

MINUTES

McKenzie Watershed Council
Eugene Water & Electric Board Training Room

July 14, 2005
5:30 p.m.

PRESENT: Diane Albino (Mohawk Watershed Partnership), Facilitator; Mary Allison (United States Forest Service), Bob Bumstead (McKenzie Flyfishers), Kurt Cox (McKenzie School District), Pat Gripp (McKenzie Residents Association), Gene Highfill (McKenzie River Guides Association), John Lilly (Division of State Lands), Mike McDowell (Weyerhaeuser), Joe Moll (McKenzie River Trust); Douglas Moser (At-Large Stakeholder), Ralph Perkins (East Lane Soil Conservation District), Ron Farmer (for John Simpson) (Eugene Water & Electric Board), Erik Petersen (Army Corps of Engineers), Charlene Phipps (McKenzie Residents Association), Jerry Richeson (for Emily Rice) (Bureau of Land Management), Council Partners; Megan Finnessy, Juan Welsh, Staff. Chuck Davis, Springfield Utility Board; John Runyon, Confluence Steering Committee; Sara Chieffo, McKenzie River Trust; Galen Phipps, Linda Van Dren, Shirley Lewis, John Lewis, Phylliss Highfill, Guests.

ABSENT: Doug Brook (Hynix Semiconductor), Jeff Ziller (Oregon Department of Fish and Wildlife), Council Partners.

1. REVIEW AGENDA AND INTRODUCTIONS

Ms. Albino called the meeting of the McKenzie Watershed Council to order and reviewed the agenda. Ms. Finnessy called for changes to the agenda. There were none.

Those present introduced themselves.

2. DISCUSSION AND APPROVAL OF JUNE MINUTES

Council Partners considered the minutes of June 9, 2005. Ms. Albino noted that the minutes were e-mailed minus the even-numbered pages, and noted that the missing pages had been distributed to members. Members briefly reviewed the distributed material.

Ms. Albino noted the affiliation associated with her name in the “present” section was incorrect; she should be listed as representative of the Mohawk Watershed Partnership rather than the McKenzie River Ranger District.

Referring to the last paragraph on page 2 of the meeting minutes, Ms. Allison clarified the statement attributed to her by saying that the general values contained in the resolution adopted by the Eugene City Council were supported by the Forest Service, rather than the resolution itself.

Council Partners indicated support for approving the amended minutes of the June 9, 2005, meeting, as amended, showing Consensus Level 3.

3. SHORT ANNOUNCEMENTS/PUBLIC COMMENT

Ms. Finnessy noted the cancellation of the McKenzie and Willamette Rivers Confluence float trip due to low flow levels and indicated she would attempt to schedule another tour soon. She circulated a sign-up sheet for the trip and asked that Partners with available boats indicate that on the sign-up sheet.

Ms. Finnessy noted the availability of handouts related to the Green Island and confluence projects.

Ms. Finnessy noted the availability of bullet points outlining reasons for the Bonneville Power Administration (BPA) to continue funding watershed coordination. She asked Partners to use the information to prepare letters of support from their organizations and to send letters to BPA. Ms. Finnessy noted the real potential of reductions in such coordination funding in the future. Mr. Bumstead asked Ms. Finnessy to send out an e-mail reminding Partners of the need to send the letter.

Ms. Finnessy reported on the Annual River Clean-up that took place June 25. She commended Mr. Highfill for the lead role he took in the event, which went very well. More than 40 volunteers participated. Many items, including a shopping cart and plywood, were removed from the river.

Ms. Gripp reported that she attended the recent field trip at the H.J. Andrews Experimental Forest and commended the event, saying she learned a lot. She thanked Ms. Allison for the Forest Service's support of the event.

Mr. Petersen said the Cougar Temperature Control Tower commemoration occurred the previous Friday and the function went very well. Ms. Finnessy noted that she received a video regarding the project that the Council would see in September.

Mr. Petersen reported on the status of repairs to the Fern Ridge Dam, saying the Army Corps of Engineers was making progress on the project.

