

**QUIL CEDA VILLAGE**  
**IN-LIEU FEE MITIGATION**  
**PROGRAM PROSPECTUS**

**NWS-2009-00024-SO**

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## **1. Introduction**

Quil Ceda Village proposes to install a fee-in-lieu (“ILF”) program to replace the loss of aquatic resource functions and services resulting from unavoidable, authorized impacts to wetlands and other waters of the United States within the Consolidated Borough of Quil Ceda Village, Tulalip, Washington (“Quil Ceda Village”). Under the in lieu fee program, when on-site compensation is not available, practicable, or ecologically appropriate, an applicant may be allowed to pay an in-lieu compensation fee (in-lieu fee) to be used for the purpose of restoring, creating, enhancing, or preserving the aquatic resource functions or services that are environmentally equal or preferable, on a watershed basis, to the functions and values of impacted aquatic resources, as determined by The Tulalip Tribes and the U. S. Army Corps of Engineers (“Corps”).

Under rules promulgated by the U.S. Army Corps of Engineers and the U.S. Environmental Protection Agency (“EPA”), compensatory mitigation is required, to replace the loss of wetland, stream or other aquatic resource functions and services resulting from activities authorized by a Department of Army permit under Section 404 of the Clean Water Act. Pursuant to mitigation rules published by EPA and the Corps (33 CFR 325 & 332; 40 CFR 230), this prospectus establishes the procedures and guidelines for an in-lieu fee compensatory mitigation program for development projects within the Quil Ceda Village requiring U.S. Army Corps or Tribal permits.

The Tulalip Tribes, to protect its aquatic resources and treaty rights, requires no net loss of wetland functions and net gain in wetland area, through its Comprehensive Plan and the Tulalip Zoning Ordinance. Mitigation is required to compensate for wetland impacts in order to achieve no net loss, as well as for impacts to streams and other aquatic resources.

As a municipal corporation, the Consolidated Borough of Quil Ceda will be the project sponsor and administrator of the ILF program. Quil Ceda Village will accept fees from potential lessees within Quil Ceda Village boundaries, as compensatory mitigation for authorized wetland and other aquatic resource impacts, then pool these funds and install mitigation projects as the responsible party for ensuring compensatory mitigation for the loss of functions and services of aquatic resources within its municipal boundaries. Quil Ceda Village will partner with the Tulalip Tribes Natural Resources Department as the agency responsible for developing and implementing projects. The proposed service area for implementation of mitigation projects is the entire Quilceda watershed, with a priority given to projects within Quil Ceda Village subwatersheds, and Tulalip Reservation boundaries. Impacts will be limited to within Quil Ceda Village.

Quil Ceda Village has prepared a Compensation Planning Framework that compiles various watershed planning documents, and provides a prioritization of types of watershed restoration projects and preservation of aquatic resources needed in the Quilceda watershed. This Framework will be the primary source of information for project planning and prioritization.

## ***2. Need for the proposed Fee-in-Lieu program***

Quil Ceda Village is considering expansion of its commercial, retail center located east of 27<sup>th</sup> Ave NE to 1500 acres of commercial and industrial-zoned lands west of 27<sup>th</sup> Ave NE. The area is the remaining undeveloped portion of the 2000-acre federal city, zoned for commercial/industrial development within the Tulalip Reservation's 22,500 acre land base. In 2001, Quil Ceda Village was incorporated as a federal city by the Tulalip Tribes to facilitate development of the area. The Tulalip Tribes have planned since 1972 to use this area for commercial/industrial development for the express purpose of establishing a stable and prosperous Tribal economic base for Tribal sovereignty. Quil Ceda Village has embarked on master planning to prepare the final conceptual development plan for the remaining undeveloped area west of 27<sup>th</sup> Ave NE.

