

# Columbia River Policy Advisory Group

## Meeting Notes

December 3, 2008

### Funding Issues

Dan Haller and Derek Sandison presented a set of issues that Ecology faces in dealing with the current hiring freeze imposed on state agencies and an expected cut in operational funds. The impacts will be felt in staffing, grant management, web mapping and permitting.

In terms of project funding, Ecology has held initial meetings with 17 of the 18 prospective grantees; has drafted statements of work for 12 contracts; and executed 2 contracts. Ecology proposes to shift to a biennial project cycle rather than an annual cycle. This would allow the department to gain information from current projects that would be useful for future grant competition. Ecology proposes to delay the beginning of the next grant cycle until July 2009.

Ecology foresees a challenge in issuing approximately 500 permits. In order to process all of these permits, it would first have to issue certain permits for new storage. The policy and legal question is “who is at the front of the line?” Therefore, Ecology effectively faces a “chicken or egg” issue of which permits to issue first. The constraints of the water code may require revision of the Hillis rule in terms of diversions, feasibility, and the type and magnitude of storage. To expedite the Lake Roosevelt permits, Ecology is considering beginning a rule process in early 2009.

Permitting will be more difficult due to current vacancies and expected additional staff cuts.

CRPAG members made the following observations:

- A hiring freeze is a poor business management tool, as it creates holes and brings work to a stop. Ecology needs to downsize and restructure rather than procrastinate.
- If Ecology is looking for efficiencies in the issuing of permits, it should consider shifting more work to local organizations such as conservancy boards so that permits don't languish.
- The Columbia River work is a core business responsibility of the department. The legislature requires the agency to execute this responsibility “aggressively.” I am concerned that there may be an erosion of the department's commitment to aggressively pursue new storage.
- How concerned are you about the erosion of bonding authority, that is, does Ecology face a “use it or lose it” situation with the legislature? [It is not a concern this biennium; the next biennium is an unknown.]
- The perception is the State is just treading water. But the legislature said that finding new storage is a priority. Ecology should not be slowing down everywhere.
- Don't drag this out. Its okay to slow down in order to work smarter for better outcomes but not because the sky is falling.
- It all comes back to implementation. A slowdown to July is okay if we move forward to overcome the one-third/two-third spending imbalance.
- Will the staff cutbacks impede Ecology's ability to issue the Lake Roosevelt permits in a timely way? [Our initial assumption was to issue about 60 permits a year. With the vacancies, it will be harder to meet our permitting goals. We are looking for ways to adapt.]
- Is the recently announced CELP lawsuit challenge to the Lake Roosevelt permits likely to affect permitting? [Absent a stay or injunction, it won't affect us.]
- The CRPAG should advocate moving forward on these permits. We have a responsibility to deal with these issues during the CRPAG process review.

- The Yakama Indian Nation has raised concerns over the Lake Roosevelt drawdown. Even if we discussed the issue at the CRPAG, we have reserved our rights to take additional independent actions. We do expect consultations with NOAA regarding Lake Roosevelt, insofar as this is a federal action. The Yakama Nation is not a party to the Lake Roosevelt litigation.
- Let's get concerns to the table and use this forum to discuss and resolve these issues.
- It is frustrating to hear concerns solely about when are you going to get more water rights; we don't hear the support for when we will get more water for fish.
- The groups who filed the Lake Roosevelt litigation were not invited to participate in the CRPAG.

## Municipal Water Conservation

Mike Dixel of the Department of Health (DOH) and Dan Haller described the 2008 water efficiency goals that were set by 28 Eastern Washington municipalities in response to new requirements under the Municipal Water Act. 90% of the municipalities submitted goals to DOH. Efficiency goals must indicate measureable savings and a timeframe for achievement. Municipalities are required to make demand management goals; setting supply options is voluntary. The top priority for municipalities is to reduce leaks in their systems. They must be in compliance with the state leakage standard (10%) by July 2010. Once they achieve the leak standard, the State would like them to turn their focus to demand management (reducing customer use) although this trend has not been identified. To reduce leaks, municipalities are investing in leak detection surveys, water audits, new meters, and adjustments to meter calibration.

To affect changes in customer demand Eastern Washington utilities are overwhelmingly interested in the use of education to cut customer use (bill stuffers, fairs, school programs, etc.) Five of the 28 utilities will look at changing rates to achieve conservation.