Mr. Highfill thanked all those who participated in the Annual River Clean-up, particularly the McKenzie Flyfishers. He said the event was not just for the benefit of fish and wildlife, but for the benefit of those who got their drinking water from the river. He stressed the importance of publicizing the event.

Mr. Cox reported that school was out.

Mr. Lilly said that school was out but the Oregon Legislature was still in session. He recalled the Division of State Lands' (DSL) presentation to the Council on its proposal to streamline the fill permit process, and announced that the ACOE would soon sign a state general programmatic permit that would allow those seeking permits to get a single permit from the State. The permit covered eight different activities. The permit would cover such Council projects as stream and wetland habitat restoration projects. Mr. Lilly reported that Oregon was the first state west of the Mississippi River to acquire such a permit, which also addressed Endangered Species Act protections and the Department of Environmental Quality water quality certification. The permitting process would be eased without lowering natural resource protections. Mr. Lilly distributed a DSL fact sheet entitled "Statewide Programmatic General Permit Streamlines State/Federal Permit Process."

Responding to a question from Mr. Welsh, Mr. Lilly said it was likely culvert projects outside the current footprint would be covered by the permit as well. He noted that the permit was a two-year permit and would be reviewed at the end of the time; if it was successful, the number of activities and fill amount minimums could be increased.

Ms. Allison noted the placement of large woody materials in a section of the McKenzie above Trailbridge Reservoir. Several trees about 25 feet away from the bank would be tipped into the river in late July. They would anchor some larger trees that would be placed with helicopter sometime early in August. Some delays would be experienced by trail users during the tipping process, and the helicopter work would require trail closure. Responding to a question from Ms. Finnessy, Ms. Allison said that OWEB and EWEB both provided funding for the project.

Ms. Allison reported on a recently completed project done in cooperation with EWEB, the placement of brush bundles in Trailbridge Reservoir to provide hiding places for bull trout fingerlings.

Ms. Allison said EWEB would implement the gravel augmentation project in the spawning channel sometime in August. She noted that the Forest Service had completed the NEPA element of the project.

Ms. Allison reported on the Orr Creek fish passage project, which would involve replacing a culvert with an arch so the bottom would be a natural gravel bottom.

Mr. Bumstead reported on the McKenzie Flyfishers' participation in the annual Free Fishing Day at Leaburg Dam, saying everyone had a good time. He expressed concern that angling was decreasing in popularity. Many children had not experienced fishing, and the event was an attempt to increase interest in the activity. He pointed out that anglers acted as sort of a "watch dog" for the environment.

Ms. Phipps said she and her husband also participated in the H.J. Andrews tour and had been encouraged by many of the sustainable practices that were taking place. She was encouraged to see organizations getting together to do public education, and said the tours were a wonderful way for such education to occur. As a member of the Education Committee, Ms. Phipps hoped more such on-the-ground tours could be arranged. She thanked Ms. Allison and Mr. Richeson for the Bureau of Land Management's (BLM) involvement. Ms. Allison noted other organizations involved, including Oregon State University.

Mr. Farmer said he met with EWEB General Manager Berggren to review the Board's agendas, and information regarding the Leaburg Lake raise would be discussed on July 19. He understood from comments made by EWEB Commissioner John Simpson that it was likely a four- to six-inch lake raise could be accommodated. He did not think the Board would act on any recommendations at that meeting. Mr. Farmer noted the regulatory agencies had stipulated a much higher lake raise in the initial license review and EWEB would have to apply for an amendment to its license.

Mr. Farmer said another issue related to relicensing was the chevrons the regulatory agencies had required EWEB to place in the river, which essentially were big rocks. EWEB was working to adjust the location of the chevrons and had applied for a permit to do so; so far, the permit had not been acted on. EWEB had a very narrow window to do the work—generally the month of August—and if events moved at the current rate, Mr. Farmer believed it was unlikely the work would be done this year.

Ms. Phipps asked the effect of the chevrons on the river flow. Mr. Bumstead said the chevrons were intended to facilitate boat passage by concentrating water flow. The current placement did not meet the technical requirements of the regulatory agencies.

Mr. Highfill suggested there may be another solution to the chevrons. Mr. Farmer expressed interest in hearing any solutions, but noted EWEB's need to meet the federal requirements.

