

Watershed Land Conservation Subcommittee Proposal

January 4, 2012

The proposed Integrated Water Resource Management Plan developed under the Yakima River Basin Water Enhancement Project (YRBWEP) represents a comprehensive approach to water management and habitat enhancement in the Yakima River basin. It is intended to restore ecological functions in the Yakima River system and to provide more reliable and sustainable water resources for the health of the riverine environment, as well as agriculture, municipal and domestic water users. The Integrated Plan offers a package of projects to meet these needs while anticipating changing water uses and effects of climate change on water resources in the basin.

Section 3.1.5 of the Integrated Plan identifies several Habitat Protection and Enhancement actions for the Yakima River Basin. In addition to floodplain and habitat restoration actions, this section of the Plan includes **Targeted Watershed Protections and Enhancements**. A Watershed Lands Conservation Subcommittee was established to advise the YRBWEP Workgroup on options for implementing the Targeted Watershed Protection and Enhancement element of the Integrated Plan. This document lays out those options. As with other actions in the Integrated Plan, some actions are funding dependent. Others would require political or administrative processes to modify Federal, State and Local land use plans or land management designations.

Healthy watersheds protect water quality, contribute to instream flows and cooler water temperatures, reduce sedimentation, and maintain aquatic habitat complexity. These benefits are widely recognized by water users and land managers across the West. As climate change places new stresses on water resources and aquatic habitats in the future, the Yakima River Basin's upper watersheds will become even more vital to ecosystem health and water supply.

Because increasing the populations of several salmonid species is a primary goal of the Integrated Plan, many of the watershed actions proposed are focused on fish habitat and are intended to complement proposed fish passage projects and river and floodplain habitat improvements that are also included in the Integrated Plan. Tributary habitat protection and enhancement supports steelhead and bull trout populations in the Yakima Basin both of which are listed as Threatened under the Endangered Species Act. It also supports spring and fall Chinook and naturally reproducing populations of reintroduced summer Chinook, coho, and sockeye salmon. Fish habitat generally will benefit from improved water quality and stream hydrographs within and downstream of the headwaters and high elevation streams protected by this proposal. Bull trout, with their

dwindling numbers, requirements for especially cold water and populations isolated by both temperature and dams were a special focus of this proposal. Land and river segment designations are designed, in part, to protect headwater streams and the ecological health of spawning and rearing habitats. Land acquisitions also aid in the protection of salmonid foraging, migration, and overwintering habitats at lower elevations. In addition to these benefits, headwater lands targeted for protection under the Integrated Plan will protect unique riparian areas and spotted owl habitat.

The watershed protections and enhancements proposal will also support the regional economy through protecting and expanding a wide variety of recreational opportunities for Washington State residents and visitors, including motorized and non-motorized activities. Further, it is desirable that some of these lands be maintained as working lands so they will continue to support the regional economy.

The Integrated Plan also calls for protection of shrub-steppe lands within the Yakima Basin. Shrub-steppe is an increasingly threatened and fragmented habitat type found in Central Washington that supports several declining species such as the greater sage grouse and ferruginous hawk that require large blocks of intact land. The efforts supported by the Integrated Plan will complement ongoing actions by a range of public agencies and private landowners to protect this vital landscape type.

This report summarizes the options for Targeted Watershed Protections and Enhancements identified by the Watershed Lands Conservation Subcommittee.

Conservation Actions:

Proposed actions include:

- **Land acquisitions from willing sellers** to protect and enhance ecological, recreational and traditional resource uses; to provide structure for improved land management; and in conjunction with other Integrated Plan components. In addition to fee-simple purchase, the term “acquisition” can include other techniques that offer a high degree of certainty over the long-term, such as conservation easements. Conservation groups working in parallel with the YRBWEP Workgroup identified and targeted three key areas in the Yakima and Naches River watersheds for land acquisition actions that would help improve watershed and ecosystem functions.
 - o 45,000 acres as a Conservation Target for High Elevation Watershed Enhancement
 - o 10,000 as a Conservation Target for Forest Habitat Enhancement.
 - o 15,000 acres as a Conservation Target for Shrub-Steppe Habitat Enhancement

- **New designations on existing Forest Service lands** to improve watershed function and habitat protection while retaining access for recreational uses. Designations could include National Recreation Area (NRA), Wilderness Area or some combination of these. While these can be recommended, an Act of Congress would be required for NRA or Wilderness Area actions.
- **New designations of select river corridors** within the Yakima Basin under the Wild and Scenic Rivers Act to promote conservation in cooperation with public and private landowners and County governments. While Wild and Scenic River designations can be recommended, an Act of Congress would be required for implementation.

