

BLUE HERON SLOUGH CONSERVATION AND MITIGATION BANK

Prospectus Snohomish County, Washington



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1.0 INTRODUCTION

The Port of Everett in partnership with Wildlands, Inc. is seeking certification by the Interagency Review Team (IRT) of compensatory wetland mitigation credits (Wetland Credits) for their Blue Heron Slough Conservation and Mitigation Bank (Bank). Currently the Bank, located in Everett, Washington, is approved by the National Oceanic and Atmospheric Administration (NOAA) as a conservation bank with fisheries conservation credits (Conservation Credits). Construction on the Bank is currently underway. The Bank is currently certified to provide Conservation Credits to compensate for impacts to special-status salmonid species within an approved service area. Upon IRT certification of Wetland Credits, the Bank will be permitted to provide ecologically sound and economically viable compensatory mitigation for local impacts to wetlands, riparian habitat, and freshwater and estuarine habitat in addition to the Conservation Credits for salmonids listed as threatened under the Endangered Species Act (ESA).

The Bank (approximately 344 acres) is located in the Snohomish River Estuary, east of Interstate 5 (I-5) and was diked in the early 1900s for agricultural use (Figure 1, Regional Vicinity Map). The Bank is located in the Snohomish River Water Resources Inventory Area (WRIA 7) between Union and Steamboat sloughs, near the sloughs' confluence with Possession Sound.

Historically, this site supported tidally-influenced marsh and non-tidal scrub-shrub and forested habitat typical of the lower Snohomish Estuary (Haas and Collins 2001). Prior to certification as a Conservation Bank, the Bank site was converted to agricultural uses by diking and draining. Once construction is complete, the Bank will restore estuarine habitat throughout the site by re-establishing former wetland habitat and rehabilitating currently degraded wetlands. The Bank will also restore intertidal mudflat and marsh, as well as riparian scrub-shrub/forested habitat.

1.1 Sponsor Qualifications

The Port of Everett has successfully completed a number of estuarine restoration projects over the last decade, most notably the Union Slough restoration project, a 24-acre estuarine marsh mudflat restoration project located in the Snohomish River. Wildlands is a habitat development and land management company dedicated to the restoration and preservation of wetlands and special-status species habitat. Wildlands is one of the first private organizations to establish mitigation and conservation banks, and has been in the business for over 16 years. Wildlands has acquired and now manages over 30,000 acres of mitigation lands.

Wildlands primary mission is the acquisition, restoration, and management of open space. Wildlands has a seasoned team of experts that cover all aspects of mitigation banking and land conservation including stream restoration engineers, geomorphologists, wildlife biologists and botanists, regulatory permitting specialists, land and range managers, conservation planners, licensed landscape architects, economists, GIS analysts, and real estate specialists. Wildlands applies a comprehensive, watershed and ecosystem approach to fulfilling mitigation banking and conservation projects. As a land owner and bank/preserve operator, Wildlands assumes the responsibility for mitigation success.

2.0 SITE LOCATION

The Bank is located between the cities of Everett and Marysville in unincorporated Snohomish County (Figure 2 & 3, Bank Location Map and Aerial) on north Spencer Island. The main channel of the Snohomish River is located to the west of the Bank. This Bank is bounded to the north and east by Steamboat Slough, to the south by Union Slough, and to the west by I-5. The north shoreline of the Bank extends from approximately river mile (RM) 1.5 to RM 3 along Steamboat Slough. The south shoreline of the Bank extends from RM 1 to approximately RM 1.8 along Union Slough. The Bank is located in Sections 3, 4, 9 and 10 of Township 29 N, Range 5 E, on the Willamette Meridian at latitude 48°01'41"N, 122°10'02"W. The Bank provides an excellent opportunity to reconnect this area to the main tidal channel and adjacent wetland habitat in the Snohomish River Estuary, to restore intertidal estuarine habitat onsite, and preserve open space adjacent to the City of Everett's Urban Growth Area.

3.0 PROJECT NEED AND FEASIBILITY

The Bank will provide high quality compensation for impacts to wetlands and waters of the United States (including littoral [intertidal and shallow subtidal] habitat, tidal vegetated marsh, intertidal mudflats, riparian vegetation, and palustrine wetland habitat) throughout the Snohomish River system. Tidal habitat benefits of the Bank will accrue to all estuarine-dependent species in the Snohomish River system (WRIA 7) and adjacent marine waters of Port Gardner and Possession Sound. Estuarine-dependent species include Chinook salmon, steelhead, and bull trout which are all listed as threatened under the federal endangered species act. Major factors in population declines include: (1) degraded floodplain and in-river channel structure, (2) degraded estuarine conditions and loss of estuarine and river off-channel and side-channel habitats, (3) riparian area degradation and loss of in-river large woody debris, (4) excessive fine-grained sediment in spawning gravel, (5) degraded water quality and temperature, (6) degraded nearshore conditions, (7) impaired passage for migrating fish and (8) altered flow regimes (Snohomish Basin Salmon Recovery Forum 2005). Restoration activities at the Bank will increase the tidally-influenced acreage in the Snohomish River Estuary by approximately 13 percent.

Based on Wildlands' knowledge of demand for wetland mitigation in the region, Wildlands believes there is a strong demand for Wetland Credits in addition to Conservation Credits in the region.

4.0 SITE SELECTION CRITERIA AND RATIONALE

The site selection of the Bank is consistent with several key watershed plans developed for the Snohomish basin including considerations and ranking developed in the Snohomish Estuary Wetland Integration Plan (SEWIP) and SEWIP Salmon Overlay (City of Everett et al. 1997; City of Everett and Pentec 2001; Snohomish Basin Salmon Recovery Forum 2005). This project is the second highest ranked site listed in the original SEWIP and SEWIP Salmon Overlay for estuarine restoration.

The Bank site meets the following site selection criteria as identified in WAC 173-700-303 of the proposed Washington State Wetland Mitigation Bank Certification Rule as detailed below.

4.1 Site Selection Criteria from WAC 173-700-303

Whether the proposed location and design are consistent with watershed-based restoration priorities

The Bank is consistent with existing planning documents including:

- Snohomish Estuary Wetland Integration Plan
- Snohomish Estuary Wetland Integration Plan, Salmon Overlay
- Snohomish River Basin Salmon Conservation Plan
- 2007 Snohomish County Comprehensive Park and Recreation Plan
- Snohomish County Critical Areas Ordinance: Fish and Wildlife Habitat Conservation Areas (SCC 30.62)

These documents recommend the conservation and restoration of historic floodplains, estuarine wetlands and riparian areas, as well as the preservation of natural open space and fish and wildlife habitat.

Whether the proposed location and design allow for the protection and restoration of ecological processes within the basin or the watershed

Historically the Bank site supported tidally influenced marsh and scrub-shrub and forested habitat typical of the lower Snohomish River Estuary (Haas and Collins 2001). The design for the Bank site would restore channel, marsh, riparian, and scrub-shrub/forested habitat and then re-introduce tidal influence to the restored habitats. Restoration activities on the Bank site will increase the tidally-influenced acreage in the Snohomish River Estuary by approximately 13 percent. The Bank site is bordered by I-5 to the west, Steamboat Slough to the north and east, and Union Slough to the south. These features would provide protection from offsite influences (including adjacent development or farming activities).

Whether the proposed location and design protect or enhance wetland functions that can be sustained over time

The location of the Bank is ideal to restore, enhance, and protect wetland functions that can be sustained over time because this area was formerly a connected and functioning portion of the Snohomish Estuary. The vast majority of the Bank will be influenced solely by natural hydrology and therefore be inherently sustainable, albeit non-static. The intent of project design is to re-establish natural processes on the site. Over time these processes are expected to result in changes in site features, including channel configuration and number; shape and extent of residual dikes, and configuration and extent of tidal marshes. In addition, rebound and/or sediment accretion will result in the natural formation of palustrine scrub-shrub and/or forested habitat. The man-made structures (dike and controlled access to it) will not be ecologically sustainable and will require regular maintenance. The long-term management and maintenance activities expected to occur on the Bank site are specified in the Management Plan prepared for the site.

Whether the proposed location will possess the physical, chemical, and biological characteristics to support a sustainable wetland ecosystem

This Bank was historically a tidally influenced marsh with non-tidal scrub-shrub and forested habitat typical of the lower Snohomish River Estuary (Haas and Collins 2001). The soil, established over time from tidal and floodplain deposition and erosion, still possesses the physical, chemical and biological characteristics needed to re-establish and rehabilitate tidal wetlands, and will support associated vegetation communities. By reconnecting the Bank to the aquatic system of the estuary, the seed bank in the Estuary will be available to the Bank and will assist in restoring the native plant communities present on the Bank prior to agricultural conversion, as has occurred on the Port's adjacent Union Slough Restoration Site (Pentec 2006).

Analysis of the SEWIP assessment data shows that the Bank's existing wetlands are functioning at a low level, but they have a high potential for restoration because hydric soils are still present and hydrology can readily be provided. Because the Snohomish Estuary as a whole is a highly functioning integral ecosystem, the Bank has high potential for successful restoration given the presence of hydric soils, hydrology and ample adjacent 'pristine' sites which could serve as plant and animal sources for on-site colonization.

Whether the size and location of the bank are appropriate relative to the ecological features found at the site, such as sources of water

The 344-acre Bank is on an island (North Spencer), almost totally surrounded by Steamboat and Union Sloughs and close to the confluence with Possession Sound. The Snohomish River Estuary consists of the main river channel and three primary distributary sloughs – Ebey, Steamboat, and Union. The Snohomish Estuary extends well upstream of this site, so the adjacent sloughs are strongly influenced by daily tides as well as by seasonal river flooding and surface water runoff. The Bank is large enough to allow re-establishment of a complex of natural estuarine features including mudflats, intertidal marshes, dendritic channels and off-channel habitat along with accompanying hydrologic function. The Bank is also comparable in size to surrounding restored and non-restored estuarine sites.

