



BAKER RIVER PROJECT LICENSE IMPLEMENTATION

Terrestrial Resources Implementation Group Technical Meeting

July 2nd, 2009 (9:00 p.m. – Noon)

**WDFW Mill Creek Office
16018 Mill Creek Boulevard
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Conference Call Line: 1-888-228-0484, ID: 2821, Password: 4567

Please tell Tony (425-462-3553 (w) or 206-276-1204 (m)) if you plan to call into meeting

AGENDA

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| 1. Review notes/agenda/action items from June 4th, 2009 meeting. |
| 2. Review recent BRCC meeting activities and New License review/issues. <ul style="list-style-type: none">• License/BRCC update• Review TRIG Norms - Tony• TRIG budget – Kim and Tony |
| 3. Decisions Required at Today's Meeting: Yes <ul style="list-style-type: none">1. Decision Item #1: Does the TRIG formally adopt certain decisions made in previous interim meetings, specifically those discussed at today's meeting? (Agree to list prior to decision)2. Decision Item #2: Should PSE proceed (based on price limits, schedule, and terms of negotiation set by TRIG) to negotiate and make an offer to acquire property <u>Y</u> as previously identified by the TRIG to satisfy part of the land acquisition for Article 503 (Elk Habitat)?<ul style="list-style-type: none">• Please Designate Proxy to express your view if you cannot attend. |
| 4. Land Acquisition Update <ul style="list-style-type: none">• Property Y Update (research update, assets / liabilities, possible decision) – Ira and Tony• Report on “new” alternative properties – Ira. Ray• Discussion regarding the assets and liabilities on acquired lands – Don, Cary and Marty |
| 5. TRMP plans update <ul style="list-style-type: none">• Review updated TRMP implementation schedule - Marty• Updates on plans – Haley, Tony, Kathy, Mel, Marty, and Scott |
| 6. Loon/Osprey Implementation Update <ul style="list-style-type: none">• Progress – Haley and Mel |
| 7. Aquatic Riparian Habitat Working Group (Article 505) <ul style="list-style-type: none">• Meeting at Noon until 3pm today, open to all |
| 8. Evaluate meeting, set location (WDFW Mill Creek) and agenda for next meeting (August 6th, 2009) |



Baker River Project License Implementation

**Terrestrial Resource Implementation Group
Final Meeting Notes**

July 2, 2009 ~ 9:00 am - 12:00 pm
WDFW Mill Creek

Team Leader: Tony Fuchs (PSE), 425-462-3553, tony.fuchs@pse.com

PRESENT

Tony Fuchs, Scott Heller, Kim Lane, Cary Feldmann, Mel Walters, and Ira McDaniel (PSE); Kathy Smayda (Smayda Environmental); Marty Vaughn (Biota-Pacific); Stan Walsh (SRSC); Patrick Goldsworthy (NCCC); Don Gay (USFS); Lou Ellyn Jones (USFWS); Bob Nelson (RMEF); David Geroux by phone, Mark Hunter, and Brock Applegate (WDFW); Chris Danilson (Sauk-Suiattle Tribe), and Lyn Wiltse, facilitator (PDSA Consulting).

WELCOME

As we say goodbye to Dave Geroux and thank him for his fine work with the TRIG, we are pleased to welcome back Brock Applegate who will be representing WDFW on much of the license implementation work for the Baker and Snoqualmie projects.

BRCC UPDATE

The BRCC has decided to begin meeting quarterly. Their next meeting will be September 23. We will use the date that had been reserved for their August meeting for a walk-through of the Baker License. This will provide a refresher for those of us who were present for the drafting of the Settlement Agreement and also provide a way for newcomers to quickly come up to speed on the terms and conditions of the license. More details will be provided. The date for the walk-through will be August 26, 2009.

DECISIONS

1. Decision Item #1: Does the TRIG formally adopt certain decisions made in previous interim meetings, specifically those discussed at today's meeting? (Agree to list prior to decision and move to August meeting.)
2. Decision Item #2: Should PSE proceed (based on price limits, schedule, and terms of negotiation set by TRIG) to negotiate and make an offer to acquire property Y as previously identified by the TRIG to satisfy part of the land acquisition for Article 503 (Elk Habitat)? (Deferred to our August meeting)

Please designate Proxy to express your view if you cannot attend.

NEXT MEETING: August 6, 2009 from 9:00 - Noon, followed immediately by the Aquatic Riparian Habitat Working Group (Article 505). Hold 1st Thurs for monthly or every other month meetings (workload dependent).