The extensive presence of wetlands within the remaining 1500 acre area, requires development of a program for mitigation of impacts, as development proceeds. Given the small area zoned for commercial/industrial development, and the relatively long time period anticipated for development projects to occur (20 years), a mechanism is needed for consolidating and funding anticipated compensatory mitigation, within a master planning process for the municipal area. The ILF program would also provide a watershed approach for providing mitigation to match restoration needs in the watershed. Quil Ceda Village has developed a watershed-based conceptual mitigation plan with a pool of potential onsite and offsite mitigation areas that will be prioritized for use by the in-lieu fee program.

Mitigation sequencing, with its process of avoidance, minimization and compensation will be provided within the permitting process for the Department of Army or Tribal permits, prior to approval of in-lieu fee funded projects. The program will provide a mechanism for tribally- approved impacts that do not fall within Department of Army jurisdiction.

### **3. Program objectives**

The objectives of the in-lieu fee program are:

- a. To establish a mitigation program whereby development applicants or lessees within the Consolidated Borough of Quil Ceda Village (“Quil Ceda Village”) may purchase mitigation credits for lost functions and services of impacted aquatic resources, when on-site compensation is not available, practical or ecologically appropriate.
- b. To replace the loss of wetland, stream or other aquatic resource functions and services for projects undertaken within Quil Ceda Village boundaries.
- c. To provide a pooled funding base for larger and more ecologically viable mitigation projects than those otherwise available from individual lessees on a permit by permit basis.
- d. To streamline compensatory mitigation processes in order to more efficiently meet regulatory requirements, thereby facilitating both economic and environmental objectives.
- e. To provide a mechanism and source of revenue for ongoing watershed restoration planning and implementation within ancestral lands of The Tulalip Tribes, both on and off Reservation.
- f. To increase the quality of mitigation projects by long term watershed scale planning.

### **4. Terminology**

The definitions used by the Regulatory Program of the U.S. Army Corps of Engineers and the U.S. Environmental Protection Agency [330 CFR Parts 320 – 331; 40 CFR Par 230] are adopted by Quil Ceda Village for this In-Lieu Fee Program. Terms are defined below for ease of reference in this document and where not defined in the above regulatory program.

- A. Advance Credits – credits of the approved in-lieu fee program that are available for sale prior to being fulfilled with an approved mitigation plan. A schedule of allowed advance credit sales will be provided in the in-lieu fee program instrument.
- B. Aquatic Resources – areas that include both jurisdictional wetlands and rivers, streams, marine waters, open water areas, meeting the definition of

- “waters of the United States,” but also including non-jurisdictional wetlands under the authority of the Tulalip Tribes Ordinance 80.
- C. Authorized impacts - adverse effects to aquatic resources authorized by a Department of Army permit for waters of the US, or by Tulalip Tribal permit for non-jurisdictional environmental sensitive areas.
  - D. Compensatory Mitigation - the restoration (re-establishment or re-habilitation), establishment (creation), enhancement, and/or in certain circumstances preservation of aquatic resources for the purposes of offsetting unavoidable adverse impacts which remain after all appropriate and practicable avoidance and minimization has been achieved.
  - E. Corps – the U. S. Army Corps of Engineers, and its local representative
  - F. District Engineer – The local U.S. Army Corps of Engineer responsible official
  - G. Fee lands – lands owned in fee simple absolute.
  - H. Fulfillment of advance credit sales – advance credits are an obligation “fulfilled” by implementation and final acceptance of mitigation according to an approved mitigation plan at the appropriate credit ratio schedule. Once the advance credits have been fulfilled by final acceptance, an equal number of advance credits is restored to the program sponsor for sale and transfer to permit applicants.
  - I. Functions and Services – Functions are the physical, chemical, biological processes that occur in ecosystems, whereas services are the benefits that human populations receive from functions that occur in ecosystems.
  - J. Permittee – applicant to a federal 404 Clean Water permit or for non-jurisdictional impacts, to a Tribal land use permit.
  - K. Public Notice – notification of the stakeholders in order to allow them to interact in a public input process. For Reservation lands, public notice includes residents of the Tulalip Reservation. For impacts and mitigation entirely within Quil Ceda Village stakeholders are those in proximity of 300 feet, or members of the Tulalip Tribes.
  - L. Service Area – the geographic area within which impacts can be mitigated for the in-lieu fee program, as designated in its instrument.
  - M. Sponsor – The public or private entity responsible for establishing the in-lieu fee program
  - N. Treaty Rights – those rights held by the Tulalip Tribes as a successor in interest to the signatories of the Treaty of Point Elliot (1855).
  - O. Tribal Trust lands – lands owned in trust by the United States for the benefit of an Indian tribe or members of an Indian tribe.

