

Hood Canal Coordinating Council

HCCC In-Lieu Fee Mitigation Program Quarterly Status Update

Quarter 1 2016

A voluntary program that provides a mechanism for compensatory mitigation for unavoidable adverse impacts to aquatic resources and their buffers

1. Summary of all inquiries received, which may include inquiries from potential project permit applicants and regulatory entities.

January 20, 2016 – Inquiry from Mr. Jeff Griffen of Poulsbo concerning a dock he is constructing on Liberty Bay within Kitsap County jurisdiction. Mr. Griffen was seeking information on an ILF program with a service area within Liberty Bay. As the location of his project is outside of the HCCC ILF Program's service area he was directed back to the COE for development of permittee responsible mitigation.

March 10, 2016 - Inquiry from Ms. Christine Stevenson, US Navy, NAVFAC NW for a potential credit sale for the Navy's Land Water Interface (LWI) project. The LWI project would require mitigation credits for impacts to marine/nearshore aquatic resources. The LWI project is completing NEPA review and entering the permitting phase; quantification of impacts and mitigation needs are not yet completed. On March 15, 2016 Mitigation Fees (Credit Fees and Land Fees) proposed increases for 2016 were provided to Ms. Stevenson.

2. Summary of all pending credit sales and related correspondence with regulating entities and project proponents.

None.

3. Credit ledger that shows all completed credit transactions and remaining credits available for sale by service area.

Marine Credit Ledger
Hood Canal Marine Service Area

Current As of 2/04/2016

Credit Balance Sheet:

	Subtidal Non-Vegetated	Subtidal Vegetated	Intertidal Wetland	Intertidal Non-Wetland Vegetated	Intertidal Non-Wetland Non-Veg	Riparian	Notes	Credit Fulfillment Site
Advanced Credits	50 Total for All Credit Categories							
Debited Credits (sold or obligated to impacts)	2.7	2.42	0	0	1.98	2.44	Sold on October 22, 2012 to US Navy for Corps permit#NWS-2009-572 and Ecology WQC#9157 under terms of contract N44255-12-C-5002. Intertidal Non-wetland Vegetated credits included in Subtidal Vegetated credit.	
Debited Credits (sold or obligated to impacts)	0	0	0	0	0.044	0	Sold on November 24, 2014 to Mr. Jon Koloski for Administrative Consent Order EPA Docket No. CWA-10-2014-0078.	
Credits Pending (planned, proposed)	0	0	0	0	0	0		
Credits Earned (released)	0	0	0	0	0	0		
"No Net Loss Balance"	-2.7	-2.42	0	0	-2.024	-2.44	Equals Credits Earned Minus Debited Credits	
Credits Available to Sell	40.416						Equals Advanced Minus Debited Plus Released	

WRIA 15 Freshwater Service Area

	Water Quality Credits	Hydrology Credits	Habitat Credits	Notes
Advanced Credits	20	20	20	
Debited Credits (sold or obligated to impacts)	2.4	2.4	3.6	Obligated on September 21, 2012 to US Navy for Corps permit#NWS-2009-572 and Ecology WQC#9157 under terms of contract N44255-12-C-5002
Debited Credits (sold or obligated to impacts)	2.07	1.52	1.67	Obligated on May 14, 2014 to Washington State Department of Transportation permit #NWS-2013-489-DOT under terms of contract GCB 1070
Credits Pending (planned, proposed)	0	0	0	
Credits Earned (released)	0	0	0	
"No Net Loss Balance"	-4.47	-3.92	-5.27	Equals Credits Earned Minus Debited Credits
Credits Available to Sell	15.53	16.08	14.73	Equals Advanced Minus Debited Plus Released

WRIA 16 / 14b Freshwater Service Area

	Water Quality	Hydrology Credits	Habitat Credits	Notes
Advanced Credits	20	20	20	
Debited Credits (sold or obligated to impacts)	0	0	0	
Credits Pending (planned, proposed)	0	0	0	
Credits Earned (released)	0	0	0	
"No Net Loss Balance"	0	0	0	Equals Credits Earned Minus Debited Credits
Credits Available to Sell	20	20	20	Equals Advanced Minus Debited Plus Released

WRIA 17 Freshwater Service Area

	Water Quality	Hydrology Credits	Habitat Credits	Notes
Advanced Credits	15	15	15	
Debited Credits (sold or obligated to impacts)	0	0	0	
Credits Pending (planned, proposed)	0	0	0	
Credits Earned (released)	0	0	0	
"No Net Loss Balance"	0	0	0	Equals Credits Earned Minus Debited Credits
Credits Available to Sell	15	15	15	Equals Advanced Minus Debited Plus Released

4. Updated financial statements/ledgers showing the amount of money spent from each ILF Program Account and projected spending via authorized spending agreements.

