



Baker River Project License Implementation

**Baker Aquatic Resources Group & Terrestrial Resources Group
Joint Meeting – SA 505 Aquatic Riparian Habitat Pre-Proposal Presentations
Final Meeting Notes**

November 8, 2011 ~ 10:30 am – 3 pm
PSE Burlington w/ Web-X and Conference Line

Team Leader: Jacob Venard, jacob.venard@pse.com

PRESENT

Jacob Venard, Cary Feldmann, Doug Bruland, Arnie Aspelund, Tony Fuchs, Scott Heller, and Linda Kupfer (PSE); Mary Raines (Skagit Watershed Council); Bob Helton (Citizen); Brock Applegate, Brian Williams, Belinda Schuster, and Brett Barkdull (WDFW); Stan Walsh and Devin Smith (SRSC); Sue Madsen (Skagit Fisheries); Mike Rundlett, (Western WA Agricultural Assoc.); Ashley Rawhouser (NPS); Joel Holtcamp (Skagit Conservation Dist.); Phil Eidenberg-Noppe and Greta Movassaghi (USFS); Jamie Riche, facilitator (PDSA).

ACTION ITEMS

- Cary Research within PSE how studies / matching funds are treated in the budget (how capitalized? Can O&M money be used to fund feasibility studies?)
- Cary Research within PSE how easements are treated: when they are or aren't needed and what differences are in play for lands that are publicly vs. privately held
- Sue Send Cary sample of SFEG 10-year Landowner Agreement

TODAY'S AGENDA

- Welcome; review previous notes, action items
- Process review
- Presentation: Middle Skagit Assessment Project
- Pre-proposal review (5 submitted)
- Next steps

PROCESS REVIEW:

Jacob distributed an excerpt of the selection criteria from Aquatic Riparian Habitat Protection, Restoration, and Enhancement Plan and related Procedures for reference. These documents spell out evaluation and ranking criteria in section 6.6.2; highlights include: predicted long-term costs and benefits, location, integration w/ other license articles, weed mgmt, Article 505 expenditure guidelines, habitat characteristics, partnering of funds and potential supplemental funding, monitoring requirements, timing, and the presence of existing requirements for action.

Jacob briefly reviewed the process. He noted that five pre-proposals were received and the project proponents are in attendance today to share an overview of their projects and get feedback from ARG and TRIG members to help them think about whether and how to present full proposals.

Cary noted that proponents could still submit full proposals even if they didn't submit a pre-proposal. Today's meeting is intended to serve as an early-vetting feedback session for potential sponsors, and is not a binding requirement for moving forward.

Full proposals are due February 15 and will be distributed to the ARG and TRIG by February 24. Another ARHWG meeting will be scheduled in March to give the proponents the opportunity to provide details about their updated proposals and answer questions. If the ARHWG supports a project or projects, the ARG and TRIG will vote in early April to authorize the funding.

Funds available: Jacob updated the group on the money available in the Article 505 funds. The implementation fund has \$2,448,943 available for this funding cycle (\$300k + \$2 million + escalation), and the planning and site identification fund has \$265,146 (\$50k/year x 5 years + escalation; note: there is one more year of planning and site identification funding still to come). The next \$2 million installment of implementation funding is scheduled to come in License year 8 (October, 2016).

The projects submitted for consideration today, if they were all approved, would total a little over \$1 million.

PRESENTATION – MIDDLE SKAGIT ASSESSMENT

Mary Raines, Watershed Coordinator for the Skagit Water Council, walked the group through a review of the Middle Skagit Assessment Project. The goals of the project were to create a context for bringing together the large amount existing information and local expertise, create a framework for guiding future restoration and acquisition efforts, create strong linkages between goals and prioritized actions, inform local planning processes, and "connect the dots" for funders. The project area focused on 43 miles of the Middle Skagit, including the following reaches: Skiyou, Ross Island, Cockreham, Savage, Cape Horn, Baker, Jackman, Aldon, and Rockport). The concept was to bring local experts and restoration-minded folks together to identify and prioritize best places to restore floodplain function on a large scale (emphasis on scale).

This project started with a review of available local knowledge and data sets, including stream bank modification maps, updated floodplain impairment analysis, updated database of public and conservation lands, current habitat / vegetation conditions, and hydrodynamic modeling. They adopted a model that prioritizes the following:

1. protect and steward high value habitat
2. reconnect existing isolated habitat
3. protect functioning floodplains
4. restore floodplain processes
5. restore riparian processes
6. improve instream habitat

From this work, the team identified 21 projects for restoration. There are maps within the assessment report that show the projects, numbered in a way that is consistent with their prioritization (above).

Next Steps are to share this information, continue to mine the data for additional information, refine priority restoration concepts and quantify habitat potential, problem-solve implementation, and develop funding strategies.

All of the information presented today is available on data CDs. Contact Mary for a copy:
raines@skagitwatershed.org or 360-419-9326.

The group thanked Mary for sharing the information. Stan pointed out that, while the scope of this assessment isn't exactly the same as the scope of Baker License Implementation Groups, the information Mary shared is very helpful in considering and prioritizing projects, particularly in the interest of choosing to fund projects that coordinate with other work in the basin.

