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STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

November 2008

Item #4: **Skookum Riparian Protection, RCO #06-1886A, Scope Change Request**

(Washington Wildlife and Recreation Program)

Prepared By: Kammie Bunes, RCO Outdoor Grants Manager

Presented By: Kammie Bunes, RCO Outdoor Grants Manager
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Section Manager

Approved by the Director:

Proposed Action: Decision

Summary

The Squaxin Island Tribe is requesting approval to change the scope of a Riparian Protection Account project funded through the Washington and Wildlife Recreation Program (WWRP).

The Recreation and Conservation Funding Board (Board) approved the project at its June 2007 meeting. The project involved the purchase of 365 acres within an ancient lakebed that now forms a large wetland system in the central Skookum Valley in Mason County, south of Shelton. After nearly a year of negotiations, the corporate owner of the target property has stated that they are not ready to sell at this time due to the market conditions. The Squaxin Island Tribe is asking to use a portion of the approved grant funds for a pending acquisition of about 108 acres immediately downstream of the original target property.



Staff Recommendation

Staff recommends approval of the Squaxin Island Tribe's request to change the scope of this grant as presented.

Staff has provided Resolution 2008-052 for Board consideration.

Background

In April 2005, the Washington State Legislature established the riparian protection category in the WWRP. The category aims to protect, enhance, and restore riparian habitat. Riparian habitat means:

"Land adjacent to water bodies, as well as submerged land such as streambeds, which can provide functional habitat for salmonids and other fish and wildlife species. Riparian habitat includes, but is not limited to, shorelines and near-shore marine habitat, estuaries, lakes, wetlands, streams, and rivers."¹

Board Manual #10b: *Washington Wildlife and Recreation Program: Habitat Conservation Account and Riparian Protection Account: Policies and Project Selection* contains the program category policies and evaluation criteria.

Skookum Riparian Protection – McDonald Land Company – Approved (Current) Scope

The Squaxin Island Tribe submitted the Skookum Riparian Protection acquisition project for funding in the Riparian Protection category of the WWRP in 2006. The Board approved \$952,500 for acquisition of 365 acres at its June 2007 meeting. Evaluation results ranked the project eighth of the 24 projects under consideration in the account.

Skookum Creek provides spawning habitat for Deep South Sound Coho and Upper Skookum Creek Fall Chum salmon. High water temperatures in the Creek are a limiting factor for salmonids. The ancient lakebed was logged about 100 years ago. Reforestation and other restoration projects have begun in the watershed to reduce water temperatures and increase spawning, rearing and migration habitat.

The 365-acre property includes 293 acres within the FEMA flood zone (80%) and includes 15,000 feet of creek frontage. The McDonald Land Company owns the property and adjacent uplands. The owner did not want to sell the riparian area separately from the uplands, so the Tribe found an interested timber company to purchase the upland property. However, after negotiating for several months, the McDonald Land Company concluded they are not interested in selling until the real estate market has recovered. The Squaxin Island Tribe is committed to pursuing the McDonald property in the future, however, they do not expect that they would be able to purchase the property until well after the grant has expired. Therefore, the Squaxin Island Tribe would like to use a portion of this funding to acquire an adjacent property.

¹ RCW 79A.15.010 (7)

Skookum Riparian Protection – Reller Property – Proposed Scope

The newly proposed acquisition site, known as the “Reller Property,” is a 108-acre property located directly downstream of the McDonald Land Company property. Eighty-five acres (79%) are within the flood zone.

Acquiring the property will further the Fish and Wildlife Habitat Conservation Area provisions in the Mason County Resource Ordinance, which is designed to strengthen the Mason Shoreline Master Plan. The South Puget Sound Salmon Recovery Group, the Squaxin Island Tribe’s Skookum Watershed Fish and Wildlife/Riparian Habitat Acquisition and Protection Action Plan, and the Tribe’s Water Quality Improvement Report all support the acquisition.

The Reller property was identified as a target for future acquisition during the WWRP evaluation of the McDonald property. The Reller property lies immediately upstream of an USDA/NRCS Wetland Reserve Program easement, which protects approximately 120 acres in perpetuity. The property includes about 2,000 feet of shoreline.

