

Columbia River Policy Advisory Group

Meeting Notes

May 6, 2009

Funding

Derek Sandison and Dan Haller reviewed a number of funding issues related to the Columbia River.

Ecology Budget

Ecology is still sorting out the staffing impacts of the recently passed budget. There are directed cuts of 39 FTE and other efficiency cuts. These cuts will have a significant impact on the Water Resources Program. Two results of the cuts are (1) the agency's ability to process water rights (e.g., of Lake Roosevelt water) will be impeded and (2) watershed planning implementation grants will be reduced from \$14 m to \$6 m.

Walla Walla Project

One of the projects that Ecology intends to sponsor¹ is the Walla Walla Project. Rick George described the status of this project. The Corps of Engineers and Umatilla Tribe are joint sponsors of an EIS on restoring water to the Walla Walla River. The EIS is in its eighth and final year, and this is the point to select a preferred alternative. There are two basic options available: a bucket-for-bucket exchange of Columbia River water and a new tributary dam. The tribe recently selected exchange as the preferred alternative. At this point, the tribe needs an additional \$200K to complete a set of actions, including completion of the EIS, assessment of how the state's water code can be shaped to protect stream flow permanently, real estate assessments, and outreach. Recent legislation authorizes a pilot in the Walla Walla, delegating water management to a local body.

CRPAG members had a number of questions and observations:

- Is there a consensus among the irrigators for exchange as the preferred alternative? [no]
- Does the project have a positive cost/benefit impact? [The analysis will be conducted over the next year. It is unclear if it will be positive.]
- This project could be a precedent for future projects in determining how to assess and economic value of salmon recovery.
- Do local irrigation districts use open or closed conveyances? [Two are highly efficient; one is less so.]
- We need to look for efficiencies in all of these projects.
- The Columbia Snake River Irrigators support the exchange project.
- Why did the tribe select exchange over the dam? [It was a relatively close call. The exchange is less expensive. The impact of climate change suggests that we are better off

¹ Projects funded via the Columbia Basin account are funded in one of two ways: they are successful in the competitive grant cycle or they are sponsored directly by Ecology.

with a larger water source. From a fish perspective, the exchange provides more flexibility.

- What is the cost of providing power? [\$2.9m annually]
- Is there a pathway for a policy change in the law? [May need both federal and state action. Start at the state level.]
- Does funding this project affect our current project list? [No.]

Wanapum Dam Project

The Wanapum Dam project is another Ecology-sponsored project. Ecology has had preliminary discussions with the Federal Energy Regulatory Commission, since FERC would need to approve any change in operations at the Wanapum Dam. Ecology also intends to fund an evaluation by the Chelan County PUD on the impact of a pool raise on Rock Island Dam.

Wenatchee Basin Project

Lisa Pelly described an emerging opportunity to improve summer flows in the Wenatchee River basin. NOAA fisheries is poised to make a decision on its stimulus funding package that could improve Wenatchee flows. To make the project work, there would be a need for an immediate investment of \$300-400K for engineering studies. Chelan County has provided \$75K in match.

CRPAG members had these questions and observations:

- How long would the design take? [Two months.]
- We need to get additional information on this project, both substantively and in terms of NOAA's proposal.
- We would like to get more perspective from Chelan County.
- What is low flow in the Wenatchee? [200cfs. The Wenatchee also has temperature problems and phosphorous loading.]
- Do you have enough money to keep your plan in the stimulus line? This is very important.

The CRPAG requested that the project be brought back at the July meeting for further consideration. In addition, the CRPAG considers the subject of Wenatchee waters as ripe for discussion later in the year.

2009 Grant Cycle

Dan Haller described Ecology's plans for the 2009 funding cycle and beyond. Ecology will host workshops this summer with grant applications due in October. Ecology would like to move to a biennial competition, as follows: 2009 grant competition, issue contracts in 2010. 2010 grant competition, issue contracts in 2011. Shift to two year cycle in 2012.

In the fall completion, Ecology will be seeking projects that (1) have modifications of existing storage and (2) construction projects that match up with stimulus funding or are otherwise "shovel ready". Ecology will deemphasize aquifer storage projects (there are five pilots underway) and other pilot projects such as the beaver project and retiming of return flows from conservation projects. Deemphasized projects and additional studies/pilots will be considered again in the 2010 grant cycle.