Whether the proposed location has a high potential to connect or complement existing wetlands

This Bank provides a regionally significant opportunity to restore onsite wetlands to historic estuarine conditions from the current degraded wetland conditions due to agricultural use (e.g., Haas and Collins 2001). Restoring onsite tidal habitat will reconnect this area with the larger Snohomish River Estuary system and numerous surrounding tidal wetlands that remain relatively undisturbed, including the relatively high-value brackish marsh areas along the outsides of existing dikes (e.g., City of Everett and Pentec 2001).

Whether the process of establishing the bank at the site will protect or enhance ecologically significant aquatic or upland resources or habitat for threatened, endangered, or candidate species

The Bank site was specifically designed in coordination with the National Oceanic and Atmospheric Administration (NOAA) to restore and enhance estuarine habitat that would provide benefits for Chinook salmon (*Oncorhynchus tshawytscha*), steelhead (*O. mykiss*), and bull trout (*Salvelinus confluentus*), all federally listed as threatened.

Threatened and candidate fish species are known to use the habitats along the outside of the Bank. The restoration activities on the Bank site including re-connecting the site to the Snohomish River via the adjacent sloughs will make the restored high quality habitat on the Bank site accessible for all fish species that occur in the river, including Chinook salmon, bull trout, and steelhead trout.

The types of unavoidable impacts that are anticipated to use bank credits for mitigation

Unavoidable impacts anticipated to require Wetland Credits for compensatory mitigation include development primarily within WRIA 7, such as residential and community development, public infrastructure development, and development along the shoreline by the Port of Everett, the U.S. Navy, or private industries. The Bank will be available on a case-by-case basis to mitigate for unavoidable impacts to a variety of habitat categories including essential fish habitat, littoral (intertidal and shallow subtidal) habitat, tidal vegetated marsh, intertidal mudflats, riparian vegetation and palustrine wetland habitat. Regulations that require compensatory mitigation include Critical Area Ordinances at the local level; the Water Pollution Control Act, Hydraulic Code (Hydraulic Project Approval), and Shoreline Management Act at the state level; and the Endangered Species Act, the Clean Water Act, and the Fishery Conservation and Management Act at the federal level.

Whether the Bank site can be protected over time from direct, indirect, and cumulative impacts based on development trends and anticipated land use changes.

Further development upstream in the watershed could potentially increase the quantity and duration of flooding at the Bank. However, the re-established and rehabilitated functions and values at the Bank would be able to respond positively to and absorb these additional impacts. Secondly, the Bank will continue to be protected from direct, indirect, and cumulative impacts by virtue of its location in the Snohomish River Watershed and its historic function as a tidally influenced marsh. Thirdly, the project is designed to facilitate the natural ebb and flow of tidal and seasonal flooding (once existing dikes are breached), so the Bank would hold and slow floodwaters, and act as a pollutant filter from upstream runoff. Lastly, a conservation easement will prevent, in perpetuity, development of this Bank.

In addition, the Bank would have a dike built to Army Corps of Engineers specifications along its western border to protect I-5 from flood events and isolate the Bank from expansion of the freeway.

Whether the bank sponsor has obtained water rights for the site, if necessary

The Port of Everett and Wildlands, Inc. owns all necessary water rights for their respective properties.

Whether the proposed location contains cultural resources

A cultural report for the Bank site was completed in 2007 by ERCI. No archaeological sites were identified during this investigation. An historic property inventory report for the farmhouse onsite and an archaeological site inventory form for the farm levee were submitted to the U.S. Army Corps of Engineers (Corps) at their request. After consulting with the State Historic Preservation Officer (SHPO), the Corps approved the project and issued the Nationwide Permit 27 for construction because the Corps and SHPO agreed that the project would not affect any known cultural resources. The approval included a special condition for the unanticipated discovery of cultural resources.

Whether the proposed location and bank objectives are compatible with surrounding land uses located both up and down gradient

The current Snohomish County Comprehensive Land Use designation for this Bank is agriculture. The surrounding land use designations are primarily agriculture, with the exception of the area west of I-5 (in the City of Everett's Urban Growth Boundary), where the land is zoned heavy industrial. A dike will be constructed along I-5 in order to provide a physical barrier between the interstate and the Bank site. The Bank and its habitat mitigation objectives are compatible with these land use designations. The SEWIP and WRIA 7 Salmon Conservation Plans also call for restoration, where possible, throughout the estuary.

Whether the proposed location contributes to the improvement of identified management problems within the drainage basin or watershed (e.g., sedimentation, water quality degradation, or flood control)

Loss of historic tidal habitat has been identified in several management and conservation plans as a critical factor in the decline of endangered species using the Snohomish Estuary (SEWIP, Salmon Overlay, Snohomish River Basin Salmon Conservation Plan). Correspondingly, restoring these habitats is essential to the restoration of these species. The Bank would also assist in reducing the Snohomish River basin's non-point pollution and sedimentation problems by acting as a filter, thereby reducing pollution and improving water quality. Furthermore, this Bank would provide flood control for the immediate area, but not affect peak flows on the river itself.

What the historic land uses were at the proposed location

The Bank site was historically part of the Snohomish Estuary which was diked and drained in the 1880's for agricultural uses. In 2008, the site was approved by NOAA as a Conservation Bank for salmon, steelhead, and bull trout.

Compatibility of banks and Agricultural Lands of Long-term Commercial Significance

Certification of the Bank to provide Wetland Credits would not be in conflict with any policies against use of agricultural lands of long-term commercial significance. Although its prior use was agriculture, the site is currently approved, and is being used as a Conservation Bank. As part of their review of the permits for construction of the Bank (see also Section 10.0), Snohomish County reviewed the proposed action's consistency under existing comprehensive plan policies and zoning requirements and the establishment and construction of a Conservation Bank was determined to be an appropriate use of the land.

As part of the Bank approval, the Port of Everett and Wildlands, Inc. have also committed to the recordation of a conservation easement protecting the property in perpetuity as habitat and open space.

5.0 EXISTING CONDITIONS AND LAND USES

The Blue Heron Slough Conservation and Mitigation Bank consists of 344 acres of former tidal marsh. The Conservation Bank Agreement was approved by NOAA in 2008. A portion of the Bank site was constructed in summer 2008.

The property contains about 17 acres of private perimeter dike that is approximately 14 feet above mean lower low water (MLLW) (in order to be above the 100-year flood level).

Numerous wildlife species were observed utilizing the Bank site during the field inventory of wetlands (Brewster 2006). Observed bird species included 24 species of passerines, four species of raptors (including red tail hawk and rough legged hawk), bald eagle and osprey were observed hunting over Steamboat Slough, three species of waterfowl, one species of shorebird (American killdeer), and one species of wading bird (great blue heron). Mammals observed on site include coyote, cottontail rabbit, and Columbian black-tailed deer. One amphibian species, Pacific tree frog, was observed.

5.1 Land Ownership

The majority of this property was purchased by the Port of Everett in 1994. Wildlands, Inc. owns an approximately 12-acre property roughly in the center of the Bank site. The overall property (Port of Everett and Wildlands properties combined) totals 356 acres. Of the 356 acres, a dike protecting I-5 will be constructed over approximately 12 acres (see Figure 6). The Bank area (or Conservation Easement area) totals 344 acres. The Bank site is zoned Agricultural, 10-acre minimum.

5.2 Landscape Position

The Bank is located in the lower Snohomish River Estuary, northeast of the main river channel, between two Snohomish River sloughs (Steamboat and Union) with I-5 to the west and previously restored estuarine habitat to the southeast. The Bank and its corresponding service area are in WRIA 7.

The Bank lies in Ecological Management Unit (EMU) 2 of the SEWIP Salmon Overlay (City of Everett and Pentec 2001); EMU 2 corresponds to the “Emergent/Forested Transition” zone of Haas and Collins (2001), an area that formerly had a complex of sloughs, channels and mudflats fringed by emergent, brackish marsh, scrub-shrub and forested higher ground. The area is considered to be of high value as a saltwater transition zone and rearing area for juvenile salmonids (City of Everett and Pentec 2001). This EMU was nearly 100 percent diked for agricultural purposes in the first half of the 20th century, but several areas have been restored to tidal influences either by natural actions (north Ebey Island) or through active restoration (Union Slough Restoration Site, City of Marysville Restoration Site).

The Bank is located approximately three miles upstream from where Steamboat and Union sloughs join and empty into Possession Sound. The Bank is entirely within the 100-year floodplain of the Snohomish River. The topography here is almost uniformly flat, with existing elevations ranging from approximately 6 to 8 feet above MLLW.

5.3 Wetlands Present on the Site

A wetland delineation report was prepared for the Bank site by Diane Brewster (Touchstone EcoServices) on October 22, 2007. Wetlands were delineated using the U.S. Army Corps of Engineers Wetland Delineation Manual (U.S. Army Corps of Engineers 1987) and the Washington State Department of Ecology Washington State Wetland Identification and Delineation Manual (Washington Department of Ecology 1997).

Because of the level of disturbance to the Bank’s hydrology due to ditching, diking, and drain tiles, a capillary fringe of 22 inches below ground surface was used to determine the presence of wetland hydrology. This depth correlated well with ponding, evidence of ponding, or the presence of obligate

plant species. In addition, data from the 20 groundwater wells, placed in September 2005 and monitored weekly, was used to calculate groundwater drawdown during the delineation. In areas of cultivation, the presence of hydric soil and wetland hydrology were used to determine the presence of wetland habitat. Wetland boundaries were documented using a global positioning system (GPS) unit and mapped onto the topographic base map provided by Wildlands of Washington, Inc.

Wetlands cover 62.959 acres of the Bank (See Figure 4, Wetland Delineation). The wetlands are cut off from the estuarine system by dikes and a tide gate. The primary wetland habitat type present was palustrine emergent; cultivated areas with no vegetation were included in this category on the assumption that emergent vegetation would re-establish rapidly if agricultural activities were discontinued. The one remnant slough covers an additional approximate 7.1 acres (Figure 4, Wetland Delineation). Intertidal marsh habitat also exists on benches along the outside of the dikes on Steamboat and Union sloughs, starting at an elevation of approximately +4.5 MLLW and extending upwards in some places to the Ordinary High Water (OHW) mark. The site's wetland communities are described in Section 5.5 below.

