

FEB 4 2019



Public Works Department

Letter of Transmittal

Public Works Department / City Hall
555 Liberty Street SE / Room 325
Salem OR 97301-3513
503-588-6211
Civic Center FAX 503-588-6025
Engineering PM FAX 503-315-2568

Public Works Department
Willow Lake Water Pollution Control Facility
5915 Windsor Island Road North
Keizer OR 97303-6179
503-588-6380
FAX 503-588-6387

Public Works Department / Field Office
1410 20th Street SE/ Bldg. #2
Salem OR 97302-1209
503-588-6063
FAX 503-588-6480
TTY 503-588-6392

Date: 1/31/2019

Project No.:

Attention: Tom Taylor
To: CENWP-OD-G (Marion County, NWR-2007-214)
PO BOX 2946
Portland OR 97208-294

Subject: Salem Stream Mitigation Bank - 2018 Annual Report

We are sending you:

- Shop drawings, Prints, Plans, Samples, Specifications, Copy of letter, Change order, Other 2018 Annual Report

Table with 4 columns: No. of Original Copies, Document Date, No. of Pages, Description. Row 1: 1, 1/28/2019, 12, 2018 Annual Report

These are transmitted as checked below:

- For approval, For your use, As requested, For review and comment, Approved as submitted, Approved as noted, Returned for corrections, Other, Resubmit, Submit, Return, copies for approval, copies for distribution, corrected prints

Remarks:

Please contact me if you have questions. Thank you,

CC: Oregon DSL Signed: Zach Diehl, Program Coordinator

If enclosures are not as noted, kindly notify us at once.

FEB 4 2019



Salem Stream Mitigation Bank

2018 Annual Program Report
Township 8 South, Range 3 West, Section 23BB
Salem, Marion County, Oregon

JANUARY 28, 2019

Background

The Salem Stream Mitigation Bank (SMB) Program has been developed to provide compensatory mitigation for unavoidable impacts to jurisdictional streams resulting from City projects. As an "Umbrella Bank" it provides a framework for the establishment, use, operation, and maintenance of multiple compensatory mitigation sites within the City's urban growth boundary (UGB), targeted at specific watershed goals. At this time only the Waln Creek Stream Bank site is approved and active.

The goals of the City's SMB Program are to: 1) provide a basis for planning and implementation of cost-effective stream restoration projects; and 2) streamline the Removal-Fill and Section 404/401 permit evaluation process by providing a means for quantifying and compensating for unavoidable in-stream impacts.

Total Credit Additions

The original 30% release of credits was on February 2016 when a total of 3,222 credits were released to the bank: 2632.8 instream credits and 589.5 riparian credits. See Attachment 1 for the Program Ledger. See Attachment 2 for the 2016 Letter of Release.

In 2018 Oregon Department of State Lands (DSL) released additional credits for use. In August 2018 DSL released an additional 45 percent of the total credits. This included 3,949 instream and 884 riparian credits for a total release of 4,833 credits this year and a cumulative total of 8055 credits.

Total Credit Subtractions

There has been one sale of riparian credits and no sales of instream credits. In July 2016, 58 riparian credits were used to mitigate for the Summer Street Culvert Replacement. See Attachment 3 for Credit Receipt. The riparian credits were sold to mitigate for loss of riparian vegetation, see Attachment 4 for Summary Table.

2018 Activity

DSL released 4833 credits in August of 2018. See Attachment 5 for the 2018 Letter of Release.

The U.S. Army Corps of Engineers sent a letter of credit release in January 2019 in agreeance with the DSL letter of release.

Future Activity

The City does not have any significant purchases of stream mitigation bank credits planned for the near future but some small purchases will occur as the City continues to replace, improve, and upgrade culverts and other stream/roadway crossings.

Recommendations

As we have more years of operation of the SMB, the City will monitor our rate of credit sales and should evaluate whether the rate of credit sales warrants keeping those sales exclusively for City projects or if there is enough capacity in the SMB to offer credit sales to outside organizations, such as private developers. For now, the SMB will continue to be restricted to City projects only.

