

## CHAPTER 1 - PURPOSE AND NEED

### INTRODUCTION

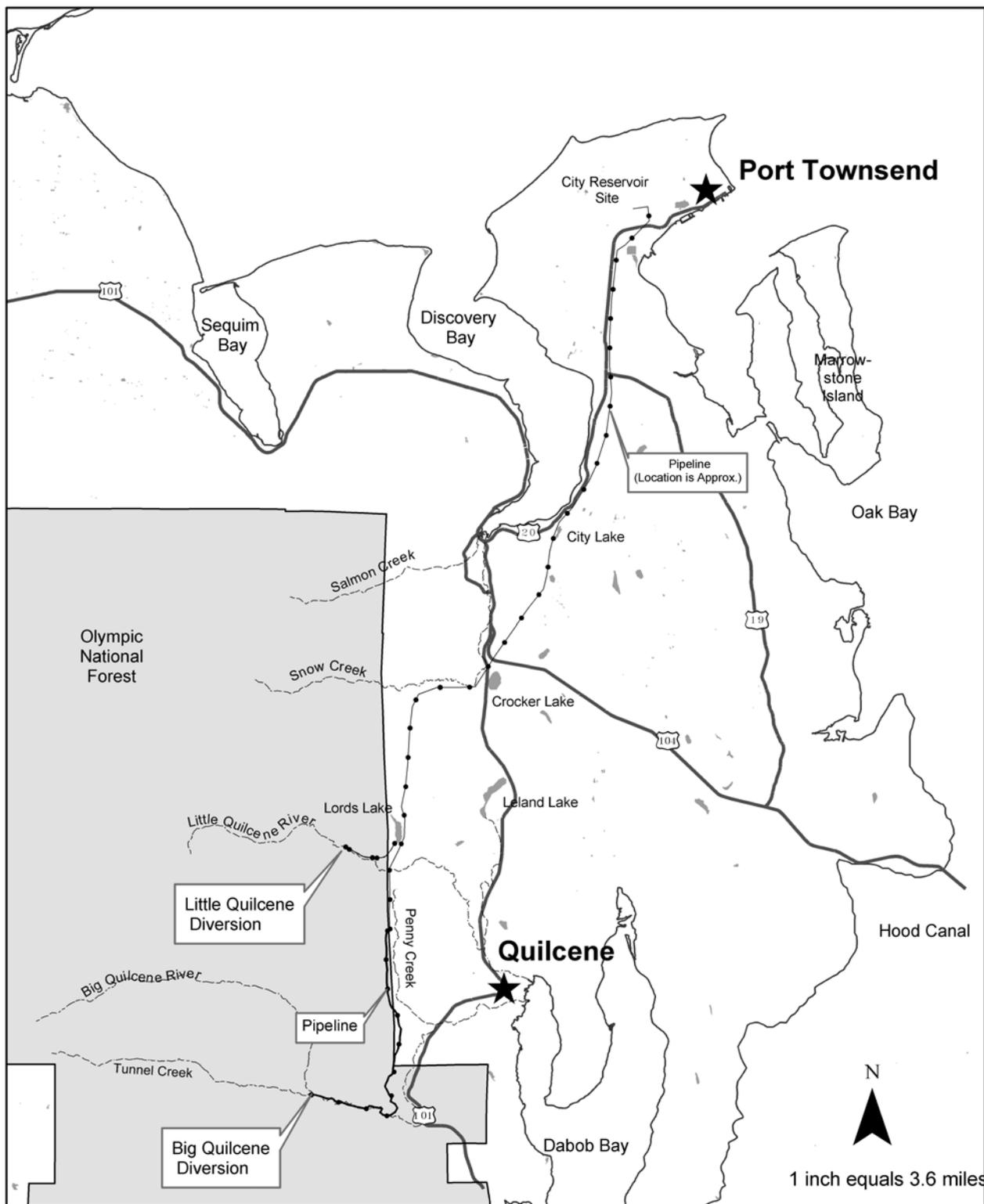
The Forest Service has prepared this Environmental Assessment (EA) to evaluate the potential effects of re-issuing the Special Use Permits for the municipal water supply facilities of the City of Port Townsend on the physical, biological, and social resources in the vicinity of the project sites (Figure 1-1). An EA was prepared in February 2004 by MWH Consulting under contract with the City of Port Townsend. That EA has been revised by the USDA Forest Service to respond to comments received during the notice and comment period, and consider new information.

The Project Area is located in the Big Quilcene and Little Quilcene watersheds of the Hood Canal Ranger District, Olympic National Forest, Washington. This EA discloses the direct, indirect, and cumulative environmental impacts and any irreversible or irretrievable commitment of resources that would result from implementation of the proposed action or alternatives.

This EA was developed in communication with the National Marine Fisheries Service (NMFS) and the US Fish and Wildlife Service (USFWS), the regulatory agencies with authority concerning the management of threatened and endangered species, and the City of Port Townsend which is the owner and manager of the facilities covered by the Special Use Permit. The Forest Service has communicated with local tribal governments as the project has developed, including during the scoping and public involvement phases of this project. The Forest Service is serving as the lead agency responsible for the National Environmental Policy Act (NEPA) assessment and permit approval.

This EA has been prepared in compliance with NEPA, and other relevant federal and state laws and regulations, according to the format established by Council on Environmental Quality (CEQ) regulations implementing NEPA (40 CFR 1500-1508). It is organized into five chapters.

- ◆ Chapter 1 explains the purpose and need for the proposed action and its relation to the Olympic National Forest Land and Resource Management Plan and Final Environmental Impact Statement, July 1990 (USDA Forest Service 1990); as amended by the Record of Decision for Amendments to the Forest Service and Bureau of Land Management Planning Documents within the Range of the Northern Spotted Owl, and Standards and Guidelines for Management of Habitat for Late Successional and Old-Growth Forest Related Species within the Range of the Northern Spotted Owl (USDA Forest Service 1994). These documents will collectively be referred to as the Forest Plan throughout this EA. Chapter 1 also describes the NEPA scoping process and identifies the key issues associated with the proposed action.
- ◆ Chapter 2 describes and compares the proposed action, alternatives to the proposed action including a no action alternative, and summarizes the environmental consequences by issue.
- ◆ Chapter 3 describes the existing conditions of the physical, biological, and social environments potentially affected by the proposed action and alternatives.
- ◆ Chapter 4 discloses the potential effects that are anticipated to occur upon implementation of each of the alternatives, including indirect and cumulative effects.
- ◆ Chapter 5 contains references.