5.3.1 Functions provided by on-site wetlands

Wetlands on the Bank site were originally assessed for functional performance as part of the SEWIP. The SEWIP assessment determined that the existing wetlands were functioning at a low level due to the diking, draining, pumping and agricultural activities.

As part of the wetland delineation conducted by Touchstone EcoServices, the 2004 revised Washington State Wetland Rating System for Western Washington was used to determine the rating and functional performance of each delineated wetland on the Bank site. Nearly 60 percent of the delineated wetlands were determined to be Category III, 40 percent were determined to be a Category IV, and only one wetland was determined to be a Category II (Touchstone EcoServices 2007).

In 2008, Touchstone EcoServices prepared a comprehensive Washington State Wetland Functional Assessment for the Bank site. Overall, functions that received moderate to high potential performance scores across the site include removal of sediments, nutrients and toxics; peak flow reduction; decrease in erosion; and bird habitat. Functions that received lower potential performances scores and ratings across the site include groundwater recharge; general habitat; specific habitat for invertebrates, amphibians, anadromous and resident fish, and mammals; plant species richness; and production and export.

5.4 Soils

As shown in Figure 5, Soils, the soils at the Bank are comprised entirely of Puget silty clay loam (Natural Resources Conservation Service 2006). This is a very deep, poorly drained soil with moderately slow permeability that formed in recent alluvium on floodplains and low river terraces. Slopes are typically zero to three percent. Puget soil is listed on the Snohomish County Area Hydric Soils list, meeting the hydric soil criteria for saturation and ponding. However, much of the soil at the Bank shows remnant hydric indicators since most of the site has been effectively drained for farming activities by diking, ditching, tide gates and drain tiles.

5.5 Vegetation

Vegetation in the palustrine emergent wetlands is dominated primarily by common velvetgrass (*Holcus lanatus*), reed canarygrass (*Phalaris arundinacea*), and blue grass (*Poa* sp.). Wetlands with wetter hydrologic regimes include small areas with narrow leaf cattail (*Typha angustifolia*), Pacific silverweed

(*Potentilla anserina* ssp. *pacifica*), hardstem bulrush (*Schoenoplectus acutus*), and soft rush (*Juncus effusus*). Wetland areas that are ponded for a majority of the early growing season support a high percent of water foxtail (*Alopecurus geniculatus*) with lamb's quarters (*Chenopodium album*) establishing as the soils dry out. Palustrine emergent/scrub-shrub saturated farmed wetlands consist of agricultural crops of kale and raspberries.

Palustrine forested broad-leaf deciduous habitat is comprised primarily of remnant tree farming areas. Trees in these areas are all ornamental species that can tolerate wetter soil conditions and include weeping birch (*Betula* sp.), cherry (*Prunus* sp.), and London plane (*Plantanus* sp.)

Upland remnant tree farming areas support Douglas fir (*Pseudotsuga menziesii*) and a variety of broad-leaved deciduous trees including maples (*Acer* sp.), fruit trees, etc. Himalayan blackberry (*Rubus armeniacus*) and other upland understory and ground cover species also occur in these upland forests.

Dikes and dredge spoils support shrub, forest, and grassland habitats. Dominant species observed on dikes include reed canarygrass, Himalayan blackberry, salmonberry (*Rubus spectabilis*), Nootka rose (*Rosa nootkana*), red elderberry (*Sambucus racemosa*), and red alder (*Alnus rubra*).

Upland areas of fallow agriculture are dominated by ryegrass (*Lolium perenne*) and Canada thistle (*Cirsium arvense*). Upland active agriculture supports strawberries, raspberries, and kale.

Other common, but not dominant, plant species observed throughout the Bank include evergreen blackberry (*Rubus laciniatus*), Douglas spirea (*Spiraea douglasii*), cutleaf geranium (*Geranium dissectum*), vetch (*Vicia* sp.), and black twinberry (*Lonicera involucrata*).

5.6 Available Information on Land Use

The entire Bank site (344 acres) comprises the Blue Heron Slough Conservation and Mitigation Bank. A portion of the restoration was constructed in summer of 2008. The majority of the Bank site is currently fallow and dominated by reed canarygrass (*Phalaris arundinacea*) with occurrences of common Canada thistle (*Cirsium arvense*), common velvetgrass (*Holcus lanatus*), and annual ryegrass (*Lolium multiflorum*).

In February 1997, the Port of Everett and the former land owners (Tenant) entered into a lease agreement which allowed the Tenant to lease the property back from the Port until such time that the Port gave the Tenant a 30-day notice to vacate the property. The original agreement was extended through August 2008. As stated in the agreement, beginning in September 2008, the Tenant could occupy the site on a caretaker basis while the site is managed in preparation for the construction and development of the Bank. The Tenants are currently conducting agricultural activities on approximately 10 percent of the Bank site.

The Bank site is bordered by I-5 to the west, Steamboat Slough to the north and east, and Union Slough to the south. Adjacent land uses further to the north, east and south include a mix of city, county and tribal open space, wetland preserves and undeveloped park land. Land west of I-5 on Spencer Island is zoned heavy industrial and listed in the City of Everett Shoreline Management Plan as Mixed Use Industrial (north of the Port's restored Union Slough Restoration Site) and Urban Conservancy (the restored site). Farther north across Ebey Island and Ebey Slough is the City of Marysville Sewage Treatment Plant and associated tidal marsh restoration site; farther south across Union Slough and a large agricultural tract is the City of Everett Sewage Treatment Plant. Farther east in the floodplain the land is rural and used mainly for farming.

5.6.1 Liens, Right-of-Way, and Encumbrances

A list of exceptions to title including liens, right-of-way, and encumbrances and corresponding map are included as Attachment A. The conservation easement recorded over the Bank site will exclude any easement areas that allow uses incompatible with conservation.

5.6.2 Buildings, Structures, and Other Built Structures to Remain

The Bank site currently contains existing structures including a two-story residence, barn, outbuildings, children's theme area, and a perimeter berm. The two-story residence, barn, outbuildings, and children's theme area are all scheduled to be removed from the site prior to construction in these areas. The perimeter berm will be breached in four places and five areas of the berm will be degraded to allow high tides and floods to overtop. The rest of the berm will remain on the site. A dike will be constructed along I-5 in order to protect the highway from the tidewaters that will flow onto the Bank site following the dike breaches.

6.0 GOALS AND OBJECTIVES

The original SEWIP and the SEWIP Salmon Overlay outline specific goals for estuarine restoration in the Snohomish Estuary. Consistent with those goals, the primary goal of this Bank is to restore intertidal wetland and mudflat habitat by restoring natural ecological processes to the site.

The Bank has the following specific ecological goals:

- Goal 1: Restore and enhance approximately 344 acres of disturbed habitat in the lower Snohomish River Estuary, to include high quality, sustainable mudflats, intertidal marshes and riparian areas.
- Goal 2: Re-connect refuge and off-channel rearing habitat to the Snohomish River Estuary.
- Goal 3: Permanently protect and manage the improved, enhanced, and restored habitats on the Bank in perpetuity.

6.1 Objectives

The stated goals listed in Section 1.1 will be accomplished as follows:

Goal 1: Hydrology and Topography. Restore and enhance approximately 344 acres of disturbed habitat in the lower Snohomish River Estuary, to include high quality, sustainable mudflats, intertidal marshes and riparian areas.

- Objective 1.1: Create a mosaic of habitats across the site (channel, mudflat, and vegetated tidal marsh) through grading activities
- Objective 1.2: Enhance riparian vegetation on the remaining dikes to contribute leaf and insect fall to the aquatic environment and as habitat for passerines, raptors, small mammals and other wildlife

- Objective 1.3: Improve water quality by increasing native plant richness and cover
- Objective 1.4: Control invasive plant species throughout the Bank

Goal 2: Functions. Re-connect refuge and off-channel rearing habitat to the Snohomish River Estuary.

- Objective 2.1: Grade to restore off-channel rearing habitat and refugia for juvenile salmonids including ESA-listed threatened species, and other aquatic species
- Objective 2.2: Breach existing dikes in several locations to provide tidal exchange and connectivity to restored channels, wetlands, marsh, and riparian areas.

Goal 3: Protection. Permanently protect and manage the improved, enhanced, and restored habitats on the Bank in perpetuity.

- Objective 3.1: Place a conservation easement over the Bank site in order to extinguish all development rights to the site
- Objective 3.2: Establish a long-term endowment to fund the maintenance and monitoring activities specified in the Management Plan (Exhibit B 1-B of the Conservation Bank Agreement) for the Bank
- Objective 3.3: Manage the Bank according to the Management Plan prepared for the Bank site.

7.0 SITE DESIGN

The Bank was designed to preserve and restore former tidally-influenced habitat. Since the Bank was cut off from its natural hydrological processes long ago, the general restoration design involves constructing an interior slough network that traverses the entire site, re-sculpting site topography to create an array of tidal habitats, and removing sections of the existing dike system, as well as the tide gate. Before reestablishing tidal flow to the interior, ‘pilot channels’ would be constructed to help initiate a dendritic channel network throughout the Bank. Shoreline edge habitats along the outside of the two bordering sloughs would be ‘softened’ by partially peeling back some sections of dike and possibly placing large woody debris. Native vegetation would be reestablished through natural recolonization in the intertidal marsh, non-native plant control, planting native vegetation on the remaining dikes, and other management actions until vegetation is fully functional and self-sustaining. When complete, it is anticipated that the project will have restored approximately 100 acres of intertidal marsh, 8 acres of uplands, 230 acres of mudflat, 16 acres of subtidal slough, 18,400 linear feet of riverine habitat and 24,000 linear feet of off-channel habitat in the Snohomish River Estuary.