CRPAG members made these observations:

- Setting limitations on the types of projects we will fund makes common sense.
- We need to assess those projects we currently have on line.
- In the grant cycle, will there be an attempt to provide continuity to already funded projects? [We want to see continuity, but it is unclear where there is a gap in any of the current projects, in some part because it took longer than expected to get the contracts in place.]
- It is important for Ecology to be attentive to the need for project proponents to seek funding from multiple sources. The application process should not require duplicative efforts.
- I am concerned about the potential lack of workforce to complete the stimulus projects. In recent bidding for public projects, we saw a pattern where costs and timelines exceeded estimates. We need to keep an eye on this phenomenon as it applies to Columbia River projects.

Stimulus

Bill Gray briefed the CRPAG on stimulus funding awarded for four projects:

1. \$50 m for the Weber Siphon Complex
2. \$5 m for the Potholes Supplemental Feed route
3. \$21 m for Yakima River Basin enhancement in the Sunnyside and Benton Irrigation Districts
4. \$18 m for the Leavenworth fish hatchery.

Membership

There was an extended discussion about membership in the CRPAG, prompted in part by a letter the county commissioners sent to Jay Manning requesting an additional seat at the table for a watershed planning representative. Several state agencies have also sought a seat at the table, notably the Departments of Natural Resources and Agriculture.

CRPAG members made these observations:

- Now that we have two years of experience, a more mature program, and lots of activities, it is worth reflecting on whether we have the right voices at the table.
- Ecology has considered including a watershed planner on the group, with the condition that he or she not be from a county already represented by a county commissioner.
- Process and participation drives policy. Could we rejigger membership and replace a county commissioner with a watershed planner?
- County commissioners and watershed planners have very different roles and levels of responsibilities.
- Who would select the watershed planner?
- There is a dearth of representation from north central Washington. A new person could come from there.

- I support the idea of a watershed planner. He or she would broaden our perspective.
- Selection of a watershed planner should be made by the Eastern Washington watershed planning group.
- Having the type of leadership at the table, with all people being represented is very helpful to finding solutions, for example, in securing stimulus funds.
- What is the policy need that would be addressed by this expansion? Would the person be technical or would he or she contribute policy?
- The positive working dynamics of this group are rare. We need to keep our eye on that.
- We need to be careful not to get too narrow in our representation. We need to be sensitive to the tipping point of this group.
- Anyone on the group needs to have more of a global perspective.
- We might wish to add someone from a salmon recovery group.
- This group is an opportunity to get non-state perspectives. State agencies already have ample opportunity to get their point across.
- This group has always listened to the gallery. I'm not sure we would get so much value by adding another person to the group.
- We need to think about vetting issues as we move toward implementation.
- Ecology needs to assess whether there is the need for another seat at the table; whether the current input is adequate, or could it be enhanced.
- Ecology should consider how to accommodate other voices within the current structure.

Derek will share the results of this discussion with Jay Manning and revisit the issue at the July meeting. At that meeting, we will also have a discussion of the goals of the group as well as a discussion of how well the committee is working.

Columbia River Water Master

Tom Perkow made a presentation on water masters. Tom is one of seven water masters employed by Ecology. His jurisdiction is the Columbia River and water use within one mile of the river. The job of the water master is prescribed by state law. The water master investigates complaints, provides technical assistance, makes sure water is used within the limits of the water right, and authorizes penalties.

Ecology has recently completed mapping of water use within the one-mile corridor of the Columbia River and overlain those maps with data on water rights. This analysis revealed 57 place of use discrepancies and 167 inundation issues or discrepancies. Tom has taken 23 actions on the 57 identified place of use discrepancies, including: 6 resolutions by field visits, 4 technical assistance solutions, 4 open cases with the Colville Tribe, 2 federal rights, 2 mapping errors, 2 seasonal permits, a de facto place of use, a temporary permit and a conservancy board action. To this point, there has only been voluntary compliance; no penalty actions.

CRPAG members made these observations:

- Based on the audits of the Columbia Snake River Irrigators, we estimate about 2% unauthorized use, in contrast to Ecology's estimate of 0.6% unauthorized use. But irrigators use 20-30% less water than is authorized.
- These are very positive results. Much better than I expected.
- Half of the Conservancy Board work is getting paperwork correct.
- How have you been received by the water users? [I do a lot of up front preparation and sharing of information. The initial conversations have gone fine.]
- By my observation, Ecology's three meetings on unauthorized water use went very well last summer.
- Do you look at meter records? [Not yet, but as our metering efforts increase and more data becomes available, I will.]
- Do you look at exempt wells? [No.]