**Figure 1-1. Project vicinity.**

## **OVERVIEW**

The primary purpose of this chapter is to introduce the Port Townsend Special Use Permits, describe the proposed action, why it is needed, and how it fits into the Forest Plan. This chapter also introduces the resource issues and concerns that will be addressed in the evaluation of the proposed action.

## **PROJECT AREA DESCRIPTION**

The water supply diversions and transmission line facilities for the City of Port Townsend are located on the Big Quilcene and Little Quilcene Rivers in the foothills of the eastern slope of the Olympic Mountains in western Washington. The watersheds for the Big Quilcene and Little Quilcene Rivers encompass 30,571 and 6,790 acres (47.8 and 10.6 square miles) respectively. The headwaters of the watersheds are near Mount Constance at 7,743 feet and Mount Townsend at 6,280 feet; the rivers drain into Quilcene Bay of the Hood Canal at sea level.

The watersheds have a mild maritime climate. The average annual precipitation recorded at Quilcene is 51 inches, although it can range up to 80 inches in the upper elevations of the watershed (USDA Forest Service 1989). Approximately 80 percent of the precipitation occurs between October and April, with snowfall the dominant precipitation above 4,000 feet elevation (USDA Forest Service 1994).

The topography of the watersheds was shaped by glaciation. The vegetation is dominated by western hemlock and Douglas-fir in the mid to lower elevations of the watershed, with red alder common throughout the riparian areas. The forests of the upper elevations of the watersheds include mountain hemlock and subalpine fir. Timber harvesting has historically been conducted on Federal, State and private forestlands throughout these watersheds.

The upper 80 percent of the Big Quilcene and the upper 50 percent of the Little Quilcene watersheds are managed by Federal land management agencies, almost entirely the Forest Service. The lower portions of these watersheds include a mixture of State and private ownership.

The three Special Use Permits (SUPs) relevant to this EA cover specific areas on lands administered by the Forest Service. The first two SUPs are for areas adjacent to the Big Quilcene and Little Quilcene Rivers and permit water diversion and transmission pipeline facilities. The Big Quilcene diversion facility is at River Mile (RM) 9.4 of the Big Quilcene River immediately below the junction of the Big Quilcene River with Tunnel Creek. The transmission pipeline for the Big Quilcene diversion follows the road adjacent to the Big Quilcene River downstream several miles then turns northward up the Penny Creek drainage before reaching the Little Quilcene watershed. Approximately six miles of the right-of-way are located on Federal land. The Little Quilcene diversion facility is at RM 7.2 of the Little Quilcene River. The transmission pipeline for the Little Quilcene diversion follows the road adjacent to the Little Quilcene River for approximately 0.4 miles where it exits the Olympic National Forest. A third Special Use Permit covers an area immediately adjacent to the Big Quilcene diversion facility that is used for the caretaker residence and water supply system maintenance buildings.

The location of the study area and the Special Use Permit sites are shown in Figure 1-1.

## **SCOPE OF ENVIRONMENTAL ANALYSIS**

Under Forest Service policy, a decision to issue a Special Use Permit requires the evaluation of the potential effects to the environment following NEPA guidelines. The scope of this environmental assessment is limited to the Special Use Permit components analyzed in the range of alternatives. The effects analysis for the environmental assessment is described for the areas of direct effects, indirect effects, and cumulative effects. Areas of direct effects include the immediate area associated with the permit sites. Indirect effects analysis includes areas outside the immediate permit areas and may vary in geographic scope according to the resource topic addressed. The scope of analysis for cumulative effects is described in the following section.

This Environmental Assessment is not a decision document. The primary purpose of this document is to disclose the environmental effects that may occur through the implementation of the alternatives under consideration. A Decision Notice will be prepared following a public review and comment period on this document.

### **Cumulative Effects**

According to the Council on Environmental Quality's regulations for implementing NEPA (50CFR§1508.7), an action may cause cumulative impacts on the environment if its effects overlap in space or time, with the effects of other past, present, or reasonably foreseeable future actions, regardless of the agency, company, or person undertaking the action. Cumulative effects can result from individually minor but collectively significant actions taking place over a period of time. This project's cumulative effects analysis meets the direction provided by the June 24, 2005, CEQ Memorandum "Guidance on the Consideration of Past Actions in Cumulative Effects Analysis", which provides guidance on the extent Federal agencies are required to analyze the environmental effects of past actions (CEQ 2005).

The spatial scope of analysis for cumulatively affected resources is defined by the physical limits or boundaries of (1) the Special Use Permit's effects on the resources; and (2) the contributing effects from other activities within the Big Quilcene River and Little Quilcene River watersheds. Because a proposed action may affect some resources differently, the spatial scope of analysis for each of the resources may vary.

The temporal scope of analysis for cumulative effects includes past, present, and future actions and their effects on each resource. For the purpose of this analysis, the temporal scope will look approximately 20 years into the future, as this is the expected duration of a new Special Use Permit for the City of Port Townsend. The assessment of future actions is limited to actions that are reasonably foreseeable. Existing conditions, not historical conditions, are the baseline for comparison of alternatives. The inclusion of past actions is limited to available information, and provides a historical context from which the existing conditions have developed.

### **Proposed Action**

A "proposed action" is defined early in the project-level planning process. This serves as a starting point for the NEPA analysis, provides guidance to the interdisciplinary team, identifies the boundary of authority for the decision maker, and gives the public and other agencies specific information on which to focus comments. Public and agency comments, and preliminary analysis of existing resource conditions are used by the interdisciplinary team to develop alternatives to the proposed action. The range of alternatives evaluated in the EA is discussed in detail in Chapter 2.

The Forest Service proposes to renew three Special Use Permits for the occupancy and use of Federal land by the City of Port Townsend. These parcels of land contain improvements for the purpose of operating and maintaining the municipal water supply for the City of Port Townsend. No substantial changes to the occupancy and use of the land and facilities are proposed during the term of the permits. A complete description of each Special Use Permit is provided in a subsequent section of this chapter of the EA.

