COLVILLE RIVER WATERSHED PLANNING UNIT
WATER BANK POLICY ADVISORY GROUP (PAG) MEETING SUMMARY
September 25th, 2014  2:45 PM – 4:30 PM

IN ATTENDANCE:  (22)
Gene St.Godard, WNR Group, Inc.   Wes McCart, Stevens Co. Commissioner
Erik Johansen, Stevens County Planning     Merrill Ott, Landowner
Joe Mentor, Mentor Law Group        Ryan Power, City of Colville
Rusty Post, Ecology                  Tim Schwartz, Chewelah
Keith Stoffel, Ecology                Dave Keeley, City Kettle Falls
Andrew Engell, Farm Bureau            Doug Kyle, Resident
Jennifer Hickenbottom, USFS          Julie Loveall, President Farm Bureau
Matt Rose, Landowner                  Kris Bellini, SCWCB
Carl Anderson, Landowner              Charlie Kessler, SCCD
Dick Price, Stevens P.U.D.           Dean Hellie, SCCD
Scott Simmons, New Resources Inc.    Linda Keifer, Avista

SESSION CALLED TO ORDER:
Gene St.Godard with WNR Group, facilitator for the WRIA 59 Water Bank PAG, opened the meeting at 2:50 PM. Gene thanked the group for volunteering and attending the Water Bank PAG meeting for WRIA 59. Gene gave a brief overview of how the meeting would be conducted, and referred participants to the agenda for the meeting. Gene asked if any additions to the agenda were needed. No changes were requested.

Introduction of Participants
Gene opened the floor for people attending the meeting to introduce themselves and who they were representing. Introductions were made around the room. It appeared there was a diversified group of water users who were attending the meeting. The list of participants is presented above.

MEETING DISCUSSION AND COMMENT:

Overview of Grant and Project
Gene provided a brief overview of the grant received by Stevens County/WRIA 59 and what the scope of services and deliverables required for the project. Gene presented the Group with a discussion on the 8 tasks to be undertaken, and what deliverables will be prepared.

What is a Water Bank? / Overview of Existing Water Banks
Joe Mentor of the Mentor Law Group gave a generalized description of what is a water bank. It is a depository for a transaction/exchange of water from one party to another. It is a form of a three party transfer. Water banks could be used to avoid relinquishment. Joe talked of existing water banks and how they function including Suncadia (a private bank in Upper Kittitas), Walla Walla bank (using the State water trust program) which is used to mitigate impacts (offset new domestic uses) and is voluntary, Yakima Basin which is in a closed basin by rule and no new water use can be issued without a water budget neutral transfer (mitigation credit), Dungeness Water Bank exchange, and the proposed Skagit Bank still under development. Joe also provided a discussion on the Arizona Water Banking Authority which takes water out of Colorado River and put into aquifer storage and then is used from storage at a later date buy entity that has purchased mitigation credit. Joe also discussed Arkansas Valley “Super Ditch” Water Bank, which is a crop rotational fallowing structured bank in Colorado. This model may be most representative of what could be accomplished in Stevens County.

Why Develop a Water Bank in Colville River Basin?
Gene presented the generalized discussion of why develop a water bank in WRIA 59. These included
- Provide a framework to minimize out of basin transfers
- Provide a program to help local water right holders protect land from relinquishment
- Develop a framework and process to enhance the free market selling and leasing of water rights within the basin
- Mitigation for new water uses (domestic and/or commercial), while meeting the in-stream flow demands set forth in Chapter 173-559 WAC, and potentially assist with meeting mitigation demands in the Colville River Basin tributaries.
A discussion was also held on the previous Water Bank study completed by the Stevens PUD/WRIA 59. Dick Price of the PUD discussed what he felt was the key finding of the report. A copy will be posted to the project web site. Joe also discussed the importance of discussing the ISF rule into the water banking development.

Gene then opened the meeting to a generalized discussion of PAG members’ vision of a water bank. Reasons for a water bank as presented by PAG members included:

- Protect agricultural rights
- Preserve water for the Colville River Basin/Minimize downstream transfers
- Need diversity in the bank, both on management and who can use it
- Economic growth needs to be focus of bank

Some discussion was also held about the concerns of forming a water bank. These include:

- Concerns of ownership of the bank (will all water be placed in a single entities control)
- Nervous about the potential authority over more regional water right decisions
- Concern of property rights, and whether these banks would cause problems for inherited lands for exempt water rights, that exempt wells will be gone and they have to acquire water rights

A discussion was also held that the Group should also review the Ecology Trust program, specifically related to Sullivan Lake water and if this source can be used in bank. Ecology brought up that the Group should also evaluate if the existing methods in the State (Water Trust Program) is sufficient enough to achieve the goals of the watershed and that a water bank specific to the Colville River may not be required.

A discussion was also held relative to the available water for industry coming into County, that there should be an assured amount of water available to assist economic development into the basin. This would greatly enhance the economic development of the County.

Public Comment
Gene asked the group if there was any public comment. No public comment was offered

Setting of Next Meeting Time
A discussion was held on scheduling the next meeting. Gene notified the group that potential meeting times should be set in January and April. It was determined that the next meeting time will be scheduled for January 14th, 2015 from 1:30 - 4:00 pm. The meeting place will be determined at a later time.

A recording of the meeting is available on the project web site: [http://www.co.stevens.wa.us/Wria59/index.htm](http://www.co.stevens.wa.us/Wria59/index.htm)

Adjournment
The meeting was adjourned at 4:30 PM. If you have any questions please call Gene St.Godard at (509) 953-9395 or send an email message to Gene at stgod@comcast.net