## **5. *The proposed service area***

The Fee-in-Lieu program is for Department of Army and Tribally-approved projects impacting wetlands and other waters of the U.S. undertaken within the jurisdiction of the project sponsor, Quil Ceda Village, Tulalip, Washington. Because of the small area of the federal city, and the location of the city in the Quilceda sub-watershed basins of the West Fork Quilceda, Sturgeon Creek and Coho Creek, the greater Quilceda Watershed is proposed as the service area, or receiving area for mitigation projects. Projects are to be prioritized first of all within the same sub-watershed where impacts occur, with second priority to adjacent subwatersheds or where equal or greater ecological functions and services may be restored, enhanced, created or preserved.

The project impact area is similar in geology and hydrology to the remaining sub-watershed basins of the Quilceda Watershed, (i.e. it is located within the Marysville trough and the trough sandy recessional outwash sediments, and has similar issues of groundwater recharge, wetland loss and urbanization). West Fork Quilceda Creek flows through the Northwest corner of Quil Ceda Village to its confluence with Quilceda Creek. The Tulalip Reservation boundary extends north from Quil Ceda Village within the West Fork Quilceda subwatershed. Although the Quil Ceda Village is the project impact area, extending the service area to the greater Quilceda watershed makes ecological sense and will allow for viable projects to be developed if none are available within the Sturgeon Creek, Coho Creek or the West Fork Quilceda Creek within a suitable time frame. Extending the service area to the greater Quilceda watershed will also ensure that adversely affected wetland functions and services may be replaced by functions of equal or greater value, as determined on a watershed basis, because of the greater pool of potential projects. However, it is expected that a majority of mitigation projects will occur west of Interstate 5 within the sub-watersheds of Sturgeon, Coho or West Fork Quilceda Creek.

Because the project impact is located within The Tulalip Tribes' city of Quil Ceda Village, first priority for use of in-lieu fee mitigation dollars will be given to projects within Quil Ceda Village boundaries, in the Coho and Sturgeon Creek watersheds, then to projects within the West Fork Quilceda Creek watershed within Reservation boundaries. Last priority will be given to projects outside of Reservation Boundaries within the greater Quilceda Watershed., If projects are not available and if project funds cannot be expended within Quil Ceda Village or Reservation properties, within the appropriate timeframe, or if projects of a higher priority are determined by Quil Ceda Village to be located outside of Reservation boundaries, proposals for projects within the greater Quilceda watershed may be considered for use of in-lieu fee mitigation funds.

## **6. Program Overview**

Quil Ceda Village will establish a financial account, the “Quil Ceda Village Aquatic Mitigation Trust Fund,” held in an FDIC-insured banking institution, to accept in-lieu fees for the purpose of restoring, enhancing, creating or preserving aquatic resources, to replace the loss of aquatic resource functions and services resulting from unavoidable, authorized impacts from activities within Quil Ceda Village municipal boundaries.

A number of advance credits will be issued to Quil Ceda Village as the program sponsor upon signing of the in-lieu fee program instrument. Federal or Tribal permit applicants proposing projects with unavoidable impacts to wetlands and other waters of the U.S. undertaken within the Quil Ceda Village jurisdiction may request to pay a compensation fee in-lieu of other forms of compensatory mitigation, as part of their permitting process. Quil Ceda Village will accept in-lieu fee payments for authorized impacts following a schedule of costs and mitigation ratios approved in this program, and in accordance with the advance credits available to the program.