The table beginning on the following page summarizes the actions proposed by the Subcommittee.

Summary

Watershed Land Conservation Subcommittee Proposal

AREA	PROPOSED LAND ACQUISITIONS ¹ FROM WILLING SELLERS	PROPOSED LAND DESIGNATIONS (ON EXISTING PUBLIC LANDS)	PROPOSED RIVER CORRIDOR DESIGNATIONS
Upper Yakima Basin Forest Lands	<u>Preferred Options</u> - American Forest Lands Co. (AFLC) Teanaway Tract. Offer to purchase lands for a Community Forest Trust or State ownership. - Taneum and Manastash Creek headwaters (with Little Naches lands, below). Offer to purchase lands inside National Forest boundary for Forest Service ownership. <u>Alternatives</u> - Plum Creek Co. lands in Big, Taneum, & Cabin Creek, and/or Cle Elum River basins. - AFLC lands, Swauk and First Creek areas - Additional private forest land holdings in Kittitas Co. Explore conservation easements and/or offer to purchase for public ownership.	- Create Upper Yakima National Recreation Area (NRA). Approximately 20 percent proposed as wilderness. - Create Manastash-Taneum National Recreation Area on Forest Service Lands. No wilderness designation.	- Wild and Scenic (W&S) River designations for Upper Cle Elum, Waptus and Cooper Rivers. - If AFLC Teanaway land tract is acquired, W&S River designation for portions of North, Middle and West Forks of Teanaway River.

For additional information, see Subcommittee report text and associated maps. As with other actions in the Integrated Plan, actions listed will be dependent on funding.

¹ In some circumstances, conservation easements may be used in place of fee-simple acquisition.

Summary (continued)
Watershed Land Conservation Subcommittee Proposal

AREA	PROPOSED LAND ACQUISITIONS FROM WILLING SELLERS ¹	PROPOSED LAND DESIGNATIONS (ON EXISTING PUBLIC LANDS)	PROPOSED RIVER CORRIDOR DESIGNATIONS
Middle Yakima and Naches Basin Forest Lands	<u>Preferred Option</u> • Little Naches River basin lands (with Taneum and Manastash lands, above). Offer to purchase lands inside National Forest boundary for Forest Service ownership. <u>Alternatives</u> • Various lands in Tieton, Cowiche, and/or Ahtanum Creek/Klickitat River basins. Explore conservation easements and/or offer to purchase for public ownership.	• Wilderness designation of lands in vicinity of Bumping Lake.	• W&S River designation of South Fork Tieton River, Indian Creek, and Rattlesnake Creek. • W&S River designation of Deep Creek (tributary to Bumping Lake). • W&S River designation of American River and Rainier Fork.
Shrub-Steppe Lands	<u>Preferred Option</u> • Eaton Ranch, adjacent to proposed Wymer Reservoir site. Explore conservation easements; or offer to purchase for State or Federal ownership. <u>Alternatives</u> • Rattlesnake Mountain site in Benton County • Cowiche Creek Basin lands in Yakima County. • For both properties, explore conservation easements and/or offer to purchase for public ownership.	Not applicable.	Not applicable.

For additional information, see Subcommittee report text and associated maps. As with other actions in the Integrated Plan, actions listed will be dependent on funding.

¹ In some circumstances, conservation easements may be used in place of fee-simple acquisition.

Program Principles:

The Subcommittee established a set of principles for each of these actions to be used to guide the program. The principles express the expectations of the subcommittee that actions under this program will improve watershed and ecosystem functions while supporting local economic conditions and traditional uses by the local communities.

The agencies involved in carrying out the targeted watershed protections and enhancements must actively consult with local landowners in carrying out the program and developing land management strategies. These actions must be integrated with existing or proposed future adjacent land uses and/or land management designations with a landscape level approach. Additional principles are listed as follows:

Principles for Forest Land Acquisitions:

- Acquire lands or easements only from willing sellers at fair market value.
- Maintain economic uses where lands have historically been used as working lands, where this is consistent with protection of key watershed functions and aquatic habitat. This will help to foster support from local communities as the watershed and ecosystem protection objectives are pursued. This will also assist in providing an ongoing funding source for managing the properties.
- Maintain and, where possible, improve access to lands and enhance opportunities for a variety of recreational uses, where this is consistent with protection of key watershed functions and aquatic habitat. This will also help to foster support from local communities as the watershed and ecosystem protection objectives are pursued.
- Restoration and management activities are essential and must be supported under the acquisition program, including long-term funding sources for these purposes.

