Building Strong Collaborative Relationships for a Sustainable Water Resources Future:

STATE OF WASHINGTON

SUMMARY OF STATE WATER PLANNING

U.S. Army Corps of Engineers Civil Works Directorate 441 G Street NW Washington, DC 20314-1000

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The findings contained in this report are based on the information collected from the literature search and interviews for this initiative and should not be construed as an official Department of the Army position, policy or decision unless so designated by other official documentation.

STATE OF WASHINGTON



1. RESPONSIBLE STATE AGENCIES/REGIONAL ENTITIES

The Washington State Department of Ecology is the state agency responsible for water resource planning and management. The Department of Ecology is Washington's principal environmental management agency and was created in 1970 by the Washington State Legislature [Revised Code of Washington (RCW), Chapter 43.21A].

The Department is responsible for the following program areas:

- Air Quality
- Environmental Assessment
- Hazardous Waste & Toxics Reduction
- Nuclear Waste
- Shorelands
- Solid Waste
- Spills
- Toxics Cleanup
- Water Quality
- Water Resources

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To efficiently undertake watershed planning the State developed a Memorandum of Understanding with the following 12 state agencies:

- Department of Agriculture
- Conservation Commission
- Department of Community, Trade, and Economic Development
- Department of Ecology
- Department of Fish and Wildlife
- Department of Health
- Department of Natural Resources
- Department of Transportation
- Recreation and Conservation Funding Board (Successor agency to the Interagency Committee)
- Puget Sound Partnership (Successor agency to the Puget Sound Action Team)
- Salmon Recovery Office, within the Governor's Office
- State Parks and Recreation Commission

Each of the above agencies can fill different roles in supporting a specific watershed planning effort, officially denoted as a Water Resource Inventory Area (WRIA), depending on the needs and issues at the local level.

In addition, the Department of Ecology website identifies the role of Indian Tribes in local watershed planning as follows: *Indian tribes with reservation lands within the WRIA(s) must be invited to join the "initiating governments" that propose the planning effort. The initiating governments choose a lead agency, establish a planning process and the "planning unit," and choose whether to consider additional components other than water quantity. Adding the instream flow component requires a majority vote of the initiating governments.*

"Affected tribes" must be consulted by the initiating governments in setting up the planning process. ("Affected tribes" include tribes with federal fisheries-resource rights in the WRIA, tribes with federally reserved water-rights claims on WRIA resources, and tribes that have

federally approved water-quality standards in the WRIA or are affected by the waters of the WRIA.)

The law requires that all tribal governments that may have a "fiscal impact, a redeployment of resources or a change of existing policy" due to the plan be allowed a seat on the planning unit.

Tribes with fisheries-resource rights in the WRIA must be offered a seat on planning unit in order for the watershed plan to address the required analysis and strategies regarding federally reserved rights and instream flows for fish.

Several decisions require the agreement of all tribal governments on the planning unit, along with members from local and state governments: the final watershed plan; adopting minimum instream flows; changing effective (priority) dates for new instream flows; and whether to request Ecology to modify instream flows.

If Ecology ends up setting instream flows in a WRIA, the department must consult with any tribe that would be "affected" by that decision, even if they are not members of the planning unit.

Watershed plans are prohibited from containing provisions that conflict with existing tribal treaty rights.

The Governor's partial veto message of ESHB 2514 directs Ecology to consult with all affected tribes before obligating the state on in-stream flow levels or other issues that affect tribal treaty rights and co-management responsibilities.

Finally, Water Conservancy Boards can also play a key role in the planning process. The 1997 Legislature [in Revised Code of Washington (<u>RCW 90.80</u>)] authorized counties to establish water conservancy boards (boards) to enable the processing of water-right transfer applications at the local level. A board can serve a single watershed, multiple watersheds, a county, or multiple counties.

Once established, a board operates as a separate unit of local government. Boards process water right transfer applications and issue records of decision. All board decisions are ultimately reviewed and affirmed, reversed or modified by the Department of Ecology.

Each board consists of three or five commissioners with up to two alternates. All board commissioners and alternates must initially receive 32 hours of training from the Department Ecology, and maintain 8 hours per year of continuing education after that. There are currently 20 water conservancy boards operating in Washington: 16 on the East side and 4 on the West side.

The following Table identifies the Department of Ecology lead staff for the individual watershed planning efforts.