Attachments

1. Program Ledger
2. 2016 Letter of Release
3. 2016 Credit Receipt for Clark Creek
4. 2016 Summary Table for Clark Creek
5. 2018 DSL Letter of Release
6. 2019 USACE Letter of Release

ATTACHMENT 1: PROGRAM LEDGER

Wainn Creek Stream Bank Mitigation Site - Phase 1

Credit Ledger

Total Credits Available from Bank if all conditions met: 10,741

Total Instream Credits	8776	Total Riparian Credits	1965
------------------------	------	------------------------	------

Transaction Date	Applicant Name	Project Name	Transaction Type	# Total Credits	State Permit #	Federal Permit #	Instream Credit	Riparian Credit
2/26/2016	City	Wainn Creek Stream Bank	Release of 30% credits	3222			2632.8	589.5
7/18/2016	City	Summer Street Culvert	Withdrawal		58725-GP	NWP 2013-286-1	0	58
8/27/2018	City	Wainn Creek Stream Bank	2nd Release (45%)	4833			3949	884
End of 2018		Balance		7997.3			6581.8	1415.5

ATTACHMENT 2: 2016 LETTER OF RELEASE

Credit Receipt Salem Stream Mitigation Bank

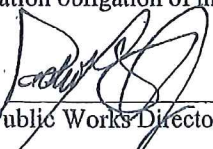
The bank sponsor will complete a credit receipt using the template below for every sale or transfer of credits, and immediately provide a copy of each receipt to both co-chair agencies, regardless of jurisdiction.

Date: July 18, 2016
 Number of instream credits sold: 0
 Number of riparian credits sold: 58
 Permittee Name: Jim Bonnet/City of Salem
 Project Name: Summer Street Culvert Replacement
 Corps Permit Number: NWP 2013-286-1
 DSL Permit Number: 58725-GP
 Other Project Identifier: Summer Street at Clark Creek (T 7S, R 3W, Section 34)
 Impact HUC: 170900070301

Please provide impact area and best professional judgment function and value rating for each impact site in the following table. Provide a written discussion of rationale for function and value ratings using direct measurement or observation of indicators. (Note: see Joint Permit Application for discussion of functions and values rating).

Impact Area	Hydrology	Geomorphology	Ecology	Historical and Cultural Resources	
Clark Creek	0.015 acre	Modified, perennial	Low-moderate	Moderate	Low

By selling credits to the permittee, CITY OF SALEM, hereby assumes responsibility for fulfilling the mitigation obligation of the Permit(s) listed above.

Sponsor signature: 
 Peter Fernandez, Public Works Director, City of Salem

ATTACHMENT 3: 2016 CREDIT RECEIPT FOR CLARK CREEK



Oregon

Kate Brown, Governor

Department of State Lands

775 Summer Street NE, Suite 100

Salem, OR 97301-1279

(503) 986-5200

FAX (503) 378-4844

www.oregon.gov/dsl

February 26, 2016

State Land Board

Patricia Farrell
City of Salem
Public Works Department, rm 325
555 Liberty St
Salem, OR 97301-3513

Kate Brown
Governor

Jeanne P. Atkins
Secretary of State

Ted Wheeler
State Treasurer

RE: First release of credits for Waln Creek Stream Mitigation Bank

Dear Patricia;

I am pleased to announce that we have received the necessary documentation for the initial credit release following approval of the Salem Stream Mitigation Bank Instrument (MBI). We have received the as-built drawings, and evidence that initial plantings have been completed at the Waln Creek site. Therefore, according to the credit release schedule in the Waln Creek Mitigation Plan Agreement, the Department hereby releases 2,633 instream and 589 riparian credits, for a total of 3,222 credits under the Salem stream mitigation protocol. This represents 30% of the total expected credits for this site.

These newly released credits are hereby available for city use or for purchase by parties within your service area who have submitted Removal-Fill permit applications to perform regulated activities in waters of the State of Oregon, or to resolve enforcement cases. Please note you will also need to secure the credit release from the Corps before any of these credits can be sold as compensatory mitigation for a Clean Water Act 404 permit.

Credits may be used or sold only when: 1) a permit application has been submitted wherein the applicant requests approval to use/purchase stream credits instead of conducting their own mitigation, 2) the DSL Resource Coordinator and the Corps Permit Evaluators concur that the stream functions and values proposed to be impacted by the project requiring the permit will be adequately compensated for by the mitigation bank, and 3) if the sale is for resolution of an enforcement case, the agency staff involved have agreed to the manner of resolution. Please note that the number of debits must be determined using the Salem stream mitigation calculation protocol included in the approved Bank Instrument.

For each credit use or sale, please send a copy of the receipt to each agency's permit coordinators, to Tom Taylor at the Corps, and to me. The receipt should identify the date, applicant name, project name, DSL and/or Corps permit file numbers, and the number of instream and riparian credits used or sold.

We wish to recognize the considerable effort in planning and development of the stream function evaluation tool pioneered by City of Salem staff, and also for the design and site management for the Waln creek bank thus far. If you have any questions, please contact me at 503-551-5617.