Mr. Moll announced the McKenzie River Trust's hiring of a new director of resources, Sara Chieffo. Ms. Chieffo briefly described her professional background. Mr. Moll noted that the trust was now seeking a

replacement for an administrative support staff person who recently resigned.

Mr. Welsh thanked those who attended the projects tour, noting about 20 people attended. He looked forward to conducting another tour next year.

Mr. Welsh announced that a Projects Committee meeting was scheduled for July 27 at 9 a.m. at the Council office. He invited all interested members to attend. He previewed the agenda for the meeting.

Mr. Welsh reported that an “epic” weed season was underway and staff was struggling to keep up and was being creative with available funding. He said the reed canary grass was particularly bad this year.

Mr. Welsh reported on various culvert replacement projects, expressing optimism that the Simmonds Creek and Parsons Creek projects would be done in August. He said staff was learning as it went through the permitting process and getting a little better.

Ms. Finnessy noted that said that Education Coordinator Kate Ferschweiler was on vacation. She reported that Ms. Ferschweiler had conducted the teachers’ workshop at the H.J. Andrews Experimental Forest event. The workshop had 17 teachers in attendance and the event went well. Ms. Ferschweiler was currently planning an invasive weed workshop scheduled for early August.

Ms. Finnessy said the McKenzie Maintenance Partnership and Security Partnership met the previous day. Due to a communication mix-up, not all members received notice and attendance was low. The group would meet again in the fall. A security contract to patrol the river put-ins along the river was starting soon, and maintenance was going on as planned. She anticipated that in the fall the group would look at how to reinvigorate the group and how to better tie the MWC Action Plan to its activities.

Mr. Highfill noted that the next water clean-up had been planned and announced the date, which was the second Saturday after the Fourth of July. In 2006, the date would be July 8.

VI. McKENZIE-WILLAMETTE CONFLUENCE STEERING COMMITTEE

Mr. Runyon, Coordinator of the Confluence Steering Committee, provided a PowerPoint presentation on the Confluence Committee to the Council.

Mr. Runyon called the Council’s attention to the primer distributed with the meeting packet and encouraged Council Partners to read it.

Mr. Runyon noted the historic channel patterns in the area as known in 1910 and contrasted them with modern patterns of the river. He noted the various land uses in the area of the confluence.

Responding to a question from Mr. Lilly, Mr. Runyon said the danger of the flooding of the large pit owned by Delta Sand and Gravel in 1996 was that it would have had both habitat and economic impacts and could have resulted in a giant sinkhole. Mr. Bumstead emphasized the impact on fish habitat from the loss of gravel both upstream and downstream.

Mr. Runyon shared slides of the confluence area.

Mr. Runyon noted the goals of the Confluence Committee process, which was to develop a long- and short-term plan that blends flood control with fish and wildlife habitat enhancement/protection for the river channel and off channel areas, riparian habitat, and terrestrial habitat.

Mr. Runyon noted representatives who served on the original Confluence Committee. He reviewed the process and noted the facilitative role played by the Council. He noted some of the products of the study.

Mr. Runyon reviewed some of the findings of the study, which indicated a loss of complexity in terms of side channels and habitat, while there was still a considerable number of fish in the area. The area contained intact floodplain forests, and many pond turtles lived in the area, which was an asset that could be built upon.

Mr. Runyon reviewed habitat Guidelines developed by the steering committee for a variety of land uses.

Mr. Runyon discussed the long-term vision for the confluence area, emphasizing that the Council was in the process for the long-term. He noted the transitory nature of current activities, such as gravel extraction. He noted the several habitat enhancement projects proposed for the area, including a project partially funded by OWEB, the constructed alcove project. He termed the project a test of cooperation and of the regulatory hurdles that existed, and much had been learned. Mr. Runyon observed that Delta Sand and Gravel had been recognized by the Department of Geology and Mineral Industries (DOGAMI) for its work on the project, and the Council would also receive an award from the department in September.

Mr. Runyon estimated that more than \$500,000 had been spent in public money on the project over its seven-year life time.