The Corps will be assisted in review of documentation for the establishment and management of the in-lieu fee program by an Interagency Review Team (IRT). The IRT will be composed of representatives of the Corps of Engineers, Environmental Protection Agency, U.S. Fish and Wildlife Agency, and National Marine Fisheries, as well as The Tulalip Tribes. The Interagency Review Team will first of all review and provide comments to the District Engineer on the proposed in-lieu fee program prospectus and draft instrument. Following establishment of the program, the Department of Army will consult with the IRT and provide the IRT with proposed mitigation plans as well as annual monitoring reports and ledger accounting reports of the program account for IRT review and comment.

Quil Ceda Village has developed a Compensation Planning Framework (attached) to identify existing aquatic resource restoration needs on a landscape scale within the service area, and to prioritize aquatic mitigation project activities by resource type. A prioritization of mitigation by resource type (wetland Cowardin class, HGM, and Washington State wetland rating and stream category and as well as functions and services) and watershed area will be established and used as the basis for mitigation project selection for use of in-lieu fee program dollars.

Quil Ceda Village will develop a project portfolio which identifies potential mitigation projects for restoring, enhancing, creating and/or preserving aquatic resources within the sub-watersheds of Quilceda Creek. To create the portfolio, the Tulalip Tribes Natural Resources Department (“Natural Resources”) will develop proposals for implementing mitigation projects, and submit these to Quil Ceda Village. Natural Resources will use the Quil Ceda Village conceptual mitigation plan and the Compensation Planning Framework as its guide in developing projects. As mitigation dollars become available in the Quil Ceda Village Aquatic Mitigation Fund, Quil Ceda Village will submit proposed mitigation project proposals to the Corps for funding

approval. Proposed mitigation projects for use of ILF funds will be the subject of public notice and review by the Corps and the IRT. Disbursements from the program account will occur upon written authorization from the District Engineer, after consultation with the IRT. If project funds cannot be expended within Quil Ceda Village or Reservation properties, within the appropriate timeframe, Quil Ceda Village may alternatively request submittals of proposals from the public for projects outside of Reservation boundaries, within the greater Quilceda watershed. All projects will comply with criteria established as described in the ILF program instrument.

Quil Ceda Village will establish and maintain criteria for mitigation project proposals that provides for equal or greater replacement of functions and services by aquatic resource type (wetland Cowardin class, HGM, and Washington State wetland rating and stream category and as well as functions and services), as well as provides appropriate upland buffer areas, long term management strategies, and considers watershed goals and needs identified in the Compensation Planning Framework. In selecting projects for proposed use of in-lieu fee funds, Quil Ceda Village will give primary consideration to providing compensation commensurate with the type(s) and extent of adverse aquatic resource impacts for which in-lieu fees have been paid.

Quil Ceda Village will establish and maintain a schedule of mitigation ratios for various functions and services by aquatic resource type, as well as a mitigation cost table by aquatic resource type. Fee-in-lieu payments will follow the mitigation ratio and cost tables for authorized impacts.

Maintenance and monitoring will be required for any mitigation project utilizing in-lieu fee dollars. Maintenance and project monitoring will be established for a minimum of five years, unless project objectives and performance criteria are accomplished sooner, or it is determined through monitoring that a longer period is required. The Corps, in consultation with the IRT, will determine if a longer monitoring period is required, based on site specific considerations.

Quil Ceda Village will be the legal entity responsible for the implementation of the projects implemented with Quil Ceda Aquatic Mitigation Trust Fund dollars, including the satisfaction of mitigation terms associated with such projects. Quil Ceda Village will also provide for long term protection and management of project sites.

