

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: D-1

DATE: September 11, 2008

SUBJECT: Local Improvement District 97-1 (LID-97) Mitigation Plan

CONTACT PERSON: Deborah Knight, City Administrator *D. Knight*

ISSUE:

The issue before the City Council is to receive an update on the effort to develop a mitigation plan acceptable to the Army Corps of Engineers and the State Department of Ecology for impacts associated with the City's sewer line project (LID-97).

STAFF RECOMMENDATION:

Review the Executive Summary (Attachment A) of the City of Sultan LID 97-1 Wetland Mitigation Plan (July 18, 2008)¹ prepared by Graham-Bunting and Associates for consideration by the Army Corps of Engineers.

Ask questions and direct staff to areas of concern.

SUMMARY:

On August 22, 2008, the City transmitted a wetland mitigation plan (Plan) to Kristina Tong at the Army Corps of Engineers. The proposed Plan addresses impacts to wetlands adjacent to Wagley's Creek which were disturbed during the construction of a sewer extension (LID-97) adjacent to the creek between Sultan Basin Road and Rice Road.

During construction of LID-97, permitted wetland impacts were exceeded from .54 acre to 1.82 acres. The unanticipated impacts resulted from discharge of slurry through level spreaders during dewatering construction phase of Wagley's Creek.

The City was contacted by Ms. Kristina Tong of the Army Corps of Engineers on December 7, 2006 requesting that the City submit as built drawings of the mitigation plan. The City responded by hiring Graham-Bunting Associates (GBA) to prepare a mitigation plan that was achievable. GBA contacted Ms. Tong and agreed that the

¹ A full copy of the report is available upon request.

current existing conditions needed to be documented as a starting point for the preparation of a mitigation plan.

Existing recovery conditions and prior to construction conditions have been recorded in a table by GBA during the fall of 2007 and is attached to the Bank Use Plan.

Based upon these recovery conditions, the Corps determined the City must mitigate for the wetland impacts as originally proposed with the exception of a .14 acre enhancement credit to be reduced from the original amount of proposed enhancement acreage.

The amount of mitigation the Corps has requested is 1.29 acres of created wetlands and 1.26 acres of enhanced riparian wetland and buffer areas.

Created Wetlands

At the recommendation of Graham-Bunting Associates, the City is proposing a bank use plan to satisfy the 1.29 acres of wetland creation requirement through the purchase of wetland "credits" from the Snohomish County Basin Mitigation Bank (Bank) located south of Monroe. The City of Sultan is located in the service area of the Bank.

Purchasing credits through the Bank is necessary due to the difficulties in finding an appropriate site for wetland creation and a willing landowner. The cost of the credits is still under negotiation. Staff will return to Council to discuss the fiscal impact once the Army Corps of Engineers and Department of Ecology approve the Plan. Approval of the proposed Plan is still uncertain and will likely not be completed until the first quarter of 2009.

On-site Mitigation

The 1.26 acres of enhanced wetland and riparian areas will be accomplished on-site. The proposed on-site area will enhance wetland buffers and riparian buffers on the Hammer PUD adjacent to Wagley Creek. The City will need to negotiate access easements to improve the site area. The objectives of the on-site mitigation is to:

1. Remove invasive species including reed canary grass and blackberries
2. Install native shrubs and trees
3. Improve water quality functions through shading
4. Enhance wildlife habitat
5. Administer a maintenance and monitoring program to ensure success

The City has contacted the Snohomish Conservation District to discuss potential partnerships to implement the on-site mitigation and long-term maintenance and monitoring. City staff are proposing to use native plants, volunteer groups such as Salmon Keepers and Earth Corps to keep the cost of on-site mitigation at a minimum.

DISCUSSION:

The City is in a difficult position. The Army Corps of Engineers expects the City of Sultan to address the impacts to wetland and riparian buffers resulting from LID-97. The City originally planned to work with adjacent property owners to develop created wetlands. Unfortunately, the relationship between the City and adjacent property owners deteriorated after the sewer extension project was completed.