The Reller property is operated as a farm for pasture and hay. The Reller family has agreed in principle to sell their property to the Tribe, subject to a life estate. The Rellers have agreed to allow restoration of the property to begin during their occupancy. The Tribe intends to ultimately fully restore the ecological functions of the area and maintain the property in conservation status in perpetuity. A key action will be a geomorphic reconstruction of Skookum Creek to reconnect it to the extensive wetland system found in the valley.

Analysis

RCO staff has reviewed the materials provide by the Squaxin Island Tribe:

- Maps of Reller Property
- Written responses to the evaluation criteria

Staff believes the Reller property meets the eligibility criteria, and the intent of the Riparian Protection Account. Taken by itself, the Reller property has less stream channel than the McDonald property, but when put into the context of the entire valley, no large scale restoration effort can move forward without its acquisition. The Tribe is asking to use only a portion of the original grant award to purchase the property. RCO staff recommends approval of the scope change request.

Next Steps

Upon Board approval of this request, staff will issue a project agreement with the Squaxin Island Tribe to acquire the Reller property. The Squaxin Island Tribe and the Rellers are discussing the purchase, and the Tribe is prepared to complete the action before June 2009. Pending the results of an appraisal, RCO staff also will work with the Tribe to adjust the grant amount.

Attachments

Resolution 2008 – 052

- A. Maps
- B. Addressing the Riparian Protection Evaluation Criteria for the Reller Property

RESOLUTION #2008-052

Squaxin Island Tribe Scope Change Request for Skookum Riparian Protection Project, RCO #06-1886A

WHEREAS, the Recreation and Conservation Funding Board (Board) awarded a Washington and Wildlife Recreation Program (WWRP) Riparian Protection Category grant to the Squaxin Island Tribe (Tribe) in 2006 to acquire 365 acres along Skookum Creek; and

WHEREAS, the acquisition is part of a larger plan in which the Tribe intends to ultimately fully restore the ecological functions of the area and maintain the property in conservation status in perpetuity; and

WHEREAS, the Tribe has attempted to purchase the property originally described in the grant (target property); and

WHEREAS, the owner of the target property has decided not to sell it at this time; and

WHEREAS, an adjacent property is available for purchase and is an integral part of the overall restoration effort planned by the Tribe; and

WHEREAS, the replacement property meets the eligibility criteria, and the intent of the Riparian Protection Account; and

WHEREAS, adoption of this scope change supports the Board's strategic goal to protect and restore habitats;

NOW, THEREFORE, BE IT RESOLVED, that the Recreation and Conservation Funding Board approves the scope change request and the proposed replacement property, and

BE IT FURTHER RESOLVED, that the Director is authorized to execute the necessary amendments.

