Regional Water Update

September 21, 2020

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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 The remainder can be withdrawn from the backup wells located in East Wenatchee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

- Test Well 1
- Test Well 2
- Test Well 3
- Test Well 4
- Test Well 5
- Test Well 6 (not yet drilled)
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