HCCC ILF Program Mitigation Accounts Balance Summary				
Report Date			5/5/2016	
Total Deposits		\$7,162,964.60		
Accounts	Fee Deposits	Interest Deposits	Expenditures	Balance to date
Land Fee	\$452,889.46		\$2,874.72	\$450,014.74
Marine	\$440,815.54		\$0.00	\$440,815.54
WRIA 15	\$12,073.92		\$2,874.72	\$9,199.20
WRIA 16	\$0.00		\$0.00	\$0.00
WRIA 17	\$0.00		\$0.00	\$0.00
Contingency	\$983,351.01		\$0.00	\$983,351.01
Marine	\$907,253.90	\$180.04	\$0.00	\$907,433.94
WRIA 15	\$76,097.11		\$0.00	\$76,097.11
WRIA 16	\$0.00		\$0.00	\$0.00
WRIA 17	\$0.00		\$0.00	\$0.00
Administration*	\$720,396.26		\$462,925.40	\$257,470.86
Marine	\$662,802.81		\$441,953.15	\$220,849.66
WRIA 15	\$57,593.45		\$20,972.25	\$36,621.20
WRIA 16	\$0.00		\$0.00	\$0.00
WRIA 17	\$0.00		\$0.00	\$0.00
Long-term Management	\$536,617.20		\$0.00	\$536,617.20
Marine	\$495,090.80	\$180.04	\$0.00	\$495,270.84
WRIA 15	\$41,526.40		\$0.00	\$41,526.40
WRIA 16	\$0.00		\$0.00	\$0.00
WRIA 17	\$0.00		\$0.00	\$0.00
Mitigation Projects	\$4,469,350.59		\$357,964.50	\$4,111,386.09
Marine	\$4,123,487.55			
WRIA 15	\$345,863.04			
Irene Pond Mitigation Project			\$126,532.85	
Port Gamble Mitigation Project			\$111,165.39	
Myrvang Mitigation Project			\$120,266.26	
TOTAL	\$7,162,604.52	\$360.08	\$823,764.62	\$6,339,199.98
* expenditures incl. Capital Expenditures and Added Depreciation				

HCCC ILF Program Administration Ledger

Current Program Administration Account balance: \$257,470.86

PROGRAM ADMINISTRATION ACCOUNT

5/5/2016

Marine Service Area Fee Ledger		As of : 5/5/2016		
Program Admin		Program Admin % is: 3.6%		
Balance \$220,849.66				
Deposits	Impact Permit #	Program Administration Expenditures	Description of Expenditures	Additional Detail
\$656,538.93	NWS-2009-572 WQC#9157	\$43,598.28	Program start-up and admin	to date thru Q1 2013
\$6,263.88	CWA-10-2014-0078	\$37,048.44	Administration of Program	Q2 2013
		\$35,356.40	Administration of Program	Q3 2013
		\$36,438.88	Administration of Program	Q4 2013
		\$9,840.65	Administration of Program	Q1 2014
		\$19,646.34	Administration of Program	Q2 2014
		\$27,083.36	Administration of Program	Q3 2014
		\$22,584.10	Administration of Program	Q4 2014
		\$30,989.11	Administration of Program	Q1 2015
		\$29,039.99	Administration of Program	Q2 2015
		\$48,759.79	Administration of Program	Q3 2015 (legal fees May - Sept)
		\$47,087.55	Administration of Program	Q4 2015
		\$31,847.73	Administration of Program	Q1 2016
\$662,802.81		\$419,320.62		
		\$25,498.37	Capital Expenditures	
		\$2,865.84	Added Depreciation	Q1 2013
		\$441,953.15		

