

ICICLE STRATEGY

Icicle Work Group Meeting

Thursday, January 12, 2023; 10:00am-3:00pm
Confluence Technology Center, Wenatchee

Meeting Summary

Members/Alternates Present: Shon Smith, Chelan County; Greg McLaughlin, WWT; Ryan Williams, Cascadia CD; Sharon Lunz, ICWC; Dan Wilkinson, COIC; David Child, Reclamation; Erica Taecker, USFS; Melissa Downes, OCR; Cory Kamphaus, Yakama Nation; Lisa Pelly, TU; Jim Craig, USFWS; Bill Gale, USFWS; Mike Kaputa, Chelan County; Brock Hoenes, WDFW; Chuck Brushwood, Colville Tribes; Carl Florea, City of Leavenworth; Levi Jantzer, IPID; Tony Jantzer, IPID; Tom Tebb, OCR (via zoom)

Guests Present: David Van Cleve, Sierra Club; Jennifer Hadersberger, ICWC; Margie Van Cleve, Sierra Club; Jeff Dengel, WDFW (via zoom); Mara Bohman, ICWC

Staff/Consultants Present: Mary Jo Sanborn, Chelan County; Peter Dykstra, Facilitator Plauche & Carr; Cynthia Carlstad, Facilitator NHC; David Rice, Anchor QEA; Dan Haller, Aspect Consulting; Lindsay Henning, Aspect Consulting; Kelsey Mach, Aspect Consulting (via zoom); Lisa Adolfson, ESA Consultants (via zoom)

November Steering Committee Report

- Funding Retrospective (Mary Jo): working on a format and will bring to the Steering Committee to review in March.
- Match Expectations (Cory, Bill): The budget tracking discussion blended into a discussion of project match funding. Filling in the details on the funding retrospective will help see this full picture. If a project has matching funds that might elevate its priority, but we should look at it on a case-by-case situation. Networking on funding coordination will be important. We should take advantage of the breadth of knowledge we have in the room. Highlighting all in-kind contributions is very helpful.
- Funding Strategies for Future Work (Peter): How can we use the information that we track - matching funds, knowledge of other funding sources - to plan future projects? We've relied on OCR for core funds. Project sponsors are good at finding project funds. Given the funding available at the federal level - i.e. for larger projects and potentially new sources - the Steering Committee could work together to evaluate potential funding sources and relevance for Icicle Strategy projects. We'd like IWG input on how we do this. The IWG can write letters of support, send a delegation to D.C. to advocate, etc. How can we work together to access these sources?

Discussion:

- First, are we aware of IS projects that are ready (or close to ready) that are in need of funds? Second, are there projects that are in development and may not be ready to apply for funds, but we need some sense of certainty that funding will be there when ready?
- This is a good way to leverage the power of the group to get bigger projects like the IPID Pump Exchange project done.
- New Reclamation funds via WaterSMART may be appropriate to look into.
- We should be looking at a funding strategy for automation of lakes. It will be important to understand what level of information is needed – i.e. design, feasibility – how do we plan at different stages?
- Lisa noted that project sponsors need to be responsible for tracking project needs.
- Peter asked the following questions and received the following responses:
 - o Is it worth having the Steering Committee/Facilitators develop a strategy for this? YES
 - o Do we want to invite funders (Reclamation) to share information about their funding programs? YES
 - o We should also look at sources like OCR that are flexible to determine how to utilize those funds at the best phase of a project.

2022 Active Flow Management Results / Decision Support Tool

One project that has not moved forward recently is Lake Automation. These projects likely have the best ability to create instream flow improvement. While working through delays in project development, there are ways to manage releases manually to see some improvement. This is a good way to see some benefit and demonstrate that it works while we work through the project development and implementation.

There is a workgroup that works on this Lake Release Coordination (LNFH/USFWS, IPID, WDFW, Aspect, CCNRD)

Dan showed a graph that displays the streamflow benefits in 2022 achieved through coordinated lake release management. This group will continue to meet each year to coordinate actions.

SOAC in Yakima is a group that coordinates releases there. It might be helpful to attend one of their meetings to see how those decisions are made and how collaboration occurs.

IPID donated water to Trust as a result of this coordination in 2022, like has been done in previous years. Discussion has focused on some way to formalize this in a long-term strategy via the Decision Support Tool.