Supply and Demand Report

Dan Haller described how Ecology wished to proceed on the 2011 Supply and Demand Forecast. For both Supply and Demand, Ecology will first look broadly at seven northwest states and Canada; then focus on 29 counties in Eastern Washington; then focus in on the Columbia River corridor. Ecology will provide an inventory of all planning and regulatory instream flow targets and will also provide a graphic depiction of the water budget. A primary goal of this project is to assist the agency decide where it should invest funds in new supply projects. Ecology is committed to a transparent process and is seeking widespread support for the forecast. To that end, the agency is trying to figure out how to engage one or more advisory groups.

CRPAG members had these questions and observations:

- Cost is a driver of demand and for targets. Is there a mechanism for calculating how cost will affect demand?
- There should definitely be cost criteria applied to demand.
- Do you really need all of these advisory groups? It seems like the agriculture piece is the big piece; focus on that.
- You need experts in each area, not a single advisory group.
- This work will push us analytically in a certain area. How would we select targets which communicate where we are going without alarming people with the magnitude?
- It would be useful to know how much acreage is opportune for efficiency.
- CRISA did a similar report, with great specifics. It is a useful inventory.
- This really is a huge effort, even within the State. The CRPAG could provide a policy overlay to help with the policy outreach to other states and tribes.

The CRPAG requested that the Executive Committee reflect on the goals and objectives of this project and the use of advisory committees and revisit the discussion in July.

Status Updates

Derek Sandison, Dan Haller, Bill Gray, and Joe Lukas gave quick updates on several activities:

FDR – BoR and Ecology will sign service contracts to carry out the agreement. We anticipate beginning work on the municipal permits by December 2009 and the interruptible permits by the spring of 2010. Construction work will mobilize on the Weber project in September and construction will go through December 2010, subject to completion of NEPA.

Wanapum – The power benefits from the project are calculated to be 2.4 average MW. Grant Co. PUD is trying to figure out how to coordinate the new project with the recently issued re-licensing agreement.

Legislation – Four water-related bills were passed into law: SSB 5583 related to water banking and trust water; SHB 1571 related to streamlined adjudication; SHB 1482 related to reclaimed water; SHB 1580 related to delegating water authorities in the Walla Walla basin.

Yakima Basin – The final BoR EIS found that none of the projects were financially viable and therefore BoR is terminating further evaluation. Ecology, as part of its EIS is seeking consensus on a package of projects. Ecology will convene a group of interested parties in late June in an effort to create a comprehensive program for the Yakima Basin.

The next meeting of the CRPAG will be July 9 in Ellensburg.

Attendees:

CRPAG members and alternates

Dan Brudevold, Confederated Tribes of the Colville Nation
Gary Chandler, Association of Washington Business
Jon Culp, Washington State Conservation Commission
Michael Garrity, American Rivers
Bill Gray, Bureau of Reclamation
Bob Hammond, City of Kennewick
Mike Leita, Yakima County Commission
Joe Lukas, Grant County PUD
Mo McBroom, Washington Environmental Council
Darryll Olsen, Columbia Snake River Irrigators Association
Merrill Ott, Stevens County Commission
Lisa Pelly, Washington Rivers Conservancy
Bill Quaempts, Confederated Tribes of the Umatilla
Mike Schwisow, Columbia Basin Development League, Irrigation Districts
Teresa Scott, Washington Department of Fish and Wildlife
Richard Stevens, Grant County Commission
John Stuhlmiller, Washington Farm Bureau
Rob Swedo, Bonneville Power Administration

Others in attendance:

Neil Aaland, Washington State Association of Counties
Nancy Aldrich, City of Richland
Stu Crane, Yakama Nation
Michael Crowder, Barker Ranch
Kathleen Deason, Foster Creek project
Mike Dexel, Department of Health
Bill Eller, Washington State Conservation Commission
Rick George, Confederated Tribes of the Umatilla
Jennifer Hackett, citizen
Dan Haller, Department of Ecology
Wally Hickerson, CH2MHill
Milt Johnston, Department of Natural Resources
Paul LaRiviere, Washington Department of Fish and Wildlife
Dave McClure, Klickitat County
Jason McCormick, Washington Water Trust
Chris Marks, Confederated Tribes of the Umatilla
Jim Milton, Yakima County
Tom Perkow, Department of Ecology
Tom Ring, Yakama Nation
Rick Roeder, Department of Ecology
Denny Rohr, D Rohr and Associates
Pat Ryan, Department of Natural Resources
Derek Sandison, Department of Ecology
Jaime Short, Department of Ecology
Dan Silver, facilitator
Chad Unland, Department of Natural Resources
Mimi Wainwright, Department of Ecology