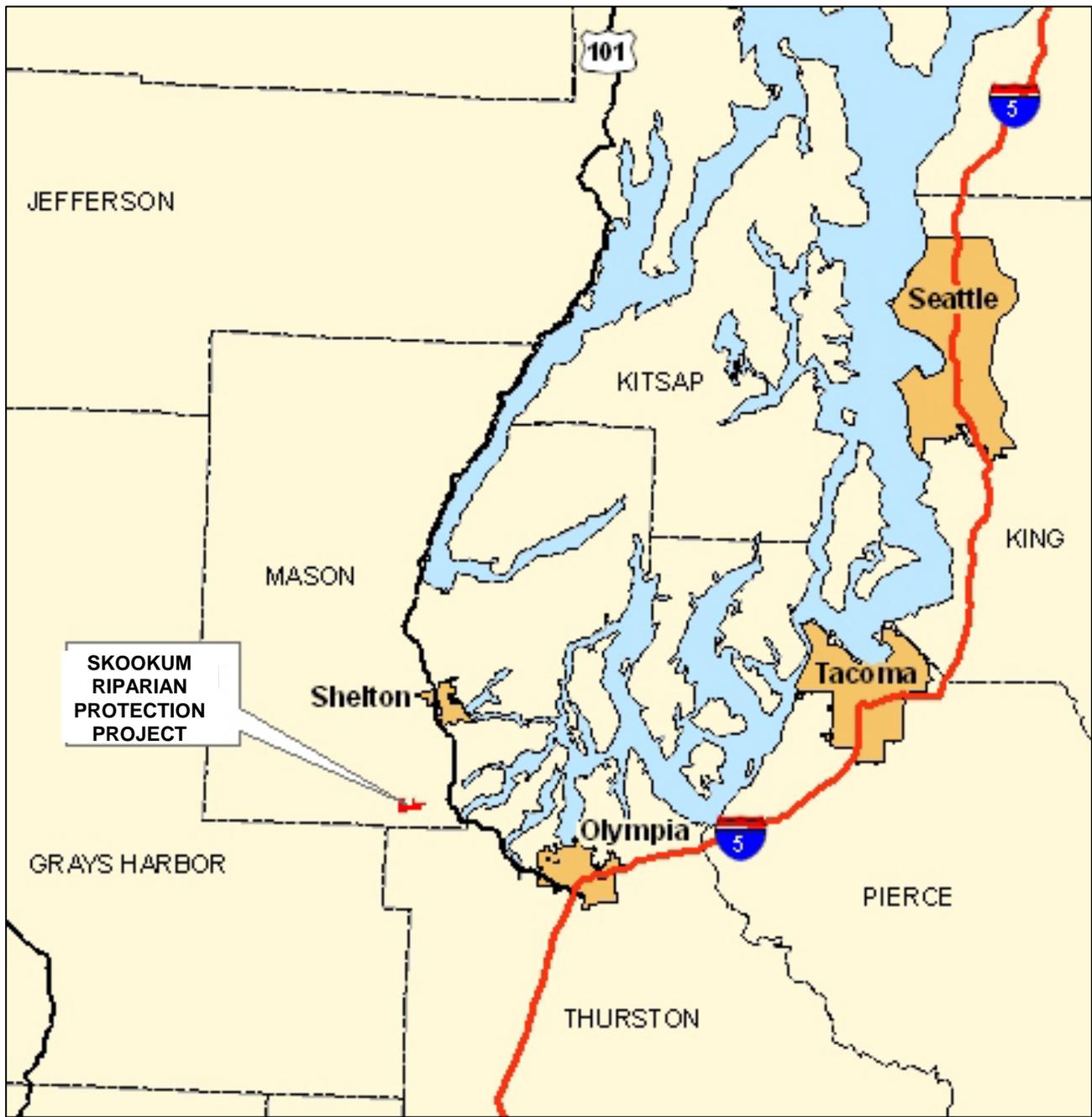
Resolution moved by: _____

Resolution seconded by: _____