**Please send out link to Structure 2 instream flow data and the figure Dan showed with results.*

2022 was indicative of an average flow year.

Cynthia will follow up with SOAC to coordinate interested IWG members attending a future meeting. David Child used to participate on this committee. It's coordinated by Reclamation (Pat Monk) and is a valuable tool to coordinate trust water as well as storage releases.

Bill Gale noted that this is an important direction for the IWG to go and incorporate this all into the Decision Support Tool. For the Icicle system a hybrid of SOAC and what is done for the Okanogan – in Canada – which is a software package with rules to manage Osoyoos focused on multiple priorities - may work best. Rules are set so the process is streamlined. Brock noted that Douglas PUD has good information on their website (<https://douglaspud.org/about-us/wells-dam/fish-water-management-tool/>).

Margie Van Cleve commented that the Lakes Automation project has raised concerns in the environmental organizations that Peter previously brought together to discuss Wilderness issues related to the Eightmile Dam Rebuild project. Re-initiating the Lakes Automation work will raise concerns about impacts to Wilderness. Discussion ensued about how best to include the Wilderness stakeholder group in the Lakes Automation conversation. Margie expressed that she believes there is a mismatch between what the IWG is seeking to advance with Lakes Automation and what the Wilderness stakeholder group thinks may happen. Mike stated that he has concerns about separate discussions happening with the Wilderness stakeholder group that are parallel to the IWG discussions on the same topic. He sees those parallel conversations leading to a mismatch in information and understanding.

Bill provided more context for the value that he sees in Automation. He believes that Lakes Automation and the Decision Support Tool (DST) will benefit wilderness. With the current manual setup, there is significant guess work in setting lake outflows. Staff have to hike in and make manual adjustments; they will set the outflows to conservatively ensure the hatchery will have enough water. The DST and automation will enable them to release only the water that is needed, and to alter settings remotely. This is context that the Wilderness group needs to understand and he wants more communication with the group.

Tony added that IPID currently has no way to monitor what is going on in the lakes. Adding monitoring equipment to start would be a huge benefit.

Peter suggested we take a larger amount of time at the next IWG meeting for this discussion. We can invite a larger audience of Wilderness groups and during this discussion we will have a structure that allows for wider participation – not just IWG members. Margie cautioned that significant preparations would be needed to make that a productive discussion since the Wilderness stakeholder group has not been involved at all in this topic. Peter and Cynthia will work with Margie and others to assess whether we can be ready by April to have this larger conversation.

Action Items:

- Re-Convvene Decision Support Tool Committee and interested IWG members to learn more about how SOAC works and review current Draft DST rules compared to recent years' low flows to see how the DST rules would have worked.

- Peter and Cynthia will follow up with Margie to discuss and assess whether we can be ready by April to have a larger discussion on Lakes Automation and the Decision Support Tool at the IWG meeting.

Municipal / Domestic Water Element

Prior to September, we have not spent much time discussing this topic. We learned last Summer that Eightmile Lake will not provide water to help meet this Guiding Principle. As a result, the County and City have begun discussions on how to meet this gap. Today, we'd like to continue this discussion more focused on strategies to solve this gap. We need to understand the pathway to meet the Guiding Principles – for domestic it means finding a water source to meet the Guiding Principle quantities, resolving a lawsuit between Ecology and the City of Leavenworth, and amending the instream flow rule.

Mike gave a short presentation that covered the following components:

- Status of the City/Ecology lawsuit and the quarterly check-ins regarding the stay.
- Overview of the service areas at issue, including IPID, COIC, City, and County rural service areas. He described the County Riverbank tracking tool. County has used 90% of the Icicle reserve for the County rural service areas.
- Interlocal agreement between the County and City for the 1750 acre-feet and how it is allocated now and into the future. Mike reminded folks about the water conservation strategy and noted that it is being incorporated into the interlocal agreement.
- Need for an instream flow rule amendment to allow for additional water in the municipal/domestic reserve.

He then laid out a 3-prong approach to meet the 1,750 acre-feet: 1) water acquisitions, 2) instream flow rule amendment, and 3) conservation. He said acquisitions cannot do it alone but need to have the other two components coupled with acquisitions.

