Columbia River Policy Advisory Group July 6, 2023, Kittitas County Events Center + Online Meeting Summary

Note: Powerpoint presentations from this meeting are available on the OCR website: https://www.ezview.wa.gov/?alias=1962&pageid=37050

Recording - TVW On-Demand

WELCOME/INTRODUCTIONS

The meeting began at 9:42AM to give attendees time to come in and settle down. Facilitator Cynthia Carlstad started off by welcoming everyone to the meeting and reviewing the agenda (See Agenda here).

Cynthia gave general tips for online attendees. Members in-person and online introduced themselves and their affiliation.

ODESSA GROUNDWATER REPLACEMENT PROJECT (OGWRP) – NATURAL RESOURCES CONSERVATION SERVICE (NRCS) WATERSHED PLANNING APPROACH

Craig Simpson, East Columbia Basin Irrigation District (ECBID) CPRAG member and Kristina Ribellia, Executive Director of the Columbia Basin Conservation District (CBCD) formerly known as the Benton County Conservation District co-presented the Odessa Groundwater Replacement project.

Craig Simpson began with a presentation overview and background on the OGWRP. He described the Columbia Basin Project extent and irrigation distribution network. Water flows from Grand Coulee Dam into the Columbia Basin project canals; one of these – the East Low Canal – was never completed, leaving farmers in that area reliant on groundwater for irrigation. Groundwater levels in the Odessa Subarea have declined for many years.

The Odessa Groundwater Replacement Project was created to tackle the declining aquifer by finding alternate water sources. The area currently uses an interim water source permitted by the Department of Ecology to mitigate the issue and until the East Low Canal is built to replace the temporary water supply. Many ideas were presented for alternate water supply but ultimately it was decided that the existing canals will be widened downstream for 45 miles to replace groundwater supply use.

Kristina Ribellia then presented the NRCS Watershed Planning approach they are using to continue and accelerate work on the OGWRP. OCR funded CBCD to pursue NRCS programs for OGWRP. CBCD pursued the NCRS Small Watershed Program which pays 100% for watershed planning, up to 100% for engineering and 75% for construction. Qualifying watersheds are 250,000-acre or smaller. A specific process must be followed to become an approved watershed for planning. First a sponsor is needed for the project idea, then the State NRCS Conservationist determines initial project program compatibility, followed by preliminary investigation and feasibility report (PIFR). Once the State NRCS Conservationist submits the funding request for planning to NRCS National Headquarter, funds will be provided to various phases of authorized projects. In this case, ECBID is the sponsor.

Kristina displayed their PL-566 Watershed Planning milestones. The PIFR and application for federal assistance were submitted in October 2021 and December 2021 respectively. In March 2022, OGWRP was

approved and funded for PL-566 Watershed Planning. Their next step consists of completing and obtaining approval for the Watershed Plan/NEPA which should open the door for accessing PL-566 funding for OGWRP construction. Kristina is optimistic that they will finish the Watershed Plan before Fall 2025.

Kristina noted that several other groups are now pursuing PL-566 Watershed Planning including Gardena Farms Irrigation District (Walla Walla area), Cities of College Place and Brewster, and Clallam and Chelan Counties, which now have been approved for PIFR.

Kristina and Craig emphasized the teamwork and support they are receiving from a broad group of agencies and landowners. The group was pleased to host the NRCS Chief in June to share about the work they aspire to accomplish. Looking forward to the next two years, the State Capital Budget through OCR has \$32.8 million for implementation and \$500,000 for CBCD to continue pursuing NRCS funding and assist with implementation. The team will continue to complete and seek approval for PL-566 Watershed Plan as well as pursuing more funding opportunities.

Craig added that lots work will be happening in this upcoming year such as prepping for construction. Overall, he is very excited for the upcoming year and appreciates CBCD for their work and effort.

