



State of Washington
Department of Fish and Wildlife

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Tom Tebb, Director
Office of Columbia River
Washington State Department of Ecology
1250 W. Alder St.
Union Gap, WA 98903

Mike Kaputa, Director
Chelan County Natural Resources Department
411 Washington Street, Suite 201
Wenatchee, WA 98801

RE: WDFW Scoping Comments – Determination of Significance (DS) and Request for Comments on Scope of State Environmental Policy Act (SEPA) Nonproject Programmatic Environmental Impact Statement (PEIS) for the *Icicle Creek Water Resource Management Strategy* (ICWRMS)

Dear Mr. Tebb and Mr. Kaputa,

The Chelan County Natural Resources Department (CCNRD) has been contracted by the Washington Department of Ecology (Ecology), through the Office of Columbia River (OCR) to develop a Final ICWRMS SEPA PEIS. Since 2007, the Washington Department of Fish and Wildlife (WDFW) has supported Ecology's efforts to fulfill its legislative mandate to, "*aggressively pursue development of new water supplies for instream and out-of-stream uses.*" Our agency is a collaborative partner to ensure natural resource values are adequately reflected in decision-making. Thus, WDFW appreciates the opportunity to provide comments during the public scoping¹ period to assist with the development of the Draft PEIS.

As stated in the DS, the SEPA *Non Project*² PEIS is being prepared to *generally* address impacts associated with collectively implementing a suite of projects within the Icicle Creek basin. These projects aim to improve instream flows to protect fish and aquatic habitat, improve water storage and operational flexibility within the Alpine Lakes Wilderness, and reinstate water

¹ WAC 197-11-455

² "Nonproject actions are governmental actions involving decisions on policies, plans, or programs that contain standards controlling use or modification of the environment, or that will govern a series of connected actions. Nonproject review allows agencies to consider the "big picture" by conducting comprehensive analysis, addressing cumulative impacts, possible alternatives, and mitigation measures". SEPA Online Handbook, Ecology.

reserves³ to accommodate growth within Chelan County. WDFW staff has been involved with the planning process since the Icicle Work Group (IWG) convened in 2012. WDFW Region 2 Director Jim Brown currently serves as the Chair for the IWG Steering Committee to help facilitate the collaborative process and to promote WDFW's interests to protect fish, wildlife, and their habitats in the Icicle Creek basin.

WDFW appreciates the value Ecology and CCRND bring to managing water resources in Icicle Creek for both in-stream and out-of-stream uses. WDFW promotes⁴ developing the PEIS in such a way that adequately assesses impacts (beneficial and adverse) for the following suite of projects in Icicle Creek:

- Icicle Peshastin Irrigation District (IPID) Irrigation Efficiency Upgrades
- Cascade Orchards Irrigation Company (COIC) Irrigation Efficiency Upgrades
- Domestic Conservation Efficiency Upgrades
- Alpine Lakes Optimization, Modernization, and Automation
- Leavenworth National Fish Hatchery (LNFH) Conservation and Water Quality Improvements (e.g. Rehabilitate LNFH Intake, Operational Improvements at Structure 2
- Eightmile Lake Restoration Project
- Water Markets
- Habitat Improvements between RM 2.7-4.5 and Land Acquisitions
- Icicle Creek Passage, Tribal Fisheries Improvements
- LNFH/COIC, IPID, and City of Leavenworth Diversion Screening Upgrades
- Instream Flow Rule Amendment (WAC 173-545)

WDFW General Scoping Comments

- 1) It is essential the PEIS describes the sequencing and timing of permissible projects and identifies the beneficiaries of in-stream and out-of-stream flow improvements. WDFW is concerned that water will be allocated for out-of-stream uses before an adequate amount of flow improvements are made in Icicle Creek.
- 2) At the public scoping meeting held in Leavenworth it was stated by Aspect Consulting that the timeframe associated with implementing projects ranged from 5-20 years. In order to "track" flow improvements that may occur over the next 5-20 years, a project implementation schedule should be included in the PEIS so readers can adequately provide comments, mitigation recommendations, and resource protection expectations within the context of "real water" in "real time".
- 3) Please describe the "Alternative Projects" being contemplated for replacing project that may not be feasible. WDFW expectations are that alternative projects would be identified through a collaborative process to replace those benefits and functions intended by the project determined to be infeasible.