Questions & Answers / Discussion

- Lisa asked whether the 1,750 acre-feet number is still accurate. Mike confirmed that it is.
- Greg asked where the water would be used. Dan confirmed that this water would be used in the Icicle watershed, not elsewhere in the Wenatchee.
- Dan discussed a figure presented: timeline for project implementation with instream flow improvements that will meet guiding principles coupled with a potential instream flow amendment timeline. The goal is to show when instream flow benefits will be in place. There is a process that will take several years to implement a rule change by Ecology. By requesting to initiate rule-making in 2023, the earliest the rule amendment would be finalized is 2025.
- Bill asked how we can show the seasonal nature of instream flow benefits? It's important to show this somehow. Dan responded that we can clarify that, and also show how some of this water is shapeable.

Action Item:

- March Steering Committee – develop a proposal/recommendation for IWG consideration on triggering the Instream Flow Rule Amendment domestic reserve capacity.

Icicle Creek Fish Passage Barrier Assessment (Cascade Fisheries)

Haida Ikeda with Cascade Fisheries presented the barrier assessment work. The presentation is available on the Icicle Strategy website.

The goals for this work were:

- Identify opportunities for fish passage removal projects.
- Identify fish use and prioritize projects on tributaries to Icicle Creek.

A lot of data existed in the 2017 Wenatchee Basin Barrier Prioritization, which was a helpful start. WDFW also has a fish passage web map for background information. Local specialists were also very helpful. Limitations of work were that they only visited streams with roads/trails and did not evaluate mainstem barriers. The assessment is based on WDFW protocol for anthropogenic and natural barriers.

They learned a lot about fish use in Icicle Creek through the assessment. The terrain is very steep, so natural barriers have a bigger presence.

Study area stream segments were classified according to the following system:

- One creek in Category 1 Priority: Johnny Creek with 780 meters of habitat (steep habitat) with two culverts.
- Category 2 – low quality habitat
- Category 3 – includes many tributaries – have good quality fish habitat but no anthropogenic fish passage barriers to remove.
- Category 4 – have natural barriers at the mouth

Recommendations and Next Steps:

- Johnny Creek Correction Analysis by an engineer. Johnny Creek campground and Icicle Road culverts.
- Surveys of eDNA to determine fish use.
- Mainstem Barrier analysis: IPID diversion and Gage Falls
- Mainstem Icicle Surveys (snorkel, spawning)

Questions & Answers / Discussion

Tony noted that there is a fish bypass downstream of IPID diversion.

David asked what fish use is in Johnny Creek. Response – they have no direct data; information is based on habitat features present.

Seven fish were detected above the Boulder Field.

Bill Gale noted that Jose Vasquez (USFWS) has eDNA analysis info on bull trout for the Icicle. Also should include distribution of non-native fish.

Rat Creek Beaver and Beaver Dam Analog Supplementation (TU)

Michael Dello Russo presented the Rat Creek Beaver and Beaver Dam Analog Supplementation project.

The purpose of this work was to restore historical beaver dams in Rat Creek with low tech strategies.

The approach utilized the Upper Columbia Beaver Powered Restoration Decision Support System – used to identify high beaver dam capacity areas. Rat Creek is not quite representative of the model but has good beaver habitat. Rat Creek has historical beaver dams, however the sites were not maintained by beavers and over time beavers left and the area dried and lost function.

TU can add low tech structures to restore some of that function. Low tech structures are hand-built to emulate beaver activity. Regular communication with USFS indicates this type of action is a low priority. NEPA is needed but funding for USFS to do this is not in place.

An existing wetland complex in Rat Creek shows current, active beaver activity. TU will monitor this site to track beaver activity.

Survey work included Mountaineer, Snow, and Jack Creeks. High recreational use will influence what work can be done. Snow creek has a historical wetland complex/pond area. TU is tracking these sites to evaluate if future work is possible.

Questions & Answers / Discussion

Tony pointed out that the Snow Creek site is owned by IPID.

IPID Pump Exchange Update (Mike, Levi, Dave R)

Mike and Levi reported that next steps for the project is a meeting with IPID, project engineer, and potential funders to review project status and discuss different project funding needs. After that they expect to have an alternatives workshop to clearly define upstream pump station location and discuss feasibility and data needs.

