

Jerry L. Storedahl, Owner



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February 16, 2012 *ROCK PRODUCTS, GRADING & EXCAVATING*

Mr. Steve Landino
NOAA Fisheries
510 Desmond Drive, Suite 103
Lacey, WA 98503

Mr. Tim Romanski
U.S. Fish & Wildlife
510 Desmond Drive, Suite 102
Lacey, WA 98503

Re: Daybreak Habitat Conservation Plan (HCP) Annual Report

Gentlemen:

Attached is a brief summary of the conservation and monitoring activities at the Daybreak site over the past year. In addition to the summaries, we have included raw data and reports prepared by our consultants as prescribed in the HCP.

As noted in earlier conversations and correspondence, there have been some minor changes to the sequencing of the mining activities to avoid the Dean Creek riparian zone while our consultation continues. Specifically, we completed mining in areas 1C and 1D, placed the requisite topsoil, completed grading, and planting is on going. We anticipate completing the planting work in these areas in the spring of 2012. As noted last year, we have moved the mining to the east half of area 4 in order to continue to avoid any potential effects to the Dean Creek riparian zone, until the ongoing consultation is completed.

If you have any questions or comments please feel free to call me or Randy Sweet at (360) 673-5397.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Kimball', is written over a horizontal line.

Kimball Storedahl
Vice President

cc.

Clark County Building and Planning
Department of Ecology

Daybreak Conservation Measures Annual Report for 2011

CM-01	Washwater clarification process	Daybreak has been operating via dry processing only and will continue to do so until further notice. Therefore no raw data or summary thereof is warranted.
CM-02	Storm Water and Erosion Control Plan and Storm Water Pollution Prevention Plan	The stormwater plan has been approved by Clark County and has been and continues to be implemented. Turbidity levels at the Pond 5 outfall ranged from a high of 5.9 NTUs in April to a low of 3.6 NTUs in June with an average throughout the year of 4.1 NTUs. TSS laboratory testing reported one test at 7.0 mg/L in June with the balance reported ND. Notably, there was no flow in Dean Creek from July 13 through September. HCP monitoring data sheets and Ecology discharge Monitoring Reports (DMRs) for the NPDES General Permit monitoring are attached.
CM-03	Donation of Water Rights	Transfer of the water rights has been delayed, pending the outcome of the ongoing consultation. In the interim, the water will be used to irrigate the native valley-bottom trees which have been planted under CM-06 to accelerate their growth and reduce the potential for die off.
CM-04	Water management plan	This measure is approximately 80% complete with the berm infill and reconfiguration of Pond 5 and construction of the controlled outlet and bottom-water pick up. The remaining work to complete includes the installation of the pumping system, irrigation lines in the Dean Creek terrace area, and the discharge points along Dean Creek. That work is on hold pending the resolution of the ongoing consultation
CM-05	Conservation and habitat enhancement endowment	This measure was initiated with the initial sale of processed aggregate. As of December 31, 2011, the fund has accrued \$38,932.48 as noted on the attached December 31, 2011 bank statement.

CM-06	Native valley-bottom forest revegetation	In March and April 2010, Storedahl plowed and disked, and planted 23 acres, or approximately 53% of the prescribed valley-bottom forest per the schedule in the HCP. Fall monitoring showed significant mortality in the planting and over 1,000 Douglas fir and Western Red Cedar were replanted. The addition of some 3,000 cedar trees is scheduled for this spring.
CM-07	Floodplain reestablishment between Dean Creek and the created ponds	Invasive vegetation has been mechanically cleared, but terrace construction has not started. This near-stream measure is on hold, pending the outcome of the ongoing consultation.
CM-08	Mining and reclamation designs to reduce the risk of an avulsion	The initial infilling of Pond 2 was approximately 60% completed in 2010 and during 2011 approximately 25% of the infill along the north side of Pond 1 was completed. As noted in the HCP, additional infill and reconfiguration will take place as "clean fill" becomes available.
CM-09	Contingency plan for potential avulsion of the East Fork Lewis River	The avulsion sill and overflow spillway were completed prior to any mining at the site.
CM-10	Study of the Ridgefield Pits and East Fork Lewis River	R2 Resources completed the first phase of this work the Summer of 2010 and a report of their findings was attached to the 2010 annual report.
CM-11	Off-site floodplain enhancement	This measure is not scheduled to start until the third year of operation.
CM-12	Conservation easement and fee-simple transfer	Placement of the conservation easement and fee-simple transfer of property has been delayed, pending the outcome of the ongoing consultation.

