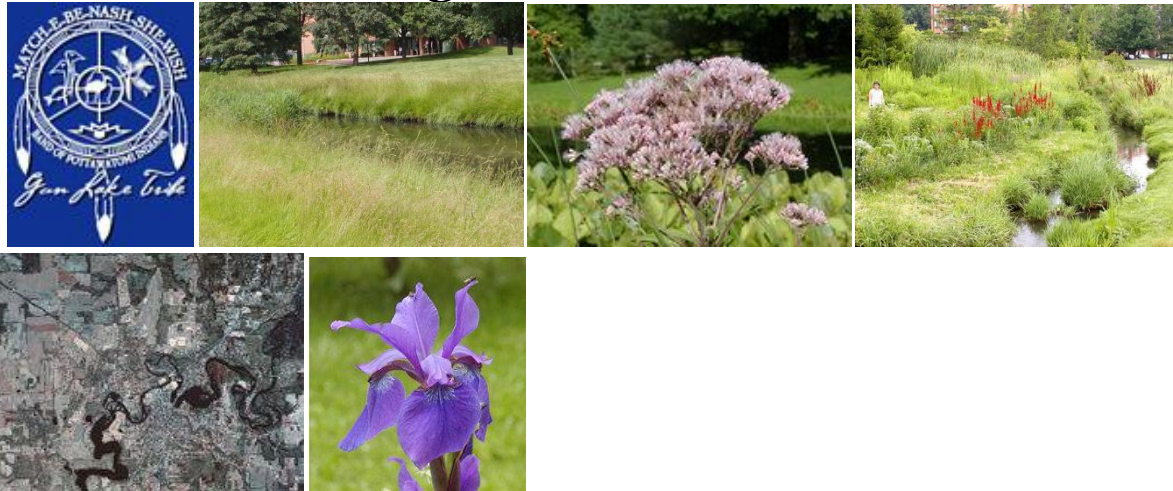


Kalamazoo River: EPA Targeted Watershed Grant



Project Overview

This project builds on Kalamazoo River and Michigan-based trading experiences to develop, test and implement "model" tools and infrastructure necessary to enable functioning water quality trading markets. Funding will support agricultural BMPs to achieve load allocation goals in an EPA-approved Lake Allegan/Kalamazoo River phosphorus TMDL. Reductions will be used to test marketplace instruments and apply agricultural participation and credit banking schemes. Trading approaches will be instituted that allow for voluntary participation, insulate producers from NPDES permit liability and can be delivered consistently through traditional programs. Transferable marketplace and regulatory instruments developed here will: facilitate access to trading programs; minimize transaction and administrative costs; connect buyers and sellers; facilitate decision-making, and; quantify and track reductions. Tools will be integrated with existing regulatory programs to foster active markets.

The Gun Lake Tribe is working with [Kieser & Associates](#), the [World Resources Institute](#) and local partners to:

- Develop tools needed for nutrient trading to occur on a watershed basis.
- Advance the implementation of EPA Trading Policy at the watershed level through the direct application and development of trading instruments and markets in an actual TMDL setting that can readily accommodate such tools.
- Create a model on-line watershed-based trading registry building on existing tools such as [NutrientNet](#), the [Kalamazoo River Point Source Tracking](#) system and a TMDL-established trading framework.
- Integrate into NutrientNet and test model quantification protocols for agricultural and urban storm water BMPs and other NPSS using Michigan's Trading Rules and other EPA methodologies.

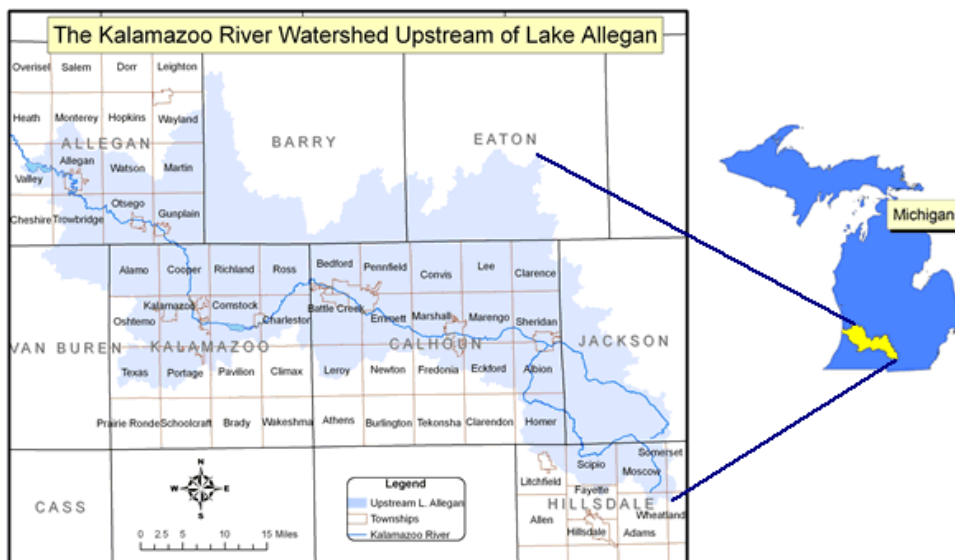
- Test these tools within the Kalamazoo River TMDL via the direct use by point and non-point source stakeholders required to make phosphorus reductions.
- Develop the State of Michigan's on-line water quality trading registry per Michigan rules.

Review trading instruments, tools and applications through a national perspective via the Environmental Trading Network.

Kalamazoo River Targeted Watershed Grant:

In 2004, the Kalamazoo River Watershed was one of 14 watersheds to receive a prestigious US EPA Targeted Watershed Grant. The Match-E-Be-Nash-She-Wish Band of Pottawatomi Indians ([Gun Lake Tribe](#)) nominated the watershed and is leading this initiative on behalf of a watershed-wide group addressing eutrophication issues through a phosphorus TMDL.

The Gun Lake Tribe, with the technical support of [Kieser & Associates LLC](#), the [World Resources Institute](#), and the [Environmental Trading Network](#), is developing a model water quality trading infrastructure and framework for the Kalamazoo River Watershed.



The Kalamazoo River Watershed covers 2,020 sq. miles in Southwest Michigan. Agriculture and forest cover over 80% of the watershed while urban areas represent 7% of the area, mainly centered around the cities of Kalamazoo and Battle Creek.

The Gun Lake Tribe has current and ceded lands within the Kalamazoo River watershed. Significant historical, cultural and spiritual interests link the tribe to the Kalamazoo River Basin. The current City of Kalamazoo was at the center of the tribe's dedicated homelands until the mid-1800s.

A Remedial Action Plan (RAP) for the Kalamazoo River Area of Concern has been developed to address issues associated with PCBs while a phosphorus Total Maximum

Daily Load (TMDL) for Lake Allegan/Kalamazoo River addresses water quality impairment due to nutrient enrichment. Both the RAP and TMDL's goals include sediment and nutrient load reductions through traditional and innovative approaches. To learn more about the Kalamazoo River Watershed, visit www.kalamazooriver.net and the [EPA Kalamazoo Area of Concern](http://www.epa.gov/kalamazoo) website.

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