COIC Update (Greg, Dan W, Mike)

Dan Wilkinson stated appreciation for the OCR funding, which has been critical for COIC. They hired Tony to be COIC's 'owner representative' with OCR funds so he can help review the design and plan for construction.

COIC purchased the Shore Street property from Marson family, indicating their commitment to the project. At this point, they are very focused on getting the Water Right Change Report of Examination (ROE) finalized, so the project can move forward. He reiterated the importance of the 8 cfs maximum instantaneous diversion rate to meet COIC shareholder contingency. There is no room to negotiate that with shareholders.

Greg addressed the funding gap and the work to fill it. To construct in 2023, there are aggressive timelines and deadlines to meet.

Mike reviewed the timeline:

- Project must go out to bid in March to construct in 2023/24 and be completed by May 2024.
- Funding gaps need to be met. PRCC and Tributary Committee are meeting today to consider increased funding from Greg's original request. IEGP Project Management funds might be an option – these would go through Cascadia Conservation District.
- Bid prices will dictate the budget.
- COIC is not prepared to request funding from IWG today but will communicate regularly if there is a need. There may be a need for \$600,000 in the next few months and then there could be another need in 2024.
- COIC contingencies must be met to go out to bid. The ROE timeline is critical.
- We also need a three-party agreement in place with WWT-COIC-Chelan County.
- Permits might not be in place when we go out to bid but we need to be clear on the path and requirements.
- Mike is optimistic construction can begin in 2023 but all things need to fall into place in time. Construction coordination is underway.
- COIC (Dan W and Tony) are talking with Reclamation (David Child) and USFWS (Mat, Jim) to coordinate water use during the 2023 irrigation season.

Questions & Answers / Discussion

David Child noted coordination with Dan W. and Tony is happening on a regular basis. This project completion is imperative.

What is the ROE process? Melissa noted the draft ROE will be on website for 30-day comment period. Ecology is committed to get it out by the end of the month. Comments will be addressed in final ROE with a 30-day appeal period.

Cory noted they can help with anything along the way.

Mike – We will open bids and then know what costs are. That timing may not line up with IWG meeting schedule to hear and consider a request for funding to meet any gaps. What information will be needed? What schedule or mechanism for a funding request is needed? Cynthia responded that in the past we have done these sorts of funding approvals via email. She would use that process if an urgent funding need arises.

Short Updates

2023-2025 Budget Update (Melissa) OCR capital budget request was for \$49 million. The Governor's budget was \$43 million with some projects crossed out. Staff are trying to understand the reason for reductions and the amount of flexibility with the potential reduction. Icicle funding was left in budget. The original \$5 million request was left in, but it may be decreased with department/ program-level cuts.

Eightmile Dam EIS (Melissa) Projecting a date for the draft EIS release has been very difficult. The information that is needed to be finalized is shrinking. Mid-February could be possible.

The comment period must be 30-days but might be 45 days. At least one in-person and one online public meeting will take place. OCR would like to meet with IWG but the schedule might not line up. A virtual IWG meeting on this EIS is likely.

Outreach Videos (Mary Jo) We are ready to distribute updated videos. IWG members should review and provide input on ‘red flags’. We can address some edits but not all.

Website Update (Mary Jo) we are working on a mockup that should be available for the Steering Committee to review. We will need input on descriptions, background information, etc. Mary Jo will be reaching out to project sponsors for project descriptions, budget info, etc.

Tribal Adaptive Management Plan (Mary Jo) NSD continues to work on hydraulic modeling for historic channel and plunge pool. Coordination on the restroom installation is happening.

Public Comment

1. Bill Gale announced that USFWS has a new regional director – Hugh Morrison.
2. David Ortman emailed comments to Cynthia but did not attend the meeting. Cynthia read the comments aloud.

The IWG discussed how to respond when public comment is provided as a written communication and the sender does not attend the meeting. Two motions were advanced and approved unanimously:

1. Written public comments are not accepted if sender does not attend meeting.
2. Receipt of written public comments will be acknowledged at the meeting, but not included or attached to meeting summaries because the meeting summaries are intended to be a record of presentations and discussion at the meeting.

Wrap Up

Steering Committee meeting is March 9th.

The next IWG meeting is April 13th.

Other potential meetings that may occur prior if meeting timing does not work include: Eightmile EIS and COIC funding request.

Meeting Adjourned 2:43 PM