Dan Haller then posed the policy question to the CRPAG, What requirement regarding conservation standards should Ecology impose on Lake Roosevelt municipal permits? Ecology has heard from the CRPAG that it should be more aggressive in looking for conservation opportunities. What about creating a pilot water conservation program for a community that wants to focus on reduction of outdoor water use, persistent customer education, construction of water efficient homes, rate structures that reduce demand, and the like?

CRPAG members and attendees had these comments and observations:

- It is not a surprise to see that municipalities have only set minimum conservation goals; after all, this is the first year of the program. It is not a true measure of what communities might achieve.
- We need a top-notch advertizing firm to help figure out how to change perceptions of a status lifestyle, regarding large green lawns. Can we get a study on social marketing?
- Ecology needs to look at the Growth Management Act. GMA forces us to consume more water, by creating large lot sizes in rural areas.
- It makes sense to require efficiency to get the Lake Roosevelt water rights.
- We have got to find the correct price signal. It is hard to make an outreach to municipal water boards to redo rates. The State should not just say "conserve through new rate structures"; it needs to help municipalities find the way to make conservation work.
- Regarding social marketing: green lawns are a right in Eastern Washington. It is better to push for more green spaces. It is hard for citizens to live next to a big river and get a message from the government that something is wrong with the water supply and ask them not to water their lawn because there is insufficient water. We will be better off focusing on technology such as rain or moisture water sensors rather than telling them they can't have a green lawn.
- How much will it cost to create conservation incentives? Will the cost be more than the improvement?

- It's a Catch-22 for communities to reduce customer use because many of those communities have had to borrow money to fix their infrastructure (leaks) and they need customers to use water (which generates revenue) to pay off the loans.
- It will take a combination of things to be successful.
- One of our problems is we have a lack of extensive wastewater facilities. Therefore we lose the efficiency that more urban areas get from smaller lots.

## Enhanced Conservation

Bob Montgomery of Anchor Environmental reviewed the findings for the Supplemental Environmental Impact Statement (SEIS) conducted at the request of Ecology, as part of the Yakima River Basin Water Enhancement Project (YRBWEP). In addition to provisions required by the Bureau of Reclamation, Ecology was interested in a broader range of options under the State Environmental Policy Act, including an enhanced water conservation alternative. Ecology was interested to learn if an aggressive program of water conservation could meet water supply needs in the Yakima basin without a new storage reservoir.

In the SEIS the basic YRBWEP program is the "no action alternative". This alternative includes a set of investments in seven irrigation districts. These projects are estimated to conserve 157K acre feet of water. Enhanced conservation would include additional irrigation canal lining and piping, on farm conservation, pump exchanges, water management projects and enhanced municipal conservation. The total water savings from enhanced water conservation is estimated to be 229K acre feet per year, at a cost of \$405 million.

The modeling done by Anchor suggests, however, that conservation projects would reduce non-consumptive use of water (seepage & return flow) and not result in a direct increase in water supply for the basin. The Yakima Project reservoirs have a limited capability to store and manage the conserved water. The challenge is to balance reduced seepage and return flow with potential effects on downstream water users. Therefore, the best location for conservation may be in Roza, Sunnyside and Wapato divisions.

CRPAG members and attendees made the following comments:

- Are there wetlands that will be affected by reducing leakage? This was a problem in the Methow where there was an unintended negative affect on groundwater recharge. The conservation paradigm can sometimes cause problems.
- Are some of the projects more affordable than others? [Ecology's website has comparative project detail.]
- For the Highlands Canal, will there be any savings to the mainstem? [additional study is underway]
- Has Ecology identified a preferred alternative? [not yet]
- The CRPAG can help the region understand how the results in the Yakima Basin might become lessons for other basins.

Derek Sandison noted that the Final EIS will be completed by the BoR and Ecology at the end of December. Ecology will distribute the draft SEIS by December 12. By next March or April, the EIS and SEIS will be complete, with everything on the table in a single document. At that point we will have a comprehensive sense of potential options for conservation, passage, habitat and storage.

## Legislation

CRPAG members reviewed legislation that they are intending to bring forward during the next session.

Darryll Olsen described the particulars of a “little relinquishment conservation” proposal by the Columbia Snake Rivers Irrigation Association. The focus of the bill would be on conservation operations and maintenance and seasonal changes and transfers. The water created by these measures would not be relinquished but would instead be eligible for use in irrigating additional acreage. The proposed legislation would add as much as 20,000 to 30,000 new acres over the next 2 to 3 years with an estimated income of \$70-100 million. There would be no direct cost to the State.