## ***7. Technical feasibility of the proposed in-lieu fee program***

Many aquatic restoration opportunities are located within the Sturgeon Creek, Coho Creek and the West Fork Quilceda Creek watersheds, and have been identified in previous planning documents and within the Compensation Planning Framework for this program. The Planning Framework has identified over 200 acres of potential mitigation sites within the Sturgeon Creek, Coho Creek, and West Fork Quilceda watersheds, with 50+ acres within Quil Ceda Village boundaries. An additional 500+

acres of preservation opportunities also exist in these subwatersheds, most of these already within Tribal ownership. Numerous potential projects are on adjacent Reservation lands, outside the Village boundaries, within the West Fork Quilceda Creek subwatershed. Outside of Reservation lands, many projects have been identified to improve watershed conditions and preserve known wetland areas in the Quilceda Watershed.

Due to the extensive hydric soils in the Quilceda watershed, historical ditching of tributaries and drainage of hydric soils, conditions exist for re-establishment of wetlands rather than creation of wetlands from upland sites, in many parts of the watershed. These factors create a high likelihood for successful aquatic mitigation both within Quil Ceda Village and its surrounding watershed area.

Much work has been done to inform mitigation planning in the Quilceda watershed. An inventory of potential aquatic restoration sites and activities has been identified within the attached Compensation Planning Framework, in consultation with members of the Allen-Quilceda Watershed Action Team, a stakeholder group of municipal governments, state government, Tulalip Tribes, citizen's groups and salmon-funded restoration organizations. The planning framework is also informed by the significant aquatic resource inventory and planning that has been conducted in the watershed since the early 1990's, including, the Tulalip Watershed Management Plan (1996), the Quil Ceda/Allen Watershed Management Plan (1998/1999), the WRIA 7 Salmonid Habitat Limiting Factors Analysis (2002), and Snohomish Basin Drainage Needs Report (2002).

## ***8. The proposed ownership arrangements and long term management strategy for the in-lieu fee project sites.***

Quil Ceda Village anticipates the Tulalip Tribes will purchase any properties proposed for in-lieu fee mitigation sites, and place them into Tribal Trust or hold them as fee lands. Because of the different status of Tribally-owned properties (on-Reservation, off-Reservation, in Trust, or fee lands) different tools may be required for long term protection of mitigation sites. Because Quil Ceda Village does not hold property, it is proposed that the Tulalip Tribes grant restrictive covenants to Quil Ceda Village, for the enforcement of long term ownership protection provisions. Quil Ceda Village, as the sponsor and responsible entity for fee in lieu projects, and as a separate government from The Tulalip Tribes, the property owner, has an interest in assuring the success and long term protection of sites for its mitigation program. The restrictive covenants will be recorded with either the Department of the Interior or the local County recording agency depending on whether the land is held in Tribal Trust or is fee simple. A restrictive covenant template is attached.

Project criteria will include provision of a long term protection and monitoring of mitigation projects funded by the in-lieu fee program. Long term management of project sites will be the responsibility of Quil Ceda Village as the project sponsor.

Long term management will include periodic monitoring of mitigation project sites for a variety of ecosystem variables, to include, where applicable: percent cover by non-native invasives, stream flow, water quality and aquatic habitat conditions, as well as wetland functions and services, and prevention of illegal dumping, timber theft and poaching. Quil Ceda Village will establish a separate non-wasting account for the long term management of project sites, and will arrange for operation and maintenance of the mitigation project sites.

### ***9. The qualifications of the sponsor to successfully complete the types of mitigation projects proposed***

The Tulalip Tribes have long planned, evaluated, constructed, and monitored both aquatic mitigation and restoration work in the Snohomish and Stillaguamish Basins due to their co-manager interest in salmonid habitat, and for protection and preservation of Treaty Rights. Currently The Tulalip Tribes is lead entity of the 360-acre Qwuloolt estuary restoration project, within the City of Marysville. The Qwuloolt restoration project is progressing in partnership with NOAA Fisheries, City of Marysville, Army Corps of Engineers, Department of Ecology, Washington Department of Fish and Wildlife, among others. The Tulalip Tribes, in cooperation with Quil Ceda Village has also initiated restoration of Coho Creek, restoring meanders and removing roads and ditches to reconnect hydrology in the Coho Creek watershed. Approximately 1800 lineal feet of channel have been restored, and a run of several hundred chum have spawned in Fall of 2008 within the newly constructed channels. Quil Ceda Village therefore intends to partner with Tulalip Tribes Natural Resources to carry out the design and implementation of this Fee in Lieu program.

