

Attachment 1: Modifications to Appendix 1 of *Mitigation Banking Instrument: Skykomish Habitat Mitigation Bank*, dated August 9, 2006.

The Sponsor proposed the following changes to Appendix 1 via letter dated December 22, 2008 and the Interagency Review Team agrees to the changes, effective immediately as of the date of the attached letter.

(1) Section 13 is modified by replacing the existing text, in its entirety, with the following language:

“The service area for the Bank includes WRIA 7 below the 2,500-foot elevation contour (see Figure 14A) downstream to where the Snohomish River starts to mix with the salt water of Puget Sound and becomes estuarine (as defined in Cowardin 1979).

The service area is further defined as follows:

Service Area Boundary Restrictions	Intent/Justification
1. In the Snohomish River basin the service area extends down to the line identified in the <i>Salmon Overlay to the Snohomish Estuary Wetland Integration Plan</i> (SEWIP Salmon Overlay) (City of Everett and Pentec, 2001) as the line separating Ecological Management Unit 1 from Ecological Management Unit 2.	The area within Ecological Management Units 2-7 in the SEWIP plan was historically an estuarine area where most of the wetlands were tidally influenced and exposed to salinity >0.5 parts per thousand. The goal of SEWIP is to restore as much of those wetlands to their historical condition as possible. This watershed plan has been adopted by the City of Everett as part of their Shoreline Master Program.
2. Ecological Management Units 2-7 in the SEWIP plan are excluded from the service area.	The use of a comprehensive watershed plan for the area is consistent with policies and rules of the agencies on the MBRT and is preferential to use of the bank in EMUs 2-7.
3. In the northwest portion of the Snohomish River basin the service area also extends down to the border separating the Quilceda Creek Sub-basin Watershed and the Tulalip Sub-basin Watershed.	The Tulalip Sub-basin Watershed is excluded from the service area because most of it drains directly to Puget Sound rather than to the Snohomish River. The sub-basin lies mostly within the Tulalip Indian Reservation.
4. The service area excludes all brackish marshes, halotrophic wetlands, or wetlands influenced by ocean-derived salt conditions of >0.5 parts per thousand salt at any time during the year.	Due to the substantial historical loss of estuarine wetlands in the Puget Lowlands, the MBRT member agencies generally preclude using freshwater wetlands, such as those occurring at the SHMB, as compensatory mitigation for impacts to estuarine wetlands.
5. In the Everett Drainages Sub-basin the service area excludes any impacts that are large enough to require either an Individual 404 permit or Individual 401 certification.	Most of the Everett Drainages Sub-basin drains directly to Puget Sound rather than the Snohomish River. Even so, the sub-basin is included in the SHMB service area, with project size limitations, because it is very difficult to find mitigation opportunities in this highly developed urban area. Larger impact projects may be more appropriately mitigated for in sub-basins closer to Everett to minimize the potential effects of transferring functions out of the lower Snohomish River sub-basins.