The City doesn't have much leeway in meeting the Corps' requirements. A combination of on-site and purchasing wetland credits is deemed the most prudent course of action to achieve the required mitigation.

FISCAL IMPACT:

There is approximately \$104,745 remaining in the LID project fund. These are funds designated for mitigation following the project construction. The project fund is currently paying for the consulting work that is underway and will be used to pay for the wetland credits and on-site mitigation.

The City may need to use its capital project fund to make up any difference between costs and available funding in the LID project fund.

Staff will return to Council after the Army Corps of Engineers responds to the proposed Mitigation Plan prepared by Graham-Bunting Associates.

RECOMMENDED ACTION:

Review the Executive Summary (Attachment A) of the City of Sultan LID 97-1 Wetland Mitigation Plan (July 18, 2008)² prepared by Graham-Bunting and Associates for consideration by the Army Corps of Engineers.

ATTACHMENTS:

A - Executive Summary City of Sultan LID 97-1 Wetland Mitigation Plan (July 18, 2008)

COUNCIL ACTION:

DATE:

² A full copy of the report is available upon request.

**City of Sultan LID 97-1: Wetland Mitigation Plan
(Bank Use Plan & Conceptual On-site Mitigation Plan)**

Prepared for:

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July 18, 2008

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Attachments

- A. ----- Vicinity Map
- B. ----- Wetland Recovery Table
- C. ----- Wetland Impact Map
- D. ----- Critical Area Study and Innovative Development Design Plan Map

