



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

Northwest Regional Office • 3190 160th Ave SE • Bellevue, WA 98008-5452 • 425-649-7000
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September 28, 2012

Bill Sayer
Vice President of Aggregates
Cadman, Inc.
P.O. Box 97038
Redmond, WA 98073-9738

RE: Your temporary trust water right donation of a portion of CG1-*00671C@2

Dear Mr. Sayer:

This letter is a response to your request to temporarily donate a portion of CG1-*00671C@2 to the Trust Water Rights Program. In a letter to the Department of Ecology (Ecology) dated August 10, 2012 (received on September 11, 2012), to Buck Smith of my staff, you wrote:

*The purpose of this letter is to request a temporary donation of a portion of water right No. CG1-*00671C@2 to the Washington State Trust Water Right Program (TWRP), pursuant to RCW90.42.080(1)(b).*

*The Washington State Department of Corrections (DOC) has leased to Cadman, Inc. an instantaneous quantity of 676 gallons per minute (gpm) and a cumulative annual volume (Qa) of 232.4 acre-feet per year (afy). On April 7, 2011, Ecology approved a temporary change (No. CG1-*00671C@2) transferring 600 gpm and 232.4 afy (108 afy for industrial use; 124.4 afy for mitigation) from the TWRP to Cadman's Gold Bar mine.*

The mitigation portion is put to beneficial use by releasing water from storage to an infiltration pond to mitigate impacts to streamflow on days when the flow decreases below the established Minimum Instream Flow. The quantity allocated for mitigation was determined based on extremely dry years and it may not be necessary to use the full quantity for mitigation in each year.

For the 2012 calendar year, Cadman, Inc. will have put 40 gpm and 0.89 consumptive acre-feet to beneficial use for industrial purposes. We request a temporary donation of 560 gpm and 231.51 acre-feet to the TWRP for the period of October 1 to December 31, 2012. If use of the trusted quantity is required prior to this end date, Cadman will provide 7-day written notification to Ecology.

In the fall of most years, Cadman intends to donate a portion of the water right to the TWRP to benefit instream flows and document that the full quantity is put to beneficial use.

The Department of Ecology, pursuant to RCW 90.42.080(1)(b), hereby accepts your donation in the amounts of 560 gallons per minute and 231.51 acre-feet per year for instream flow and groundwater preservation. This temporary donation is being accepted under the terms specified by you. Your donation will be in effect from October 1, 2012 through December 31, 2012.

You have a right to appeal this action to the Pollution Control Hearing Board (PCHB) within 30 days of the date of receipt of this document. 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 the following within 30 days of the date of receipt of this document:

File your appeal and a copy of this document 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 document on Ecology in paper form - by mail or in person. (See addresses below.) Email is not accepted.

You must also comply with other applicable requirements in Chapter 43.21B RCW and Chapter 371-08 WAC.

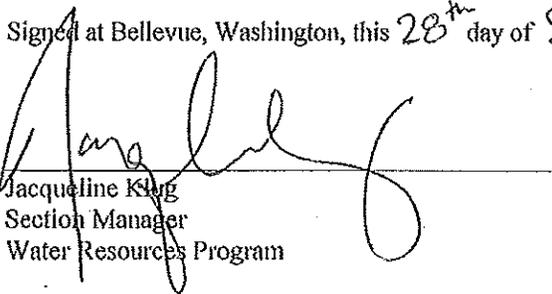
Street Addresses	Mailing Addresses
Department of Ecology Attn: Appeals Processing Desk 300 Desmond Drive SE Lacey, WA 98503	Department of Ecology Attn: Appeals Processing Desk P.O. Box 47608 Olympia, WA 98504-7608
Pollution Control Hearings Board Environmental Hearings Office 1111 Israel Road SW, Suite 301 Tumwater, WA 98501	Pollution Control Hearings Board P.O. Box 40903 Olympia, WA 98504-0903

For additional information visit the Environmental Hearings Office Website: <http://www.eho.wa.gov>

To find laws and agency rules visit the Washington State Legislature Website:
<http://www1.leg.wa.gov/CodeReviser>

If you have any questions or concerns, please call Buck Smith at (425) 649-7147 or email him at buck.smith@ecy.wa.gov.

Signed at Bellevue, Washington, this 28th day of September, 2012.


Jacqueline King
Section Manager
Water Resources Program

jk/bs/mc

Enclosure: Your Right to be Heard

By certified mail: 7010 3090 0000 1910 2818

cc: Tyson Carlson, Aspect Consulting, LLC
Robin Hansen, Hansen Project Management
Jack Olson, Washington State Department of Corrections