Principles for Shrub-Steppe Land Acquisitions

- Acquire lands or easements only from willing sellers at fair market value.
- Land acquisitions will help to offset impacts of inundating shrub-steppe habitat from lowland reservoir projects such as Wymer Reservoir, and will complement ongoing efforts to protect shrub-steppe lands in Central Washington. Lands will be managed for habitat protection and restoration.
- Access and opportunities for recreation will be enhanced.
- A working lands outcome will be considered, where consistent with protection of habitat and sensitive wildlife species.

Principles for New Designations on Existing Public Lands

- New designations will enhance watershed and fish habitat protection and preserve or improve recreational opportunities.

- New designations will minimize negative effects on existing or reasonably foreseeable economic uses of the affected public lands that are consistent with protection of watershed functions and fish habitat.
- Public land designations will directly complement other actions in the Integrated Plan, including (but not limited to) fish passage and habitat restoration, land acquisitions, and river corridor designations.

Principles for River Corridor Designations

- New river corridor designations and associated management plans will be developed cooperatively with public and private landowners and the county having jurisdiction over local land use regulations.
- New river corridor designations will complement other actions in the Integrated Plan, particularly fish passage, habitat restoration, land acquisitions, and public land designations.
- New river corridor designation proposals and associated management plans on publicly-owned lands will be developed in close cooperation with affected entities and the County of jurisdiction. New designations which encompass private lands will be proposed only with substantial support from affected landowners. Management plans for designations on private lands will be developed collaboratively with the affected landowners and the County having jurisdiction over local land use regulations. This cooperation will recognize the rights and perspectives of the private and public landowners as well as the respective County.

Options for the Upper Yakima River Basin

Land Acquisitions

The Subcommittee has identified the following options for the Upper Yakima River Basin. These include options listed in the Integrated Plan, as well as alternatives in case those lands prove to be unavailable or too costly for acquisition.

- **Preferred Option:** Acquisition from a potential willing seller of a 46,000 acre tract in the middle and lower Teanaway River basin comprised of mid to high elevation mixed conifer forest and lower elevation grand fir and Ponderosa pine forest. The Teanaway River flows into the Yakima River and provides fish passage and connectivity to high elevation colder water. Protecting this area would provide significant ecosystem, water quality and quantity, and species benefits that complement the habitats and species protected by the Plum Creek Central Cascades Habitat Conservation Program (HCP), directly adjacent to the western portion of the proposed area. The Ponderosa pine forests are particularly significant due to their limited range and vulnerability to climate change. The Department of Ecology has recognized that:

“The Teanaway River system represents some of the highest quality streams and cold-water fish spawning and rearing areas in the Yakima River Basin.”¹

In addition, conservation of the Teanaway landscape fits well into the overall strategy of acquiring and protecting non-federal lands to ensure successful landscape-scale linkages.

- **Preferred Option:** Acquisition from potential willing sellers of lands at the headwaters of Taneum and Manastash Creeks in connection with acquisition of adjacent lands in the Little Naches Basin (see options for Naches Basin, below). Private lands in these watersheds are intermingled with National Forest land, generally in a checkerboard pattern. The land is primarily mid to upper elevation conifer forest. Most of the area has been logged and replanted, but some areas of old-growth forest remain. The upper reaches of Taneum, and Manastash Creeks are important for water quality (maintaining cool temperatures) and they also protect water supply and provide current or potential salmon and steelhead spawning grounds.
- **Alternatives:** If the lands in the Upper Yakima Basin identified above are not available or cannot be acquired at a reasonable cost, other options are available as well. All of these would also require willing sellers. These include:
 - ① Acquisition of Plum Creek holdings in Big Creek, Taneum Creek, Cabin Creek and Cle Elum River watersheds. Kittitas County. 37,950 acres.
 - ② Acquisition of American Forest Lands Resource holdings, Swauk and First Creek areas. Kittitas Co. 2,700 acres..
 - ③ Acquisition of additional private land holdings. Kittitas County. Forest lands. 6,600 acres.

Public Lands Designations

The subcommittee proposes applying the National Recreation Area designation to lands in the upper Yakima Basin. This designation is flexible enough to provide protection for key habitat functions while preserving the overall theme of recreational use for these lands. National Recreation Area designation also raises the profile of these recreational lands and is, in essence, a powerful marketing feature that will attract more users who contribute to local economic vitality. It is important to note that private lands are not included in National Recreation Areas and will not be not bound by NRA rules.

- **Creation of the Upper Yakima National Recreation Area** on approximately 100,000 acres of existing US Forest Service lands in these areas. Within the proposed NRA, approximately 21,000 acres would be designated as Wilderness, approximately 6,000 acres would be designated for backcountry motorized recreational use, and approximately 1,000 acres would be designated for backcountry non-motorized recreational use. All of these proposed uses are

¹ <http://www.ecy.wa.gov/programs/wq/tmdl/TeanawayTMDL.html> (October 2011).

consistent with the uses identified in the current Okanogan-Wenatchee National Forest (OWNF) Plan Revision Proposed Action; however the forest plan does not propose NRA designation.