Department of cology Watershed Lead	Phone	WRIA Planning Unit	WRIA Planning Unit Names (Planning Scopes In addition to Water Quantity: WQ=Water Quality; ISF = Instream Flow; H=Habitat; s=storage)	Lead Agency and Grant Recipient	Lead Agency Contact	Phone
oug Allen	(360) 715-5217	1	Nooksack (WQ,ISF,H)	Whatcom County	Peter Gill	(360) 676-6907 ext 50263
eff Bash	(425) 649-7035	2	San Juan (WQ,H)	San Juan County	Mark Tompkins/Vicki Heater	(360) 378-4474
cque Klug	(425) 649-7124	6	Island (WQ,H)	Island County	Keith Higman/Jill Wood	(360) 679-7350
rad Murphy	(360) 407-6784	11	Nisqually (WQ,ISF,H)	Nisqually Indian Tribe	George Walter	(360) 438-8687
Chris Hempleman	(360) 407-0239	20	Sol Duc-Hoh (WQ,ISF,H)	Clallam County	John Miller	(360) 417-2323
		22/23	Lower Chehalis/Upper Chehalis (WQ,ISF,H)	Grays Harbor County	Lee Napier	(360) 249-4222
Phil Wiatrak	(360) 407-6652	16/14b	Skokomish-Dosewallips (WQ,ISF,H)	Mason County	Pam Bennett-Cumming	(360) 427-9670 ext 267
		17	Quilcene-Snow (WQ,ISF,H)	Jefferson County	Neil Harrington	(360) 385-9411
Cynthia Nelson	(360) 407-0276	18	Elwha-Dungeness (WQ,ISF,H)	Clallam County	Cathy Lear	(360) 417-2361
		19	Lyre-Hoko (WQ,ISF,H)	Cialiam County	Cathy Lear	(360) 417-2361
Scott McKinney	(360) 407-6389	25/26	Grays-Elochoman/Cowlitz (WQ,ISF,H)	Lower Col. Fish Recovery Board	Jeff Breckel	(360) 425-1553
		27/28	Lewis/Salmon-Washougal (WQ,ISF,H)	Lower Col. Fish Recovery Board	Jeff Breckel	(360) 425-1553
		29a	Wind (WQ,ISF,H)	Skamania County	Karen Witherspoon	(509) 427-3900
Greg Schuler	(509) 454-3619	29b	White Salmon (TBD)	Klickitat County	Dave McClure	(509) 773-2481
		30	Klickitat (WQ,H)	Klickitat County	Dave McClure	(509) 773-2481
		31	Rock-Glade (WQ,S)	Klickitat County	Dave McClure	(509) 773-2481
		37/38/39	Lower Yakima/Naches/Upper Yakima (WQ,H)	Yakima Basin Water Res.	Jim Milton	(509) 574-2650
Mimi Wainwright	(509) 329-3419	32	Walla Walla (WQ,ISF,H)	Walla Walla County	Cathy Schaeffer or Matt Rajnus	(509) 527-3285 or (509) 527-264
		34	Palouse (WQ,ISF)	Palouse Cons. District (CD)	Drew Hawley	(509) 332-4101
		35	Middle Snake (WQ,ISF,H)	Asotin County	Brad Johnson	(509) 758-1010
Dave Holland	(509) 457-7112	40a	Stemilt-Squilchuck (S)	Chelan County Nat. Res. Dept.	Lee Duncan	(509) 667-6640
		45	Wenatchee (WQ,ISF,H)	Chelan County Nat. Res. Dept.	MaryJo Sanborn	(509) 667-6532
		46	Entiat (WQ,ISF,H)	Cascadia CD	Mike Rickel/Peggy Entzel	(509) 664-0266
		47	Chelan (TBD)	Chelan County Nat. Res. Dept.	Mike Kaputa	(509) 667-6584
Rusty Post	(509) 997-1363	44/50	Moses Coulee/Foster Creek (WQ,ISF,H,S)	Foster Creek CD	Kathleen Deason	(509) 548-0131
		48	Methow (WQ,H)	Town of Twisp	Colleen Storms	(509) 997-4081 ext 122
		49	Okanogan (WQ,ISF,H,S)	Okanogan CD	Bob Clark	(509) 422-0855
Sara Hunt	(509) 329-3579	54	Lower Spokane (WQ,ISF,S)	Spokane County	Mike Hermanson	(509) 477-7260
		55/57	Little Spokane/Middle Spokane (S,ISF)	Spokane County	Reanette Boese	(509) 477-7678
		56	Hangman (WQ,ISF, S)	Spokane County CD	Walt Edelen	(509) 535-7274 ext 24
Jaime Short	(509) 329-3411	43	Upper Crab-Wilson (WQ,ISF,H)	Lincoln County	Courtney Harder/J. DeGraffenreid	(509) 725-7911
		53	Lower Lake Roosevelt (TBD)	Lincoln County	Courtney Harder/J. DeGraffenreid	(509) 725-7911
		59	Colville (WQ)	Stevens County	Linda Kiefer	(509) 685-2832
		62	Pend Oreille (WQ,H)	Pend Oreille CD	Veronica Douglas	(509) 447-4217
	Totals	42 WRIAs	34 Planning Units (see NOTES on next pag	e)		