There were no comments on the proposal.

Mike Schwisow and Michael Garrity described a concept paper that has been developed after discussions by a group of agriculture and environmental stakeholders. Local communities which voluntarily establish a water budget approved by Ecology would receive a variety of incentives for the maintenance of instream-flow and the protection of senior water rights. Incentives would include additional infrastructure investments, a limit on Ecology’s powers to revoke a water permit due to relinquishment, ease in changing or transferring water rights, and streamlined permit processing for water transfers and new water rights. The group will decide in December whether to forward a bill for legislative consideration.

CRPAG members and attendees made these observations:

- What will this bill give watershed groups that they don’t already have? [It depends on where they are in the process.]
- How much will it cost? [Unknown at this point]
- Until we begin to implement our watershed plan, we have reservations about this proposal. At this point, it’s hard to see the benefit.
- What will this do to the present watershed model? Is this supplementing the existing watershed model?

Derek Sandison described two bills that Ecology seeks to introduce. One bill would extend the authority for water banking which is now available only in the Yakima Basin to other parts of the state. It would clarify the trust provisions of groundwater and it would clarify transfer processes.

A second bill on adjudication would allow for faster, less complex, limited adjudications and would encourage alternative dispute resolutions.

CRPAG members made these comments:

- What other basins are interested in water banking? [Klickitat, Colville, Walla Walla, Entiat, Dungeness]
- What quantity of water is currently banked in the Yakima? [None. We have used the process sporadically. We don’t have a market mechanism.]
- What works best will vary from basin to basin and the legislation should reflect that.

### Wanapum Dam Pool Raise

Joe Lukas updated the CRPAG on comments Grant PUD has received on the Wanapum pool raise concept now under consideration. At this point the PUD has received nine comments. Most of these comments relate to recreational uses. No decision has been made on whether or when to proceed with the project.

### Next Meetings

The Executive Committee has scheduled two meetings for early 2009. The first meeting will be March 5 in Olympia (to accommodate members who are engaged in the legislative session). The second meeting will be May 6.

The meeting adjourned at 1:00 p.m.

## Attendees:

### *CRPAG members and alternates*

Dale Bambrick, National Marine Fisheries Service  
Brenda Bateman, Oregon Water Resources Dept.  
Max Benitz, Benton County Commission  
Russ Burtner, City of Kennewick  
Bill Gray, Bureau of Reclamation  
Mike Leita, Yakima County Commission  
Joe Lukas, Grant County PUD  
Michael Garrity, American Rivers  
Darryll Olsen, Columbia Snake River Irrigators Association  
Merrill Ott, Stevens County Commission  
Gary Passmore, Colville Tribes  
Philip Rigdon, Yakama Nation  
Dave Sauter, Klickitat County  
Mike Schwisow, Columbia Basin Development League, Irrigation Districts  
Teresa Scott, Washington Department of Fish and Wildlife  
Rob Swedo, Bonneville Power Administration

### *Others in attendance:*

Neil Aaland, Washington State Association of Counties  
Nancy Aldrich, City of Richland  
Dave Burdick, Department of Ecology  
Stuart Crane, Yakama Nation  
Michael Crowder, Barker Ranch  
Mike Dixel, Department of Health  
Bill Eller, Washington State Conservation Commission  
Andrew Grassell, Chelan County PUD  
Jennifer Hackett, Central Washington University  
Dan Haller, Department of Ecology  
Wally Hickerson, CH2MHill  
Don Jacobs, Washington State Farm Bureau  
Milt Johnson, Department of Natural Resources  
Chuck Jones, Alliance Conservation Group (Cities of Rock Island and Bridgeport)  
Al Josephy, Department of Ecology  
Paul LaRiviere, Washington Department of Fish and Wildlife  
Meghan Lena, Washington Rivers Conservancy  
Michael Marlich, civilian  
Dave McClure, WRIAs 30 and 31  
Greg McLaughlin, Washington Water Trust  
Jim Milton, Yakima Basin Water Resources Agency  
Tom Ring, Yakama Nation  
Rick Roeder, Department of Ecology  
Pat Ryan, Department of Natural Resources  
Kevin Scribner, Walla Walla Watershed Alliance  
Dan Silver, facilitator  
Tom Tebb, Department of Ecology  
Chad Unland, Department of Natural Resources