In addition, The Tulalip Tribes is a recipient of an EPA grant to inventory wetlands within the Reservation, which is aiding in determining potential mitigation areas. State of the art mapping is being conducted and expected to be completed spring 2010.

### ***10. A description of the in-lieu fee program account required by 332.8(i)***

Quil Ceda Village will establish and maintain an in-lieu fee financial account, the "Quil Ceda Village Aquatic Mitigation Trust Fund," with an FDIC-insured financial institution. Quil Ceda Village will receive all aquatic resource mitigation fees into the in-lieu-fee program prior to the issuance of any federal or Tulalip Tribe permit and will deposit the funds into the dedicated in-lieu fee program account. Interest accrued shall remain with the fund, for use by the in-lieu fee program.

In-lieu fee payments for adverse impacts of Corps and/or Tribal permit projects within Quil Ceda Village, will be determined according to the established fee schedule (cost per square foot), and area (square footage) required by the mitigation ratio table, or according to the number of square feet that Quil Ceda Village and the Corps deems are required to compensate for the adverse impacts to aquatic resource functions and services, both temporary and permanent.

Quil Ceda Village will be responsible for collecting each in-lieu fee from the permit applicant. Quil Ceda Village will keep a written record of each in-lieu fee paid that includes the Tribal permit number, Corps permit number, if applicable, the permittee's name and address; location and water bodies affected by the permitted activity; sub-watershed in which the project is located; type, quality, and extent of each type of protected aquatic resource for which in-lieu fee compensation is being made; the mitigation ratio by aquatic resource type; and the amount of the in-lieu fee. Quil Ceda Village will also keep a written record of the in-lieu fee program expenditures from the account, such as the costs of land acquisition, planning, construction, monitoring, maintenance, contingencies, adaptive management, and administration. Quil Ceda Village will submit annual ledger reports to the Corps and the Interagency Review Team, according to subsection 332.8(h) of the Federal Compensatory Mitigation Rule.<sup>1</sup>

A performance bond with contingency will be required for in-lieu fee projects completed by third parties or contractors to ensure the construction is completed as proposed until Quil Ceda Village/Department of Army deems the wetland construction site successful. In-lieu fee payments will cover the cost of contingency and those funds will be held in the program account by Quil Ceda Village for projects it undertakes.

Quil Ceda Village will aggregate the in-lieu fee payments deposited into the in-lieu fee program account, to maximize the size and/or quality of mitigation sites and projects available for establishment, restoration, rehabilitation or preservation. Once sufficient funds have accumulated, or within two years of fee payment, Quil Ceda Village will solicit aquatic compensatory mitigation projects to be developed and implemented by The Tulalip Tribes Natural Resources Department. Within three years of the first advance credits issued to a permittee, land acquisition and initial physical and biological improvements will be completed. If insufficient funds have accumulated within three years time of in-lieu fee payment, Quil Ceda Village will notify the Corps that more time is needed for funds to accumulate. An extension may be then issued from the Corps. If funds are not expended within 3 growing seasons of initial collection, the District Engineer may direct funds to alternative mitigation projects, in consultation with Quil Ceda Village.

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<sup>1</sup> Federal Register, Vol. 73, No. 70, 2008. Compensatory Mitigation for Losses of Aquatic Resources; Final Rule. Department of Army, Corps of Engineers, 33 CFR Parts 325 and 332 and Environmental Protection Agency 40 CFR, Part 230.

