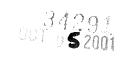


United States Department of the Interior

FISH AND WILDLIFE SERVICE

911 NE. 11th Avenue Portland, Oregon 97232-4181



OCT - 4 2001

Dr. Brian Allee Executive Director Columbia Basin Fish and Wildlife Authority 2501 SW First Avenue, Suite 200 Portland, Oregon 97201

Subject: Request to reallocate previously committed funds for the Eagle Lakes Ranch Acquisition Project (# 200002500) to the Rattlesnake Addition Project (#25020)

Dear Brian:

Following good faith negotiations with the Eagle Lakes Ranch owner over the past few years, a counter bid that significantly exceeded the appraised value offered by the Fish and Wildlife Service (Service) was accepted by the ranch owner. Unfortunately, the ranch was subdivided into smaller parcels with multiple owners, and a large block of high quality shrub-steppe habitat has been fragmented even further. The Eagle Lakes Project would have funded approximately 7,600 acres of shrub-steppe, basalt cliff, and wetland habitats in Franklin County, Washington.

The Service looked for other "in-progress" acquisitions with similar wildlife habitat benefits that could be executed in the short term and also meet Bonneville Power Administration's (BPA) mitigation priorities within the Columbia Plateau Province. After numerous inquiries, it was determined that landscape-level habitat protection could be best achieved by both financially and cooperatively supporting the successful implementation of the Rattlesnake Addition Project, the McWhorter Ranch acquisition. The Service (Hanford Reach National Monument staff), the Rocky Mountain Elk Foundation (RMEF), The Nature Conservancy (TNC), and the Washington Department of Fish and Wildlife (WDFW) have been working cooperatively to achieve permanent protection around Rattlesnake Mountain, a.k.a. the "Fitzner-Eberhard Arid Lands Ecology Reserve (ALE)," and coordinate management actions that benefit and support the irreplaceable biological diversity found in the ALE.

The McWhorter Ranch is approximately 11,000 acres of shrub-steppe habitat that is interspersed with perennial springs and seasonal draws supporting willow-riparian complexes and contains large, high quality blocks of bluebunch wheatgrass plant communities, which are extremely rare on private lands in this region of Washington. The ranch is located in Benton County and shares its northerly border with the ALE of the Hanford Reach National Monument (195,000 acres) and is bounded on the east and is in close proximity on the west to two units of the WDFW's Sunnyside Wildlife Area (5,800 acres). With the purchase of the McWhorter Ranch, a substantial

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portion of the ALE would be protected along the south side and an additional large block of shrub-steppe habitat managed by the Service and WDFW would be secured. This acquisition offers a rare opportunity to offset the ongoing and pervasive fragmentation and conversion of shrub-steppe habitat that is happening in the Tri-Cities region of Washington. This significant expansion of public land holdings would further allow resource managers to leverage research, monitoring, evaluation, operations, and maintenance resources to achieve a greater "economy of scale" through co-management of both the Hanford Reach Monument and the WDFW Wildlife Areas in cooperation with TNC and RMEF.

Both the Eagle Lakes Ranch Acquisition and Restoration Project and the Rattlesnake Slope Addition Project have completed the Columbia Plateau rolling provincial review and received a "fundable" recommendation from the Independent Scientific Review Panel and "high priority" recommendation from the Columbia Basin Fish and Wildlife Authority (CBFWA). The McWhorter Ranch acquisition also has the support of both the Benton and Yakima County Commissioners and the Columbia River Conservation League.

Given the current budgetary shortfalls that are occurring as a result of the Council's effort to identify fish and wildlife needs in the Columbia Basin through the rolling provincial review process, the Service proposes that a substantial portion of the unobligated funds currently in the Eagle Lakes placeholder be reallocated for the partial acquisition of the McWhorter Ranch. The contribution of the Eagle Lakes Ranch carryforward funds as a cost-share to reduce the Rattlesnake Slope Addition project 2002 fiscal year budget request for the McWhorter Ranch acquisition would reduce the RMEF request from \$3,542,500 to approximately \$1,897,500, a reduction of approximately \$1.6 million. In addition, the elimination of approximately \$1.8 million of anticipated fiscal year 03 and 04 out-year expenditures for the Eagle Lakes Ranch restoration can be reallocated to other projects that have been recommended for funding in the Columbia Plateau Province.

The Service is committed to participating in the planning and design efforts in partnership with the RMEF, TNC, and the WDFW to facilitate transfer of ownership as soon as possible. Although the landowner prefers to sell the ranch to an entity that will protect the resource values of the ranch in perpetuity, he is quite elderly and unreceptive to projected periods of waiting. The urgency of going forward with an appraisal and securing a purchase agreement is critical in the short-term. The Service also recognizes that resolution of the crediting issue and the assignment of credits relating to the Grand Coulee and Chief Joseph construction and innundation losses or operational losses are important considerations to be negotiated with the wildlife managers as well as the Bonneville Power Administration. The Service will take an active role in the effort to come to resolution on these continually unresolved program issues.

The Service requests that the Draft CBFWA Fiscal Year 2002-2004 Province Work Plan for the Columbia Plateau Province be amended to reflect the elimination of Project 200002500 (Eagle

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Lakes Ranch Acquisition and Restoration) in the Mainstem Columbia Subbasin and the reallocation of approximately \$1,645,000 carryforward funds earmarked for the Eagle Lakes Ranch acquisition for the McWhorter Ranch acquisition, Project 25020 (Acquire Rattlesnake Slope Addition) in the Yakima Subbasin.

Thank you for considering this request. Please contact me if you have any questions at (503) 872-2763.

Sincerely,

Fred Olney

Senior Fisheries Scientist

cc:

Greg Hughes, Hanford Reach National Monument Bob Flores, Columbia NWR Rance Block, RMEF Jeff Tayer, WDFW Betsy Bloomfield, TNC Howard Schaller, CRFPO Maureen Smith, CRFPO