The restoration site design is shown in Figure 6, Site Design and includes:

- Demolition and removal of existing buildings and refuse
- Controlling weedy and non-native invasive vegetation
- Transplanting existing native large trees from the tree farm areas to the dikes
- Planting dikes with native woody and herbaceous vegetation
- Restoring interior slough

- Constructing secondary pilot channel network
- Grading the site to create tidal channels, intertidal marsh habitat, and scrub-shrub/forested habitats
- Creating higher elevation riparian areas along channel network
- Hydroseeding and planting constructed marsh and channel riparian habitats
- Constructing cross dike adjacent to I-5
- Anchoring large woody debris in interior channels and on outside of dikes
- Breaching the dike in four locations
- Removing tide gate
- Peeling back sections of dike where shoreline benefits will be high. Approximately five lengths of dike that are each 200 to 500 feet long will be peeled back to facilitate overtopping during high tides and floods and to increase the width of the riparian buffer.
- Breaching the existing dike in several locations to reconnect the Bank site to the estuary

7.1 Functions the Bank is Expected to Provide

The Bank will increase wetland functions and ecological processes in the local watershed by breaching its existing dikes to re-connect with the Snohomish River. Daily tidal fluctuations in Union and Steamboat sloughs and seasonal floods will restore the historic hydrologic regime at this site, providing sustained hydrology to the Bank. This freely circulating hydrology will greatly increase the acreage of functioning estuarine habitat, and will connect those functions with the watershed, significantly increasing functions over those currently isolated behind dikes.

From the perspective of the watershed, estuarine marshes are more productive than any other plant communities. Primary productivity of coastal marshes and estuary ecosystems is among the highest of any ecosystem on earth. The biomass exported by estuarine marshes plays a very important role in supporting the vast and complex marine food chain, which, in turn, supports many biologically and commercially important species including all salmon species, flatfish, shorebirds, migrating waterfowl, predatory birds and terrestrial mammals (City of Everett et al. 1997). For example, one study measured productivity in terms of plant biomass of a diked pasture at 1200 grams/square meter relative to 2300 grams/square meter for the same pasture ten years after it was restored to estuarine wetland (Frenkel and Morlan 1990).

Tidal circulation through the Bank's dendritic channels will allow for the export of organic material. This detrital food web is one of the most significant and complex ecological systems within coastal estuaries and underscores the importance of mudflat habitat. For example, the level of productivity of estuarine invertebrates is significantly higher than that of freshwater riverine invertebrates, due primarily to continually replenished food supply provided by the plant 'detritus' exported from adjoining salt and brackish water marshes (City of Everett et al. 1997).

In addition, the mudflats and dendritic channels will allow river water to interact with Bank soils and provide water quality improvement for the river, and the entire Bank will be available to provide flood flow alteration through absorption of storm and flood waters as well as the slowing of floodwaters through friction with emergent and woody vegetation.

Lastly, this tidal circulation will make the Bank accessible to water-associated mammals and fish. Restoration of the Bank is expected to attract and provide habitat for a variety of wildlife species -- especially shorebirds and waterfowl, water-associated and -dependent mammals, and the wildlife that prey on these species. Research at the Port's adjacent Union Slough Restoration Site (just east of I-5) has demonstrated a high use of that site by juvenile salmonids (Pentec 2006). Feeding habitat for shorebirds (which is presently very limited at the Bank) will be created, expanded and improved; high shorebird and waterfowl use has also been demonstrated at the Union Slough site.

Both the SEWIP and the Salmon Conservation Plan (Snohomish Basin Salmon Recovery Forum 2005) noted the importance of estuary habitat in the Snohomish River to provide habitat on a local to international scale. The restored Bank will function locally as a corridor/reservoir within the lower Snohomish River Watershed (for resident fish, small mammals, herptiles, and invertebrates), and function regionally in the extended Snohomish River basin (for anadromous fish, medium and large mammals, and birds). It will also function regionally, nationally, and internationally as a staging area in the Pacific Flyway (for migratory waterfowl, including ducks, geese, and swans; and neotropical migrants such as certain passerines and raptors); and will serve as a migration corridor for terrestrial and aquatic mammals and groups of mammals that may make long-distance movements during regular migrations, juvenile dispersal, or when competition for food and space becomes severe due to loss of habitat or species population increases.

8.0 SERVICE AREA

The approved service area for impacts to Chinook salmon, steelhead, and bull trout includes a marine and non-marine area (Figure 7a Approved Fisheries Service Area). The marine service area is the eastern half of the Puget Sound from approximately Port Susan south to Vashon Island. The non-marine service area is the entire WRIA 7 area.

The proposed wetland service area for the Bank consists of the Snohomish Basin (WRIA 07) below elevation 1,100 feet and the NMFS marine service area which is the eastern half of Puget Sound (Figure 7b, Proposed Wetland Service Area). Tidal habitat benefits of the Bank will accrue to all estuarine dependent species in the Snohomish River system (WRIA 7) and adjacent marine waters of Port Gardner and Possession Sound.

9.0 PERMANENT PROTECTION MECHANISM

The Conservation Bank Agreement for the site commits Wildlands and the Port of Everett to recording a conservation easement over the site to protect it from development in perpetuity.

Conveyance of any interest in the property shall be subject to this conservation easement. Use prohibitions reflected in the easement preclude the site from being used for activities that would be incompatible with the intent of the easement. Any area not encumbered by the conservation easement will not be credited for use in this Bank.

10.0 DESCRIPTION OF HOW THE BANK MEETS FEDERAL, STATE, AND LOCAL LAWS AND RULES

Prior to the commencement of habitat construction activities in 2008, all appropriate local, state, and federal permits/approvals were obtained. Table 1 lists the permits/approvals obtained prior to commencement of habitat construction. In addition a State Environmental Policy Act Determination of Non-Significance was prepared and retained.

The Blue Heron Slough Bank will comply with the U.S. Army Corps of Engineers and U.S. Environmental Protection Agency's Compensatory Mitigation for Losses of Aquatic Resources rule, and the State of Washington's proposed WAC 173-700.

11.0 LONG-TERM MANAGEMENT

A Management Plan has been developed and was approved by NOAA as part of the Conservation Bank Instrument. The Management Plan identifies both interim and long-term management and monitoring activities. Wildlands will act as the Bank Manager and will be responsible for managing the Bank pursuant to the terms of the Management Plan. The cost of the management activities identified in the Management Plan was analyzed and it was determined that an endowment account in the amount of \$553,930.00 is required to fund these activities. The endowment account will be established and funded incrementally with the sale of credits and will be managed by a qualified third party organization.

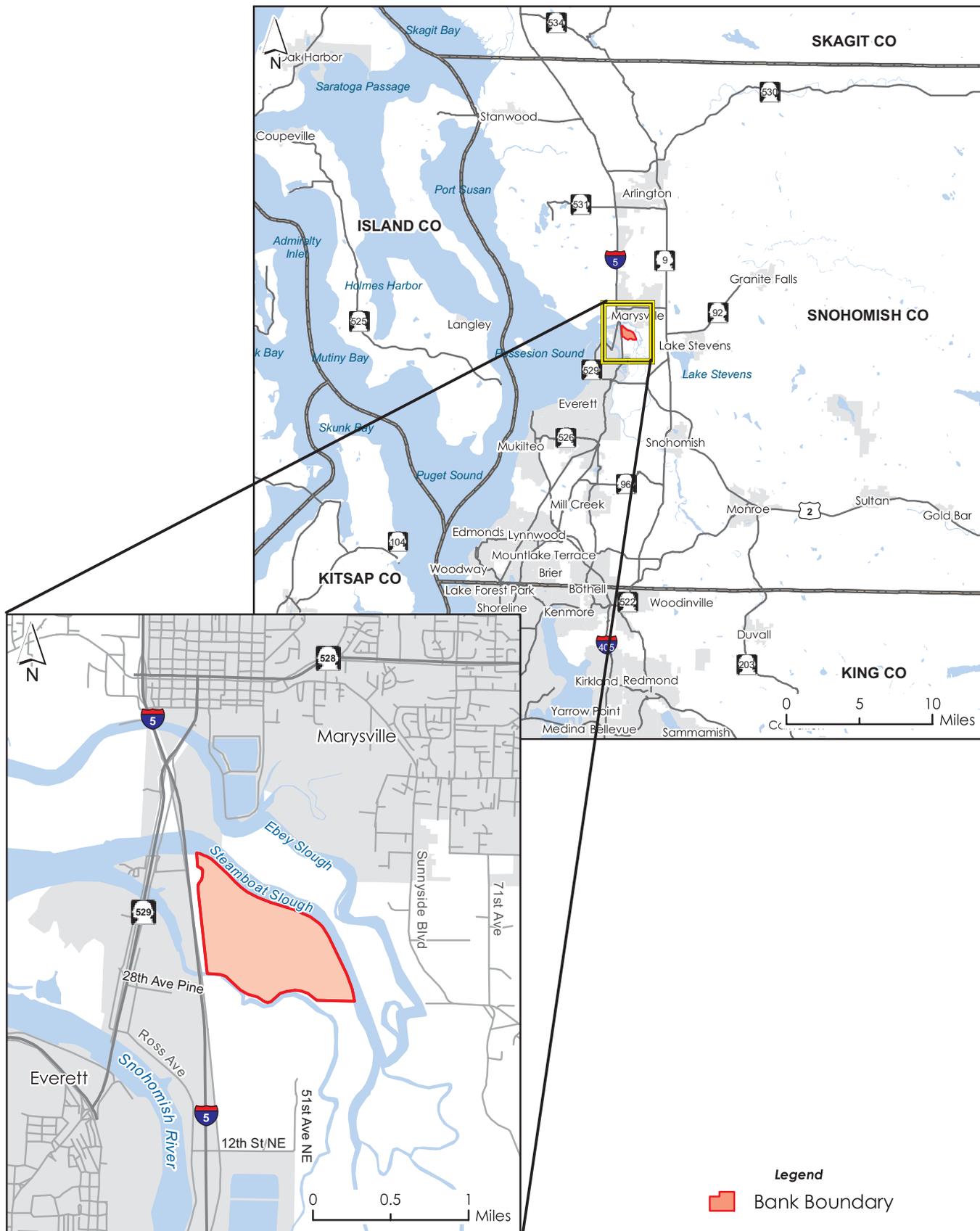
Table 1. Permit Status and Environmental Documentation