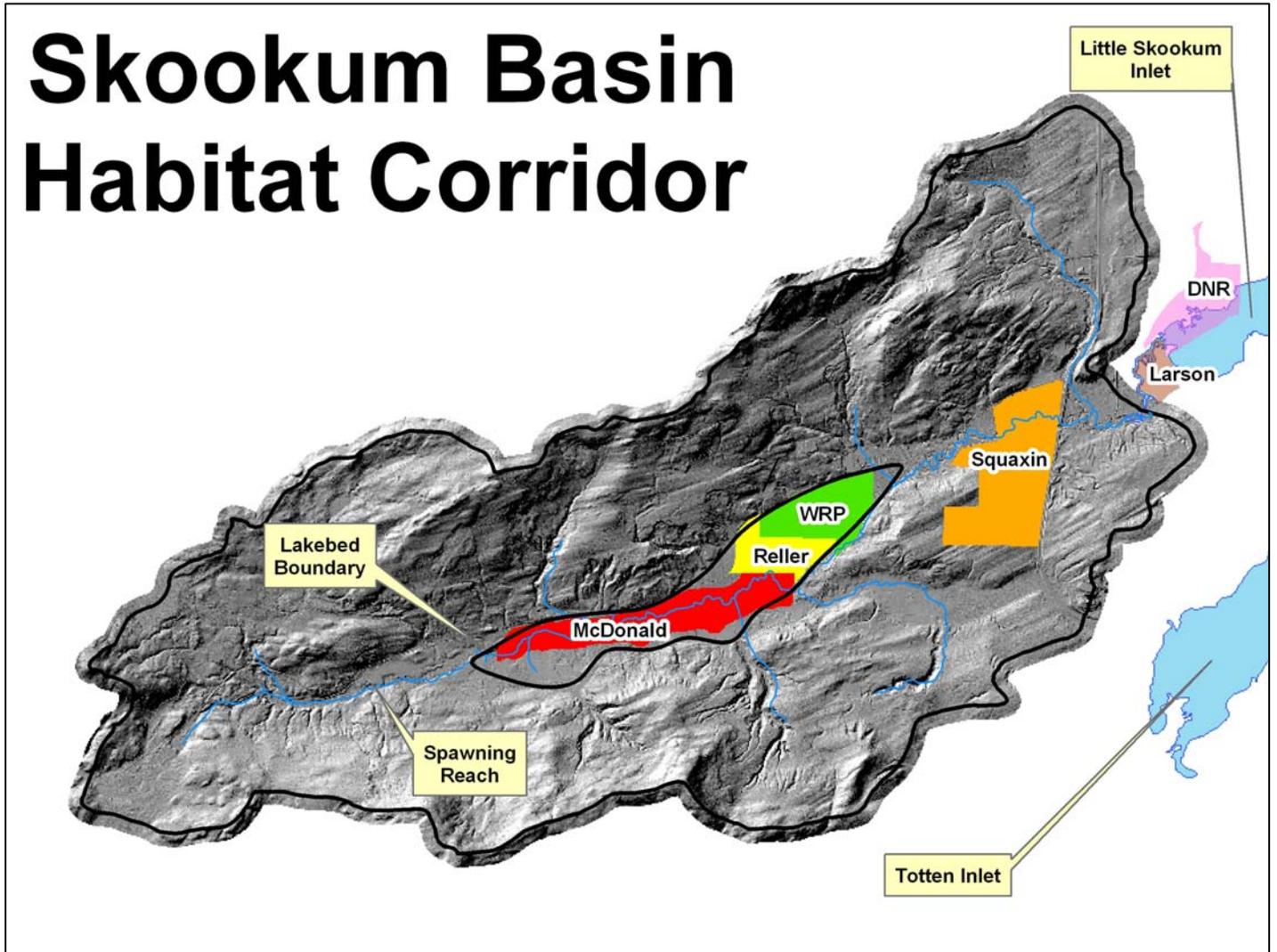
Adopted/Defeated/Deferred (underline one)