- **Creation of the Manastash-Taneum National Recreation Area** on approximately 41,000 acres of existing US Forest Service lands in these areas. Within the proposed NRA, approximately 35,000 acres would be designated for backcountry motorized recreational use. These proposed uses are consistent with the uses identified in the current OOWNF Proposed Action and with current uses of this area.

River Corridor Designations

The Subcommittee proposes designations under the federal Wild and Scenic Rivers Act for rivers and reaches where designations will benefit directly the fisheries supported in the Yakima Integrated Plan. The intent is to protect spawning, and rearing habitats for salmonids. Bull trout can especially benefit from the cool, clean water that can result from protection of headwaters and high-elevation streams. All of the reaches proposed are designated critical habitat for bull trout, most are also critical habitat for steelhead.

The Subcommittee identified the following as high priority designations:

- **Wild and Scenic River Designations for Upper Cle Elum River, Wapatus and Cooper Rivers.** In addition to documented or presumed bull trout habitat, these rivers and reaches above Cle Elum Reservoir will all receive increasing numbers of salmon and steelhead as fish are reintroduced and fish passage provided above Cle Elum Dam.
- **Wild and Scenic River Designations for Teanaway River:** North, Middle and West Forks. The Teanaway River and its tributaries currently provide some of the best quality spawning habitat for salmonids in the basin, with steelhead, bull trout, and spring Chinook present. The protection and management proposed through acquisition of the Teanaway forest lands and Wild and Scenic designation are central to the salmonid restoration efforts under the Yakima Integrated Plan. Designation would be linked to acquisition of the 46,000 acre Teanaway property. The lower limit of Wild and Scenic designation affects private property and will be determined in consultation with those property owners.

With the exception of the Teanaway River, these rivers are primarily or exclusively in the Wenatchee National Forest and have been proposed for Wild and Scenic designation in the 1990 Wenatchee Forest Plan or in the 2011 Okanogan-Wenatchee Forest Plan Revision Proposed Action. Where there are significant private property interests affected, such as for the middle and lower reaches of the Teanaway River, designations will be proposed only with substantial support by the affected landowners (see Principles section).

Options for the Naches and Middle Yakima River Basins

Land Acquisitions

- **Preferred Option.** Acquisition from a potential willing seller of land at the headwaters of the Little Naches River in combination with adjacent lands in the Manastash and Taneum basins, totaling up to 10,000 acres. Private lands in these watersheds are intermingled with National Forest land, generally in a checkerboard pattern. The land is primarily mid- to upper-elevation conifer forest. Most of the area has been logged and replanted, but some areas of old-growth forest remain. The upper reaches of the Little Naches River are important for water quality and maintaining cool temperatures for bull trout protection and restoration. They also protect water supply and provide current or potential salmon and steelhead spawning grounds.
- **Alternatives:** If the lands in the Little Naches Basin identified above are not available or cannot be acquired at a reasonable cost, other options are available as well. The Subcommittee has identified several forest land-holdings in the Tieton River, Cowiche Creek, and Ahtanum Creek watersheds that could potentially be acquired from potential willing sellers. All of these are in Yakima County.
 - ① Forest Acquisition Alternative 1. Tieton River watershed. ≈3,165 acres
 - ② Forest Acquisition Alternative 2. Ahtanum Creek and Klickitat River watersheds.. ≈10,200 acres.
 - ③ Forest Acquisition Alternative 3: 7 Forest lands in Cowiche Creek watershed. ≈5,700 acres.
 - ④ Forest Acquisition Alternative 4: Forested lands in the Cowiche Creek watershed. ≈4,700 acres

Public Lands and River Corridor Designations

The subcommittee proposes the following:

- **Wilderness Designation** of approximately 1,500 acres adjacent to and near the William O. Douglas Wilderness in the vicinity of Bumping Lake. In addition to the Preliminary Administratively Recommended Wilderness lands in the current Okanogan-Wenatchee National Forest Proposed Action, the Subcommittee proposes that the Wilderness boundary near Bumping Lake be adjusted to designate additional USFS land to the greatest extent practicable, consistent with the Wilderness Act, following the completion of any Bumping Lake Reservoir expansion as part of this project, and that there continue to be provision of road access to Wilderness trailheads above the lake and facilities for recreational boating on the reservoir.
- **Wild and Scenic River Designation** on S. Fork of the Tieton, Indian Creek and Rattlesnake Creek. Bull trout populations in the South Fork of the Tieton and Indian Creek are the strongest remaining in the Yakima basin. Rattlesnake Creek is also a bull trout stronghold.