³ Senate Bill 6513

⁴ Per November 19, 2015 WDFW Support Letter to Ecology and CCRND

- 4) As fisheries co-managers for the state of Washington, WDFW does not support waiting 5-20 years to upgrade the Leavenworth Hatchery. We respect Ecology and CCNRD's efforts to find non-litigious solutions to upgrading the hatchery to meet state and federal laws. However, we also want to be clear that though our agency is an active member of the IWG, we are in no way advocating delaying compliance-related upgrades at the hatchery as a result of being a project element of the PEIS. We suggest providing details within the PEIS that "cross-walks" your efforts to solve hatchery issues with the U.S. Bureau of Reclamation and U.S. Fish and Wildlife Service's efforts.
- 5) It is essential that long-term climate change scenarios serve as the "backbone" to developing the PEIS. Refill scenarios for the Alpine Lakes remain uncertain, as do in-stream flows influenced from timing and quantity of annual precipitation. WDFW urges Ecology not to over-commit water for out-of-stream uses made "available" as a result of implementing any of the projects. We would not be doing our job as a resource agency if we did not safeguard stream flows to protect fish and their habitat throughout this PEIS process. We assume the same level of safeguarding will occur from Ecology to protect senior water right holders from harm or avoid project actions that may cause adverse impacts to stream flows or water quality. WDFW expects to see a robust section in the PEIS that evaluates climate change effects on project operational scenarios (e.g. new water management of the Alpine Lakes) and then illustrates how stream flow improvements will be achieved while simultaneously providing additional water for out-of-stream uses (i.e. show the math).
- 6) Ecology and CCNRD have indicated that some of the projects listed above may be described with a higher level of detail within the PEIS than the broader ICWRMS projects, making some projects ready for early implementation. Evaluation of projects considered for early implementation should include an assessment of natural resource costs and benefits as a function of project sequencing/early implementation within a subsequent project-level EIS, as necessary.
- 7) As you are aware, WDFW is actively working on several fish screen and diversion replacement projects in Icicle and Peshastin Creeks⁵ to protect fish life; these projects are slated to occur in the near future. WDFW staff will continue to manage these projects and our own environmental compliance process, associated grant awards, and partnerships independent of the Icicle Strategy. However, our WDFW team is always available to assist with project planning and/or provide expertise to support PEIS development.
- 8) Please provide a hardy, water conservation and reduction section in the PEIS. For example, what are some ways CCNRD and Ecology will reduce the current gallon per capita per day as a tool to provide water for future growth and respond to drought effects? How will those endeavors be coordinated with investigating new water supply in the Alpine Lakes? WDFW recommends including a plan in the PEIS by which (1) CCNRD and Ecology will partner with utility providers to offer rebates for using less water, (2) to update local regulations and/or develop ordinances to promote and/or require water savings wherever possible, and (3) to develop water conservation and reduction incentive programs.

⁵ Icicle Irrigation Diversion and City of Leavenworth Diversion as examples.

- 9) WDFW still isn't clear how the Upper Wenatchee Community Lands Plan⁶ is linked to the ICWMRS. WDFW habitat and wildlife staff have communicated with CCNRD that parcels identified in the Upper Wenatchee Community Lands Plan for acquisition may modestly add habitat value for wildlife or watershed protection in of itself. WDFW doubts these lands will be sufficient to provide "commensurate compensation for impacts to fish and wildlife resources" in the Icicle Creek basin. In addition to low habitat value, the scope of the Upper Wenatchee Community Plan includes Cashmere to Stevens Pass, with three sub-areas not located in the Icicle Creek Basin including: 1) Blewett Pass/Peshastin, 2) Chumstick Valley, and 3) Nason & Coulter Creek. The Wenatchee Community Lands Plan webpage makes no clear reference to how these "out-of-basin lands" are linked to the ICWRMS. WDFW recommends Ecology and CCNRD work with resource experts to assess lands for acquisition and/or enhancement within the Icicle Creek basin that can provide valuable fish and wildlife habitat. As you are aware, mitigation should be similar to the resource values lost through project development; out-of-place and/or out-of-kind mitigation is only appropriate when all other in-place mitigation opportunities have been exhausted⁷.
- 10) WDFW encourages Ecology and CCNRD to identify a lead federal agency to undertake the NEPA process as soon as possible. WDFW is unclear if federal participation on the IWG and dedication of time and personnel constitutes a "major federal action" within the meaning of NEPA. WDFW suggests delineating projects in the PEIS that cannot proceed until NEPA has been fulfilled. This will ensure local, state, and federal agencies, tribes, and other stakeholder groups have a clear understanding of project implementation timelines and associated in-stream flow benefits for each project (i.e. when will the water be in Icicle Creek and how much).