Date: _____

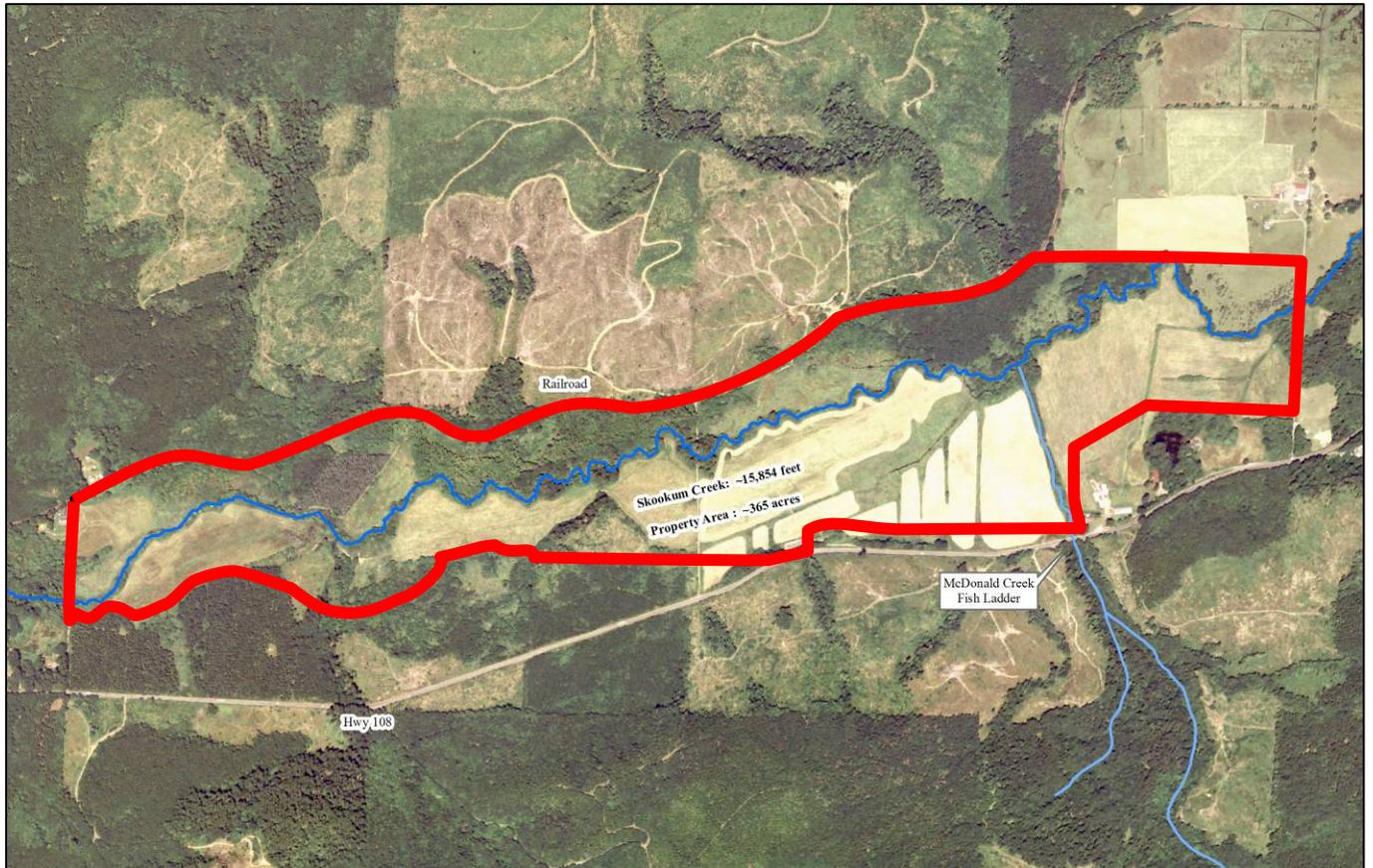
Attachment A: Maps



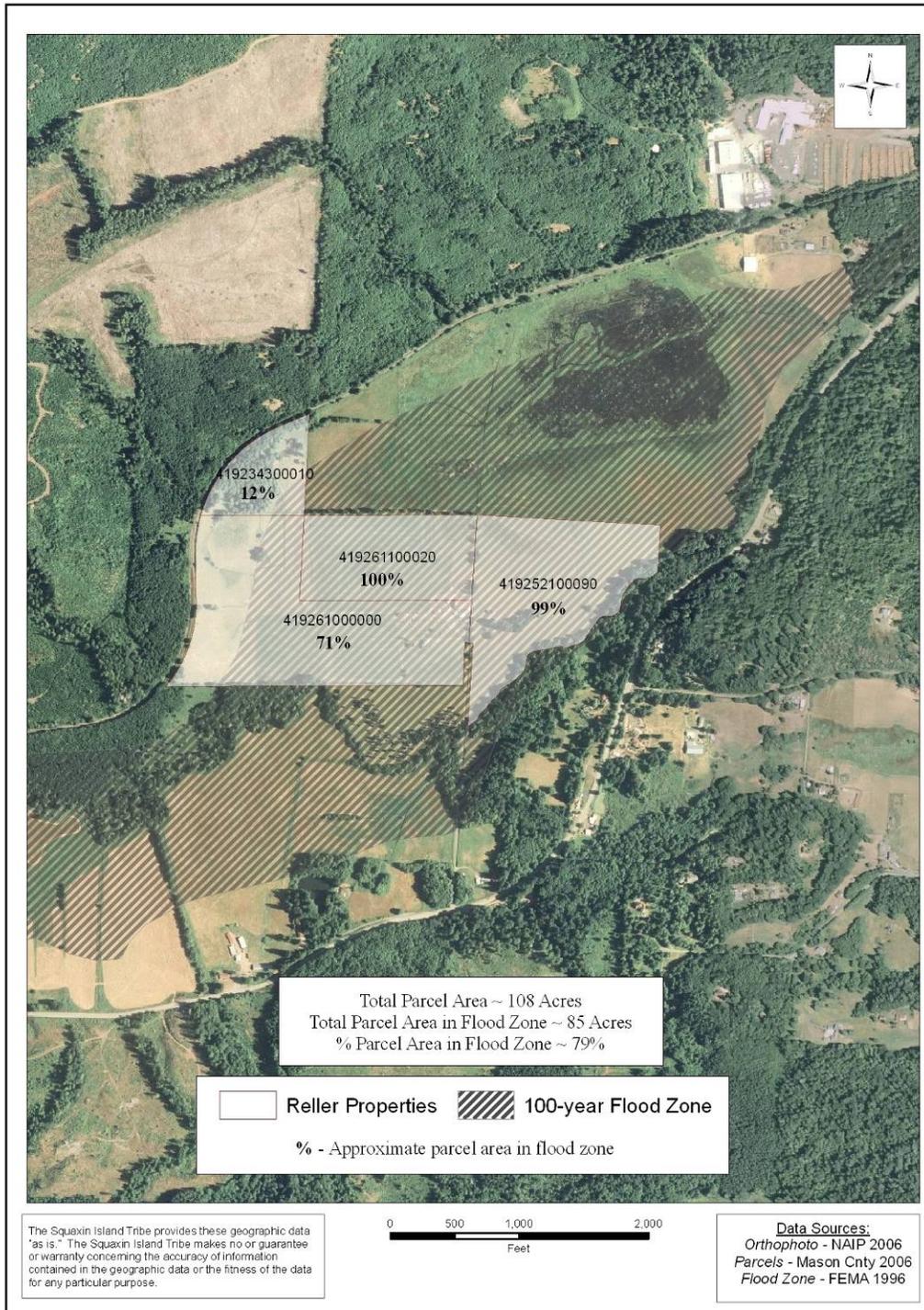
Skookum Basin Habitat Corridor



McDonald Property (current scope), highlighted with red line



Reller Property (proposed scope)



Attachment B: Addressing the Riparian Protection Evaluation Criteria for the Reller Property

Skookum Riparian Protection Proposal WWRP Scoring Criteria—Riparian Protection Account

1. Riparian Habitat Benefits (20 points)

- Describe the specific riparian habitat benefits for this project.

Direct ownership of the Reller riparian habitat will allow reforestation activities and LWD supplementation to proceed and lead to decreased soil erosion and improved channel geometry and water quality. As a result of these changes, habitat will diversify and expand to provide additional spawning or breeding, rearing and migration corridors for many fish and wildlife species.

- What riparian habitat types exist on site (e.g. wetland, stream, estuary, etc.)? What is the quality of the existing riparian habitat?

The Reller acquisition includes 2000 feet of Skookum Creek plus 85 acres of associated wetlands and floodplain. The quality of the riparian habitat is degraded by agricultural activities, but it has significant restoration potential.

- How was the riparian area defined?

The FEMA 100-year floodplain was used to delineate land adjacent to the creeks that drive the ecological processes necessary to provide functional riparian and aquatic habitat for fish and wildlife species.

- How much of the proposed acquisition is classified as riparian habitat?

A minimum of 85 acres (79%) is classified as riparian habitat.

- If acquisition of non-riparian property is included, address the need to acquire this type of land (e.g. extra buffer, landowner requires, etc).

The proposed boundaries were chosen primarily for ease of management.

- What are the ecological and biological characteristics of the proposed acquisition? What level of species diversity exists? Are there sensitive species on site?