WRIA 15 Service Area Fee Ledger

As of : 5/5/2016
Program Admin % is: 7.0%

**Program Admin
Balance**

\$36,621.20

Deposits	Impact Permit #
\$34,186.30	NWS-2009-572 WQC#9157
\$23,407.15	NWS-2013-489-DOT
\$57,593.45	

Program Administration Expenditures	Description of Expenditures	Additional Detail
\$6,604.11	Administration of Program	Q2 2014
\$12,058.14	Administration of Program	Q3 2014
\$0.00	Administration of Program	Q4 2014
\$2,953.84	Administration of Program	Q1 2015
\$4,953.48	Administration of Program	Q2 2015
(\$5,597.32)	accounting adjustment	Q3 2015
\$0.00	Administration of Program	Q4 2015
\$0.00	Administration of Program	Q1 2016
\$20,972.25		

HCCC ILF Program Land Fees and Expenditures Ledger

Current Program Land Fee Account balance: \$450,014.74

LAND FEES AND EXPENDITURES

5/5/2016

Marine Service Area Fee Ledger									
Land Fee Balance		\$440,815.54							
Land Fee Deposits	Impact Permit #								
\$438,801.84	NWS-2009-572 WQC#9157								
\$2,013.70	CWA-10-2014-0078								
\$440,815.54									
Land Fee Expenditures	Acquisition Project Name	Date	Location	Parcel Number (s)					
\$0.00									

WRIA 15 Service Area Fee Ledger									
Land Fee Balance		\$9,199.20							
Land Fee Deposits	Impact Permit #								
\$9,199.20	NWS-2009-572 WQC#9157								
\$2,874.72	NWS-2013-489-DOT								
\$12,073.92									
Land Fee Expenditures	Acquisition Project Name	Date	Location	Parcel Number (s)					
\$2,874.72	Irene Pond	9/5/2014	Belfair, WA	12329-11-00000 12329-11-00040					
\$2,874.72									

HCCC ILF Program Mitigation Projects Ledger

MITIGATION PROJECT ACCOUNT

5/5/2016

Mitigation Project Account Balance

\$4,111,386.09

Deposits	Impact Permit #	Service Area
\$4,084,518.12	NWS-2009-572 WQC#9157	Marine
\$212,683.00	NWS-2009-572 WQC#9157	WRIA 15
\$133,180.04	NWS-2013-489-DOT	WRIA 15
\$38,969.43	CWA-10-2014-0078	Marine
\$4,469,350.59		

Irene Pond Mitigation Project Expenditures Task	Description of Expenditures - WRIA 15	Amount
Administration	permitting and coordination; recording fees	\$788.34
Land acquisition	land purchase in excess of land fee	\$66,161.02
Design	wetland/site characterization baseline	\$4,105.98
Permitting	Mason County permit fees	\$947.00
Construction	demolition, grading, survey, abatement, planting	\$46,133.70
Maintenance	supplies, gas, staff time, replacement plants	\$7,396.81
Monitoring	encroachment boundary survey	\$1,000.00
		\$126,532.85

Port Gamble Mitigation Project Expenditures Task	Description of Expenditures - Marine	Amount
Administration		
Design	10% and 30% design and site characterization soil sampling	\$111,165.39
Permitting		
Construction		
Maintenance		
Monitoring		
		\$111,165.39

Myrvang Mitigation Project Expenditures Task	Description of Expenditures - WRIA 15	Amount
Administration	legal fees; Phase 1 ESA; staff time	\$8,794.50
Land acquisition	land purchase; appraisal; transaction & title fees; recording fees	\$111,471.76
Design		
Permitting		
Construction		
Maintenance		
Monitoring		
		\$120,266.26

HCCC ILF Program Mitigation Accounts Interest Earnings		
Report Date		5/5/2016
Total Deposits	\$360.08	
Accounts	Deposits	Balance to date
Contingency - Marine		
Q3 2015	\$22.27	\$22.27
Q4 2015	\$27.81	\$50.08
Q1 2016	\$129.96	\$180.04
Q2 2016		
Q3 2016		
Q4 2016		
SUBTOTAL		\$180.04
Long-term Management - Marine		
Q3 2015	\$22.26	\$22.26
Q4 2015	\$27.81	\$50.07
Q1 2016	\$129.97	\$180.04
Q2 2016		
Q3 2016		
Q4 2016		
SUBTOTAL		\$180.04
TOTAL	\$360.08	