Wrixs 12, 13, 14 and 15 draft plants were not approved by thola entities within these waterfaces; the plans could not be sent to county boards for that approval.
 Wrixs 12, 13, 14 and 15 draft planting in Phase 3 and WRIA 60 stopped planting in Phase 2.
 All other WRIA numbers/names not on this list haven't participated in the Watershed Planning Act for a variety of reasons. Please contact Ecology Headquarters or Regional Shoreland and Environmental Assistance Offices for additional information about watershed planning in these basins.
 For more information about the Watershed Planning Act please contact Bill Zachmann at 380-407-8548 or bzac461@eoy.wa gov

2. STATE/REGIONAL WATER PLANNING STATUS

Power and duty to adopt state water resources plans derives from Chapter 43.27A Revised Code of Washington (RCW), specifically 43.27A.090:

(6) To develop and maintain a coordinated and comprehensive state water and water resources related development plan, and adopt, with regard to such plan, such policies as are necessary to insure that the waters of the state are used, conserved and preserved for the best interest of the state. There shall be included in the state plan a description of developmental objectives and a statement of the recommended means of accomplishing these objectives. To the extent the director deems desirable, the plan shall integrate into the state plan, the plans, programs, reports, research and studies of other state agencies.

The state of Washington developed a comprehensive framework to complete water planning in the state. There are 62 WRIAs, statewide.

Water resources programs and planning were initially conducted under the Water Resources Act of 1971, Chapter 90.54 RCW. Under this authority and up until 1985, twenty-one water management programs or Instream Resources Protection Programs were developed across the state covering 18 WRIAs, parts of four WRIAs, and the Columbia River and Snake River. The Snake River program (Ch.173-564 WAC) expired July 1, 1999.

Watershed planning and implementation of adopted plans is occurring in 40 WRIAs by 34 unique Watershed Planning Units and their Lead Agencies, under Ch. 90.82 RCW, Watershed Planning. This represents coverage of 65 percent statewide WRIAs that are providing a watershed based approach for developing and implementing locally driven water resource plans. The 1998 Watershed Planning Act, which is, codified in, Chapter 90.82 RCW establishes the framework for developing local solutions to watershed issues. RCW 90.82.010 states: The legislature finds that the local development of watershed plans for managing water resources and for protecting existing water rights is vital to both state and local interests. The local development of these plans serves vital local interests by placing it in the hands of people: Who have the greatest knowledge of both the resources and the aspirations of those who live and work in the watershed; and who have the greatest stake in the proper, long-term management resources. The development of such plans serves the state's vital interests by ensuring that the state's water resources are used wisely, by protecting existing water rights, by protecting instream flows for fish and by providing for the economic well-being of the state's citizenry and communities. Therefore the legislature believes it necessary for units of local government throughout the state to engage in orderly development of these watershed plans.

The Watershed Planning Act provides a process to allow citizens in a watershed to join together to assess the status of the water resources in their watershed and determine how best to manage them. The plans must balance competing resource demands. Pursuant to the Act, plans have both mandatory and optional elements:

- 1. Mandatory elements plans must address water quantity by undertaking an assessment of water supply and use within the watershed. This includes recommending long term strategies to provide water in sufficient quantities to satisfy minimum instream flows and to provide water for future out-of-stream needs.
- 2. Optional elements that may be addressed in the plan include instream flow, water quality, and habitat.