Permit/Approval	Agency	ID #	Applied	Approved
Snohomish County Shoreline Approval for the Conservation Bank (Exemption)	Snohomish County	07-113515 CG/FZ	9-7-2007	2-15-2008
WA SEPA Review for the Bank	Port of Everett	2007-07	11-7-2007	11-9-2007
Sno. County Fill and Grade Permit	Snohomish County	07-113515 CG/FZ	2-15-2008	6-5-2008
Snohomish Co. Critical Areas Checklist	Snohomish County	07-113515 CG/FZ	11-07-2007	
Sno Co Early Fill and Grade Permit	Snohomish County	07-113515 CG/FZ	2-27-2008	3-07-2008
WA General Stormwater (early grading)	WA Dept. of Ecology	WAR-010122	3-05-2008	3-27-2008
Flood Hazard Permit	Snohomish County	07113517FZ	2-27-2008	3-07-2008
Snohomish County Master Permit	Snohomish County	200400801	11-09-2007	6-5-2008
WA Hydraulic Project Approval	WA Dept. Fish and Wildlife	111241-1	11-7-2007	1-2-2008
DNR Access Authorization	Department of Natural Resources			
U.S. Army Corps of Engineers Nationwide 27 Permit for the Bank	U.S. Army Corps of Engineers	NWS-2007-1973-NO	12/06/2007	8/12/2008
WA Dept. of Ecology 401 Water Quality Certification	WA Dept. of Ecology	6195	11-13-2007	11-7-2008
WA Coastal Zone Management Certification	WA Dept. of Ecology	--	11-13-2007	11-7-2008
ESA Consultation	USFWS	13410-2008-I-0147	--	March 28, 2008
General Stormwater Permit (overall site)	Dept. of Ecology	WAR-010676	5-7-2008	6-16-2008
ESA	NOAA	2007/08287	--	6-10-2008

12.0 REFERENCES

- Brewster, D. 2006. Touchstone EcoServices on-site wetland delineation, May 1-July 6, 2006. Seattle, Washington.
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- City of Everett, Washington State Department of Ecology, U.S. Environmental Protection Agency, and Puget Sound Water Quality Authority. 1997. *Snohomish Estuary Wetland Integration Plan (SEWIP)*. Everett, Washington.
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- Haas, A., and B. Collins. 2001. *Salmon Habitat Loss and Restoration Potential along the Snohomish River*. Report prepared by The Tulalip Tribes and Snohomish County, Department of Public Works, Surface Water Management. Everett, Washington.
- Natural Resources Conservation Service. 2006. *Web Soil survey for Snohomish County* (<http://websoilsurvey.nrcs.usda.gov/app/>). Accessed on October 23, 2006.
- Pentec (Pentec Environmental). 2006. *Union Slough Restoration Site, 2005 Annual Report, Everett, Washington*. Prepared for Port of Everett, Project # 12021-126. Edmonds, Washington.
- Snohomish Basin Salmon Recovery Forum. 2005. *Snohomish River Basin Salmon Conservation Plan*. Snohomish County Public Works, Surface Water Management Division. Everett, Washington.
- U.S. Army Corps of Engineers. 1987. *Corps of Engineers Wetlands Delineation Manual*. Technical Report Y-87-1. U.S. Army Corps of Engineers Waterways Experiment Station. Vicksburg, Mississippi.
- Washington Department of Ecology. 1997. *Washington State Wetlands Identification and Delineation Manual*. Publication No. 96-94. Olympia, Washington.

Figures

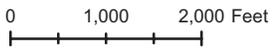
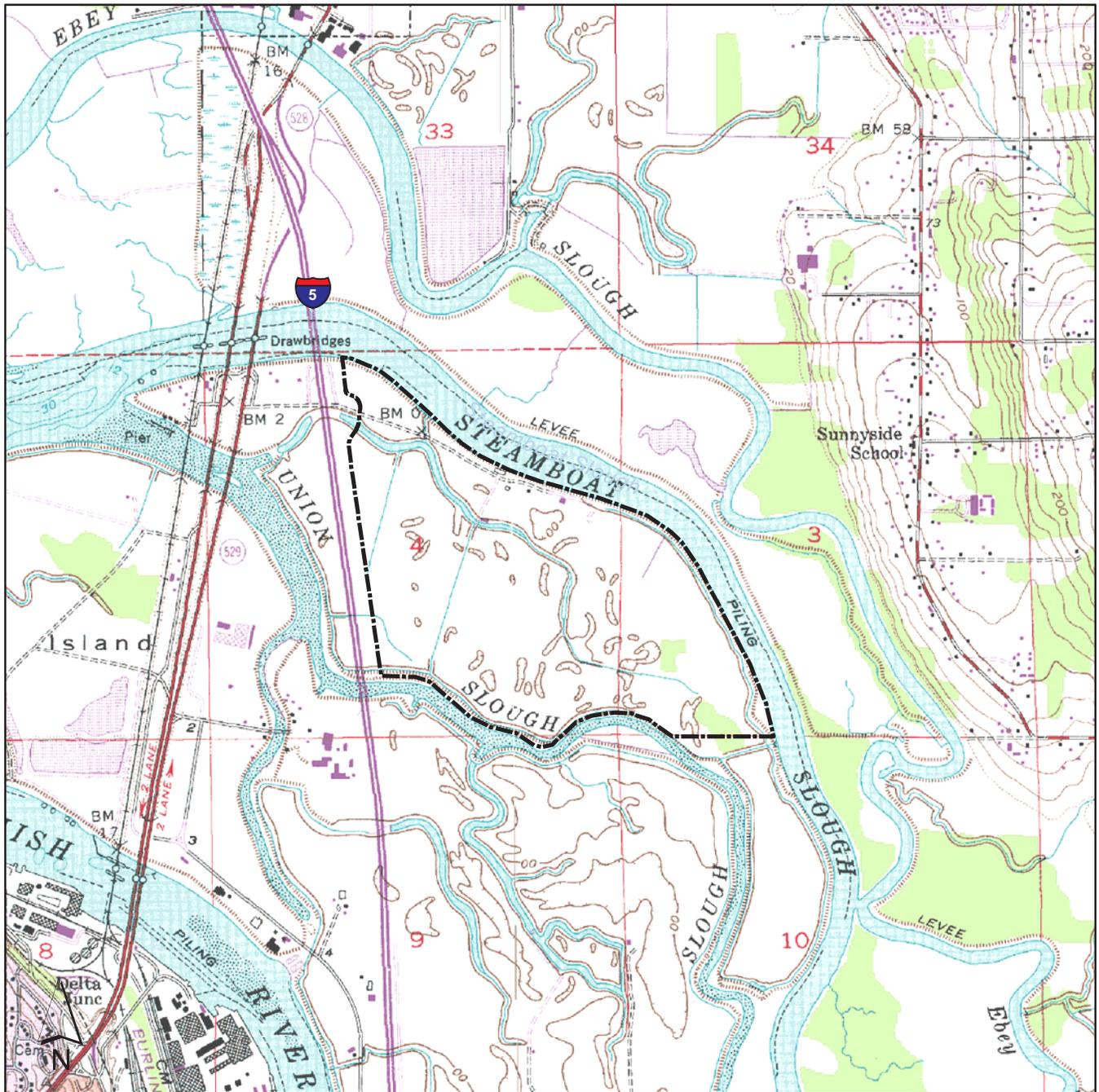


WILDLANDS

Blue Heron Slough Prospectus

Figure 1
Regional Vicinity





Base map: USGS Marysville Quad. 1956 Photorevised 1973



Marysville Quad
T29W R05E Sec 3-4





0 0.1 0.2 Miles

Aerial Source: 2006 National Agriculture Imagery Program
Parcel Source: 2007 Snohomish Co, WA Assessor GIS