Questions and Answers

- With all the pumping stations coming online, where does all the electricity come from? From Grand Coulee. There is power reserved and set aside for the Columbia Basin Project. But it may take additional infrastructure.
- Did you have experience with the PL-566 program prior to starting this? *No, CBCD and ECBIR are learning every day, and have also hired a contractor who is very experienced with the program.*
- Who determines what qualifies as ClimateSMART agriculture? Kristina said it was originally targeted for California rice growers but is beginning to diversify. She added they are helping NCRS update the list in hopes that the Odessa Watershed Program qualifies.

PASCO BASIN 508-14 RULE-MAKING

Tom Tebb, OCR Director, began by introducing Marc Maynard from USBR, who is working closely with Ecology on the Pasco Basin 508-14 Rulemaking. He then proceeded to give a general overview of the Pasco Basin 508-14 effort.

Irrigation in the Columbia Basin relies on surface water from the Federal Columbia Basin Project. Irrigation return flows seep into ground and commingle with natural groundwater. Within the Columbia Basin Project area, the Quincy Subarea and Odessa Subarea already have rules in place to address how to manage the irrigation-induced groundwater and natural groundwater. That has not existed for the Pasco Basin and the State has managed groundwater withdrawals in coordination with USBR under interim rule 508-14 WAC. Now OCR has undertaken rulemaking to clarify the groundwater situation in the Pasco Basin.

A major early step in this process is to define the boundary of the area. In 2016 they contracted with USGS to produce a comprehensive study and groundwater model to quantify the Columbia Basin Project-induced groundwater and investigate different management scenarios. The model is getting updated through a series of revisions and recalibration and will be used to help define the area boundaries. The model will inform OCR on how to effectively use and allocate the approximately 6 million acre-ft of water in the Pasco Basin without depleting the supply. The geology of the Pasco Basin is complex, and groundwater is not distributed evenly. Most of the irrigation-induced groundwater is in sedimentary

deposits that overlie the basalt. The next step for the study and the model is to model different comanagement strategies to help inform agreement on groundwater allocation volumes and depth/location. The study area will likely be divided into five management zones.

SSB 5230, passed in 2021, directs Ecology to conduct rulemaking for the Pasco Basin. This includes public outreach, designating the boundaries (as informed by the modeling), and allocating available groundwater through coordination and agreement with USBR. Ecology and USBR are working together through a Memorandum of Understanding under RCW 89.12.170. The rulemaking will result in a new rule - Chapter 173-135 WAC and repeal of the older interim rule Chapter 508-14 WAC. This process includes environmental review under the State Environmental Policy Act (SEPA). The next steps for the Pasco Basin consist of obtaining public input, continuing work with the groundwater model and developing a co-management strategy.

Information can be found on Ecology's website https://ecology.wa.gov/Issues-and-local-projects/Environmental-projects/Pasco-Basin-groundwater

Questions and Answers:

- You mentioned there are approximately 6 million acre-ft of water available, is that per year? Or total? *Marc replied it is somewhere between 6-6.8 million total. They are using the model to get a better idea of how much water there is.*
- What are some comments/questions brought up by stakeholders? *Tom responded that they have received some questions about the current boundary of the basin and how it doesn't align with the lateral extent of the Columbia River*.
- For the study with USGS, did they take climate change into account? *Marc responded not explicitly and added that climate change may add more water into the basin.*

PUBLIC COMMENT

David Ortman asked whether the funding subsidy has been paid back to taxpayers. He added that according to the ECBID website, since 2004, the State of Washington has invested more than \$126 million, and the Bureau of Reclamation more than \$45 million, in the development and early implementation of the OGWRP. The ECBID has also sold \$16.8 million of landowner- funded municipal bonds to fund the construction of OGWRP delivery facilities.

WATER CONSERVATION CASE STUDY - AUVIL FRUIT SHADE CLOTH

Heather Hazlett, the Trust Water Coordinator for Ecology's OCR introduced herself and the focus of her work with OCR. She works on trust projects located in the Columbia River Basin and supports Ecology and OCR's mission and their respective goals. She then provided a background of the Auvil Fruit Company. The company has been producing and selling commercial tree fruit such as cherries and apples domestically and internationally since 1928.

