State of Washington DEPARTMENT OF FISH AND WILDLIFE

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DATE: March 2, 2006

Ron Henrickson, Director Community Development and Planning 135 Rhone Street P.O. Box 947 Friday Harbor, WA 98250

Dear Mr. Henrickson:

Re: SEPA Determination of Nonsignificance (DNS) – East Orcas Water Supply Report and Recommendations

Thank you for agreeing to extend the comment period for the above-mentioned document. WDFW appreciates the time and effort that you have spent researching and writing the *East Orcas Water Supply Report and Recommendations* (herein referred to as the Report) so that the County can better evaluate and plan how to best manage the limited water resources on Orcas Island. Outlined below are comments that we hope you will find constructive and help provide more protection to the fish and wildlife resources in the vicinity of the study area.

Although WDFW recognizes that the proposed DNS is for a non-specific project, (i.e., adoption of the recommendations contained in the Report), future actions may be required that could have significant detrimental impacts to fish and wildlife. It is my understanding that there are several other proposals regarding water rights that have been ongoing for some time in this area. WDFW will want assurances that potential cumulative impacts from actions not associated with the Report will be recognized and addressed in the document. It will be very important that the Report contain language that will acknowledge the importance of fish and wildlife resources in the area and make every effort to identify what actions will be taken to ensure protection of those species.

A checklist was included in the DNS SEPA determination. WDFW noticed that there were several sections where detail was lacking. Checklist #4b (Plants) and #5b (Animals) asked to list any threatened or endangered (T&E) *species* (italics added) on or near the study area. Regarding plants, the County stated that that many of the County's T&E species are located within the East Orcas area, but the County did not list what those species are. Number 5b on the checklists also asks for species, but only generic information was provided, i.e., "Salmonids" and "birds". Because the size of the study

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area is rather large, and, because future actions in the area could have significant detrimental impacts on fish and wildlife, WDFW recommends that more detail be provided in these sections.

Item #8h in the checklist asks if any part of the site has been classified as an "environmentally sensitive" area, and if so, specify. The County identified that Wetlands and Critical Aquifer Recharge Areas were present, but did not include the streams, tributaries and lakes located in the area. This information should also be included in the checklist.

The SEPA DNS decision issued for the Report, as written, could have significant impacts to fish and wildlife resources. WDFW recommends incorporating the following suggestions below into the draft document:

Page 4: This section contains the problem statement and lists 12 issues that are of concern to the County. WDFW noticed that there is no statement here about what needs to be done in the event that there is not enough water to accommodate both fish and wildlife resources and human needs. A statement should be included in this section that says the County will investigate options such as purchasing lands and the transfer of development rights so as to avoid development in areas where there is not enough water to accommodate future growth and protect fish and wildlife resources. Property tax incentives should be mentioned as another way to encourage conservation on private lands.

Page 5, East Orcas Water Supply Planning: Goals and outcomes: This section outlines the various goals and outcomes for water supply planning. Among them are assessments of water availability and development of a cooperative management agreement plan for human use and habitat protection. Although there are six goals and outcomes listed, there is nothing in this section that says evaluations of fish and wildlife resources will need to be conducted in the area. This should be a very important part of the plan, especially since Cascade Creek is the only watershed in San Juan County with documented salmonids. The study area contains habitats that are unique to the County and great care should be taken to evaluate the plants and animals in the area. At a minimum, this section should contain a statement about the need to conduct a fish and wildlife critical area study to determine whether or not there are T&E species, Priority Habitat and Species (PHS) and Species of Local Concern that utilize the study area.

Hydrology is another goal and outcome that should be added to this section. In addition to the stream mentioned above, there is also a wetland within the study area. It will be very important to evaluate if new water right allocations, or changes to existing water rights, will adversely affect the hydrology of streams and wetlands in the area. Even though water may only be removed during seasonal high flows, wetland habitat could be adversely affected depending upon how much water is removed from the system.

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Page 6, #5, Development recommendations for county code revisions to require water conservation measures and low impact development standards: WDFW is pleased to see that low impact development is addressed in this section. In addition, we recommend that exempt wells be included here. It is my understanding that actions are being taken to revise this, but you may want to mention that this is being done, for the benefit of the general public and agencies with jurisdiction that will be reviewing this in the future.