WILDLANDS

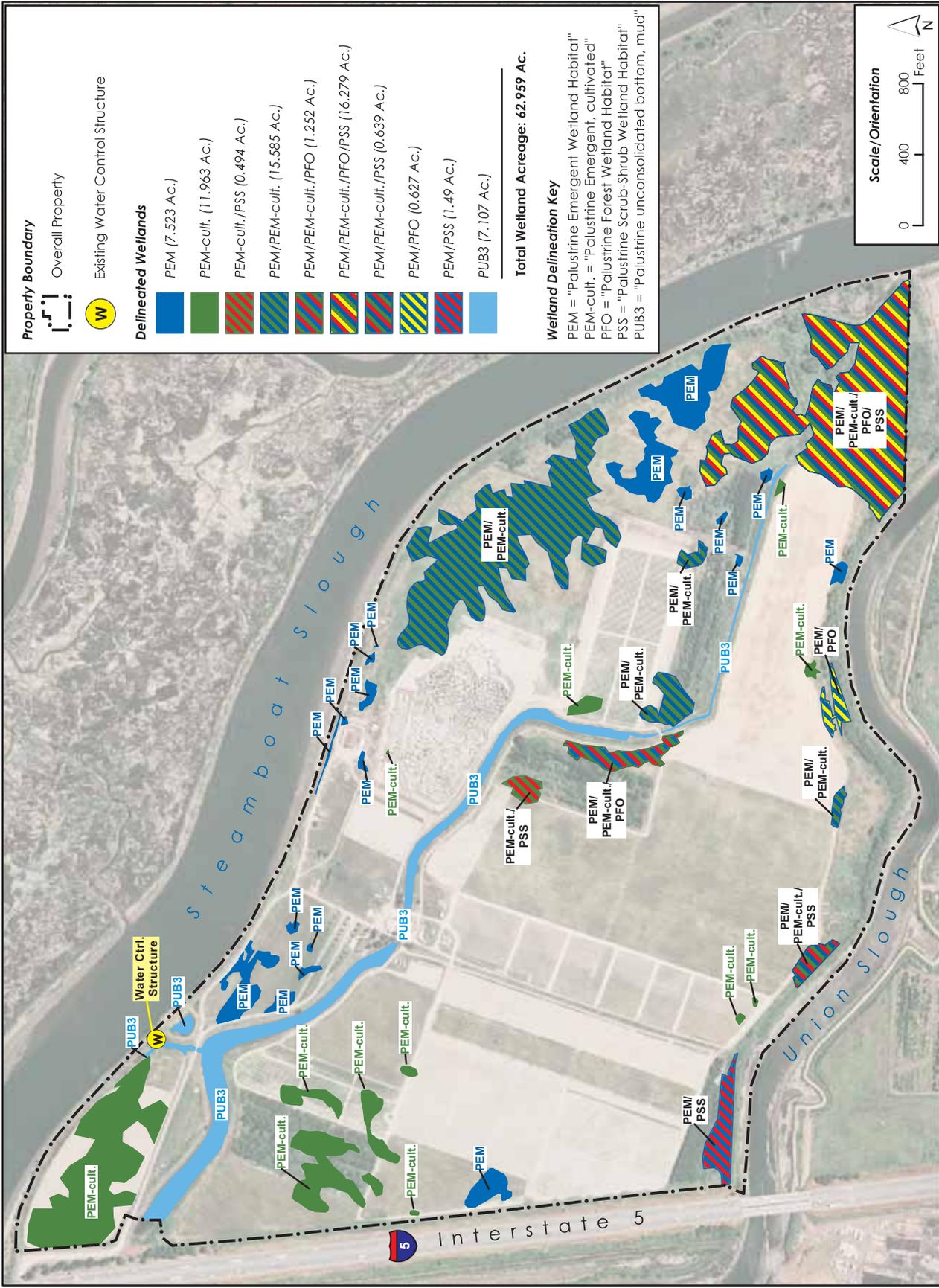
Blue Heron Slough Prospectus

Figure 3
Aerial of Bank and Surrounding Properties



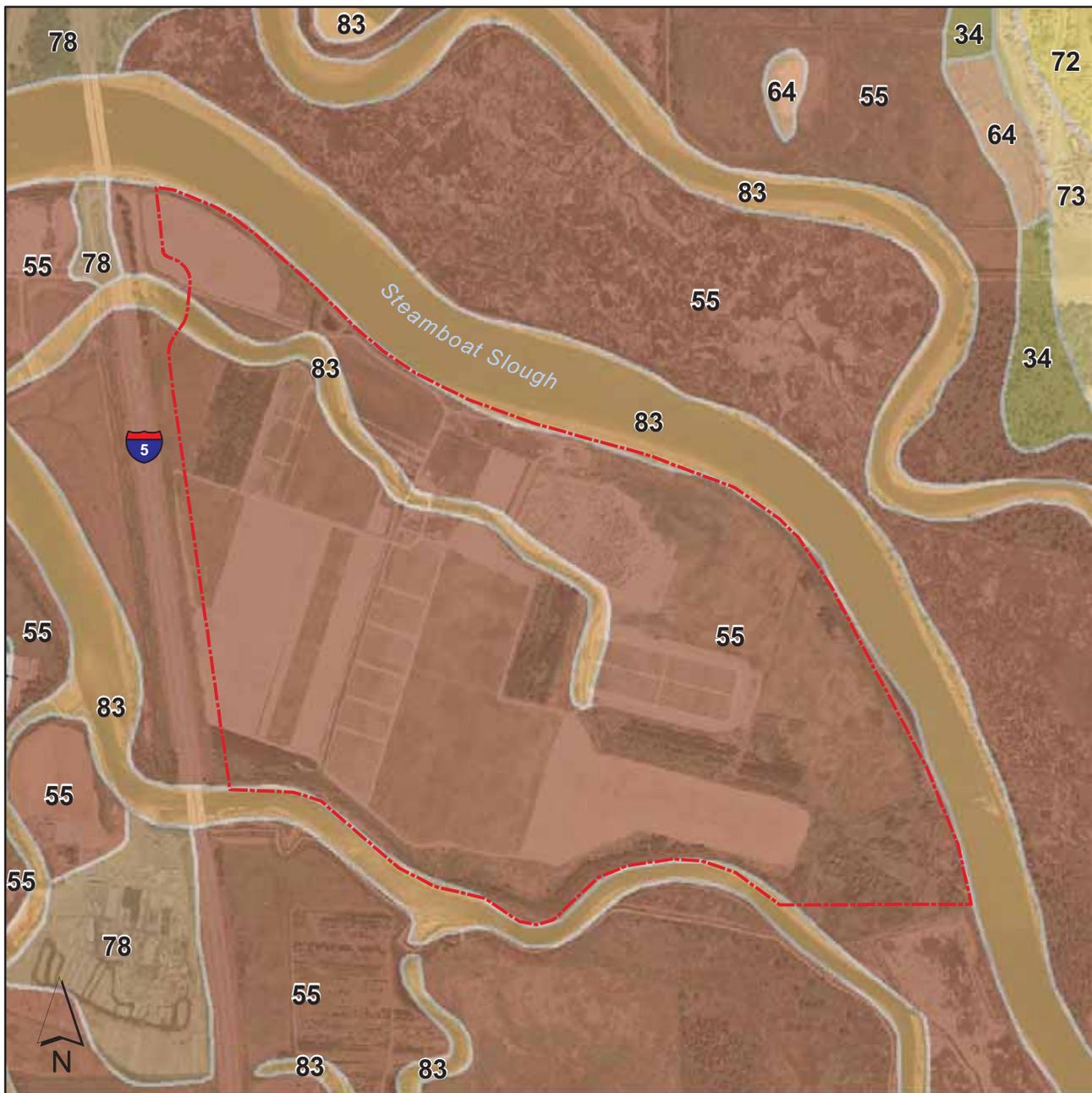


Figure 4
Wetland Delineation



WILDLANDS

Blue Heron Slough Prospectus



Aerial Source: 2006 National Agriculture Imagery Program
 Parcel Source: 2007 Snohomish Co, WA Assessor GIS
 Soils Data: USGS SSURGO 2006

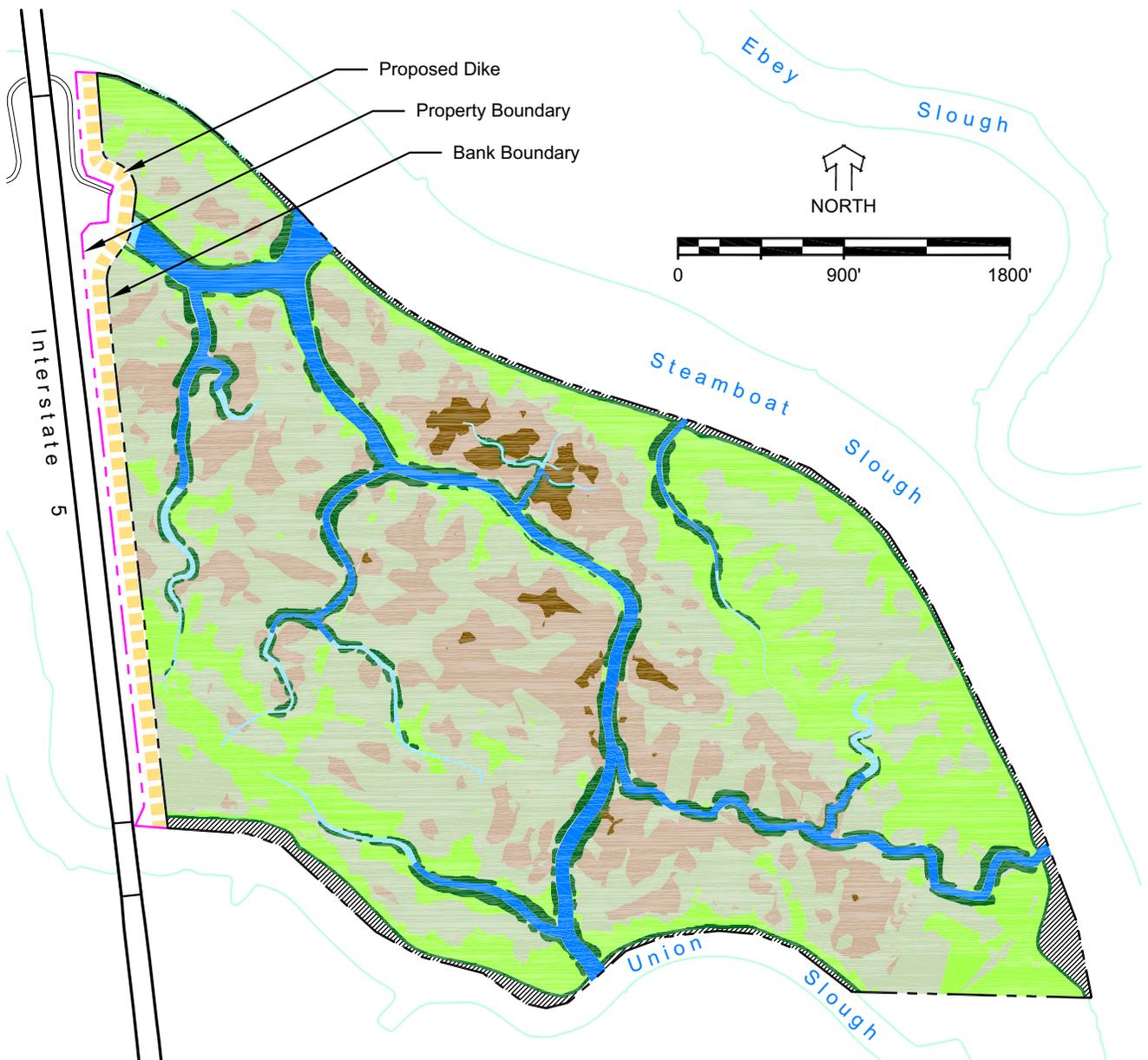
34 - Mukilteo muck	73 - Tokul gravelly loam, 8 to 15 percent slopes
55 - Puget silty clay loam	78 - Urban land
64 - Snohomish silt loam	83 - Water
72 - Tokul gravelly loam, 0 to 8 percent slopes	