The geologic units underlying the property are dominated by up to 100 feet of blue, lacustrine clay. Since the riparian zone was logged over 100 years ago, Skookum Creek has incised down 5-10 feet into the lakebed to the top of the clay and

completely disassociated itself from the floodplain. Before the incision, the creek likely crossed the lakebed through extensive wetlands, remnants of which remain on the Reller property and downstream. The area likely functioned as significant rearing habitat for salmonid species, breeding habitat for amphibians and waterfowl, and as a migration corridor for other wildlife species like elk.

DWF priority species include mountain quail, osprey, purple martin and bald eagles. A concentration of waterfowl is just downstream and elk frequent the property. Salmonid species include coho, chum, steelhead and cutthroat trout.

2. Planning Priority (20 points)

- Is this project identified or recommended in a watershed planning process under chapter 90.82 RCW, salmon recovery planning under chapter 77.85 RCW, or other local plan, such as a habitat conservation plan?

The South Puget Sound Salmon Recovery Group included a recommendation to acquire high priority habitat in the Skookum basin in its three year project list.

- Is this project supported by any local land use plan, regional recreation or resource plan? Does the project help implement a local comprehensive plan or shoreline master plan?

The Reller acquisition is supported by the Squaxin Island Tribe Skookum Watershed Fish and Wildlife/Riparian Habitat Acquisition and Protection Action Plan. The plan identified five properties as high priorities for acquisition including the Reller property.

The Reller acquisition is also supported by the Water Quality Improvement Report for the Tributaries to Totten, Eld and Little Skookum Inlets. The Reller property has some of the largest shade deficits along the creek. Acquisition of the property will allow reestablishment of native vegetation in the buffer to eventually bring shade levels up to full site-potential values.

Acquisition of the property will further the Fish and Wildlife Habitat Conservation Area provisions in the Mason County Resource Ordinance which are designed to strengthen the Mason Shoreline Master Plan.

- Describe the plan(s) and identify how it addresses acquisition of riparian habitat. Has the plan(s) been adopted by a governing body? How does this proposal help meet the goals and/or strategy of the plan(s)? How important is this project in comparison to other potential projects?

The Squaxin plan reviews 22 basins in the Tribe's Treaty Fishing Area. Two basins were ranked as highest priority because of their potential for biological recovery—

Skookum and Coulter. An Ecosystem Diagnosis and Treatment analysis of Skookum Creek identified the middle reaches in the ancient lakebed as highest priority for protection.

Three properties encompass the lakebed—McDonald Land Co., Reller and the USDA Wetland Reserve Program (WRP) site. The WRP property has a conservation easement in place.

The Squaxin Island Tribal Council adopted the plan to protect fish & wildlife/riparian habitat in the Skookum basin on May 25, 2006. Acquisition of the Reller property will advance significantly the protection strategy outlined in the Squaxin plan.

3. Site Suitability and Project Design (20 points)

- Is this site linked to other quality habitats? Is this site linked to other protected habitats?

Yes, just upstream of the site is a primary spawning area for Deep South Sound Coho and Upper Skookum Creek Fall Chum salmon at RM 6-8. Just downstream is a property under a USDA WRP conservation easement—it includes significant remnant wetlands. The Skookum and Kennedy elk herds frequent the entire ancient lakebed area. Farther downstream on Squaxin property, the Tribe has designated a creek buffer over 300 feet wide and begun reforestation and LWD supplementation. At the mouth, a large portion of the estuary is encompassed in the DNR Skookum Inlet Natural Area Preserve.

- What are the surrounding land uses including up, down, and across the stream or shoreline?

The primary land use is forestry—Green Diamond and Port Blakely own and manage much of the surrounding land.

- What are the future potential additions to the public land base in the area? Is this site an “anchor site” for future opportunities?

The ability to coordinate protection and restoration activities on all three properties and encompass the entire lakebed provides an unparalleled opportunity for biological recovery in the Puget lowlands. These activities coupled with an expansion of the DNR Natural Area Preserve to include the 80 acre Larson property and improvement of the migratory corridor on Squaxin land address habitat tied to the critical life history stages for salmonid species—spawning, rearing and migration—as well as other wildlife species.

- How is this project supported or not supported by local critical areas ordinances?