## **Purpose and Need**

The purpose of the proposed action is to comply with Federal regulations and Forest Service policies regarding the use of Federal lands for purposes other than the disposition of timber, minerals, and the grazing of livestock.

The need for the proposed action is to allow the City of Port Townsend to continue to provide a reliable, cost effective, and dependable source of water to its service area from an authorized permitted site.

## **Description of the Special Use Permits**

### ***Permit 1***

This permit authorizes the use of 7.3 acres and 6 miles of 10-foot-wide right-of-way of Federal land adjacent to the Big Quilcene River. This permit covers the water diversion dam, intake structure, fencing around the intake structure, and a water transmission pipeline.

### ***Permit 2***

This permit authorizes the use of one acre and 0.4 miles of 50-foot-wide right-of-way of Federal land adjacent to the Little Quilcene River. This permit covers the water diversion structure, intake structure, and a water transmission pipeline.

### ***Permit 3***

This permit authorizes the use of two acres (within the 7.3 acres identified in Permit 1) of Federal land adjacent to the Big Quilcene River. This permit covers the caretaker residence and other improvements needed to supervise and maintain the water supply system.

## **Decision to be Made**

Based on the physical, biological, and social analysis of the proposed action and alternatives, the Forest Supervisor will decide which alternative described in the EA to implement in order to meet the purpose and need of this project. This decision may include:

- ◆ Not renewing the Special Use Permits;
- ◆ Renewing the Special Use Permits without any changes;
- ◆ Renewing the Special Use Permits with a different set of conditions for the protection of public resources.

## RELATIONSHIP TO FOREST PLANS AND OTHER ANALYSES

### Forest Planning

National forest planning takes place at several levels: National, Regional, Forest, and project levels. The Port Townsend Municipal Water Supply Special Use Permit EA is a project-level analysis; its scope is confined to addressing the significant issues and possible environmental consequences of the project. It does not attempt to address decisions made at the National, Regional, or Forest levels. It does, however, implement direction provided at those higher levels.

This Environmental Assessment (EA) is tiered to the Final Environmental Impact Statement for the Olympic National Forest Land and Resource Management Plan (USDA Forest Service, 1990), and incorporates by reference the Olympic National Forest Land and Resource Management Plan as amended.

The Forest Plan embodies the provisions of the National Forest Management Act, its implementing regulations, and other guiding documents. The Forest Plan sets forth in detail the direction for managing the land and resources of the Olympic National Forest and is a result of extensive resource analysis and public involvement.

This EA also incorporates by reference the Big Quilcene Watershed Analysis (USDA Forest Service, 1994). This analysis was completed to meet Federal and State requirements for the development of management direction for future site specific activities associated with management of watershed resources. Also incorporated by reference is the Quilcene RW 106 Late Successional Reserve Assessment (USDA Forest Service, 1996). This analysis was completed to meet Forest Plan direction and provides resource information for the Late Successional Reserve (LSR) and a basis for opportunities and options available for future management to achieve LSR objectives. Information from both these analyses was used in establishing existing conditions and completing analyses of environmental consequences. The Port Townsend Special Use Permit Biological Assessment, dated May 23, 2005, is also incorporated by reference (USDA Forest Service 2005a) and included as an appendix to this EA. The document describes the potential impacts of the preferred alternative to listed species and proposed critical habitat. In addition, the project analysis file, including specialist reports, is incorporated by reference.

### Forest-Wide Management Goals, Objectives, and Desired Future Condition

The Forest Plan provides guidance for managing the natural resources within the Olympic National Forest. Guidance is provided by general goal statements, specific objectives identified for individual resources, and descriptions of the desired future condition expected to be achieved during the period of time the Land and Resource Management Plan is implemented.

#### ***Forest Management Goals***

Forest management goals are statements that describe the future condition the Forest Plan is designated to achieve and are expressed in general terms. Forest planning goals are derived from public issues and management concerns. A summary of the Forest management goals relative to the Port Townsend Water Supply Special Use Permit EA are listed below.

#### Agency and Public Coordination

- ◆ In carrying out its basic multiple-use mission, the Olympic National Forest will cooperate with other government agencies, organizations, and individuals having an interest in National Forest

management. Special emphasis will be given to coordinating management activities with Peninsula Indian tribes, Olympic National Park, Washington State Departments of Natural Resources, Fish and Wildlife, U.S. Fish and Wildlife Service, and county and local governments.

### Soil, Water, and Air

- ◆ Provide for water quality needs for municipal and domestic water supply.
- ◆ Protect rivers, streams, shorelines, lakes, wetlands, floodplains, and other riparian areas during implementation of management activities.

### Lands

- ◆ Issue potable water system component authorizations only for improvements that contribute, or will contribute, to public utility system development. In consultation with County Health Departments, avoid single-use water system development in favor of systems that benefit the general public and promote formation of utility districts.

### Fish Habitat

- ◆ Emphasize contacts with Olympic Peninsula Indian tribes and Federal and State agencies to provide for coordinated fish habitat management.
- ◆ Maintain and improve fish habitat for indicator species groups (i.e., anadromous and resident fish).

### Socio-economic

- ◆ Contribute to the viability of local community economies.
- ◆ Assist resource dependent communities in identifying needs and opportunities relating to economic and social changes, and aid such communities in developing the resources needed to prepare for and manage their futures.
- ◆ Contribute to the satisfaction of local, regional, and national demands for goods and services available from the Forest.

### ***Forest Management Objectives***

Forest management objectives relating to the Port Townsend Water Supply Special Use Permit provide a summary of the general direction governing land uses, activities and output levels associated with each of the Forest's principal resources. Objectives reflect mixes of outputs or achievements which can be obtained at a given budget level within a stated time period. More detailed management direction is included in the standards and guidelines covering individual resources.

### Municipal Watersheds

Direction for the management of municipal watersheds is provided in the standards and guidelines, and the watershed management prescriptions, which are designed to assure continued high quality water in these areas. The primary goal is to provide high quality water by minimizing soil erosion and the introduction of chemicals or bacteria.