WILDLANDS

Blue Heron Slough Prospectus

Figure 5
Soils Map

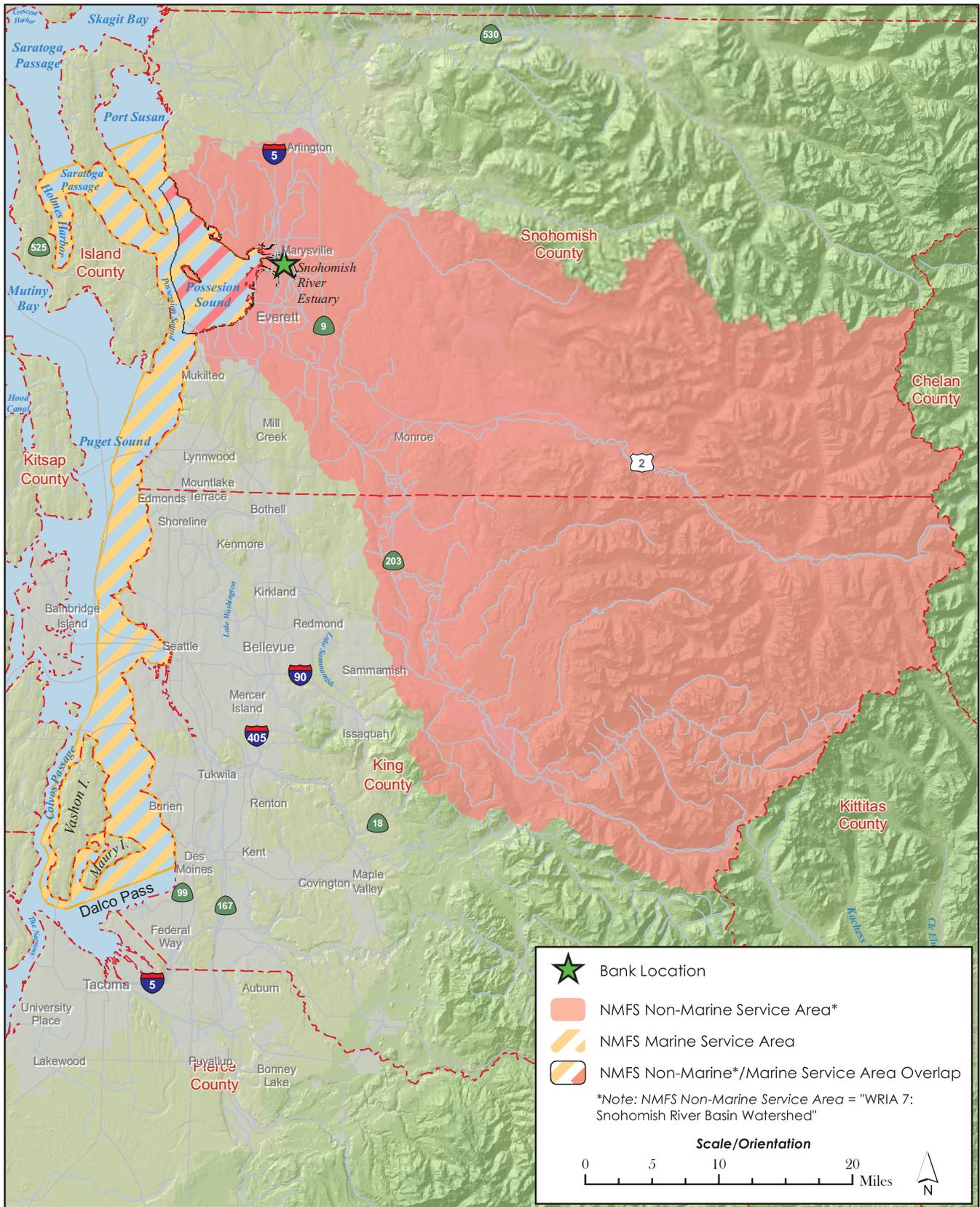




LEGEND

DATUM	NAVD 88	Everett Tidal	Acres	Habitat Types
	Above 8.85'	Above 11.11'	21.7	PSS/FO = Palustrine, Scrub-Shrub/Forest
	7.99' to 8.85'	10.25' to 11.11'	0.9	E2EM = Estuarine, Intertidal, Emergent (upper tidal marsh)
	4.67' to 7.99'	6.93' to 10.25'	80.3	E2EM = Estuarine, Intertidal, Emergent (upper tidal marsh)
	3.67' to 4.67'	5.93' to 6.93'	139.9	E2EM = Estuarine, Intertidal, Emergent (lower tidal marsh)
	2.67' to 3.67'	4.93' to 5.93'	63.8	E2US = Estuarine, Intertidal, Unconsolidated Shore, mud
	0.54' to 2.67'	2.80' to 4.93'	5.3	E2US = Estuarine, Intertidal, Unconsolidated Shore, mud
	-2.26' to 0.54'	0' to 2.80'	3.5	E1UB3 = Estuarine, Subtidal, Unconsolidated Bottom, mud
	-6.25' to -2.26'	-2.74' to 0	19.8	E1UB3 = Estuarine, Subtidal, Unconsolidated Bottom, mud
	varies	varies	8.8	Enhanced Riparian





Attachment A

List of Exceptions

BLUE HERON SLOUGH MITIGATION BANK

The following listed exceptions include liens, right of way, and encumbrances on the Blue Heron Slough Mitigation Bank site taken from those certain Preliminary Title Reports issued by First American Title Insurance Company. Two separate properties are described below: the Little Property and the Port of Everett Property. The following describes the encumbrances on each property.

The Port of Everett Property

This section provides a list of liens, right of way, and encumbrances on the certain real property located in **Snohomish County**, designated as **Snohomish** County Tax Account Numbers **290504-001-006, 290504-004-001, 290504-003-001, 290504-002-001, 290509-001-001, and 290503-003-002.** Property, including, without limitation, each exception listed in the Preliminary Report issued by **First American Title Insurance Company, November 12, 2009, Order # NCS-241492- WA1.**

EASEMENTS AND RIGHTS OF WAY

- Preliminary Report Exception or Exclusion #8:
 - Date: March, 15, 1910
 - Parties: H. G. Conner and Alma I. Conner and Snohomish River Boom Company
 - Description: An Agreement for dike repair as a result of the construction and maintenance of a boom along Steamboat Slough.
 - Analysis: This Agreement has expired, and no longer has any force or effect on the property.

- Preliminary Report Exception or Exclusion #9 has been intentionally deleted.

- Preliminary Report Exception or Exclusion #10 has been intentionally deleted.

- Preliminary Report Exception or Exclusion #11 has been intentionally deleted.

- Preliminary Report Exception or Exclusion #12:
 - Date: December 8, 1966
 - Grantor: Herman Cohen and Lillian Cohen
 - Grantee: Tree Farm Development, Inc.
 - Description: An easement for ingress and egress created before the Conservation Easement Area came under the current sole partnership interest.
 - Analysis: Because the partnership interest is the sole party to this easement, it will not affect the Conservation Easement Area.

- Preliminary Report Exception or Exclusion #13:
 - Date: December 14, 1966
 - Parties: Robert L. Pautz and Sandra Pautz, Fred D. Pautz, Herman Cohen and Lillian Cohen, Abe Cohen Max Patashnik and Edith Patashnik
 - Description: A Mutual Easement Agreement created before the Conservation Easement Area came under the current sole partnership interest.
 - Analysis: Because the partnership interest is the sole party to this easement, it will not affect the Conservation Easement Area.

- Preliminary Report Exception or Exclusion #14:
 - Date: November 6, 1970
 - Grantor: Lillian Cohen
 - Grantee: Public Utility District No. 1 of Snohomish County
 - Description: This is an easement for an electric distribution line created before the Conservation Easement Area came under the sole partnership interest which provided power to an old farmhouse on the property.
 - Analysis: Because the partnership interest is the sole party to this easement, it will not affect the Conservation Easement Area.

- Preliminary Report Exception or Exclusion #15 has been intentionally deleted.

- Preliminary Report Exception or Exclusion #16:
 - Date: February 18, 1975
 - Grantor: Lillian Cohen
 - Grantee: Tree Farm Development, Inc.
 - Description: An extension of Exception #12 above.

- Preliminary Report Exception or Exclusion #17:
 - Date: April 12, 1978
 - Grantor: Morris Champers, Michael Biringer, Lillian Cohen, et al
 - Grantee: Public Utility District No. 1 of Snohomish County
 - Description: This is an easement for an electric distribution line created before the Conservation Easement Area came under the sole partnership interest which provided power to an old farmhouse on the property.
 - Analysis: Because the partnership interest is the sole party to this easement, it will not affect the Conservation Easement Area.

- Preliminary Report Exception or Exclusion #18:
 - Date: December 8, 1979
 - Grantor: Lillian Cohen
 - Grantee: James Scott Rhodes (Tree Farm Development, Inc.)
 - Description: An extension of Exception #16 above.

- Preliminary Report Exception or Exclusion #19 has been intentionally deleted.

- Preliminary Report Exception or Exclusion #20 has been intentionally deleted.