- **Wild and Scenic River Designation** on Deep Creek. The Deep Creek bull trout population is one of the strongest remaining in the basin. While spawning grounds would be partially inundated by expansion of Bumping Reservoir, addition of fish passage at the new dam would allow both upstream and downstream passage, reconnecting the Deep Creek population with other populations and habitat. All of Deep Creek is identified for designation in the 2011 Okanogan-Wenatchee Forest Plan Revision Proposed Action; however, the Subcommittee proposes designation above the elevation of an expanded Bumping Reservoir, protecting the remaining bull trout habitat in the reach.
- **Wild and Scenic River Designation** on American River and Rainer Fork. These tributaries to the Bumping River provide steelhead, spring Chinook and bull trout habitat. The American River spring Chinook are a demographically and genetically distinct stock.

These land and river designations are primarily or exclusively in the Wenatchee National Forest and have been proposed for Wild and Scenic designation in the 1990 Wenatchee Forest Plan or in the 2011 Okanogan-Wenatchee Forest Plan Revision Proposed Action.

The forest lands discussed for potential acquisition are shown in Figure 1. Lands proposed for new designations are shown on Figure 2, and rivers proposed for Wild and Scenic designation are shown on Figure 3.

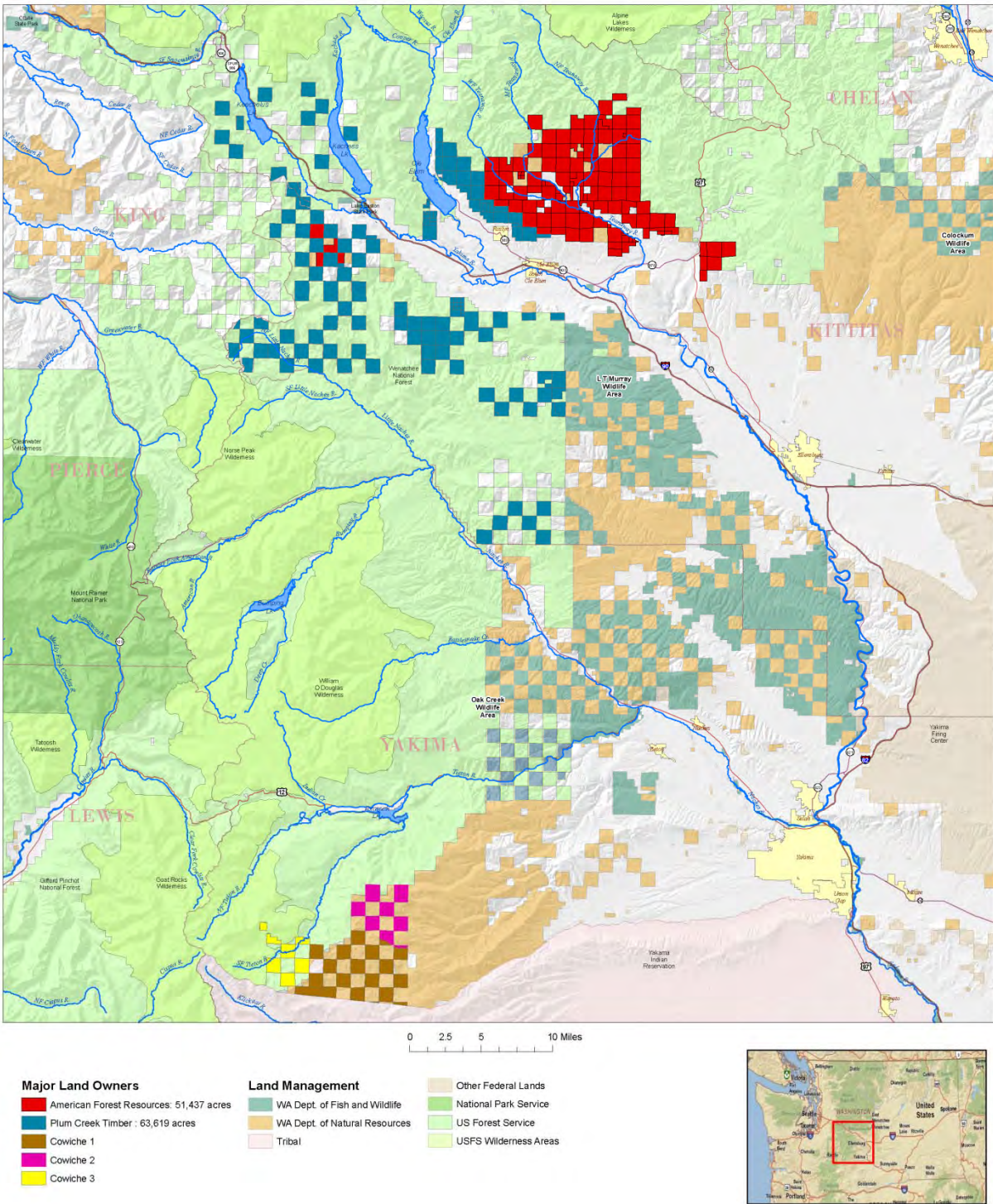


Figure 1. Options for Forest Land Acquisition.