## Riparian Areas

Riparian areas are to be managed to protect, maintain, or improve their unique values as they relate to wildlife and fish habitat and water quality. Activities within riparian areas are to result in a diversity of vegetative communities of various species, sizes, and age classes through time to provide a vegetative pattern capable of maintaining stream channel and bank structure sufficient to maintain water quality in Class I, II, and III streams at or above existing levels.

## Fish Habitat

The primary goal of management is to maintain fish habitat at, as a minimum, its existing level of productivity. Beyond this, the objective is to manage habitat to promote the highest level of productivity that can be achieved in a cost-efficient manner.

## Structures and Utility Corridors

Water transmission line uses or agreements are considered to be long-term commitments of the Forest. Previous approval decisions were made considering both environmental concerns and the long-term public benefits that would accrue. One goal of structure and utility corridor management is to coordinate with County Health Departments to avoid single use water system development. Benefits to broad segments of the public and formation of local Sewer and Water Districts to effectively provide needed service will receive priority consideration.

## ***Desired Future Condition of the Forest***

The management direction contained in the Forest Plan is expected to take several decades to show effects throughout the Forest. The desired condition descriptions represent the likely conditions that occur now to 50 years into the future. The following desired condition descriptions are associated with the Port Townsend Water Supply Special Use Permit.

## Soil and Water

The demand for water is increasing, along with a growing concern for clean water. Watershed conditions on National Forest land should be improved over 1990 conditions, since there is, and will continue to be, less soil erosion and sediment entering streams.

## Fish Habitat

Anadromous fish production is expected to increase to as much as 15 to 25 percent above 1990 levels as a result of both reduced sedimentation of stream courses and habitat enhancement projects. The balance between spawning and rearing habitat will be as close to optimal as can be achieved through an ongoing program of enhancement and maintenance activities.

## Local Communities

Opportunities for the Olympic National Forest to help enhance the vitality of surrounding communities will occur through a Regional Initiative called the Pacific Northwest strategy. It is envisioned that this strategy will be a new focus for operation for many people, one that empowers Forest Service representatives and local citizens to look and work beyond the traditional boundaries. At the same time, it reaffirms and emphasizes working with other government agencies, local businesses, and the communities in a spirit of interdependency and cooperation. As the strategy evolves, its central focus will be to foster and enhance communication, cooperation, and partnerships.

## **Forest-Wide Standards and Guidelines**

The Forest-wide standards and guidelines provide the limits within which management practices will be implemented in achieving planned objectives. These standards and guidelines are applied across all management areas within the Forest.

### ***Wildlife, Fish, and TES Species***

1. Consultation shall be initiated with the U.S. Fish and Wildlife Service or National Marine Fisheries Service whenever an action may affect a federally listed threatened or endangered species. Protection of essential habitat for sensitive species should be coordinated with the State.
2. Federally listed endangered and threatened species shall be identified, inventoried, and managed in cooperation with the U.S. Fish and Wildlife Service or National Marine Fisheries Service. Management of sensitive species should be coordinated with the Washington Department of Fish and Wildlife (animals), and Washington Department of Natural Resources (plants).
3. Where management activities or other agents threaten the continued viability of threatened, endangered, or sensitive plants, the threatening activity or agent shall be controlled, removed, or terminated.
4. Fish habitat capability within a drainage should be maintained at no less than the existing level.

### ***Water, Soil, and Air***

1. State requirements shall be complied with in accordance with the Clean Water Act for protection of waters of the State of Washington through planning, application, and monitoring of Best Management Practices (BMPs) in conformance with the Clean Water Act, regulations, and Federal guidance issued thereto. In cooperation with the State of Washington, the Forest shall use the following process:
  - a. Select and design BMPs based on site-specific conditions, technical, economic, and institutional feasibility, and the water quality standards for those waters potentially impacted.
  - b. Implement and enforce BMPs.
  - c. Monitor to ensure that practices are correctly applied as designed.
  - d. Monitor to determine the effectiveness of practices in meeting design expectations and in attaining water quality standards.
  - e. Evaluate monitoring results and mitigate where necessary to minimize impacts from activities where BMPs do not perform as expected.
  - f. Adjust BMP design standards and applications when it is found that beneficial uses are not being protected and water quality standards are not being achieved to the desired level. Evaluate the appropriateness of water quality criteria for reasonably assuring protection of beneficial uses. Consider recommending adjustment of water quality standards.
2. In watersheds where project scoping identified an issue or concern regarding the cumulative effects of activities on water quality or stream channels, a cumulative effects assessment shall be made using the Olympic National Forest water quality cumulative effects model. The analysis should include land in all ownerships in the watershed. Activities on National Forest land in these watersheds should be dispersed in time and space to the extent practical, and at least to the

extent necessary to meet management requirements. For intermingled ownerships, scheduling efforts should be coordinated to the extent practical.