Auvil had installed shade cloth over hundreds of acres of orchard, along with other irrigation efficiency actions, and after several years, concluded that they needed significantly less irrigation in areas with shade cloth. They proposed to OCR that together they quantify the water savings and that the conserved water could be used to mitigate new water uses. In August 2019 OCR staff visited Auvil representatives for a site tour and to learn more about Auvil fruit shade cloth. The partnership with Auvil began after careful consideration from OCR and determining that the project aligns with the agency and OCR program mission to aggressively pursue water solutions that meet out-of-stream and instream needs.

OCR co-funded the study with Auvil to quantify water savings created by the shade cloth. Weather stations were installed under shade cloth and in the open orchard to understand the effect of shade cloth coverage on plants. The study found that orchards with shade cloth coverage had decreased evapotranspiration and, in turn, lowered water duty. The relative humidity and soil moisture stability also increased. Wind speed and air temperature decreased by 55% and 3% respectively. More importantly, water demand was reduced by approximately 50%. The efficiency improvements had cut water use in half.

Based on these study results, Auvil filed several water right change applications and a new permit application with OCR. One problem that Auvil wanted to solve with its application was improving its water right portfolio which contained several junior water rights. Junior water rights are curtailed during droughts because of their low position in the priority date system. Auvil's junior water rights were concentrated in large portions of the orchards, which meant that in a worst-case drought scenario, trees in those areas could be seriously damaged or lost entirely. In attempt to resolve this issue consistent with OCR's mission and goals, Auvil figuratively poured all 10 of its water rights into one large "tank" and reallocated it to individual "buckets" for the purpose of obtaining a new permit for Auvil to continue irrigating its orchard, using less water and using a blend of junior and senior rights to water their entire holdings. The three buckets broke down as (1) 46% for Auvil's new irrigation permit, (2) 36% for Auvil's water bank, and (3) 18% for OCR's water bank. The two water banks can be drawn from to use, sell, and lease water in the future. The applications were processed and Reports of Examination were issued in the Fall of 2022.

After the change applications were approved, OCR negotiated with Auvil and its attorney to establish terms for the Purchase and Sale Agreement and Water Banking Agreement. The Purchase and Sale Agreement contains terms for OCR's purchase of water for its bank. This amounted to 1164.6 acre-feet of consumptive water rights at \$1,000 per acre-foot, and 266.5 acre-feet of non-consumptive water rights at \$100 per acre-foot. The Water Bank Agreement contains terms for the operation and management of Auvil's water bank.

To ensure there is no enlargement of the mitigating water rights, monitoring of ongoing water use and compliance is required by Auvil's new permit, Water Banking Agreement, and water right change authorizations. The requirements include having compliance meetings, providing two annual reports, and on-the-ground monitoring by OCR's program water master. OCR has a dedicated water master to periodically monitor the site and ensure that the improvements remain in place, in good working order, and remain effective in the future. OCR signed the Water Banking Agreement on May 26, 2023, paid the purchase price plus closing costs, accepted the deed from Auvil putting all the water rights into trust, and issuing 21 certificates of Trust Water Rights. Auvil was also issued a new permit and certificate to continue irrigating its orchards.

Heather closed the presentation and welcomed others to contact her.

Questions and Answers:

- Are there other similar cases that OCR is looking into? *Heather replied that there is one potential producer they are talking with who may be able to apply the same method.*
- How much water are we talking about? *Heather will get back to the questioner with the figures*.
- How does Ecology calculate the water for each bucket? *The two different weather stations had real-time data that helped to calculate the quantities.*
- Is Ecology using the results from the case study to apply onto other projects or will it be assessed case by case? *Tom replied that it will be case by case. But believes as they complete more case studies, they can create an application they may be able to produce a rough estimate.*
- How many years of data was collected for the case study? 5 years.