CM-13	Riparian management zone on Dean Creek	This measure is on hold pending outcome of the ongoing consultation.
CM-14	In-channel habitat enhancement in select reaches of Dean Creek	No in-stream work is anticipated until resolution of the ongoing consultation.
CM-15	Shallow water and wetland habitat creation	Topsoil placement and grading is complete at Cells 1C & D. Fir trees have been planted around the perimeter buffer of the cells and the slopes were seeded. Additional planting of cedar trees and appropriate wetland species, per the HCP, is scheduled for this spring.
CM-16	Control of non-native predatory fishes	This measure is not scheduled for initiation until year five of the operation.
CM-17	Create habitat suitable for Oregon spotted frogs.	This is a contingency measure, dependent on the identification of Oregon spotted frogs in Clark County. To the best of our knowledge, none have been identified to date.
CM-18	Control public access	Fencing has been completed and signage is in place.

Daybreak Monitoring and Evaluation Measures Annual Report for 2011

MEM-01	Closed-loop Clarifier	Only dry processing is being used at the site and monitoring is proceeding per the NPDES permit below.
MEM-02	NPDES Monitoring	NPDES Monitoring is ongoing. A summary is included with the CM-02 report and raw data is attached.
MEM-03	Water Management Plan Monitoring	Temperatures at the Pond 5 outlet ranged from a low 13.6 degrees C, and a DO of 9.88 mg/l, in April to a high of 23.8 degrees C, and a DO of 7.09 mg/l, in August. Temperatures at PZ-3 ranged from 6.2 to 10.5 degrees C in January through March to a high of 14.6 degrees C in August, and cooling to less than 10 degrees C in late November through December. Dean Creek temperatures ranged from 11.6 to 14.8 degrees C and a DO of 8.63 to 11.90 mg/l in April and May to a high of 21.8 degrees C, with a DO as low as 7.11 mg/l in July. Notably, Dean Creek had no flow from July 13 through September. Raw data for the summer monitoring of PZ-3, surface water and discharges from Pond 5 are attached.
MEM-04	Pond, Shallow Water, and Shoreline Physical Structure Monitoring	As noted under CM-08 Pond 2 infill and reconfiguration is approximately 60% complete and the north side of Pond 1 is approximately 25% complete. As-built plans will be completed within 6 months of that completion of these ponds with bathymetric surveys completed in years 5, 10, 15, 20 and 25 per the HCP.
MEM-05	Vegetation Monitoring	Valley bottom forest mortality is noted under CM-06. Additional monitoring planting of cedar trees will be completed in the Spring of 2012 as noted under CM-06, with subsequent monitoring per the HCP to follow.
MEM-06	Dean Creek Riparian and Channel Condition Monitoring	Not scheduled to begin until 1 year after planting.
MEM-07	East Fork Lewis River Critical Bank Stability Monitoring	WEST Consultants completed this survey in late November following a discharge of 9,000 cfs. Their report is attached.
MEM-08	Pond Fish Use and Limnological Monitoring	Habitat monitoring in the EFLR was completed by R2 Resources in the summer of 2011. Transparency, temperature and DO were monitored in Pond 5 from April through September. Transparency ranged from 65 to 66 inches throughout this period. Temperatures ranged from 14.2 to 21.7 degrees C in April and September, respectively. DOs ranged 10.93 to 8.02 mg/L during this same time period. Monitoring of the current fish community in Pond 5 is scheduled for next summer, following the receipt of all necessary state and federal permits.
MEM-09	Oregon Spotted Frog	To the best of our knowledge, no Oregon spotted frogs have been identified in Clark County to date.

	Monitoring	
MEM-10	Financial Status of Conservation Endowment	A summary of the financial status of the endowment is included under CM-05 and the year end balance is attached.