Finally, the goals and outcomes section should also contain an additional header that addresses actions that may need to be taken in the event that there is not enough water for human consumption and use, and fish and wildlife resources. As mentioned above, the County should identify the potential need for transferring development rights, government land buy-out or tax incentives for property owners in order to avoid or slow down land development in areas containing limited water resources.

Page 13, Water system capacity to serve: Although this section discusses existing studies, reports, and surface water supplies that may be available for human consumption and use, there is very little discussion about the needs of fish or wildlife in the area. The last paragraph on page 14 briefly mentions that Ecology was consulted to initiate a process to determine instream flows for Cascade Creek and based on that study, it was determined that the creek flows are not adequate to support salmon spawning and rearing. This statement is contrary to research that has been conducted in this area that demonstrates (photos included) that this stream in fact does support coho, chum and searun cutthroat spawning and rearing habitat. Regardless of what the numbers say, fish have been observed, photographed, and studied in this watershed by WDFW at least since 1992. A full study of fish presence, including artificial production, should be part of the plan.

Page 21, Early action recommendations, in the process of implementation: This section mentions the need for additional instream flow data for Cascade Creek and says that 1) it would like to see an in-depth study to determine if fish actually spawn in the creek and 2) to determine what the actual biologic needs for salmonids are in streams of this type. Based on an e-mail correspondence from Brad Caldwell (DOE) to Hal Beecher (WDFW) and Rod Sakrison (DOE) on July 22, 2002, spawnable fish gravel was observed in Cascade Creek. In addition, one of the local citizens video-taped fish spawning in the Creek. If additional information is collected by the County, WDFW recommends that artificial production (i.e. egg boxes, remote site incubators, or hatchery plants be included in the evaluation, as well.

Because of the many dams and water diversion projects in Washington state, there is a large volume of data available that addresses the question of the biologic needs for salmonids in watersheds like Cascade Creek. The morphological features of Cascade Creek are very typical of what is observed in creeks that are manipulated by humans – namely, excessive flows in the winter and insufficient flow in the summer and fall. Many, if not most, of these streams support salmonids, in spite of degraded conditions that are responsible for these water regimes

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Finally, it is not uncommon for an instream flow study to determine that optimal flows for salmonid production are higher than the natural low flows. Rather than a problem with the data, this reflects that small streams just do not have any additional water available for out of stream uses. The flow that is present supports a population of fish and adding more flow during critical times of year can increase survival or carrying capacity. WDFW would be more than happy to work with you on these issues. Some of the questions raised in this section about fish use can be readily answered by WDFW staff biologists.

Page 21, #2, 1st bullet: WDFW recommends that you add "wildlife" in this sentence. A study by the Riparian Habitat Technical Committee (1985) determined that out of the approximately 480 wildlife species in Washington state, 60% are found in wooded riparian habitats.

Finally, WDFW has concerns with statements that were contained in the Minority Report (attached as Appendix D in the Report) by Sandy Taylor, a local citizen who lives on Orcas Island. According to Mr. Taylor, the ongoing instream flow studies on the Mountain Lake Watershed are "double" counted because in reality, water that is currently being diverted from the creek is actually coming back into the creek downstream of the area where it is being diverted. I spoke with Steve Boessow, the WDFW biologist who has been at the Cascade Creek site, and he confirmed that this could be a possibility. On June 7, 2005, Steve, along with Department of Ecology employees Jacque Klug and Jim Pacheco, observed 100% of the flow being captured by the Rosario Utilities Diversion and photographed the dry streambed below the diversion dam. Sampling about 1 mile downstream he measured 1.25 cfs discharge in Cascade Creek. Because of this, it will be of utmost importance that a hydrologist examine the watershed in order to get an accurate picture of water movement and soil conditions within the watershed.

The Washington Department of Fish and Wildlife wishes to thank you again for the opportunity to provide comments on the above-mentioned document. Please don't hesitate to contact me at the number listed below with any questions that you have regarding the comments and recommendations contained in this letter. You can also contact Steve Boessow at (360) 902-2410 or Hal Beecher at (360) 902-2421 for questions regarding fish use at Cascade Creek. Sincerely,

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References

Riparian Habitat Technical Committee. 1985. Forest Riparian Habitat Study, Phase 1 Report. No. WDOE 85-3. 203 p. Washington Department of Ecology, Olympia, WA.