Sincerely,

A handwritten signature in black ink, appearing to read "Dana Field". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Dana Field
Mitigation Specialist

CC: Tom Taylor, Corps of Engineers
IRT
Mike DeBlasi, DSL

ATTACHMENT 4: 2016 SUMMARY TABLE FOR CLARK CREEK

CITY OF SALEM STREAM MITIGATION PROCESS (Ver. 1.0) - Page 5 - PROJECT SUMMARY AND SCORES

Project Name:	Summer Street Culvert at Clark Creek	Date:	07/01/16
Impact Stream Name:	Clark Creek	Reach #:	1
Mitigation Stream Name:	Clark Creek	Reach #:	1
Location:	2925 & 2960 Summer Street SE (north of Vista Ave SE)	Evaluator(s):	JVS/SE

Table 5A: Project Summary

Instream Impact Duration:	Permanent	In-Kind:	Category 1	Location:	Off-site
---------------------------	-----------	----------	------------	-----------	----------

Type of Instream Impact:	Span Structure	Utility Crossings	Armoring	Impoundment	Morphologic	Culvert/Pipe
Instream Impact Length:			4			20
						26.6

Riparian Impact:	Low	Left Herb/Low Shrub	182	Left Tree/Tall Shrub		Right Herb/Low Shrub	18	Right Tree/Tall Shrub	
	Medium	Left Herb/Low Shrub		Left Tree/Tall Shrub		Right Herb/Low Shrub		Right Tree/Tall Shrub	
	High	Left Herb/Low Shrub		Left Tree/Tall Shrub		Right Herb/Low Shrub		Right Tree/Tall Shrub	

INSTREAM NET IMPROVEMENT FACTORS - ABOVE BANKFULL STAGE

Laying back bank:	Right Side	40	Left Side	41
-------------------	------------	----	-----------	----

INSTREAM NET IMPROVEMENT FACTORS - AT OR BELOW BANKFULL STAGE

Bioengineering:	Left Side		Right Side		Changing straightened channel to an appropriate conformation:		Adding habitat structures		
Removal of bank armoring:	Right Side		Left Side			41.5	Removing dams or adding fish ladders		
Removing man-made debris below ordinary high water:						Increasing culvert size or adding culverts to increase floodplain connectivity:			
Bench Creation:	Left Side		Right Side		Laying back bank:	Right Side	40	Left Side	20

Riparian area to be enhanced:	Low	Left Herb/Low Shrubs	228	Left Tree/Tall Shrub		Right Herb/Low Shrub	290	Right Tree/Tall Shrub	
	Medium	Left Herb/Low Shrubs		Left Tree/Tall Shrub		Right Herb/Low Shrub		Right Tree/Tall Shrub	

Table 5B: Summary of Scores

Total Instream Debits (from Table 2):	H	190
Total Riparian Debits (from Table 2):	I+J	56
Total Debits (from Table 2):	K	247

Total Instream Credits (from Table 3A):	JJ	166
Total Riparian Credits (from Table 4B):	PP	23
Total Credits: FF+SS	QQ	189

Mitigation balance: a negative number indicates how much additional mitigation credit is needed; a positive number indicates the amount of surplus mitigation credit	58
--	----

At least 25% of the mitigation must be instream and below the bankfull elevation. Required credits are:	47.60	
Instream mitigation (below bankfull elevation) requirement:	Exceeded by:	71
	Insufficient by:	



Oregon

Kate Brown, Governor

Department of State Lands

775 Summer Street NE, Suite 100

Salem, OR 97301-1279

(503) 986-5200

FAX (503) 378-4844

www.oregon.gov/dsl

August 27, 2018

Patricia Farrell
City of Salem
Public Works Department, rm 325
555 Liberty St
Salem, OR 97301-3513

State Land Board

Kate Brown
Governor

Dennis Richardson
Secretary of State

RE: Second release of credits for Waln Creek Stream Mitigation Bank

Tobias Read

State Treasurer

Dear Patricia;

Thank you for your efforts to continue the success of the stream mitigation project. Our annual inspections and your recent monitoring reports confirm that the vegetation has established as expected and that the re-aligned channel is stable and performing the expected functions. We agree with the recommendations of the 2017 monitoring report that additional trees receive beaver protection cages, as tall woody vegetation is an important component of the credit accounting protocol.

According to the credit release schedule in the Waln Creek Mitigation Plan Agreement, the project now qualifies for another credit release. The Department hereby releases 3949 instream and 884 riparian credits, for a total of **4833** credits under the Salem stream mitigation protocol. This represents **45%** of the expected credits and brings the cumulative releases to 8055, or 75% of the expected total for this site.