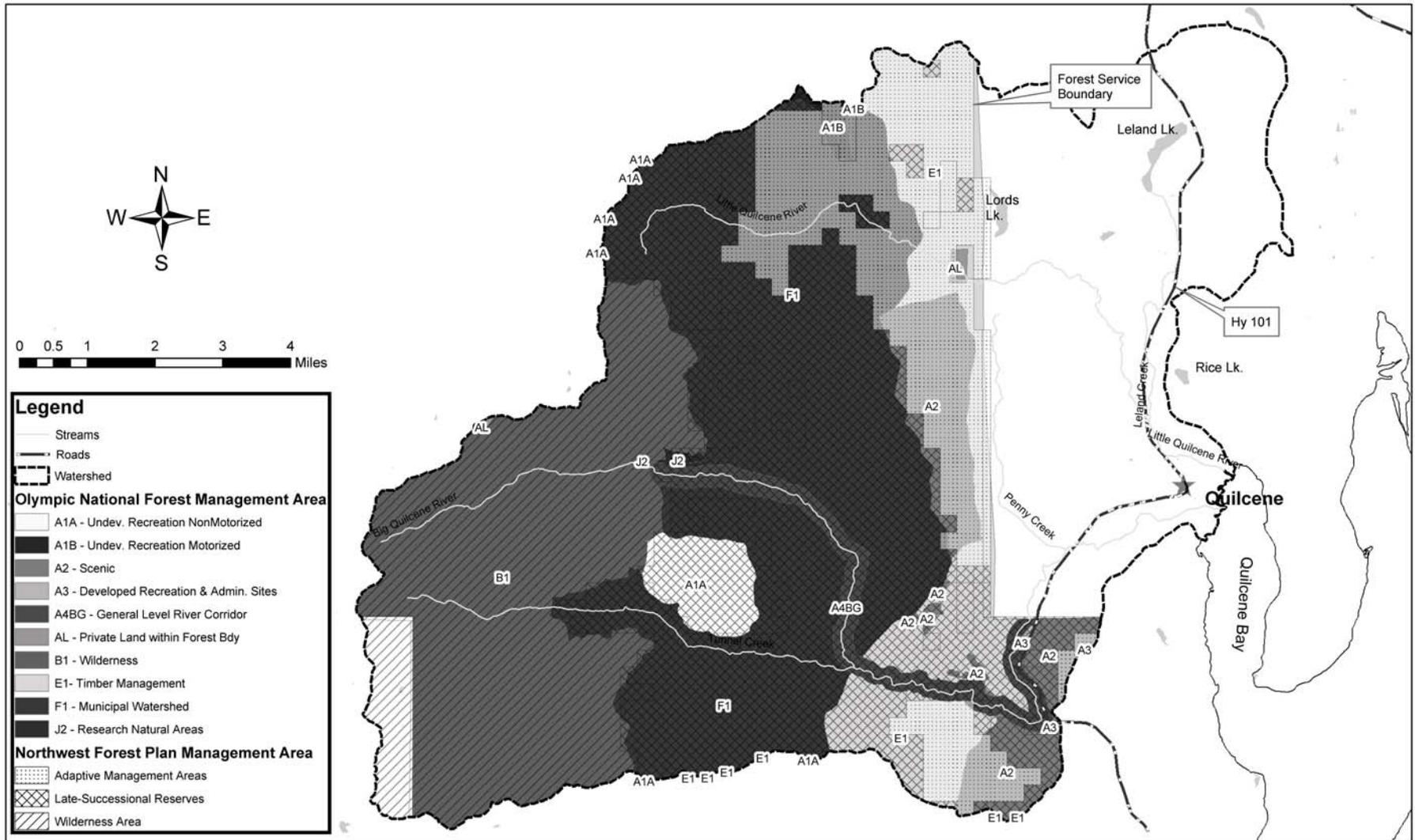
3. A State water right shall be obtained for water uses, with the exception of activities covered by the reservation principal (watershed protection and timber management activities).

### **Lands**

1. Special Use of National Forest land may be authorized when such use cannot reasonably be accommodated on private land. In considering special use applications, the interests and needs of the general public shall be given priority over those of the applicant. Use should be compatible, and in harmony with, the surrounding landscape.
2. When issued, or renewed, special use permits should be consistent with the Goal and Desired Future Condition for each Management Prescription.
3. Existing non-conforming, incompatible, or inappropriate uses should be terminated on an opportunity basis.
4. Unless specifically exempted by regulation, all private special uses of National Forest land should be authorized on a charge basis.
5. Applicants may be required to furnish necessary environmental analysis, surveys, plats, drawings, etc., and provide funds for the processing and administration of permits.
6. Special Use authorizations for use or development of sites and facilities should emphasize:
  - a. The utilization of existing capacities at approved sites.
  - b. Competitive processes for interest by multiple applicants.
  - c. Preparation of environmental analysis, master plans, site charters, surveys, and site development plans.
  - d. That land and other resources committed must be suitable for the proposed use.
  - e. That encumbrances on National Forest land should be kept to the minimum area and duration possible.

### **OLYMPIC FOREST PLAN MANAGEMENT AREA PRESCRIPTIONS**

A management area identified by the Forest Plan is an administratively identified area within the Forest that is managed according to a common set of goals and allows a unique combination of activities, practices, and uses. The standards and guidelines for the Olympic National Forest Land and Resource Management Plan (Olympic Forest Plan [USDA Forest Service, 1990]) have been supplemented with the standards and guidelines of the Northwest Forest Plan (USDA Forest Service, 1994). Where there is conflicting direction between the Olympic Forest Plan and the Northwest Forest Plan, the more restrictive standards take precedence. The management area prescriptions and standards and guidelines of the Olympic Forest Plan that are relevant to the Port Townsend Water Supply Special Use Permits are shown in Figure 1-2 and described below. A description of the Northwest Forest Plan follows these sections.



**Figure 1-2. Forest Plan Management Areas for the Big Quilcene and Little Quilcene Watersheds.**

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## Management Areas of Special Use Permit Sites

The management prescriptions assigned to the areas within the Special Use Permits provide the primary management direction for these sites. The goals, desired future conditions, and standards and guidelines that are applicable to the Special Use Permits are described in the sections below.

### ***Municipal Watersheds (F1)***

This management area is present at, and upstream of, the diversion sites on the Big Quilcene and Little Quilcene watersheds.

**Goal:** The primary goal is to provide high quality water for domestic use over the long-term. A secondary goal is to minimize soil erosion associated with management activities.

**Desired Future Condition:** To meet these goals, activities within municipal watersheds should meet or exceed specific Best Management Practices. The watershed will consist of a mosaic of even-aged managed timber stands, which represent all age classes up to rotation age. When conflicts exist between watershed management and other resources, the conflict should be resolved in favor of the watershed resources (while meeting Management Requirement specifications).

### Standards and Guidelines

1. Local water system officials shall be notified of planned activities within watersheds that have the potential to affect water quality or quantity.
2. Maintenance and improvement of water quality shall be emphasized over other resources, within applicable laws and regulations.
3. Prior to initiating ground disturbing activities, the Olympic National Forest cumulative effects model shall be used to assess the expected watershed impacts.
4. Utility corridors may be developed. Development must be consistent with the goals of this prescription.

### ***Timber Management (E1)***

This management area is present downstream of the diversion sites on the Big Quilcene and Little Quilcene watersheds. The water transmission pipeline originating from both diversion facilities crosses this management area.

**Goal:** The primary goal is to produce timber on a long-term sustained yield basis. All silvicultural practices and techniques are available for use. Analysis of Integrated Resource Analysis Areas will be used to schedule timber harvest from suitable lands and for analyzing project alternatives.