Fish, Wildlife, and Habitat Resource Considerations and Information Needs

Wildlife

- The WDFW Priority Habitat and Species (PHS) data layers are a tool for planning purposes. These data sources cannot be assumed complete or exhaustive in expanses of wilderness considered in the PEIS. Lack of information for any species does not indicate a lack of presence. If the U.S. Forest Service (USFS) does not have species presence/absence surveys, WDFW recommends terrestrial surveys be completed for species likely to occur within the project footprint.
- Project activities requiring the use of helicopters pose a significant disturbance threat to mountain goats in the Alpine Lakes Wilderness - flying over mountain goats is considered to be a direct disturbance. WDFW recommends conducting surveys for concentrations of mountain goats for PEIS development. Specific consideration should be made for the timing of helicopter use to avoid the period when females are giving birth and following weeks when raising young.

⁶ Upper Wenatchee Community Lands Plan, CCNRD, Trust for Public Lands, the Nature Conservancy, and the Chelan-Douglas Land Trust (2015), funded through OCR.

⁷ WDFW Mitigation Policy M5002⁷ guides our agency to "achieve no net loss of habitat functions and values" when reviewing or permitting projects. WDFW preferred alternative is to mitigate for natural resource impacts within the Icicle Creek basin by implementing habitat protection, conservation, and restoration actions in-place and in-kind or secondarily in-place and out-of-kind.

- Golden eagles, peregrine falcons, northern goshawks, and northern spotted owls all occupy, nest, and rear young in associated habitats in the wilderness and may be located within the project footprint. WDFW recommends conducting surveys within the project footprint so a plan can be developed to avoid disturbing nest sites, particularly until young have fledged. The high elevation and colder conditions of the wilderness will extend fledging dates into the summer later than warmer low elevation habitats.
- WDFW recommends conducting surveys for pika within the project footprint and to work closely with WDFW and the USFS to avoid impacts to this species at the project planning stage.
- Any open water habitat included within the project footprint should be surveyed for common loon nesting. The potential for direct impacts to loon nests is high for any project activities that would result in a rise of water elevation on any lakes.
- The USFS and WDFW are coordinating in summer of 2016 to conduct amphibian and reptile surveys at wetlands, lakes, ponds or streams located within and whereas water-levels or flows are impacted by the package of projects in the PEIS. Data collected and information in the final report should be used to develop the Final PEIS and for future, subsequent EISs.

Habitat

- Installation of a flow meter, with access to the data should be made publicly available to confirm proposed minimum instream flows designated for the Historic Channel in Icicle Creek are being met.
- WDFW support CCNRDs efforts to fund and install meters on all diversions.
- The water market being developed for Icicle Creek will need to be coordinated annually with fisheries co-managers to avoid seasonal harm to instream flows, including winter flows to protect fish life.

Fish

- Fish passage improvements should include flow as an important component to ensure riffles are passable to upstream migrating salmonids.
- WDFW can provide fish stocking data for the Alpine Lakes if requested. Our agency has a vested interest in ensuring changes in operations at the lakes do not adversely impact fish
- Modeling flow scenarios out of each and/or all of the Alpine Lakes being contemplated in the PEIS will help prioritize flows scenarios that maximize benefits to fish at each relevant life stage. Focal species and relevant life stages include Steelhead (adult, rearing), Rainbow trout (adult, rearing), Bull Trout (adult/sub-adult, rearing), Cutthroat Trout (adult, rearing), and Lamprey (adult).
- Bringing fish screening associated with diversions into compliance with state and federal requirements should be a nondiscretionary “early action” item of the PEIS; this action should be funded and pursued in the immediate future as a priority of the ICWRMS.

Closing Remarks

Flows in Icicle Creek need to be restored to avoid extinction of trout and steelhead populations. Withdrawing additional water from Icicle Creek cannot occur until fisheries experts agree that flow is sufficient to protect fish at all life stages and there is “wiggle” room to allocate water for out-of-stream uses. WDFW looks forward to working toward water resource solutions that embody a balance of public interests with natural resource protection for the benefit of all! If you have questions or concerns regarding our comments, please feel free to contact me directly by email at carmen.andonaegui@dfw.wa.gov or by phone at (509) 754-4624 ext. 212.

Sincerely,



Carmen Andonaegui
WDFW, Region 2 Habitat Program Manager

cc: Jim Brown, WDFW Region 2 Director
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