These newly released credits are hereby available for city use or for purchase by parties within your service area who have submitted Removal-Fill permit applications to perform regulated activities in waters of the State of Oregon, or to resolve enforcement cases. Please note you will also need to secure the credit release from the Corps before any of these credits can be sold as compensatory mitigation for a Clean Water Act 404 permit.

Credits may be used or sold only when: 1) a permit application has been submitted wherein the applicant requests approval to use/purchase stream credits instead of conducting their own mitigation, 2) the DSL Resource Coordinator and the Corps Permit Evaluators concur that the stream functions and values proposed to be impacted by the project requiring the permit will be adequately compensated for by the mitigation bank, and 3) if the sale is for resolution of an enforcement case, the agency staff involved have agreed to the manner of resolution. Please note that the number of debits must be determined using the Salem stream mitigation calculation protocol included in the approved Bank Instrument.

ATTACHMENT 5: 2018 DSL SECOND LETTER OF RELEASE

For each credit use or sale, please send a copy of the receipt to each agency's permit coordinators, to Tom Taylor at the Corps, and to me. The receipt should identify the date, applicant name, project name, DSL and/or Corps permit file numbers, and the number of instream and riparian credits used or sold. If you have any questions, please contact me at 503-986-5238.

Sincerely,

A handwritten signature in black ink that reads "Dana Field". The signature is written in a cursive style with a long horizontal stroke at the end.

Dana Field
Mitigation Specialist

CC: Tom Taylor, Corps of Engineers
IRT
Fred Small, consultant
Mike DeBlasi, DSL

using the e-mail information below. In the meantime we look forward to receiving your Year 6 monitoring report, which is due on January 31, 2019.

Thank you for your continued efforts to create a successful mitigation bank. If you have any questions, please contact Mr. Taylor at the letterhead address, by telephone, at (503) 808-4386 or via e-mail at: thomas.j.taylor@usace.army.mil.

Sincerely,

**BROCK.JOSEPH
.W.1164366398**

Digitally signed by
BROCK.JOSEPH.W.1164366398
DN: c=US, o=U.S. Government,
ou=DoD, ou=PKI, ou=USA,
cn=BROCK.JOSEPH.W.1164366398
Date: 2019.01.23 07:19:31 -08'00'

William D. Abadie
Chief, Regulatory Branch

cc:

Oregon Department of State Lands (dana.field@state.or.us)
Oregon Department of Environmental Quality (sara.christensen@state.or.us)
U.S. Fish and Wildlife Service (shauna_everett@fws.gov)
U.S. Environmental Protection Agency (Nadeau.tracie@epa.gov)
Oregon Department of Fish and Wildlife (joy.r.vaughan@state.or.us)
National Marine Fisheries Service (marc.liverman@noaa.gov)



DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS, PORTLAND DISTRICT
P.O. BOX 2946
PORTLAND, OREGON 97208-2946

January 23, 2019

Regulatory Branch
Corps No.: NWP-2011-100

Ms. Patricia Farrell
Planning & Development
City of Salem Public Works Department
555 Liberty Street SE
Salem, Oregon 97301-3503
pfarrell@cityofsalem.net

Dear Ms. Farrell:

The U.S. Army Corps of Engineers (Corps) has reviewed your Mitigation Monitoring Reports for Year 4 (2016) and Year 5 (2017) dated January 2017 and December 2017, and an e-mail dated August 23, 2018, that conveys recent field observations from Ms. Dana Field (Oregon Department of State Lands), for the combined Waln Creek Enhancement and Battle Creek Culvert Removal Mitigation Project (Project). As provided in the credit release schedule of the Project mitigation plan¹, the City of Salem is eligible for a credit release.

To date the Corps has released 30 percent of the total 8,776 instream credits and 1,965 riparian credits, which are projected to be available at the Project site. The current release is based on the Waln and Battle creeks Project site (i.e., channel and riparian community) generally demonstrating stability and the City sufficiently meeting all performance standards for Years 4 and 5.

The Corps is releasing 3,949 instream credits and 884 riparian credits, or 45 percent of the credits projected to be available at the Project site. This constitutes Release 2 as specified in the Project mitigation plan. A cumulative total of 8,055 (75%) of the expected total credits for this site has now been released.

You are reminded to include with each submitted credit sale receipt the information listed in Exhibit G - Sample Credit Receipt of the Stream Mitigation Program, Umbrella Mitigation Bank Instrument. Please submit the receipts electronically to Mr. Tom Taylor

¹ City of Salem Stream Mitigation Program Umbrella Mitigation Bank Instrument (NWP-2010-591), Appendix A, Waln Creek Enhancement and Battle Creek Culvert Removal Project Mitigation Plan, Section IX, dated May 8, 2014