**Desired Future Condition:** Evidence of land intensively managed for timber production and other forest products is apparent. Tree sizes and mixtures of native species, from seedlings to mature sawtimber, are well distributed and at age classes needed to maintain sustained yield. Most stands are even aged. Harvest generally occurs at culmination of mean annual increment. Some stands may be managed to provide ecological diversity or old-growth characteristics.

### Standards and Guidelines

1. Management activities shall be conducted to meet or exceed Management Requirement specifications for wildlife and fish indicator species.
2. Development of utility corridors should be permitted.

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## ***River Corridors (A4BG)***

For planning purposes, a corridor is considered to extend a distance of one-eighth mile on each side of a river channel, for designated rivers. This management area is designated for the Big Quilcene River from the Forest Boundary upstream to the Buckhorn Wilderness area.

**Goal:** To retain the inherent values of these rivers, and to provide a variety of outdoor recreation opportunities in a pleasing scenic environment while maintaining or enhancing wildlife and fish habitat.

**Desired Future Condition (General Management Rivers):** The rivers may be reached by road, trail, or boat. Timber harvest may have occurred near the river and be visible from the river and riverbank. The shoreline generally appears natural as viewed from the river. Residential housing and other limited development may be present in the river corridor. Users of the river and adjacent areas are likely to share their recreational experience with other individuals or groups. Some diversion and low-head dams may exist.

### **Standards and Guidelines**

1. Major projects within river corridors should be coordinated with the Washington Department of Fish and Wildlife, and with applicable Treaty tribes.
2. Facilities should be designed, constructed, and maintained to be compatible with the characteristic landscape, repeating its natural form, line, color, and texture.

## ***Riparian Areas (F2)***

Riparian areas consist of aquatic ecosystems and adjacent lands along streams of all classes, lakes, and impoundments. Adjacent lands are those that can directly influence the aquatic ecosystem by contributing shade, organic material, or soil. For planning purposes, the riparian area consists of a zone extending 200 feet on each side of a stream course or other water body.

**Goal:** The primary goal is to protect, manage, or improve the unique values of riparian areas for wildlife and fish habitat and water quality during the planning and implementation of land and resource management activities.

**Desired Future Condition:** Activities within riparian areas should result in a diversity of vegetative communities of various species, sizes, and age classes so as to meet the following objectives: (1) maintain stream channel and bank structure sufficient to maintain water quality in Class I, II, and III streams at or near existing levels; (2) provide a permanent source of natural woody debris to maintain fish habitat at or above existing levels; (3) provide habitat for wildlife species; and (4) provide a filtration zone for up-slope debris or sedimentation.

### **Standards and Guidelines**

1. Major projects within riparian zones of Class I, II, III streams shall be coordinated with the Washington Department of Fish and Wildlife, and with applicable Treaty tribes.
2. Water temperature increases on Class I and II streams should be limited to the quantitative criteria in State Standards. Temperatures on Class III and IV streams should not deteriorate water quality below the water quality goals for downstream Class I and II (and fish-bearing Class III) streams. Exceptions must be based on scientific rationale and full maintenance of existing beneficial uses of the water.

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3. Instream flow on National Forest System lands should be protected through critical analysis of proposed water uses, diversions, and transmission applications and renewal of permits. Protection of instream flow needs may be achieved through: filing protests with the State where applications are made that adversely affect National Forest resources; asserting claims for this water under Federal or State laws where applicable; inserting protection measures into special use permits; or reaching formal agreement over use. Purchase of water rights and impoundments are other means for reducing these impacts.
  4. All management activities should meet Forest Service Region 6 riparian area management goals to protect or enhance water quality, fish, wildlife, vegetation, and other riparian values.
  5. Licenses or permits for hydropower projects should include provisions to minimize environmental impacts. Pipelines and transmission lines should be located outside of riparian areas whenever practical.
  6. Utility corridors may be developed. Development must be consistent with the goals of this prescription.

### **Management Areas of Big Quilcene and Little Quilcene Watersheds**

The management prescriptions assigned to portions of the watershed of the Big Quilcene and Little Quilcene Rivers provide additional management direction for these areas, and assist in describing the existing conditions of the watershed. Municipal Watersheds and Wilderness management areas comprise the majority of the watershed above the location of the Special Use Permits. The management areas described below are not immediately adjacent to the Special Use Permit areas, and therefore are less likely to be influenced by the effects of the Special Use Permits (Figure 1-2). The goals, and standards and guidelines for each of these management areas are described in detail in the Olympic Forest Plan. In addition to these Federal land designations, the lower portion of these watersheds include land owned by State, private citizens, and industry. These non-Federal lands are managed following State and local regulatory guidelines.

#### ***Undeveloped Recreation, non-motorized (A1A)***

**Desired Future Condition:** A natural or natural-appearing environment has been maintained. Campsites, sanitation facilities, and other management activities are not conspicuous. The area affords visitors an experience mostly free from the sights and sounds of other people. Recreation management should be consistent with criteria for Recreation Opportunity Spectrum classes Primitive and Semi-Primitive Non-Motorized.

#### ***Scenic (A2)***

**Desired Future Condition:** Landscapes are providing pleasing scenery as viewed from travel routes, use areas, and water bodies. These landscapes will accommodate management activities that are not evident, or are visually subordinate to the natural landscape, when viewed by the casual forest visitors.

#### ***Developed Recreation and Administrative Sites (A3)***

**Desired Future Condition:** Roads, buildings, ramps, bulletin boards, tables, and other physical facilities are evident, but their design and construction should be harmonious with the color, shapes, and lines of the surrounding environment and consistent with Recreation Opportunity Spectrum class. Openings usually exist or may be created to: (1) accommodate facilities, provide scenic views, or meet vegetative management goals within the developed site; and (2) accommodate facilities and space requirements for administrative sites.

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## **Wilderness (B1)**

**Desired Future Condition:** The area will retain its primeval character. It generally appears to have been affected primarily by the forces of nature, with evidence of human activity substantially unnoticeable. Opportunities for solitude and primitive recreation experience include a range from very high in the Primitive Trailless and Semi-Primitive Trailless areas, to high in the Primitive Trailed areas, to moderate in the Semi-Primitive Trailed areas. The Primitive Trailless areas afford the visitor an experience free from outside sights and sounds of other visitors and management activities, while the Primitive Trailed and Semi-Primitive Trailless and Trailed areas offer the visitor an experience mostly free from outside sights and sounds of other visitors and management activities.

