September 23, 2014

Life Gardens LLC
5267 University Way
Seattle WA 98105-3546

RE: PROVISIONAL Determination of Water Budget Neutrality for G4-35702

Life Gardens LLC:

Thank you for submitting a Request for Determination of Water Budget Neutrality, which was received by the Department of Ecology (Ecology) office on June 14, 2014.

In accordance with Washington Administrative Code (WAC) 173-152, Ecology is PROVISIONALLY determining that your proposed appropriation of groundwater will be water budget neutral with respect to Total Water Supply Available (TWSA) at Parker.

Consumptive use, totaling up to 8.0 acre-feet per year (afy), is proposed to be offset with Trust Water Right No. S4-02316sb8(a1). Currently neither the applicant nor Ecology is able to precisely quantify the water requirements for the cannabis growing portion of the project.

Little peer reviewed scientific data is available regarding cannabis water demand. Available estimates are largely anecdotal. Additionally, the site location, watering methods, and individual grower practices are expected to greatly influence the amount of water cannabis operations are likely to use. Thus, Ecology’s PROVISIONAL determination is contingent upon monitoring of actual water use for one year beginning upon issuance of this letter. See conditions below.

Ecology has provisionally determined that your proposed use of groundwater will be Water Budget Neutral as follows:

1. The term of this PROVISIONAL determination is effective beginning upon issuance of this letter.

2. Water use is to be made within Parcel No. 15941 located within the NE¼SE¼ of Section 15, T. 16 N., R. 20 E.W.M.

3. The proposed well is located in Parcel No. 15941, located within the NE¼SE¼ of Section 15, T. 16 N., R. 20 E.W.M.

4. Domestic water use for 10 employees will result in a consumptive use of 0.118 ac-ft/yr (350 gallons per day).

5. Irrigation water use for a 21,000 ft² greenhouse nursery. Water use will be confirmed during the provisional period.

6. An approved measuring device shall be installed and maintained for each source well utilized under this project in accordance with the rule “Requirements for Measuring and Reporting Water Use”, WAC 173-173.

http://www.ecy.wa.gov/programs/wr/measuring/measuringhome.html
7. Water use data shall be recorded monthly for one year beginning on October 1, 2014, as follows:
   a. measure/meter all groundwater withdrawn for the project; AND
   b. measure/meter all domestic water uses; AND
   c. measure/meter all irrigation water uses.

8. The total number of cannabis plants being irrigated each month shall be recorded for one year beginning on October 1, 2014.

9. In 2015, on January 15, April 15, July 15, and October 15, monthly water use data and monthly cannabis plant counts for the preceding 3 months shall be promptly submitted to Ecology’s Central Regional Office and Yakima River Mitigation Services LLC.

10. You shall record with the Kittitas County Auditor a property covenant that restricts or prohibits trees or shrubs over a septic drain field on Parcel No. 15941.

11. You shall maintain the option agreement with Yakima River Mitigation Services LLC dated June 11, 2014, to acquire up to 8.0 afy of consumptive use for the duration of this PROVISIONAL determination.

12. Any valid priority calls against Trust Water Right No. S4-0231616a8(a1) based on local limitations in water availability, may result in temporary curtailment of the use of water until the priority call for water ends.

13. Following one year of water use monitoring described above, this PROVISIONAL determination may be replaced with a FINAL determination of water budget neutrality.

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**YOUR RIGHT TO APPEAL**

You have a right to appeal this Decision to the Pollution Control Hearings Board (PCHB) within 30 days of the date of receipt of this Decision. The appeal process is governed by chapter 43.21B RCW and chapter 371-08 WAC. “Date of receipt” is defined in RCW 43.21B.001(2).

To appeal you must do all of the following within 30 days of the date of receipt of this Decision:

- File your appeal and a copy of this Decision with the PCHB (see addresses below). Filing means actual receipt by the PCHB during regular business hours.
- Serve a copy of your appeal and this Decision on Ecology in paper form - by mail or in person. (See addresses below.) E-mail is not accepted.

You must also comply with other applicable requirements in chapter 43.21B RCW and chapter 371-08 WAC.
ADDRESS AND LOCATION INFORMATION

<table>
<thead>
<tr>
<th>Street Addresses</th>
<th>Mailing Addresses</th>
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<tbody>
<tr>
<td><strong>Department of Ecology</strong></td>
<td><strong>Department of Ecology</strong></td>
</tr>
<tr>
<td>Attn: Appeals Processing Desk</td>
<td>Attn: Appeals Processing Desk</td>
</tr>
<tr>
<td>300 Desmond Drive SE</td>
<td>PO Box 47608</td>
</tr>
<tr>
<td>Lacey WA 98503</td>
<td>Olympia WA 98504-7608</td>
</tr>
<tr>
<td><strong>Pollution Control Hearings Board</strong></td>
<td><strong>Pollution Control Hearings Board</strong></td>
</tr>
<tr>
<td>1111 Israel Road SW, Suite 301</td>
<td>PO Box 40903</td>
</tr>
<tr>
<td>Tumwater WA 98501</td>
<td>Olympia WA 98504-0903</td>
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</tbody>
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For additional information visit the Environmental Hearings Office Website: [http://www.eho.wa.gov](http://www.eho.wa.gov)
To find laws and agency rules visit the Washington State Legislature Website: [http://www.leg.wa.gov/CodeReviser](http://www.leg.wa.gov/CodeReviser)

If you have any questions, please contact the Water Resources information officer at (509) 575-2597.

Sincerely,

[Signature]

Robert F. Barwin, Acting Section Manager
Water Resources Program

RFB:KW:ss/140920

Enclosure: Your Right to Be Heard

By Certified Mail: 7010 02090 0000 7127 1733

cc: Holly Myers, Kittitas County Public Health Department
    Anne Watarabe
    Philip Rigdon, Director Natural Resources Division Yakama Nation