ACTION ITEMS

- All: Plan to attend the next meeting on August 6 from 9:00 – noon
- Tony: Get out revised pooling paper by July 10 for all to review
- Tony: Get out email to TRIG distribution list re. wetland and deciduous forest field trip (*Done!*)
- Don: Send out inspirational proposal for applying funding for different land values by July 10

PREVIOUS - STILL RELEVANT - ACTION ITEMS

- Tony Look into setting up your laptop for WebX and work w/ tech re: TRIG FTP site
- Kim Email BRCC funding handout (from April BRCC meeting) to TRIG – new: attempted to make appointment with budget people – they’ve been tied up with a budget case -
- Kim Work on simplified budget report sheet, provide to TRIG when available
- All Review the draft language re: multi-article properties, send comments to Tony
- Marty Update pre-acquisition checklist to include estimated land ownership costs – new: leave this on
- Tony Add language to memorialize “good faith effort” to the decision list

Land Acquisition

Tony, Marty, Ira, and independent forester Mark Hitchcock recently walked the “Y” property. They also noted some wetlands and buffers that hadn’t been accounted for previously. The forester provided them with a lower estimate of the value of the timber on the site. Ira and Ray met with owners of site to discuss options. Road maintenance looked good and there is ability to harvest timber on western side – currently valued at less than previously though due to depressed timber market.

The slope on Polygon 2 seems to be shallow enough to allow for harvest. There is no need to do any minor updates to the road (culvert replacements, etc.) as the road is considered “orphaned.” This means there is no immediate need to do anything to the road in the way of maintenance or improvement until we propose a harvest. The forester did not recommend that we try to manage the Polygon 2 for elk forage as he said the alder would keep coming back. Little management would be required to keep it in hardwood forest for the next 30-50 years.

Most parcels outside of Polygon 2 and wetlands are mixed / conifer and could be managed for elk. Habitat on this parcel could contribute to three of our articles: hardwood (deciduous forest), elk habitat, and wetlands.

We discussed the possibility of buying initially the eastern parcel with elk funds and trying to secure an option on the western parcel that has other habitat values. We all agreed the importance of focusing on terrestrial values in addition to elk habitat.

Tony will arrange for another site visit to determine land values on July 10 (July 13 will be a back-up date) and invite everyone on the TRIG distribution list including settlement parties who share wetland and deciduous forest interests, e.g., Bob Kuntz (Parks), Don Gay (USFS), Len Barson (TNC), Brock (WDFW). We agreed to make formal decision about the ability to pool funds at our August meeting. The process for doing this would be decided on a base-by-case basis.

The parcel of interest has connectivity with lands protected. Purchasing wetlands usually occurs as part of a larger parcel. Buying them as part of this parcel would be at a much reduced cost. Generally you don’t find wetlands and their buffers for sale separately – the bigger area you manage it the better as all three of the resources would gain from being part of a larger parcel. Also, there are also many native plants on the western portion of the parcel.

It appears the owner of this parcel is willing to sell at fair market value. We still need to discuss the actual value of the timber on the land which we could probably not harvest. To close by year-end Ira would need to have the purchase and sale agreement by mid-September. Don suggested that the TRIG needs to decide if the \$140K set aside for management can be used for wetland acquisition as well because the Settlement Agreement states no more than \$340K can be spent on wetlands. We wouldn’t be coming anywhere near that number if we used funds to purchase the wetlands with beaver dam on Property Y.

In summary, remaining decisions to be made include:

1. Pooling funds
2. Whole parcel purchase / possibility of part of property being optioned
3. Possibility of using \$140K wetland management funds to help with acquisition

TRMP Update

Marty distributed an updated schedule for the various terrestrial plans. Many plans are now out for review.

Loon / Osprey Implementation Update

A helicopter survey yesterday showed three active osprey nests on both Lake Shannon and Baker Lake with chicks present. The osprey population in the Baker Basin is really low. The eagle nest trend is also down – two nests on Lake Shannon are active, one (Thunder Creek) with one chick.

Two loons have been sighted at Baker Lake. They have not been using the platforms. The loon surveys are continuing. Eagle and osprey surveys are complete.

Aquatic Riparian Habitat Working Group (Article 505)

The ARHWG will meet at noon following the TRIG meeting until 3pm today, open to all.

August 6, 2009 Agenda Topics:

- Land Acquisition Update,
 - Property Y (research update on wetland and forest, assets / liabilities, possible decision)
 - July 10 field trip report
 - "New alternate" property and other options
- TRMP & Other Plans
 - Plan Review Schedule
 - Potential extension requests
- Decisions list - review draft language
- Budget Report
- Loon / Osprey Report

Handouts:

- 6/4/09 Notes & 7/2/09 Agenda
- Status of Baker River Project Terrestrial Resource Plans dated July 2, 2009
- Approximate distribution of PME habitat types on Y Property
- Draft Agreement on Implementing Article 503