## **Research Natural Areas (J2)**

**Desired Future Condition:** A land area where the ecological community is evolving through natural processes, and where preservation of natural features and conditions is not jeopardized by human activity. This future condition is identified in the Research Natural Area Establishment Plan for the area.

## **NORTHWEST FOREST PLAN AND AQUATIC CONSERVATION STRATEGY**

The Northwest Forest Plan amended the management direction for the Olympic National Forest. Additional land allocations were assigned to all national forest areas and a plan for the protection of aquatic habitat was implemented. These land allocations provide guidance to the management of the Forest at a level generally above (more restrictive than) the management area prescriptions described in the Olympic Forest Plan (Figure 1-2). Elements of the Northwest Forest Plan that may provide guidance for the decision to renew the special use permits for the water supply facilities for the City of Port Townsend include; Adaptive Management Areas, Late Successional Reserves, and Aquatic Conservation Strategy.

### **Adaptive Management Area**

This land allocation is assigned to an area that encompasses most of the Little Quilcene watershed, and includes the Special Use Permit site adjacent to the Little Quilcene River. Adaptive management areas are designed to develop and test new management approaches to integrate and achieve ecological, economic, and other social and community objectives. The Forest Service is directed to work with other organizations, government entities, and private landowners in accomplishing the specific objectives for each adaptive management area.

The objective of the Olympic Adaptive Management Area is to develop and test innovative approaches at the stand and landscape level for integration of ecological and economic objectives, including restoration of structural complexity to simplified forests and streams and development of more diverse managed forests through appropriate silvicultural approaches such as long rotations and partial retention.

The Olympic Adaptive Management Area Guide was completed and approved in 1998. The Guide makes no specific recommendations regarding management of the municipal water supply facilities of the City of Port Townsend.

### **Late Successional Reserves**

This land allocation is assigned to an area that encompasses most of the Big Quilcene watershed, and includes the Special Use Permit sites adjacent to the Big Quilcene River. The purpose of late successional reserves is to serve as habitat for late successional and old growth related species.

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These reserves, in combination with other land allocations and standards and guidelines, will maintain a functional, interactive, late-successional and old growth forest ecosystem.

Existing developments in late successional reserves are considered existing uses with respect to late successional reserve objectives, and may remain, consistent with other standards and guidelines. The City of Port Townsend water supply diversions and transmission line facilities are identified in the Quilcene Late Successional Reserve Assessment (USDA Forest Service, 1996) as existing uses that will not affect management of the LSR. Routine maintenance of existing facilities is expected to have less effect on current old-growth conditions than development of new facilities. Maintenance activities may include felling of hazard trees along utility rights-of-way, trails, and other developed areas.

Existing right-of-way agreements, contracted rights, easements, and Special Use Permits in late successional reserves are recognized as valid uses. When the objectives of late successional reserves are not being met upon review of existing Special Use Permits, reduce impacts through either modification of existing permits or education.

### **Aquatic Conservation Strategy**

The objective of the Aquatic Conservation Strategy (ACS) of the Northwest Forest Plan is to restore and maintain the ecological health of watersheds and aquatic ecosystems on public lands within the range of Pacific Ocean anadromy. There are four components of the ACS: (1) riparian reserves, (2) key watersheds, (3) watershed analysis, and (4) watershed restoration. Each component of this strategy is expected to play an important role in improving the health of the aquatic ecosystem.

Projects need to be compatible with the ACS objectives as established in the NWFP ROD. Complying with the ACS objectives means that an agency must manage riparian-dependent resources to maintain the existing condition or implement actions to restore conditions. The baseline from which to assess maintaining or restoring the condition is developed through a watershed analysis. The baseline condition established in the Big Quilcene Watershed Analysis included operation of the City's water supply facilities.

### **Riparian Reserves**

Riparian reserves are portions of watersheds required for maintaining hydrologic, geomorphic, and ecologic processes that directly affect streams, rivers, or standing water bodies. Standards and guidelines regulate the activities in riparian reserves that retard or prevent the attainment of the aquatic conservation strategy objectives. The riparian reserves standards and guidelines relative to the Special Use Permits are described below.

#### **Standards and Guidelines for Riparian Reserves**

- LH-1. Identify in-stream flows needed to maintain riparian resources, channel conditions, and fish passage.
- LH-2. Give priority emphasis to in-stream flows and habitat conditions that maintain or restore riparian resources, favorable channel conditions, and fish passage for surface water developments in non-Tier 1 key watersheds.
- LH-3. Existing support facilities that must be located in the riparian reserves will be located, operated, and maintained with an emphasis to eliminate adverse effects that retard or prevent attainment of the aquatic conservation strategy objectives.

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RA-1. Identify and attempt to secure in-stream flows needed to maintain riparian resources, channel conditions, and aquatic habitat.

RA-4. Locate water-drafting sites to minimize adverse effects on stream channel stability, sedimentation, and instream flows needed to maintain riparian resources, channel conditions, and fish habitat.

FW-4. Cooperate with federal, tribal, and state fish management agencies to identify and eliminate impacts associated with habitat manipulation, fish stocking, harvest and poaching that threaten the continued existence and distribution of native fish stocks occurring on federal land.

### ***Key Watersheds***

The aquatic conservation strategy includes two types of key watersheds. Tier 1 key watersheds contribute directly to the conservation of at-risk anadromous salmonids, bull trout, and resident fish species. Tier 2 key watersheds were selected as sources of high quality water, and do not necessarily contain at-risk fish stocks. The Big Quilcene watershed is identified as a Tier 2 key watershed. The Little Quilcene watershed is not identified as a key watershed in the Northwest Forest Plan.

### ***Watershed Analysis***

Watershed analysis is a systematic procedure for characterizing watershed and ecological processes to meet specific management and social objectives. The information developed for a watershed analysis will support decisions for implementing management prescriptions, developing restoration strategies and priorities, and identifying indicators for monitoring environmental change. Watershed analysis is required in key watersheds and riparian reserves prior to determining how proposed land management activities meet aquatic conservation strategy objectives.