Responding to a question from Mr. Cox, Mr. Runyon said an alcove has a single entrance to the river; a side channel would have an upstream and downstream connection to the river.

Mr. Farmer asked where gravel pits were envisioned to be located in the future. Mr. Runyon said that was a real issue for the gravel operators and one that the industry was working on. Another issue was what would happen to the pits in the future.

V. GREEN ISLAND

Mr. Moll provided a PowerPoint presentation on the Green Island restoration project. He noted historic conditions in the area of the island over a series of years.

Mr. Moll shared slides of Green Island and its environs and noted its habitat characteristics. He also noted the many species of fish, frogs, and birds using the area.

Mr. Moll discussed the work done to this point by the McKenzie River Trust to assess the habitat and vegetation of the island. He said the Green Island Technical Team would use the results of the various assessments to plan very specific unit-by-unit restoration. He shared a slide of a site in the process of restoration.

Mr. Moll emphasized the importance of Partnership to the successful restoration of Green Island.

Mr. Runyon said the Confluence Committee had identified key protection areas, and the Green Island property was identified as a potential jewel. The Committee's wildest dreams were realized when the trust purchased the property, and he looked forward to its restoration over time.

Mr. Bumstead recalled discussion of the potential of the island being an extension of Finley Refuge. Mr. Moll said he had heard something similar; in the meantime, the Trust was holding the property. He

deferred the question to the Oregon Department of Fish and Wildlife (ODFW). Mr. Runyon said that there were some discussions with ODFW, but nothing had come together.

Ms. Phipps asked if studies revealed any impact from the gravel mining on Green Island. Mr. Moll said many questions had been raised. The historic flood dynamics of the area relied on its being a flood plain, and anything that constricted the dynamic, such as Wildish's proposed flood control structure, could affect Green Island. He wanted to see the Confluence Committee vet the proposal and determine its impact.

Responding to a question from Mr. Phipps about the farm use on the property, Mr. Moll said he did not know how to gauge its impact in regard to water quality. However, it gave the Trust an opportunity to set up some monitoring protocols to measure that impact as the use was phased out over time.

Ms. Albino called for a brief meeting break.

VI. WILDISH SAND AND GRAVEL PROPOSAL

Mr. Runyon reviewed a proposal by the Wildish Sand and Gravel Company to expand operations onto the north bank of the Willamette River. He shared a map showing the boundaries of the Wildish property with the Council, which was largely zoned for gravel extraction, and the permitted gravel pit now on the site. He noted the company's interest in rezoning the area of its property now zoned for exclusive farm use to a zone allowing for gravel mining.

Mr. Runyon reported the company approached the Confluence Committee some years ago and indicated its interest in incorporating the Confluence Committee's Guidelines for the confluence into its proposal. He noted the company's plans for a flood control dike bordering its property to protect its current and future operations from flooding. The company proposed to create a 1.5 mile side channel to mitigate the effects of the dike. The company would also install a dozen large wood jams into the system. Mr. Runyon said that Wildish thought it incorporated the principles of enhancing wildlife habitat while providing flood relief for operations into its plans. Its hydraulic modeling indicated some impacts at flood flows in regard to velocity, particularly where narrowed, increased erosion on the south bank, and a decrease in velocity downstream. The company proposed to expand wetland habitat along the dike. The company submitted permit applications to several regulatory agencies showing those plans.

Mr. Runyon said Wildish met with various stakeholders, including adjacent land owners, the McKenzie River Trust, and the Confluence Committee, and briefed them on the proposal and shared information from the hydraulic analysis. There was controversy about the proposal and legitimate questions had been raised about the impact of the flood control dike. The DSL and ACOE had scheduled a public hearing on the proposal, but before the proposal the company withdrew its permit application because it believed there was too much controversy to proceed.

Mr. Runyon said he had asked the company to bring its proposal to the Confluence Committee to discuss its impacts and answer questions, and perhaps even refine the proposal. The company was very resistant to that idea, preferring to wait for the whole package to be prepared for the permitting process as there were no assurances its concepts would be approved by the regulatory agencies. He regretted that, as such packages were difficult to refine once established. He wished such an opportunity had existed. Mr. Runyon noted the trust relationships needed for such proposals to make progress and the new players on the scene who had not been involved from the beginning. Now, everything was back to business as usual, with the potential of less collaboration.