The Mason County Resource Ordinance includes a designation of Fish and Wildlife Habitat Conservation Area. Mason County states that they will use Tribal databases to identify land for this classification. The Mason County Resource Ordinance lists bald eagle, great blue heron, Roosevelt elk, and mountain quail as sensitive species, all of which are found on the Reller acquisition.

- What level of protection will be placed on the property? Will the site be protected in perpetuity?

The site will be protected in perpetuity. The Squaxin Island Tribal Council approved Resolution No.06-65 stating that the acquisition will be used as a habitat conservation area. At most, passive opportunities for recreation like trails for wildlife viewing might be developed.

- If restoration is not included in this proposal, but needed, what is the plan for conducting restoration? Is funding secure to implement future restoration activities?

Habitat restoration is not part of this proposal, but the Squaxin Island Tribe intends to reforest the acquisition and supplement LWD in the stream channel. Squaxin has already received a Watershed Restoration Grant for \$109,286.00 from the Bureau of Indian Affairs to begin reforestation of the Reller acquisition.

4. Immediacy of Threat (15 points)

- What are the potential threats to the loss of riparian habitat at this property? How do these threats affect the function of the riparian habitat?

If sale proceeds via a real estate company, the Mason County Resource Ordinance will apply and protect up to 150 feet of buffer on each side of the creek. Additional development will further degrade the fish and wildlife habitat from its current status by increasing impervious surface with all the subsequent environmental impacts. It will also prevent large-scale restoration to an improved, reforested status.

- Are the potential threats new or on-going? Are the threats abatable?

The proposed sale is a recent issue—it is abatable with state financial assistance.

- How will this project address these threats?

--by acquiring the property for habitat conservation and preventing future development.

- What other alternatives exist to address these threats?

--none likely to succeed.

5. Project Support (15 points)

- Describe the community support for the plan(s) that identifies this project as a priority. Describe the community support for this proposal specifically.

The Squaxin Island Tribal Council has reviewed both the plan and this specific proposal on three occasions. Both have been endorsed by the Council on behalf of the 800 enrolled Tribal members and the greater community.

- What project partners are involved?

Currently, the Bureau of Indian Affairs has awarded funds for reforestation of the acquisition. Consultation with nearby timber companies is underway to expand the partnership.

6. Public Access Opportunities (15 points)

- Does this project include any passive recreation opportunities for walking, wildlife viewing and observation?

Yes, viewing the elk herd, waterfowl migration and salmon migration are all possibilities. A parking facility and trail system will likely be developed in the coming years.

- Does this site have any educational or scientific value?

Ownership of the lakebed provides an opportunity for large-scale habitat restoration unusual in the Puget lowlands. A quantitative measure of project success can be developed based on coho out-migration and an adaptive management program.

Site access is unusually easy with a state highway on one side and the railroad on the other. Completion of scientific research is very likely because the acquisition is upstream of the Squaxin homeland and it serves the interests of the Tribe.

7. On-Going Stewardship and Management (10 points)

- What is the on-going stewardship and management plan for the site? What level of stewardship is required for this proposal?

The Squaxin Island Tribe intends to return the acquisition to as close an approximation of properly functioning ecological condition as possible. It will require direct intervention during the first 10-50 years, but eventually the property will become self-sustaining.

- What is the plan for inspection and enforcement of any easement acquired?

The Natural Resources Department at Squaxin will have responsibility for inspection of activities in the habitat conservation area and in cooperation with local and state agencies, enforcement against any violations.

- How will noxious weeds and invasive species be controlled?

Initially Squaxin will contract with Reller to mow pasture not yet converted to forest.

- What is the source of funds for stewardship and management of the site?

Squaxin Island Tribe.

- How does the mission and authority of the applicant demonstrate the organization's capacity to manage the site?

As an Indian Tribe with a legal interest in the area's natural resources, Squaxin has the internal capacity to manage the site and can draw upon the resources of the Northwest Indian Fisheries Commission for scientific support.

- What is the probability of success for this project? What is the project sponsor's experience with riparian habitat land management?

The Squaxin Island Tribe has a long history of riparian land management and provides a governmental body with a very successful record of habitat restoration.