A watershed analysis was completed for the Big Quilcene watershed in November 1994 (USDA Forest Service, 1994). It describes the past and current conditions of the domestic water supply and public works activities in the watershed.

### ***Watershed Restoration***

Watershed restoration is an integral part of the aquatic conservation strategy to aid recovery of fish habitat, riparian habitat, and water quality. The identification of watershed restoration projects is based on the recommendations and priorities determined through the watershed analysis process.

## **TRIBAL CONSULTATION**

Recognizing the government to government relationship the Forest Service has with tribal governments, consultation has been ongoing throughout the life of this project. There have been letters to tribal governments and personal contacts by the Hood Canal District Ranger and Forest resource specialists with representatives of tribal governments concerning this project.

## **PUBLIC INVOLVEMENT**

The Council on Environmental Quality (CEQ) defines scoping as "...an early and open process for determining the scope of issues to be addressed and for identifying the significant issues related to a proposed action" (40 CFR 1501.7). The scoping process is used to invite public participation, to help identify public issues, and to obtain public comment at various stages of the EA process. In addition to the following specific public involvement activities, the Port Townsend Special Use Permit renewal project has been listed on the Olympic National Forest Schedule of Proposed Actions since

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April, 2001, and information has been available on the Internet and mailed to individuals and groups that have previously shown interest in Forest Service projects on the Hood Canal Ranger District.

To date, the public has been invited to participate in the project in the following ways:

### **Public Mailing**

On September 5, 2000, a letter providing information about the Port Townsend Special Use Permit renewal project and seeking public comment was mailed to approximately 100 individuals and groups that had previously shown interest in Forest Service projects on the Hood Canal Ranger District. This mailing list included federal and state agencies, Native American tribes, municipal offices, businesses, interest groups, and individuals.

In March 2002, a newsletter providing additional information about the project, the environmental assessment process, and a request for public comment, was mailed to the same mailing list maintained from the previous mailing.

### **Public Meetings**

A public meeting was held in Quilcene on April 25, 2002. The meeting was held to provide additional project information and discuss local concerns and interests that should be addressed in the Port Townsend Special Use Permit EA. The Forest Service has also communicated with Native American tribes, the National Marine Fisheries Service, and the US Fish and Wildlife Service.

### **EA Comment Period**

The February 2004 EA was made available for a 30 day comment period in March-April 2004. Notice of the EAs availability was mailed to approximately 100 individuals and groups on the project's mailing list. A summary of comments received and the Forest Service response can be found in Appendix C.

## **CONSULTATION AND COORDINATION WITH OTHER AGENCIES**

Both river systems support the Hood Canal summer chum, an ESU listed under the Endangered Species Act as threatened; and Puget Sound steelhead, also listed as threatened. The National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Service (USFWS) are responsible for reviewing the proposed action to ensure actions authorized by the Forest Service is not likely to jeopardize the continued existence of any endangered, threatened, and proposed species or critical habitat.

The Forest Service began informal consultation with the NMFS and USFWS on August 26, 2002 regarding the potential effects of the proposed action on threatened and endangered species. Consultation with the agencies has been ongoing throughout the NEPA process. A Biological Assessment (Appendix A) for the proposed action on Hood Canal Summer Chum Salmon and Puget Sound Chinook Salmon, ESA listed species, was prepared in 2005. A Biological Opinion from the NMFS was received on November 14, 2006 and a Project Consistency Evaluation Form for terrestrial T&E species and habitats was prepared on November 20, 2006. The November 14, 2006 Biological Opinion was amended on March 31, 2008 to include consultation on Puget Sound steelhead.

## **KEY ISSUES**

The key issues for the Port Townsend Special Use Permit EA were identified through the public involvement activities. Three individuals participated in the public scoping meetings, and a total of

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seventeen written comment letters were received from agencies and individuals. The issues described below were identified by the interdisciplinary team to represent the primary concerns expressed by the public and resource agencies. Although the first three key issues are not directly related to the proposed action, they represent concerns regarding indirect and cumulative effects of other actions that are associated with the water supply facilities. These issues are addressed in Chapter 3 through the proposed action and alternatives, and the evaluation of effects upon the alternatives.

### **Issue 1: Hydrology**

The diversion of water from the Big Quilcene and Little Quilcene Rivers for the City of Port Townsend municipal water supply represents a change in the natural hydrology of these rivers. The potential impact to the rivers is greatest during the late summer when natural flows are lowest and the percent of water that is diverted from the river is greatest. The change in hydrology may impact aquatic and riparian resources, and species that are dependant upon the aquatic environment.

### **Issue 2: Fisheries**

Resident and anadromous salmonids inhabit the lower portions of the Big Quilcene and Little Quilcene Rivers. In March of 1999 the Hood Canal summer-run of chum salmon (*Oncorhynchus keta*) and in June 2007 the Puget Sound steelhead (*Oncorhynchus mykiss*) were listed as threatened under the Endangered Species Act (ESA). The diversion of water from these rivers has the potential to impact the habitat quantity and quality for ESA listed species.

### **Issue 3: Water Quality**

Salmonids are coldwater fish affected by temperature during spawning, rearing, and migration. Stream temperature monitoring on the Big Quilcene and Little Quilcene Rivers indicate that desired stream temperatures might be exceeded for brief periods of time during the summer. The diversion of water from these rivers during the summer has the potential to increase stream temperatures to a level greater than natural conditions.

### **Issue 4: Water Supply**

The diversion of water from the Big Quilcene and Little Quilcene Rivers represents 100 percent of the total water supply and demand for the City of Port Townsend. Renewal of the Special Use Permit for the diversion facilities would allow the City to continue to provide residential, commercial, and industrial customers with a reliable, cost effective, and uninterrupted supply of water.

## **PLANNING RECORD**

The planning record includes documentation of public involvement activities, Forest Service guidance regarding the project, resource information references, and Forest GIS data. An index of the planning record is available for review at the Olympic National Forest Supervisor's Office in Olympia, Washington. Reference documents, such as the Forest Plan, are available at public libraries around the region, as well as at the Supervisor's Offices in Olympia.