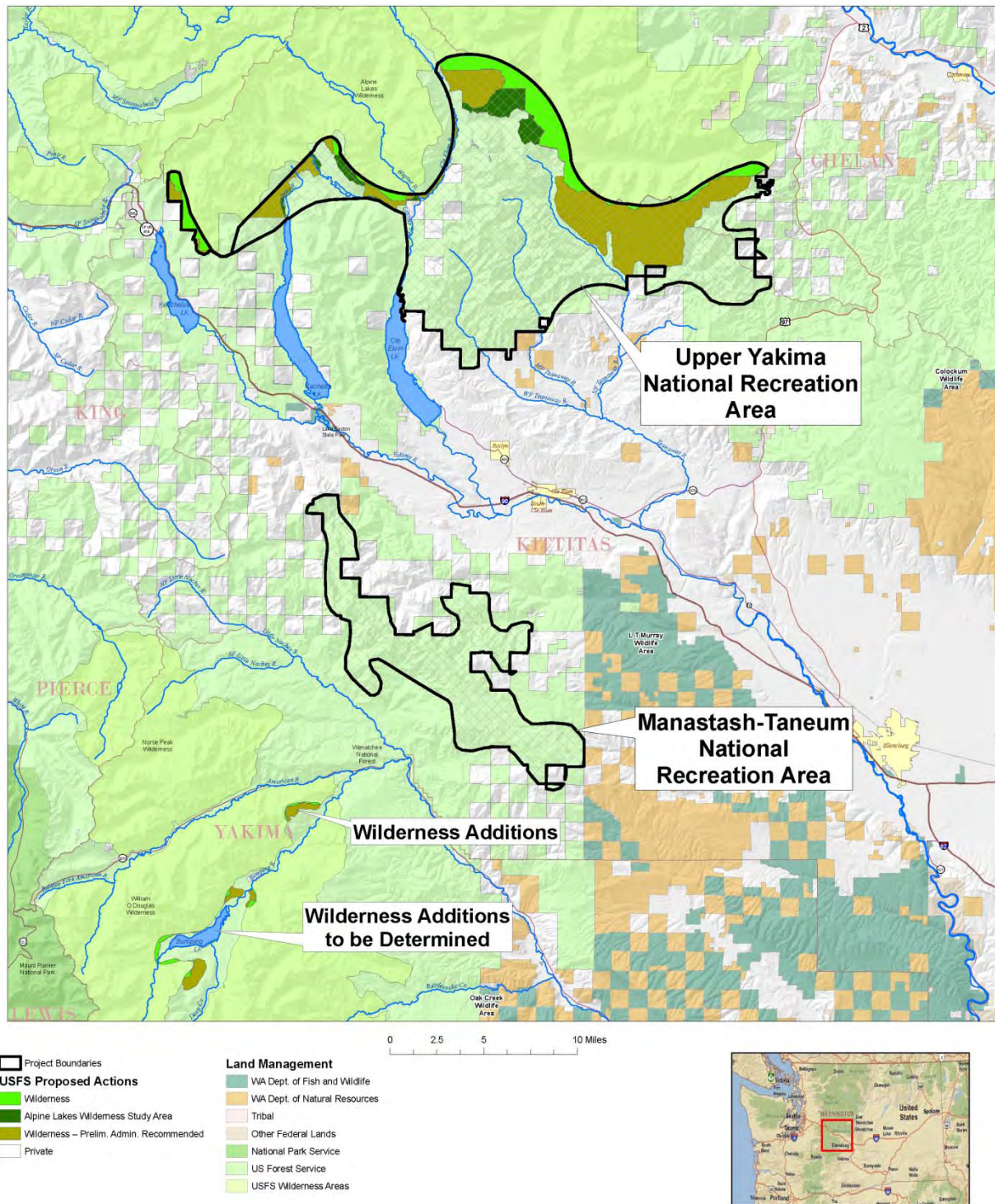


Figure 2. Options for National Recreation Area and Wilderness Designations

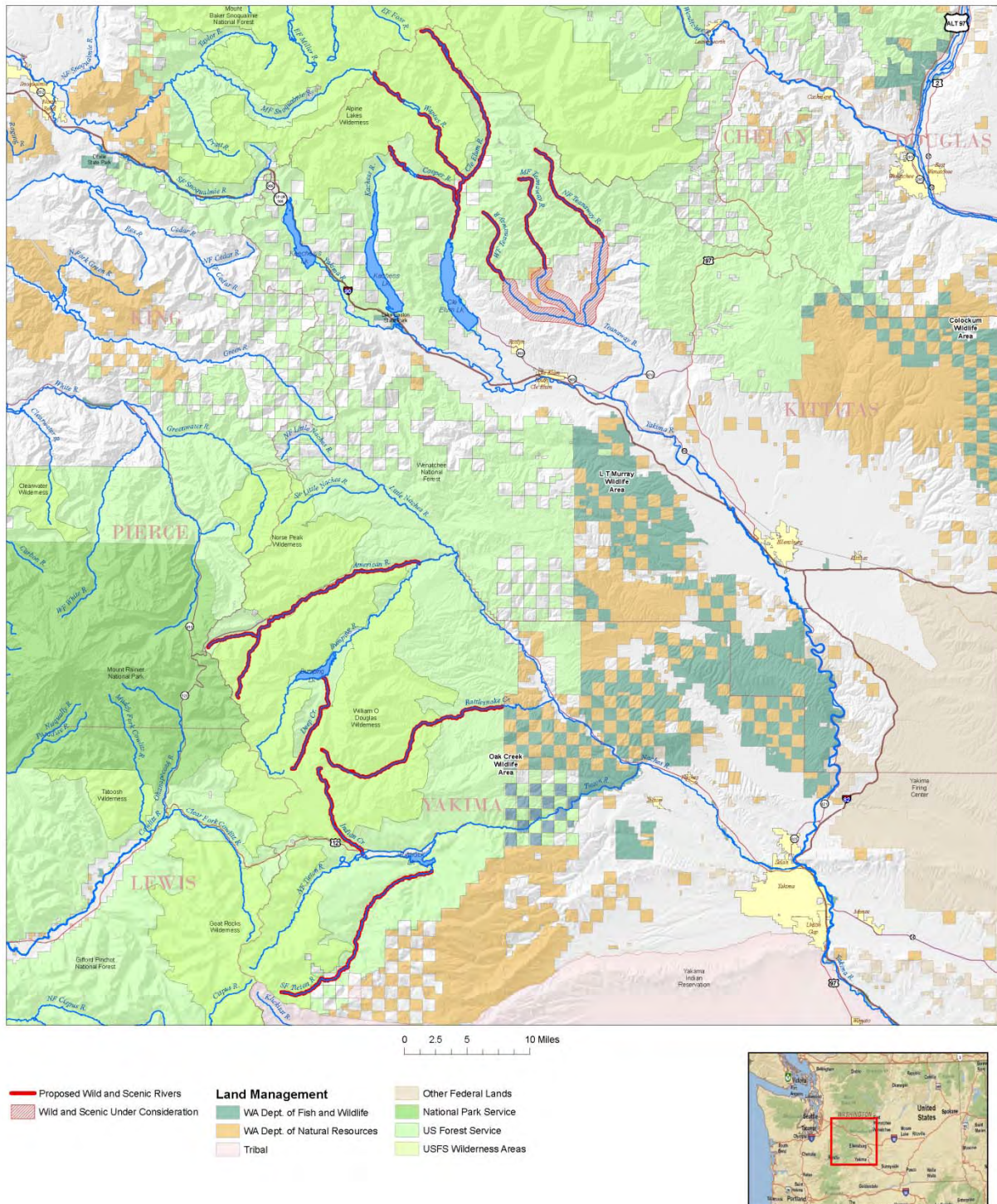


Figure 3. Options for Wild and Scenic River Designations

Options for Shrub-Steppe Protection

The shrub steppe ecosystem is extremely threatened in Washington and is a priority habitat for conservation for Washington State Department of Fish and Wildlife. Species that rely on this habitat in central Washington State include greater sage grouse, ferruginous hawks, black-tailed and white-tailed jackrabbits, burrowing owls, golden eagles, sage sparrow, sage thrasher, and sagebrush lizard.

Agricultural development was historically the most important cause of shrub steppe habitat loss, and myriad activities still threaten remaining shrub steppe. Construction of Wymer Reservoir under the Integrated Plan would inundate shrub steppe habitat adjacent to the Yakima River Canyon.