Mr. Runyon said he had spoke to Wildish's General Operations Manager Randy Hledik earlier in the day

and asked him if he had any message he wished to convey to the Council. Mr. Hledik's message was one of frustration. The company spent ten years and thousands of dollars on the process, and he felt that some of the questions they had heard and requests for more analysis would cost thousands of dollars. A business decision was made to move forward. However, Mr. Hledik also indicated the company was devoted to doing business in a new and collaborative way, but was unsure how to move forward. He believed the company had tried to incorporate the Guidelines into its planning, but there was some ambiguity, and people could interpret the Guidelines in different ways.

Mr. Runyon believed the company tried to act in good faith. The side channel was a very expensive proposition for the company, which it did not have to do. Mr. Runyon was unaware of any project as ambitious as Wildish's side channel project. The company was willing to modify its proposal but it had to meet the company's need for extraction and flood protection and it could not impose a new regulatory burden on the company.

Mr. Runyon said the company felt it received good information from the State agencies and had a sense of how to navigate the obstacles that arose, but did not have the same feeling about the ACOE and was extremely disturbed by the comments of the United States Fish and Wildlife Service (USFWS), which did not recognize the fish and wildlife benefits of the side channel. The comments did not acknowledge the cooperative process the company went through and were both very negative and adversarial. In addition, the company was disturbed by a call on the part of the USFWS for a federal Environmental Impact Statement (EIS), which was both time-consuming and expensive, and the reason the company embarked on the approach it took. The company did not feel it could get a clear answer from the ACOE about what would be required.

Mr. Lilly pointed out that the permit in question was a federal permit, and NEPA documentation would be required because of that. Mr. Runyon said that he thought a BA rather than an EIS was required.

Mr. Runyon anticipated that Wildish would simplify its design and go back to business as usual. He said that gravel extraction would occur on the property; the question was how it would occur. The company would potentially eliminate the side channel, avoid wetland impacts to the degree possible, and relocate the dike in the hope that permit process would be simplified. The company was open to alternatives, including the side channel or other enhancement activities, but did not want to spend much to do it. Mr. Runyon continued to regret that Wildish had not sat down with the Confluence Committee when it had the chance.

Mr. Bumstead concurred with Mr. Runyon's analysis and expressed disappointment in the outcome. He agreed that there was no question mining would occur on the property owned by Wildish. The Council needed to focus on what benefits it could realize for fish and wildlife from the project. He believed that the Council had built a relationship with the company.

Mr. Peterson left the meeting.

Mr. Lilly thought it would have been good to have USFWS participate in the Confluence Committee, although he believed the same message would have been ultimately conveyed. The letter sent by the agency was intended to preserve its opportunities for future appeals. He said that applicants such as Wildish, who made considerable investments in their proposals, did not understand such letters. He understood why the agency would work to avoid federal jurisdiction by removing the side channel proposal. The applicant had stuck its neck out for a good thing in proposing the side channel, which led them to public and regulatory exposure, adding more process to be gone through.

Ms. Phipps asked the impact on the river from what Mr. Runyon termed business as usual and the original proposal. Mr. Runyon said it would be about the same as the company was working within Federal Emergency Management Agency (FEMA) Guidelines related to how much the river could be raised at the local level. The dike would be the same size, only further back.

Mr. McDowell left the meeting.

Mr. Moll said the gravel operators had contributed to cost of collecting the hydraulic analysis but had failed to share the data with the stakeholders except on a limited basis. The company considered it private data, which was consistent with general business practices. He said there were many unknowns about the impact, which was also a concern to the USFWS. It was one thing to state that the proposal was consistent with the Guidelines, but the Guidelines were a long-term vision, not a cookbook. He suggested there were other alternatives for gravel mining than the site in question. He asked what communities without river gravel supplies do for gravel. Mr. Moll hoped the eventual project would go through a review by the Confluence Committee and would have the involvement of stakeholders. He believed that things had changed in the confluence area since the company embarked on the project, and that needed to be considered as well.