- How much did it cost for the orchard to purchase and install the technology? *A few million dollars*
- How often do the shade structures need to be replaced and who funds that work? *About 10 years but it also depends on different factors such as location. Auvil funded the original installation.*
- If Auvil has junior (interruptible) water rights, why is Auvil growing perennial crops? Columbia River has not historically had frequent curtailments the last one was 25 years ago. Producers make irrigation and investment decisions based on their risk assessment.

JONES SHOTWELL DITCH COMPANY IRRIGATION EFFICIENCY PROJECT

Theo Burgoon, Trout Unlimited, presented the Jones Shotwell Ditch Company (JSDC) irrigation improvement effort, which is part of the Lower Wenatchee Instream Flow Enhancement Phase II program. The project is in Monitor at River Mile 7.5 on the Lower Wenatchee River. The project proposes to replace 2.5 miles of open unlined ditch with HPDE pipe and install new pump stations for a demand-based system. JSDC holds rights to 15 cubic feet per second (cfs) and 2000 acre-ft for irrigation of 370 acres. There are approximately 55 water users served by the system. This is among the most senior rights on the Wenatchee and one of the largest purveyors on the Lower Wenatchee River.

JSDC used to divert from the Wenatchee River at Cashmere. In the early 1960s, they abandoned several of their canals due to low user usage and shifted to pumping their water. Pumping water uphill to reach their canals, which were also inefficient, kept their operating costs high. This project is looking to improve these inefficiencies.

By converting to a pump and pipe demand-based system, JSDC is furthering several key objectives for their customers and water management:

- Transfer up to 7.03 cfs and 610 acre-feet of conserved water to trust for instream flows.
- Realize a higher instream flow benefit through an on-demand system as opposed to fixed diversion.
- Eliminate direct transport pathway for agricultural, fertilizers, chemicals, etc. back to the river.
- Improve energy use efficiency for JSDC and shareholders.
- Build on long-standing regional effort to increase instream flows in the LWR.

Theo noted that this project was previously ready for construction in 2015, but several setbacks halted progress at that time. With new life in the project, TU has finalized the remaining pieces and implementation is planned for Fall 2024-Spring 2025. They are working to secure the remaining funding needed for construction. In closing, he recognized key members for the project including JSDC, WDFW, Ecology, WA Conservation Commission, Cascadia CD, and additional funders.

Questions and Answers:

- Is JSDC's water right senior to Chelan County PUD's? *Theo believes Chelan County PUD's water right is senior to JSDC's*.

WASHINGTON ASSOCIATION OF COUNTIES COLUMBIA RIVER CAUCUS UPDATE

Paul Jewell, Policy Director for Water, Land Use, Environment & Solid Waste, Washington State Association of Counties gave a quick update on the Caucus' recent meeting which occurred on June 7th. They had a great presentation from Peter Graf, River Coordinator for Grant County PUD on general Columbia River operation, why it is operated the way it is, flow changes over time, different types of decisions they make around flood control, power supply, and fish spill, agreements between the dams

along Columbia. Next meeting will be in September 2023. He welcomed anyone to submit and reach out to add topics to their agenda.

Questions and Answers:

- Melissa Downes suggested a topic for the next County Caucus meeting OCR is very interested in a conversation about farm workers' domestic water needs.
- Melissa also asked if Paul is planning any outreach/educational events such as last year with the Water 101 series. Paul responded that they are not working on water resources as much this year but are beginning to plan for a two-day event around water resources and how it is integrated in land use planning.

COLUMBIA BASIN GENERAL UPDATES

Columbia Basin WaterSMART Basin Study (Phase 1)

Tom Tebb introduced this program as something OCR is interested in and would like to get input from the CRPAG next year. The next open application period comes in June 2024.

Eightmile Lake Dam Rebuild and Restoration EIS Status

Melissa Downes shared the following:

- The dam rebuild and restoration project is located in the Alpine Lake Wilderness within the Icicle Creek watershed near the City of Leavenworth.
- Ecology issued a draft EIS in late April. It was open for a 45-day comment period until June 5th. They received approximately 6,000 comments.
- Next step is to work through comments, and they hope to issue the final EIS before the end of the calendar year.
- Questions and Answers:
 - When do you plan to look through all the comments? *Melissa responded that their goal is the end of September.*
 - Where can the public comments on the Eightmile Dam Rebuild and Restoration EIS be viewed, is it on the website yet? *They are not yet on the website*.

