

Regional Water Update

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Why we're here today

- Share information
 - Water rights
 - Second source feasibility
- Seek feedback
- No formal action requested

Water Rights

Background

- The three Regional water members originally contributed water rights to the Regional supply system totaling 15,879 acre-ft. annually
- Authorized withdrawal from the Eastbank Aquifer is 13,277 acre-ft. The remainder can be withdrawn from the backup wells located in East Wenatchee
- Regional purchased water rights from the Pioneer Water Users Association in 2012 totaling 6,186.71 acre-ft. This includes 1,769.63 acre-ft of consumptive water
- Total regional water rights equal 22,065.71 acre-ft

Crown Lease Agreement

- Regional executed agreement with Crown Columbia in 2016 allowing Crown to lease the previously acquired Pioneer water rights for temporary use
- Crown has not been successful marketing the water primarily due to potential for interruption
- Crown desires to supply the entire consumptive portion of the Pioneer water right (2,082 acre-ft. total) to Granite Farms LLC, a Port of Walla Walla tenant through 2032

Crown Lease Agreement

- Payments to Regional over the 12-year period would sum approximately \$2.66 million. Regional paid \$2.5 million for the Pioneer water right in 2012
- Regional's attorney is currently negotiating an amendment to the 2016 agreement with Crown to address this transaction
- The amendment must be approved by all three Regional members

Lineage Water Right

- City of Wenatchee recently acquired a water claim historically used at the Lineage Worthen Street facility
- Water has been pumped from the Columbia River platform at the base of Fifth Street and used for cooling purposes
- The city desires to monetize the claim, and has offered for sale to Regional

Lineage Water Right

- Regional purchase would keep the water right available for local use vs. sale and transfer out of the area
- Regional could temporarily lease the water right, similar to the right acquired from Pioneer
- The amount of the claim is 780 acre-ft. However, records indicate historic use of 1,900 acre-ft.
- The city has offered the water right for an initial price of \$1,400/acre-ft. (\$1,092,000), which is below current market value

Lineage Water Right

- The city proposes to initiate the process leading to and including a change application with the Department of Ecology
- Regional would pay the city any amount approved in a change application exceeding 780 acre-ft. at \$1,400 per consumptive acre-ft.
- The city would reimburse Regional for any approved amount less than 780 acre-ft. at \$1,400 per consumptive acre-ft.

Regional Supply System

- Existing Eastbank Aquifer source is forecasted to serve the existing and future needs through 2035
- Regional has been evaluating alternatives for a second source to meet demands and provide redundancy
- Efforts to date have focused on identifying a groundwater source in Chelan County

Regional Supply System Test Well Locations



Regional Summary

- Providing Greater Wenatchee a safe and reliable water supply well into the future
 - Planning source improvements for capacity and redundancy
 - Acquiring additional water rights when feasible
 - Realize value of excess water rights through temporary lease for beneficial uses

Next Steps

- Crown water rights lease – finalize addendum and request approval at future Board meeting
- Lineage water rights purchase – develop agreement with city of Wenatchee and request approval at future Board meeting
- Regional second source – finalize Chelan County aquifer search and develop next steps pending outcome