Mr. Runyon noted that the Confluence Committee's Guidelines acknowledged the continued existence of mining in the area, and that was the principle that Wildish proceeded on. He encouraged a broad discussion with Wildish and the involved stakeholders before another application was made. He noted that the USFWS letter left open the opportunity to develop a local consensus around a new approach. He did not know if Wildish would be interested. He believed that Wildish thought it could move faster by going through the permitting process. He was unsure that was the case.

Mr. Moll said the Council should ask what the tradeoffs involved were, and how the company's plans fit in with the broad vision for the confluence area in regard to habitat restoration. He acknowledged the difference of perspective that would exist between a business and a conservation organization. He said there was nothing worse, however, than having everything pulled off the table.

Mr. Davis noted his own experience with the permitting process, which was frequently frustrating and often involved changing staff at the regulatory agencies that had different answers to questions. He suggested that Wildish would like to know there was an end to the process. He said it was likely that Wildish feared "opening Pandora's box" with a new process. He encouraged the Council to keep the different perspectives in mind and consider the experience the company had gone through. Mr. Davis also observed that often, those who come to the table with questions often do not bring with them any resources to help answer those questions.

Mr. Moll believed that Partners with resources existed to take advantage of the opportunity presented by the project. He wanted to see a process where there were true stakeholders sharing resources.

Mr. Runyon indicated the Confluence Committee would attempt to bring everyone to the table one more time.

Mr. Phipps emphasized the fact the process was new and had not been tested. He agreed that the parties should come back together and revisit the initial framework and attempt to find common ground. He was concerned that further travel along the path of business as usual would create additional polarization and people's positions would become entrenched. Mr. Runyon agreed, and noted that there were other operators who were watching the process to see what could be gained and if the process was worth it. The industry statewide was also following the issue.

Mr. Richeson left the meeting.

Mr. Phipps feared that people would look at the situation and decide that such an approach would not work. Mr. Bumstead agreed, adding that the gravel industry was fiercely competitive and Wildish had stuck its neck out and now felt threatened by what happened. He agreed with Mr. Runyon that the issue was of interest to the industry statewide.

Mr. Lilly said if data sharing was an issue and downstream land owners were concerned about the hydraulic model, he suggested it be shared with a trusted neutral party who could review it. He also believed that those who wanted the data should be willing to contribute to its cost.

Ms. Finnessy suggested the Confluence Committee meet and discuss Mr. Lilly's proposal. She also suggested that Mr. Runyon get in touch with Wildish to determine their willingness to share the information with a third party. She encouraged members with questions to call her or Mr. Runyon.

VI. COMMITTEE UPDATES

Ms. Finnessy referred the Council to the minutes of the Water Quality Committee, noting another meeting was planned for August 24, during which possible changes to the ambient water monitoring program would be discussed.

Ms. Finnessy said the Executive Committee would meet eight times a year and the Board of Directors of the Watershed Alliance would meet four times yearly. She called the Council's attention the meeting minutes of the Executive Committee. She noted she and the administrative support person would be employees of the Watershed Alliance, which would also begin to manage portions of the Council's budget. She noted the Board recently adopted financial policies that would guide financial decisions.

Responding to a question from Mr. Cox, Ms. Finnessy said the Alliance had received about \$600-\$700 in donations. She anticipated she would spend more time in the future on fund raising for the Alliance. The Executive Committee was meeting with all the contractors to do the annual contract review on August 22nd. She encouraged Council Partners to fill out their contract evaluation forms if they had received them.

Ms. Finnessy anticipated a portion of the October retreat would be devoted to the changes created by the formation of the Alliance.

VII. ADMINISTRATIVE UPDATES

Ms. Finnessy reported that the insurance claim for the break-in had been settled. She was in the process of seeking new insurance.

Ms. Finnessy reminded Council Partners there was no August meeting. She previewed the September agenda, reminding the Council she would not be at that meeting because of her pending nuptials. She reminded Council Partners that the annual retreat was scheduled for October 22, 2005.

The meeting adjourned at 8:30 p.m.

(Recorded by Kimberly Young)