Water Supply Update

Jeff Marti, Department of Ecology provided a quick water supply update. He stated it has been a dynamic spring and the situation is different compared to back in April. Yesterday Ecology issued a statewide drought advisory for all areas of Washington. Advisory is based on the standard set forth by the state. It is intended to increase awareness of developing drought conditions. Jeff noted for many in Eastern Washington are already experiencing dry conditions and reduced water supply. Ecology is gathering information on the hardship the drought has brought upon the people and water supply.

On May 1st the snowpack was looking good, above 100% normal in most watersheds. However, the month of May was the warmest May, tied with the record from 1958. Warm temperature in the last 50 days is in the 90th percentile or above for the entire state. Precipitation percentiles are less than the 10th percentile for most of western WA and southeastern WA since 1979. Yesterday Jeff investigated recent data around the state, that data suggested May-Jun of this year will rank the fourth warmest and fourth driest since 1975. This is very lethal to water supply. Streamflow forecasts have dropped below normal for most of north-central Washington.

The Executive Water Emergency Committee will be meeting July 18. If a drought declaration is issued, Ecology would be authorized to process requests for emergency water right transfers and provide funding for emergency drought response grants for public entities.

CRPAG membership and Executive Committee Update

Cynthia updated the group on membership:

- Pasco is interested in re-joining in the City seat.
- She has a pending offer to the Sierra Club for the environmental seat and has not heard back yet on their decision.
- OCR has expanded the Executive Committee. Now there are 6 members (Representatives from Spokane Tribe, Yakima Nation, the counties in Columbia Basin, and American Rivers)

Requests for future meeting topics

- An update on status for the Columbia River Treaty was requested.

WRAP UP, MEMBER ANNOUNCEMENTS, AND ADJOURN

Cynthia and Tom thanked everyone for coming and contributing to the PAG. OCR's work wouldn't be possible without everyone involved.

Attendees:

CRPAG members and alternates:

BJ Kieffer, Spokane Tribe Jon Culp, WCC

Bruce Wakefield, Colville Tribes Melissa Downes, OCR/Ecology

Clint Didier, Franklin Co. Commission Lisa Pelly, TU
Darryll Olsen, Columbia-Snake River Milli Chenell, BPA

Irrigation Association Mike Schwisow, Columbia Basin Development League

Jeff Dengel, WDFW

Jeremy Weber, ACOE

Jerome Delvin, Benton Co. Commission

Sarah Dyrdahl, American Rivers
Stuart Crane, Yakama Nation
Tom Tebb, OCR/Ecology

Jo Gilchrist, Lincoln Co. Commission Wes McCart, Stevens Co. Commission

Guests / Staff:

Amanda McKinney, Yakima Co. Kerrie Mathews, USBR

Commission Larry Martin, Halvorsen Northwest Law

Carl Merkle, CTUIR Group

Carly Michiels, WPPA Luke Stilwater, Yakima County
Chris Voigt, Potato Commission Melissa MacKelvie, WDFW

Claire Miller, Small Communities Norm Semanko, Quincy-Columbia Basin

Initiative, Wash. Dept of Commerce Irrigation District

David Ortman, private citizen Paul Jewell, Washington Assoc. of Counties

Don Schwerin, Ag & Rural Caucus Renata Rollins, private citizen

Erin Cox, Jacobs Robynn Sleep

Hugo Flores Stan Hoffman, WDOH
Jeff Marti, Ecology (to present) Tim Poppleton, Ecology

John Stuhmiller Theo Burgoon, Trout Unlimited (to present)

Jordana Ellis, Okanogan CD Troy Maikis

Kelsey Mach, Aspect Consulting

Facilitation

Cynthia Carlstad, NHC XueXin Xu, NHC