If a mitigation project has not been proposed within two years of fee payments, Quil Ceda Village may issue a public notice that funds are available for mitigation proposals within the Quilceda watershed. Proposals selected for funding must comply with criteria established in the program instrument.

The Natural Resources Department may propose the use of in-lieu fees to plan and accomplish mitigation projects based on the Compensatory Planning Framework and proposal criteria established with this program. Quil Ceda Village will spend such funds on mitigation projects that provide the greatest potential to replace functions and services which are adversely affected, including essential fish habitat, or that protect aquatic resources at risk for development.

### **Financial Controls and Reporting**

1. The fund will have three accounts to be comprised as follows: a) for administration of the account (5-10% of project fees), b) a non-wasting endowment for long term management and maintenance of project sites and c) project development, implementation, maintenance and monitoring.
2. Interest accrued shall remain with the fund, for use by the in-lieu fee program.
3. A written summary of deposits made into the program account, projects funded, and impacts mitigated by resource type and subwatershed area will be reported to the Corps no later than February 15 following each fiscal year.

### **Fund income and expenditures-**

In-lieu fee mitigation costs that are eligible for funding are costs associated with the accomplishment of approved mitigation projects including, but not limited to, labor, site acquisition as appropriate, appraisals, surveys, project design, project permitting, project management, monitoring, program administration costs, stewardship, legal, closing, equipment, and materials necessary to accomplish mitigation and monitoring. Program administration costs shall not exceed 10% of the in-lieu fees paid. Quil Ceda Village may authorize fund expenditures for administrative costs to a third party contracted for such activities. In-lieu fee per square foot costs will include a percentage for long term management and maintenance of project sites. Any unused funds at the completion of the monitoring period will remain with the account.

Monitoring and Maintenance costs: the costs of monitoring and maintaining the in-lieu fee project may be directly debited from the program account and paid to the party contracted to do the work.

## ***11. The compensation planning framework***

In order to meet the requirement for watershed scale planning of mitigation efforts, as well to improve selection and success of mitigation projects funded and implemented for this program, a Compensation Planning Framework was developed that compiles numerous planning documents and inventories that have been prepared in the Quilceda Watershed.

Because of similarities in soil types, historical wetland and aquatic habitat losses and impacts, subwatersheds of the Quilceda watershed are similar in their restoration needs and the likelihood of success of restoration projects. In addition, due to the greater importance of other subwatersheds to the fish-bearing habitats and character of Quilceda Creek, as well the proximity and greater needs for restoration within the West Fork Quilceda Creek subwatershed, expanding the receiving area for mitigation projects to the greater Quilceda Creek watershed makes good ecological sense. Sturgeon Creek and Coho Creek both lack spawning fish habitat and join their confluence with Quilceda Creek in the lower tidally-influenced portion of the stream; however, juveniles from other subwatersheds, particularly West Fork Quilceda could access good quality rearing habitat in their lower reaches. The impact area subwatersheds are thus integrally linked to the health and habitat conditions in West Fork Quilceda Creek, whose confluence lies just upstream from Coho and Sturgeon Creek, as well as other subwatersheds further upstream.

The prevalence of hydric soils mapped in the greater Quilceda watershed and West Fork Quilceda Creek resulted in extensive ditching in the watershed, and has been recognized as a barrier to improved fish habitat, water quality and channel conditions since the mid 1990's in the West Fork Quilceda subwatershed, and similar conditions exist in the Coho Creek subwatershed. These same conditions allow for relative high restoration potential and predictability of success for mitigation projects.

The attached Compensation Planning Framework provides a description and watershed characterization of the geographic service area, analysis of historic and current aquatic resource loss, threats to aquatic resources, aquatic resource goals and objectives, prioritization strategy for selecting compensatory mitigation activities, preservation objectives and provisions for long term protection and management of mitigation sites as well as monitoring, evaluation, and reporting requirements.

The Compensation Planning Framework will serve as the watershed-scale guide for all mitigation planning and prioritization of projects for the Quil Ceda Village in-lieu fee program.