Insert Sleeve ----- Conceptual Mitigation Site Plan

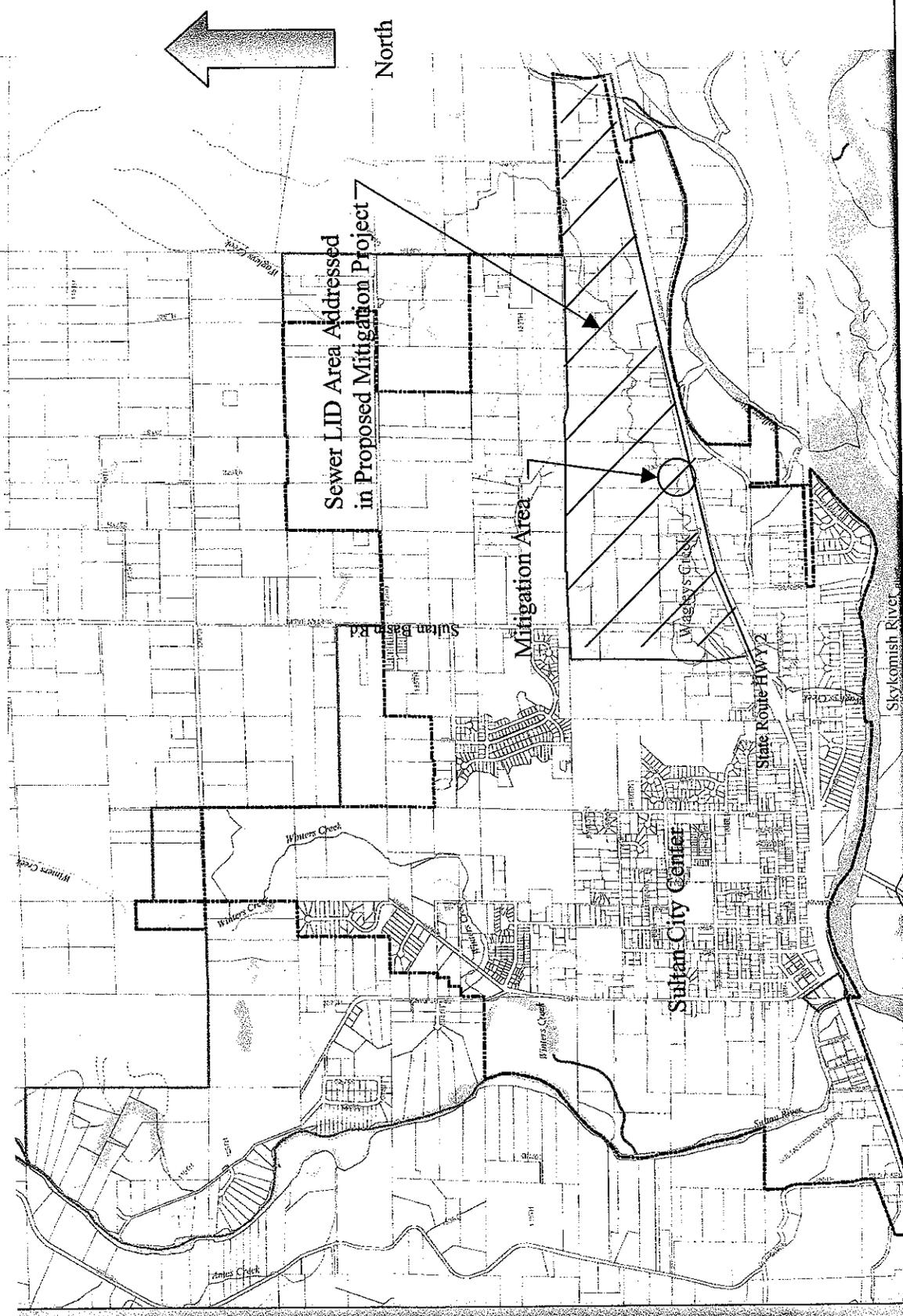
Executive Summary

Graham-Bunting Associates (GBA) have prepared a mitigation plan addressing wetland impacts, that resulted from the installation of a sewer line in conjunction with the City of Sultan's Local Improvement District (LID) 97-1 project. The LID project provides public sewer to the City's Economic Development & Highway Business Zone. Construction of the sewer line began in the fall of 1999 and was completed in September 2001. A permit from the Army Corps of Engineers (Corps) was obtained and a 401 Water Quality Certification from the Department of Ecology (DOE) was issued. During construction wetland impacts totaled 1.82 acres which exceeded the .54 acres authorized by the Corps. The unanticipated impacts resulted from discharge of slurry into wetlands during dewatering of Wagley's Creek. As a result, a mitigation plan was prepared by Jones and Stokes (2002) and approved by the Corps and DOE. The plan was unachievable due to the unwillingness of landowners to allow the City's proposed mitigation to take place on their properties. In 2006, the Corps determined that the City was in continued violation of permit conditions.

GBA have worked with the City to develop mitigation measures to resolve the Corps violation. A review of existing conditions was conducted during the summer and fall of 2007. While natural recovery through root and seed bank recruitment was observed at most wetland impact sites, the Corps determined that temporal impacts continued to require mitigation. Direction from the Corps (Kristina Tong 1/30/08) required that mitigation be provided through 1.29 acres of wetland creation and 1.26 acres of enhanced wetland and riparian areas. GBA propose to address the mitigation requirements through two methods. The 1.29 acres of wetland creation will be achieved off-site at an authorized wetland mitigation bank. The 1.26 acres of wetland/riparian area enhancement will occur on-site adjacent to the primary aquatic feature of the project area: Wagley's Creek. The proposed mitigation is described in this document and includes 2 parts. Part 1 is a Bank Use Plan prepared in accordance with Corps guidance and Part 2 is an On-site Mitigation Plan.

Part 1 – The City of Sultan proposes to purchase mitigation bank credits at the Snohomish Basin Mitigation Bank (SBMB) owned by Habitat Bank, LLC. The City of Sultan is located within the service area of the SBMB. GBA have confirmed that credits are available at the bank. The rationale for utilizing the bank is that temporal loss of wetland functions for a period of approximately seven years requires mitigation in the form of 1.29 acres of wetland creation. While it is recognized that temporal impacts have occurred, no critical wetland functions that would require on site mitigation will be affected. Finally, identifying and acquiring appropriate areas within the project area for on-site mitigation has been unsuccessful.

