

**From:** Glenn Bingham [REDACTED]  
**Sent:** Sunday, July 08, 2012 7:24 PM  
**To:** Wessel, Ann (ECY)  
**Subject:** Dungeness Proposed Rule Comments

Please address each of the following five issues:

#### Deficiencies in the cost benefit analysis

1. Costs associated with the control of new use from in-stream diversions is not separated from costs from new use from wells. In-stream irrigation and large water system diversions will account for >99% of the impact of Dungeness River flow rates while individual residential well uses account for <1%. Yet the cost to residential well users represents the vast majority of the costs associated with the implementation of this rule. The cost to irrigation districts and water systems is relatively small. The cost benefit analysis should be broken out into two separate analyses in order to show that the costs far exceed the benefits for individual residential well users. Using your current cost benefit methodology results in individual well users paying for a substantially disproportionate share of the impact they have on river flows.
2. No costs are shown associated with the loss of real estate values. Real estate prices drop to reflect increases in costs. If a \$3500 water mitigation fee is added to a lot then the price of the lot will drop by \$3,500. While the mitigation fee may only apply to a small minority of the lots a price drop in those lots will pull down the prices of all lots. This occurs because mitigated lots will be used for cost comparison purposes in valuing all lots. The effect of the rule will be to drop all real estate prices. At \$3,500 per lot the aggregate loss in real estate value could be \$35,000,000 or more (\$3,500 X 10,000+ lots).
3. Because mitigation is only required for new uses this has the effect of placing all of the costs on new businesses and new residents. As new businesses and new residents are key to growth, this will slow the economic growth of the area. No costs were associated with the resulting slowdown in economic growth.
4. Cost estimates are based on mitigation prices of \$500-\$3500 per new use. However, prices in other mitigation areas in the state range from \$5900 to \$10,000 according to the Dept. of Ecology staff information provided at the public hearing. There are no price limits on mitigation prices so that if demand is high the prices could soar to well above \$10,000.

#### Enforcement Issues

5. There appears to be no mitigation enforcement mechanism other than through the building permit process. This means that application of this rule will be uneven and unfair as there is no building permit process required for many new uses (i.e. watering a lawn or garden, filling an above ground temporary swimming pool, etc.)

Thank you,  
Glenn Bingham  
[REDACTED]