WRIA 11 (Nisqually Watershed) Annual Report
Streamflow Restoration Act

February 2, 2019 through May 30, 2020

Prepared by the Nisqually Indian Tribe
Submitted to Department of Ecology
May 28, 2020
Washington State Department of Ecology (Ecology) adopted the Nisqually Watershed Management Plan Addendum on February 1, 2019. As part of the adoption order, the Nisqually Planning Unit is required to submit an annual report that outlines the status of implementation actions.

I. Plan implementation actions to date

Since the adoption of the Plan Addendum, the Nisqually Planning Unit has continued to meet to coordinate submission of streamflow restoration grants, work with a technical consultant to develop detail around conceptual offset and habitat restoration projects, address funding needs (including the development of a long-term funding strategy), and track the number of new permit exempt wells in the watershed. These activities have been funded through carryover from Ecology’s planning grant, in-kind allocation of staff from Planning Unit member entities and administrative funding allocated by the Nisqually Indian Tribe.

The Planning Unit is also continuing to work on a draft Interlocal Agreement to provide longer term funding for operation of the Planning Unit and implementation of actions and projects in the Watershed Management Plan and the Addendum to the plan prepared in response to the Streamflow Restoration Act.

2018 Streamflow Restoration Grants:

In the 2018 Streamflow Restoration Grant cycle there were four implementation project grant applications submitted from the Nisqually Watershed. Of these, two were funded. The status of these grants, that were actually awarded in 2019, is as follows:

- **Busy Wild Creek Protection (WRSRP-2019-NiLaTr-00080)**
  Grant recipient is in contact with property owners; however, there has been no progress on finalizing an acquisition to date. A delay in funding availability coupled with a later lack of opportunity for property acquisition has resulted in the current status.

- **Riparian and Floodplain Habitat Protection (WRSRP-2019-NiLaTr-00010)**
  Seven of ten conservation acquisition transactions have been completed, totaling 167 acres permanently protected. The other three transactions identified as a part of this project are in-progress and anticipated to be completed by the end of 2020. Some of these transactions will acquire properties for Phase IV – Ohop Creek Restoration.
2020 Streamflow Restoration Grant Applications:

Eight streamflow restoration grant applications have been submitted to Ecology from within WRIA 11 for the 2020 funding cycle. The grant applications are listed below (proposals marked * were approved and recommended in the Planning Unit's letter of support):

Nisqually Land Trust:
- WRSRP-2020-NiLaTr-00019 - Prairie Tributaries Water Rights Phase 2*
- WRSRP-2020-NiLaTr-00028 - Lower Ohop Protection*

Nisqually Community Forest:
- WRSRP-2020-NiCoFo-00131 - Nisqually Watershed Mashel River and Tributaries Protection*
- WRSRP-2020-NiCoFo-00130 - Nisqually Watershed Powell Creek Protection*

Nisqually River Foundation:
- WRSRP-2020-NiRiFo-00125 - Muck Creek Watershed Restoration Strategy and Project Prioritization*
- WRSRP-2020-NiRiFo-00007 - Project Development & Implementation of WRIA 11 Streamflow Restoration Plan*

Thurston County:
- WRSRP-2020-TCoPED-00046 - Lackamas/Toboton/Powell and Thompson/Yelm MAR Feasibility Study*
- WRSRP-2020-ThCoWR-00133 - Hidden Forest Managed Aquifer Recharge

II. Changes in approach since the last report

There have been no changes in approach since the adoption of the Addendum to the Nisqually Watershed Management Plan on February 1, 2019.

III. Significant implementation challenges that will require a change in approach

The primary challenge the Nisqually Planning Unit currently faces is the lack of implementation funding to achieve the outcomes specified in the WRIA 11 Management Plan Addendum. The primary funding available is a competitive grant process that requires watersheds to compete amongst one another to garner implementation funding, and there is no guarantee that any actions in the WRIA 11 Plan Addendum will be funded. Furthermore, because the WRIA 11 Planning Unit was required to produce a plan addendum under a significantly tighter timeframe than other WRIAs, and was not provided the technical support to further develop or design projects, the Planning Unit requires technical support to develop projects prior to their grant readiness.
The Nisqually Planning Unit member governments continue to put significant time and resources into developing projects and preparing grant applications. The Planning Unit does not currently plan to change the overall approach to streamflow restoration implementation, but availability of funding may require a future change.

A second challenge is merging data across three counties as the WRIA 11 Planning Unit adaptively manages offsets into the future.

IV. Specific information regarding the Tier 1 actions that Ecology relied on in adopting the plan:

In their technical review of the WRIA 11 Watershed Management Plan Addendum, Ecology defined and categorized “Tier 1” projects based on perceived certainty of implementation of water offsets. It should be noted that the “Tier 1 designation” was developed by Ecology and does not reflect the priorities or certainties of the Nisqually Planning Unit. As a condition of adoption, this report provides the status of “Tier 1” projects:

1. **Yelm Offset Action 1 – Connect New Development in Yelm UGA to City Water Service (Deep Well):** A progress report from the City of Yelm will be submitted by the City under separate cover.

2. **Water Right Acquisition:**
   A preliminary Phase I water rights analysis for the Prairie Tributaries Sub-basin was conducted by the Washington Water Trust (WWT) during development of the Plan Addendum. Based upon the results from the Phase I analysis and the relationships within the watershed, the Nisqually Land Trust has submitted a 2020 streamflow restoration grant application to work with the Conservation District and others to identify a water right for purchase in the Prairie Tributaries Sub-basin. (WRSRP-2020-NiLaTr-00019 - Prairie Tributaries Water Rights Phase 2).

3. **Yelm Offset Action 2 - Connect Existing Development on Permit-exempt Wells in Yelm UGA to City Water Service and Decommission Permit-exempt Wells:**
   Note that this action cannot commence until the City of Yelm has procured a water right to serve the Yelm UGA (see #1 above).

4. **Managed Aquifer Recharge (MAR) Projects:**
   Identification of MAR sites and a feasibility assessment of the offset and net ecological benefit each of the sites can contribute are included as portions of three separate streamflow restoration grant applications submitted in 2020:
   - WRSRP-2020-NiRiFo-00125 - Muck Creek Watershed Restoration Strategy and Project Prioritization
   - WRSRP-2020-NiRiFo-00007 - Project Development & Implementation of WRIA 11 Streamflow Restoration Plan
5. **Ohop Phase IV Floodplain Restoration & Protection:**
In 2019, the Nisqually Land Trust acquired 90 acres Lower Ohop Valley Phase IV area for permanent protection and restoration. This brings the total conservation ownership (Nisqually Indian Tribe and Land Trust) in the Phase IV area to just over 160 acres. These acquisitions were funded through Salmon Recovery Funding Board grants with match from multiple sources, including the 2018 Streamflow Restoration grant.

V. **Permit-Exempt Well Reporting**
Counties typically report their permit-exempt wells on an annual basis. This report element will summarize the well count by county for the calendar year prior to the year the report is submitted. Over time, this information can be used to compare to the projections of permit-exempt wells in the Plan Addendum. Offsets will be adaptively managed accordingly.

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<thead>
<tr>
<th>County</th>
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<td>Thurston County Portion of WRIA 11</td>
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