Part 2 - The City of Sultan proposes to enhance 1.26 acres of degraded riparian wetland, wetland buffer and riparian buffer on-site within the LID project area. Proposed enhancement activities will occur on a parcel of land known locally as the Hammer Property. Enhancement activities will be conducted adjacent to Wagley's Creek and include the removal of invasive plant species and the installation of native trees and shrubs. The plan is intended to enhance diversity of plant structure and increase species richness. The plan will add 20 – 30% conifer cover within the buffer which, over time, is anticipated to improve riparian functions including floodflow attenuation, water quality and an attendant increase in habitat for fish and wildlife species.



City of Sultan LID 97-1 Mitigation

No Scale

Vicinity Map

Attachment A:

Attachment B

Habitat Bank, LLC

Wetland Mitigation Banks

Home Snohomish Bank LWSW BANK Southwest WA Banks Using the Banks MB Overview Contact Us Press Coverage and Links



HABITAT BANK LLC • Federal Rule Changes Preference For Mitigation

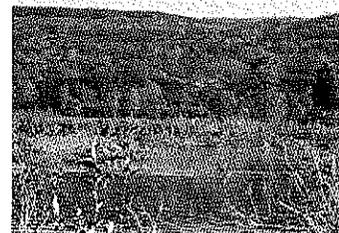
What we do

Habitat Bank develops and operates wetland mitigation banks in Washington State. Habitat Bank was the first company to have a wetland mitigation bank approved through the Washington State Department of Ecology pilot banking program. The **Snohomish Basin Mitigation Bank (SBMB)** was approved by the Department of Ecology, US Army Corps of Engineers and Snohomish County in August 2005. The SBMB serves the Snohomish, Snoqualmie and Skykomish watersheds (WRIA7) and has wetland mitigation credit available for sale.

Current Mitigation Banking Projects

Columbia River Mitigation Bank

Habitat Bank has partnered with the Port of Vancouver to develop the 162 acre Columbia River Mitigation Bank. This bank will service the Columbia River floodplain in Clark, Cowlitz and Skamania Counties. Credits will be available in 2008.



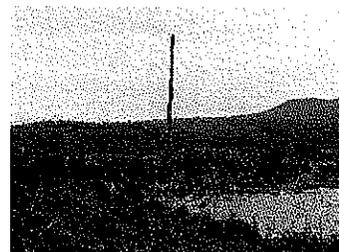
Lake Washington-Sammamish Watershed Bank

The Lake Washington-Sammamish Watershed Bank will serve King and Snohomish Counties, WRIA 8 and the Lake Washington and Sammamish watershed. The 120 acre site is located in Redmond and will provide up to 80 acres of re-established wetlands. The proposal is being evaluated by the Mitigation Bank Review Team currently and credits should be available in 2009.



East Fork Lewis Mitigation Bank

The East Fork Lewis Bank will restore approximately 100 acres of wetland habitat and provide mitigation credits for the rapidly developing East Fork Lewis Watershed, including portions of Battleground, Ridgefield and La Center including drainages such as Gee, Allen and the upper end of Mill Creek. Credits should be available in early 2009.



Battleground Mitigation Bank

Located in the City of Battle Ground, the Terrace Mitigation Bank will restore approximately 60 acres of wetland habitat and provide credits for much of Clark County.

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Habitat Bank, LLC

Wetland Mitigation Banks

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Snohomish Basin Bank Service Area



[Click Map To Enlarge](#)

The service area for the SBMB is WIRA 7 below the 2500 foot elevation down to the beginning of the Snohomish River estuary approximately 2 miles down stream or to the north of where Hwy 2 crosses the Snohomish River in Everett. This includes major portions of the Skykomish, Snoqualmie, Pilchuck and Snohomish River watersheds.

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