receptive to watershed-scale mitigation actions and it would be acceptable to forego mitigation in a lower sub-basin that is less important for salmon in order to invest more in greater benefit for a critical salmon tributary. In their reading of the law, projects are rated as high or low priority based on their impact to DPEW-affected sub-basins, but that doesn’t mean that all mitigation must occur within that sub-basin. Ecology did note concerns about the lag time in realizing benefits from long-term forestry projects that may not benefit salmon for decades. Offsetting DPEW flow impacts in lower tributaries is an important way to demonstrate that the addendum is addressing the immediate near-term problem while longer-term benefits take effect. The Tribe suggested that it would be appropriate for the reviewers to give some weight to the local community/Planning Unit’s priorities and agreed-upon solutions. The Tribe is the Lead Entity for Nisqually salmon recovery and Mashel forestry actions are the top priority they have identified for both salmon recovery strategy and streamflow benefit in excess of 6091 mitigation targets.

- Still need to develop how county user permit fees (and credit for micro, local mitigation) would crosswalk with supporting watershed-scale projects. Funds could provide local match for grants. Counties could also develop projects in sub-basins that would provide NEB less central to salmon recovery.
- **Next steps: David and Emily to write up chapter intro and approach justification by 12/5. NIT Salmon Recovery to provide project templates with best available quantifications and modeling results by 11/17. Thurston County to provide write-ups of calculated flow benefits by 12/15.**

4. **Recap and Task Summary**

Lisa reviewed the NEB guidance: “Characterize and quantify potential impacts to instream resources from the proposed 20-year new domestic permit-exempt water use at a scale that allows meaningful determinations of whether proposed offsets will be in-time and/or in the same sub-basin.” Ecology reiterated that the law prioritizes high priority and low priority projects based on sub-basins, but doesn’t mean every bit of mitigation has to occur in that sub-basin, so watershed scale projects can address the total mitigation need.

Counties used different processes to estimate 2018-2040 population growth in each sub-basin and calculate new DPEW connections. The PU is using the legal right to water as the baseline for mitigation (7.5cfs) because it bounds the upper long-term forecast.

The PU discussed and approved Thurston County’s hiring of Dave Nazy to provide contract support for calculating streamflow benefits for habitat projects. He will work with Kevin Hansen to do the modeling, calculations, and write-ups for the addendum. Most of the habitat projects (floodplain restoration, etc.) are not developed enough to quantify, so will require assumptions based on per-foot benefit (previous projects in Ohop can supply data). NIT has asked Ecology to add \$10,000 in consulting services for Thurston County to contract Dave to quantify and write up these projects with input from NIT and Pierce County. This leaves about \$35,000 available for further consulting support if the legislative deadline is extended.

Task Assignments:

- Water forecast group knows what Lisa needs from them. The Planning Unit will have final chapter to review on Nov. 30
- Other Strategies
 - George will talk to Allison regarding decision to focus WWT work on Pierce County, and how to include a Thurston County approach
 - Emily will set up work group meeting with Water Trust and for counties to share their developed strategies
 - Thurston PUD – George talk to John by 11/30
 - Yelm – Grant to provide write-up by 12/19
 - County micro strategies list of concepts and write-ups – Thurston by 12/19, Pierce by 12/14
 - Any other watershed projects (paragraph) – Tom 12/5, and Kevin by 12/19
- Habitat Projects

- David and Emily to write up approach and outline (qualitative with preliminary VELMA and EDT counts) by 12/5.
 - Kevin and Dave to work with Chris Ellings and Tom Kantz to quantify project templates by 12/15
- Legislative strategy
 - David and county leads to discuss by 12/5

5. Public Comment

There was no public comment.

Next Planning Unit Meeting: Wednesday, December 19, 2018, Thurston PUD