- Preliminary Report Exception or Exclusion #21 has been intentionally deleted.
- Preliminary Report Exception or Exclusion #23:
 - Date: June 14, 1993
 - Grantor: Merle Cohen, Robert Maslan, Michael Biringer and Dianna Biringer
 - Grantee: Snohomish County
 - Description: An extension of Exception #18 above.
- Preliminary Report Exception or Exclusion #24:
 - Date: August 27, 1998
 - Description: Record of Survey
 - Analysis: This exception refers to the common notes and references on a survey from 1998, none of which will have an affect on the Conservation Easement Area.
- Preliminary Report Exception or Exclusion #25:
 - Date: December 4, 2000 (Recording No. 200012045002)
 - Description: Record of Survey
 - Analysis: This exception refers to the common notes and references on a survey from 2000, none of which will have an affect on the Conservation Easement Area.
- Preliminary Report Exception or Exclusion #26:
 - Date: December 4, 2000 (Recording No. 200012045003)
 - Description: Record of Survey
 - Analysis: This exception refers to the common notes and references on a survey from 2000, none of which will have an affect on the Conservation Easement Area.
- Preliminary Report Exception or Exclusion #27 has been intentionally deleted.
- Preliminary Report Exception or Exclusion #36:
 - Date: September 15, 2009
 - Grantor: Port of Everett
 - Grantee: Verizon Northwest, Inc.
 - Description: Easement for telecommunications facilities.
 - Analysis: This easement is located outside the Conservation Easement Area.

COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS

- Preliminary Report Exception or Exclusion # 22:
 - Dated: November 1, 1990
 - Optionor: Michael A. Biringer and Dianna J. Biringer
 - Optionee: Charles J. Ebert and Karl J. Biringer
 - Description: Memorandum of Option to Purchase
 - Analysis: This is a Memorandum stating that the previous land owners recorded their option to purchase the property by April 29, 1992. This Option to Purchase expired and will not affect the Conservation Easement Area.

- Preliminary Report Exception or Exclusion # 34:
- Dated: August 12, 2008
- Grantor: Port of Everett
- Grantee: Wildlands of Washington, LLC
- Description: Memorandum of Agreement
- Analysis: This is an Agreement wherein the Port of Everett granted Wildlands the right to create a mitigation project on the property.

- Preliminary Report Exception or Exclusion # 35:
- Dated: October 20, 2008
- Grantor: Port of Everett
- Grantee: Wildlands of Washington, LLC
- Description: Land Use and Easement Agreement
- Analysis: This is an Agreement wherein the Port of Everett granted Wildlands the right to create a mitigation project on the property.

GENERAL EXCEPTIONS

- Preliminary Report Exception or Exclusion #28:
- Description: Any questions that may arise due to the shifting and/or changing in the course of Steamboat Slough
- Analysis: Any changes in the course of Steamboat Slough will not affect the functionality of the Conservation Easement Area.

- Preliminary Report Exception or Exclusion #29:
- Description: Right of the general public to the unrestricted use of all the waters of a navigable body of water.
- Analysis: The right of the general public will not affect the functionality of the Conservation Easement Area.

- Preliminary Report Exception or Exclusion #30:
- Description: Rights and easements for navigation and fishery which may exist over that portion of said land lying beneath the waters of Steamboat Slough and Union Slough.
- Analysis: Navigation and fishery rights will not affect the functionality of the Conservation Easement Area.

The Little Property

This section provides a list of liens, right of way, and encumbrances on the certain real property located in **Snohomish County**, designated as **Snohomish** County Tax Account Numbers **290504-002-002-00**. Property, including, without limitation, each exception listed in the Preliminary Report issued by **First American Title Insurance Company, November 2, 2008, Order # 4229-1246666**.

EASEMENTS AND RIGHTS OF WAY

- Preliminary Report Exception or Exclusion #4:
 - Date: April 28, 1953
 - Grantee: State of Washington
 - Description: Relinquishment of all access rights to Primary State Highway 1, also known as Pacific Highway and State Route 99, and impacts to light, view and air caused by the construction and operation thereof.
 - Analysis: This highway is located outside the Conservation Easement Area. The relinquishment of these rights will not affect the Conservation Easement Area.

- Preliminary Report Exception or Exclusion #5:
 - Date: December 13, 1966
 - Parties: Robert L. Pautz and Sandra Pautz, Fred D. Pautz, Herman Cohen and Lillian Cohen, Abe Cohen Max Patashnik and Edith Patashnik
 - Description: A Mutual Easement Agreement created before the Conservation Easement Area came under the current sole partnership interest.
 - Analysis: Because the partnership interest is the sole party to this easement, it will not affect the Conservation Easement Area.

- Preliminary Report Exception or Exclusion #6:
 - Date: November 6, 1970
 - Grantor: Lillian Cohen and James Scott Rhodes
 - Grantee: Public Utility District 1 of Snohomish County
 - Description: This is an easement for an electric distribution line created before the Conservation Easement Area came under the sole partnership interest which provided power to an old farmhouse on the property.
 - Analysis: Because the partnership interest is the sole party to this easement, it will not affect the Conservation Easement Area.

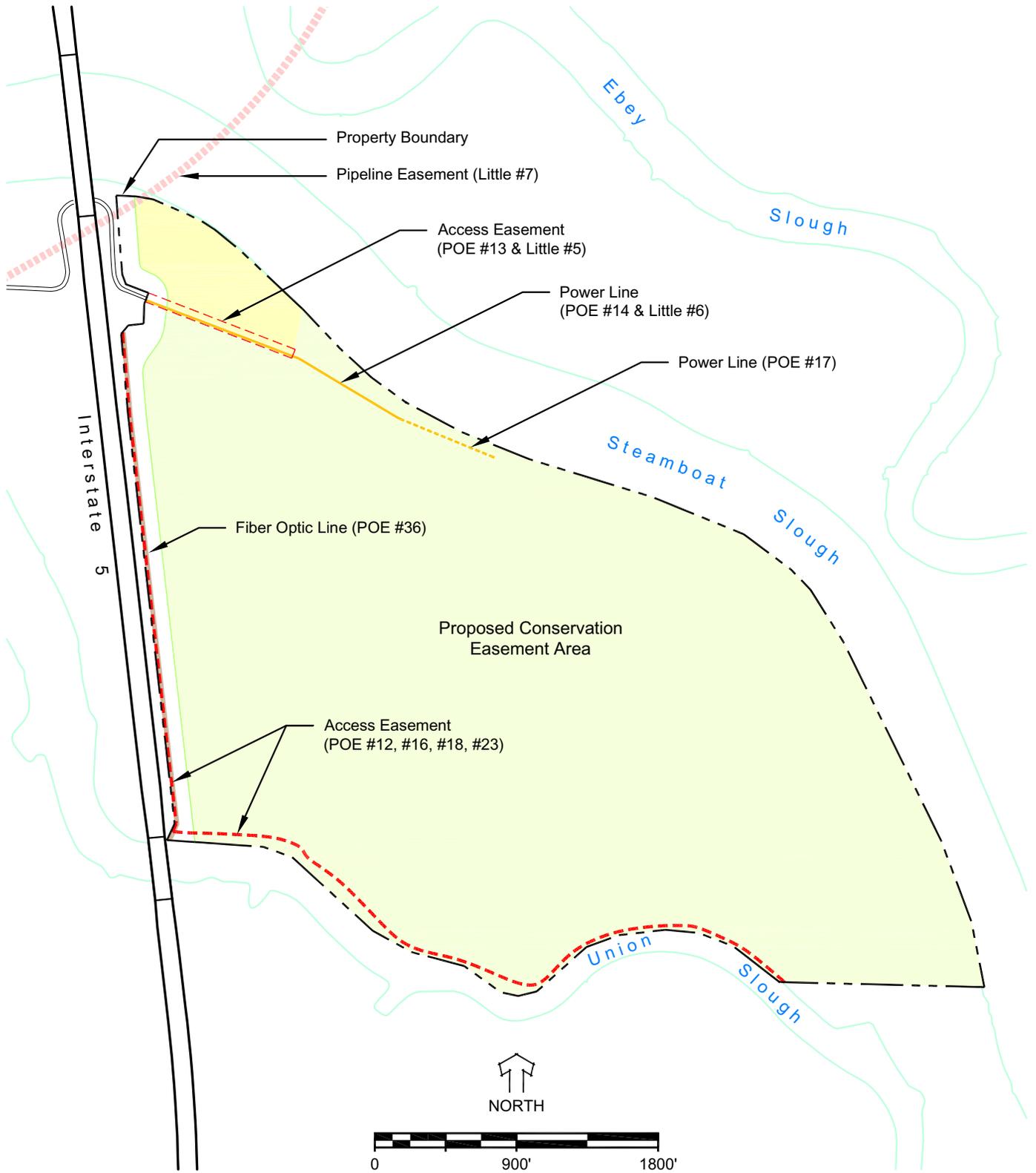
- Preliminary Report Exception or Exclusion #7:
 - Date: July 22, 2003
 - Grantor: Thomas A. Little and Julie Baker
 - Grantee: City of Marysville, a Municipal Corporation of the State of Washington
 - Description: Utility Easement
 - Analysis: This is a 50 foot wide easement for an existing effluent pipeline. This easement will be excluded from the Conservation Easement Area.

- Preliminary Report Exception or Exclusion #8:
- Date: August 11, 2003
- Description: Conditions, notes, easements, provisions contained and/or delineated on the face of the Survey recorded in Snohomish County, WA.
- Analysis: This Survey was completed for the purpose of the Utility Easement mentioned above as Exception #7. There are no conditions, notes, or easements contained in the survey that will have an affect on the Conservation Easement Area.

GENERAL EXCEPTIONS

- Preliminary Report Exception or Exclusion #9:
- Description: Any questions that may arise due to the shifting and/or changing in the course of Steamboat Slough.
- Analysis: Any changes in the course of Steamboat Slough will not affect the functionality of the Conservation Easement Area.

- Preliminary Report Exception or Exclusion #10:
- Description: Right of the general public to the unrestricted use of all the waters of a navigable body of water.
- Analysis: The right of the general public will not affect the functionality of the Conservation Easement Area.



 Little Property, owned by Wildlands (Little), Proposed Conservation Easement Area
 Port of Everett Property (POE), Proposed Conservation Easement Area