PRE-PROPOSAL REVIEW, Q&A

1. Skagit Delta Riparian Hedgerow Planting Project (\$267,182)

Project Team: Brian Williams, WDFW, Joel Holtcamp, Skagit Conservation District, Christine Woodward, Samish Indian Nation, and Mike Rundlett, Western WA Agricultural Association

Project Overview: Install approximately 1.5 miles of riparian hedgerow along the banks of salmonid-bearing watercourses in the Skagit River and Samish River deltas. Four project areas are identified: No Name Slough, Big Indian Slough, Maddox Creek / Big Ditch, and Thomas Creek. These hedgerows are intended to improve water quality, enhance channel complexity, enhance detritus inputs, and enhance prey inputs to support juvenile salmonid rearing. The project includes 3 years of plant maintenance.

Mike showed photos of hedgerow plantings from Whatcom County to demonstrate how the project might look 3-5 years after completion. He pointed out that the design for these hedgerows was collaboratively developed between the agricultural community and resource agencies to be good for both fish and drainage.

Brian added that these hedgerows also provide wildlife corridors and transition / rearing habitat. He said that this work also represents an important shift in the relationship between the agriculture community and resource community. He said Whatcom County has planted over 25 miles of these corridors and there are hard data now that show they make a difference to the delta watercourses that support fish.

Stan asked why these projects weren't being presented for CREP funding. CREP requires larger buffers than the landowners would be willing to cede. Cary asked if the proponents have authority to implement the work. Mike indicated that the work would be done in collaboration with landowners. Devin asked if there is a long-term agreement with landowners to ensure the project stays in place. Mike clarified that the Drainage District controls the easements with landowners and can protect the work for the duration of those agreements.

Cary pointed out that PSE real estate would want some assurance that the investment would remain. Stan expressed his thoughts that he would not be inclined to support this project due to the location (third tier of priority) and the limited restoration work (given the narrow buffers and minimum number of trees). Others commented on the cost relative to the available funding and suggested that the proponent might consider focusing the proposal on the highest priority channel(s).

2. Wiley Slough Estuary Restoration - Cattail and Invasive Plant Mgmt Project (\$87,500)

Project Team: Brian Williams, Belinda Schuster, Dave Heimer, WDFW, and Brian Hood, SRSC

Lesser cattail is an extremely aggressive, colonizing non-native (listed on the state's noxious weed monitor list) that creates "impenetrable masses" of itself over sometimes hundreds of acres. These meadows of lesser cattails do not provide fish rearing habitat, hunter / birdwatcher access, bird resting/nesting or cover areas. The project would control lesser cattail and other non-native invasives (ex: reed canary grass) on Wiley Slough site to enhance the development of diverse native marsh communities.

The 2004 Tide Gate Task Force calls for estuary restoration on public lands first (before restoration on agricultural lands). The Skagit Draining District now supports creating 2700 acres of farmland conversion for estuary restoration in exchange for repair and replacement of tide gate structures. WDFW is the only public landowner with significant restorative potential within the delta; they own 13,000 total acres, mostly inter-tidal. At this time, WDFW has no money to manage the lesser cattail, so it is taking over (currently covers about 12% of WDFW lands in the area). If WDFW restores all of its high-potential target lands, Brian estimates about 800-900 acres of restored estuary.

Brian showed photos from the Greg Hood's (SRSC) work on a sample 3-acre site. The lesser cattail was essentially eradicated after three annual mowings. They found that once the cattail was killed off by mowing, beneficial and diverse marsh species take over and seem to be good at keeping the cattail at bay, although it is starting to push back in along the edges.

Sue shared her perspective that this would be a higher-priority project than the first presented today, both because the cost is lower and because the intended outcome is closer to natural function. She pointed out that the proposal would be stronger if the proponent included a per-acre estimate of costs. Stan asked if the Wiley adapted group supports this project; Brian said this work has been identified as a problem that needs to be addressed. Devin suggested that the proponent describe more clearly the expected benefits to fish.

3. Swift Creek – FSR 1152 Storage / Decommission (\$170,000)

Project Team: Phil Eidenberg-Noppe and Greta Movassaghi (USFS)

The project is to store or decommission 4.1 miles of roads (3 miles placed in storage, 1.1 to be decommissioned). Stan asked about the difference between decommissioning and storing. Phil explained that a stored road is administratively kept within the USFS road system, but it is his experience that it would be very unlikely for a

stored road to be brought back. Devin added that the visible difference between a stored road and a decommissioned road is negligible.

Insufficient funding is leading to culvert and road failures that increase sedimentation to aquatic systems. The goal of this proposal is to create a smaller system of roads that can be better maintained to appropriate standards. This will include the removal of culverts and de-compacting / ripping the road surfaces with the goals of reducing the volume of sediment and reduce drainage density to improve the natural flow regime.

Phil showed photos of failed roads and ditch problems that are contributing uncontrolled flow and sediment into Swift Creek. In terms of treatment, about 70% of the roads included in the projects will need more intensive treatment due to the frequency of their drainage problems and current existence of road failures.