The Subcommittee identified the following options for protecting shrub-steppe habitat (see Figure 4):

- **Preferred option:** The Eaton Ranch, a 15,000 acre tract in the Yakima River canyon, has been identified as a preferred shrub steppe conservation option. The ranch includes lands in the valley bottom and eastern slopes of the Yakima Canyon, and extends eastward from the Yakima River to Interstate 82 (I-82). This is the number one priority for protection because of its immediate proximity to the proposed Wymer Reservoir, and because of documented sage grouse breeding areas and golden eagle nest sites. The tract is composed primarily of basalt cliffs and shrub- steppe vegetation, a critical habitat type. It is proposed that either the land or suitable conservation easements be acquired on a willing-seller basis.
- **Alternatives:** If acquisition of the Eaton Ranch or suitable conservation easements is not feasible, other options are available for shrub-steppe protection from potential willing sellers. These alternate sites include:
 - Shrub Steppe Alternative A: Rattlesnake Mountain (McWhorter Ranch). Benton Co. 14,000 acres. High priority for South Central Washington Shrub Steppe and Rangeland partnership. The McWhorter Ranch acquisition is the top ranked shrub-steppe project partially funded by the 2011 Washington Wildlife and Recreation Program and has long been sought by WDFW and Benton County.

- o Shrub Steppe Alternatives B through E are in the Cowiche Creek watershed, and encompass 10,000 to 12,000 acres. Priority habitats present and in good-to-excellent condition include: stream, riparian, shrub-steppe, oak woodland, cliffs and talus.

There is a wide range of habitat quality on the lands under consideration for shrub-steppe conservation. Therefore, in addition to acquiring lands, identification of specific management measures and the funds to support them will be necessary in order to secure the desired habitat conditions.

Who Will Own and Manage the Lands Acquired?

There are a range of alternatives regarding who should own and manage the lands acquired. The following list describes several alternatives for potential land management scenarios.

- **Private ownership**, which may include acquisition of conservation easements from an existing private landowner, or outright ownership by a private, non-profit conservation organization.
- **Local ownership**. This may include ownership by a County government or a consortium involving stakeholder groups. This option may also include use of a new option for Community Forest Trusts under Washington State law (protocols for this program remain to be developed).
- **State ownership** by an agency such as Washington State Department of Natural Resources or Department of Fish and Wildlife.
- **Federal ownership** by the U.S. Forest Service or Bureau of Land Management. For example, any lands acquired within the existing boundaries of the Wenatchee National Forest would presumably be owned by the Forest Service.
- **Tribal ownership** by the Yakama Nation.

Conservation easements can provide a flexible tool to promote habitat and watershed protection and enhancement without converting private ownership to public ownership. Easements can be purchased for specific rights associated with a given land parcel. These may include development rights, access, or other rights. Any rights that are not included in the easement remain vested in the property owner.

The Subcommittee recommends that ownership options in specific areas be prioritized as follows:

- **All lands under consideration**. For every acquisition the option of keeping the land in private ownership coupled with a conservation easement or similar mechanism to support permanent watershed and habitat protection should be considered. The suitability of this approach will depend on whether the outcome can meet conservation objectives, recreational access objectives and the current landowner's needs.
- **Forested lands in the Teanaway Basin**: Consortium/ community ownership such as a Community Forest Trust. If this is not feasible, then the next best option is State ownership with strong participation by a stakeholder advisory committee.
- **Forested areas in the headwaters of the Little Naches River, Taneum and Manastash Creeks**. These are "checkerboard" lands where private lands are

intermingled with U.S. Forest Service Lands. The best option if these lands are acquired is Forest Service ownership.

- **Eaton Ranch shrub-steppe lands.** A variety of alternative conservation options, including state or federal ownership, could be pursued on these lands.
- **Additional forested and shrub-steppe land options.** The subcommittee has not reviewed ownership options in detail for the additional land options.

The particular conditions of each individual property, proximity to other large public land-holdings, funding sources used for land acquisition or conservation easements, and other considerations are important in assessing land ownership options. The Subcommittee has not explored all of these issues in detail for the properties identified. The Subcommittee intends that ownership decisions be determined property-by-property, in a manner that leads to outcomes matching the principles outlined in this report.

Watershed Land Conservation Subcommittee
Irene Davidson, U.S. Forest Service Peter Dykstra, The Wilderness Society Paul Jewell, Kittitas County Board of Commissioners Steve Malloch, National Wildlife Federation Tom Ring, Yakama Nation Jeff Tayer (Chair), Washington State Department of Fish and Wildlife Jeanne Williams, Washington State Department of Natural Resources