It would be helpful to know how much habitat would be impacted, both in terms of length of stream and types of fish to benefit (currently and potentially ... Stan pointed out that this stream area could be targeted in future for Chinook recovery). Also, it would be good to emphasize direct benefits to fish habitat.

Cary commented that in-basin projects are good. Greta noted that USFS is the most likely sponsor for in-basin projects and invited others who have ideas for other in-basin projects to bring them to her attention for possible collaboration. Stan mentioned Morovitz Stream, which is a higher density stream in the area and might also make a good target.

4. Lower Day Creek Slough – Faber Property Restoration (\$225,000)

Project Team: Sue Madsen, Skagit Fisheries

Sue reminded the group that they saw a proposal last year related to the same property. The Faber Property is a large property along a former Day Creek channel (Lower Day Creek Slough), within the Ross Island Reach. The access road to the northern part of this property crosses the slough with two undersized culverts. The proposal is to plant 20 acres with native plants, replace the undersized culverts with an appropriately-sized bridge or bottomless arch culvert and to remove dirt fill that was placed instream at the northern channel (a separate site) for pedestrian access. It also includes funding to scope hydro-modification (rip rap) removal.

There are many larger issues at play, and Sue sees this proposal as a first stage of a longer-term project. Questions related to easements and landowner collaboration would apply. There is no formal plan at this time for acquisition or easement. There is also the potential for future liability. Sue clarified that in this ask, the Skagit Fisheries Group is only asking ARHWG to fund the three elements listed above. They are not asking for funding to design or implement hydro-modification removal.

Skagit Fisheries is moving forward at this time with the Land Trust on the possibility of acquisition (less likely) or an easement. She indicated that, if the owner has a problem with the Land Trust holding the easement, Sue may come back to ask ARHWG if they would be willing to be the holder for such an easement or use SFEG Landowner agreement, which typically lasts 10 years. Sue will send a copy to Cary for reference as he engages PSE's legal and financial experts in a conversation about how studies, easements, and matching funds are treated in the budget.

Devin suggested that clarity around the easement would be helpful for the proponent's full proposal. Tony also commented that a 10 year landowner agreement wouldn't give sufficient time to allow trees to grow to maturity. It would be hard to support investing money in a project that could be removed before it reaches maturity. Stan suggested pulling the rip-rap removal out of the proposal to limit the related liability.

The group talked about how matching funds might be used in this or other proposals. Sue and Devin pointed out that most other grantors require some level of matching funds; ARHWG / Article 505 does not. Cary commented that non-capitalized expenditures are more challenging from a budget standpoint, which why the license was structured with both Capital and O&M funds. Stan asked if O&M / planning money would be a better fit for funding feasibility studies or providing match for worthy projects that will get the majority of their funding from SRFboard or other match-required funders.

5. Kaaland Property Floodplain and Riparian Restoration (\$307,000)

Project Team: Devin Smith, SRSC

Property is 220 acres, owned by USFS, which includes over 3,000 feet of river frontage as well as a portion of the Upper Skiyou Slough and several swales which may become overflow channels during high water events. The access road crosses the slough with an undersized and failing culvert and the inlet to the slough is partially blocked with rip-rap. A significant portion of the property was cleared prior to USFS ownership and is being invaded by noxious weeds.

Proposed activities include: remove road fill and install a temporary bridge, install gates to keep cattle out of the property; develop a planting plan with input from the TRIG and ARHWG on 52 acres of the property (24 acres along “swale B” with ARHWG funds, 28 acres from another funder, perhaps SRF board), and maintain the vegetation for three years. There is also some funding in the proposal to inventory habitat and water quality and scope alternatives for restoration in the upper Skiyou Slough.

Tony talked about some TRIG members’ interest in cottonwoods. Devin showed areas on the site which seem to be the best candidates for those. He pointed out that the ARHWG would have input into the planting plan.

Cary asked if the USFS would be amenable to an easement. Devin noted that it may not be necessary, but he asked Cary to give proponents clear input about easements: when they are or aren’t needed and what differences are in play for lands that are publicly vs. privately held.

NEXT STEPS

- Formal proposals are due Feb. 15.
- Proposals will be distributed to ARG and TRIG by Feb. 24
- **ARG** / TRIG meeting March 13 – presentation of full, formal proposals
- ARG / **TRIG** meeting April 5 – vote on proposals for funding and notification to applicants

MEETING EVALUATION

Worked well:

- Proponents appreciate the opportunity to vet their ideas, get feedback
- Open, honest communication
- Great food; thanks for the SW corn chowder

Do Differently:

- Attendance today was light. We missed several of our ARG / TRIG regulars
- Provide an overview of 505 process and funding at the start of each meeting since we meet so infrequently.

Commentary: Criteria is not crystal clear. As we go forward and get more experience about how the group wants to prioritize projects, perhaps we could add more detail to the RFP criteria. The risk of this is potentially turning away viable projects. There were mixed thoughts on this, which is why it is listed as commentary rather than a “worked well” or a “do differently.”