Watershed planning, implementation and associated state funding are conducted in 4 phases:

- Phase 1 Organizational Phase \$50,000 per WRIA or \$75,000 for multi-WRIA planning units.
- Phase 2 Assessment Phase Up to \$200,000 per WRIA to fund watershed assessments after the organizational phase is completed.
- Phase 3 Planning Phase Up to \$250,000 per WRIA for watershed plan development. Six watershed planning units are expected to complete their watershed plans between now and 2013
- Phase 4 Implementation to carry out the plan recommendations. Up to \$100,000 per WRIA for Phase 4 – Years 1, 2 and 3 and up to \$50,000 year per WRIA for Phase 4 – Years

4 and 5. A 10 percent local match is also required. Since the Watershed Planning Act was passed, 28 watershed planning units have approved their watershed plans and 27 of those plans have been adopted by the county boards having jurisdiction within the WRIAs' planning boundaries. County board approval of the 28th plan is expected in February 2009.Implementation grants are in place for all of these WRIAs. Continued grant funding to local watershed planning units to implement their plans will be critical to the success of long-term management of water resources and instream flows.

Note: Supplemental funding is also available for up to \$100,000 for each of three optional assessment elements: instream flow, water quality, and multipurpose water storage. Watershed plans are due four years from when a planning unit receives Phase 2 grant funds. Additionally, the above maximum grant amounts are only for single WRIA planning units. Multi-WRIA planning units are eligible to receive additional funding to complete the assessment, plan development and implementation phases.

The WRIA planning process is described in detail in RCW 90.82.060 the following excerpts from the statue provide a general overview of the process.

RCW 90.82.060 (2)(a) - Watershed planning under this chapter may be initiated for a WRIA only with the concurrence of: (i) All counties within the WRIA; (ii) the largest city or town within the WRIA unless the WRIA does not contain a city or town; and (iii) the water supply utility obtaining the largest quantity of water from the WRIA or, for a WRIA with lands within the Columbia Basin project, the water supply utility obtaining from the Columbia Basin project the largest quantity of water for the WRIA. To apply for a grant for organizing the planning unit as provided for under RCW 90.82.040(2)(a), these entities shall designate the entity that will serve as the lead agency for the planning effort and indicate how the planning unit will be staffed.

RCW 90.82.060 (6) - The organizing grant shall be used to organize the planning unit and to determine the scope of the planning to be conducted. In determining the scope of the planning activities, consideration shall be given to all existing plans and related planning activities. The scope of planning must include water quantity elements as provided in RCW 90.82.070, and may include water quality elements as contained in RCW 90.82.090, habitat elements as contained in RCW 90.82.080. The initiating governments shall work with state government, other local governments within the management area, and affected tribal governments, in developing a planning process. The initiating governments may hold public meetings as deemed necessary to develop a proposed scope of work and a proposed composition of the planning unit. In developing a proposed composition of the planning unit, the initiating governments shall provide for representation of a wide range of water resource interests.

RCW 90.82.060 (7) - Each state agency with regulatory or other interests in the WRIA or multi-WRIA area to be planned shall assist the local citizens in the planning effort to the greatest extent practicable, recognizing any fiscal limitations. In providing such technical assistance and to facilitate representation on the planning unit, state agencies may organize and agree upon their representation on the planning unit. Such technical assistance must only be at the request of and to the extent desired by the planning unit conducting such planning. The number of state agency representatives on the planning unit shall be determined by the initiating governments in consultation with the governor's office.

Specifically, in regard to water quantity, RCW 90.82.070 states that: Watershed planning under this chapter shall address water quantity in the management area by undertaking an assessment of water supply and use in the management area and developing

(1) The assessment shall include:

strategies for future use.

- (a) An estimate of the surface and ground water present in the management area;
- (b)) An estimate of the surface and ground water available in the management area, taking into account seasonal and other variations;
- (c) An estimate of the water in the management area represented by claims in the water rights claims registry, water use permits, certificated rights, existing minimum instream flow rules, federally reserved rights, and any other rights to water;
- (d) An estimate of the surface and ground water actually being used in the management area;
- (e) An estimate of the water needed in the future for use in the management area;
- (f) An identification of the location of areas where aquifers are known to recharge surface bodies of water and areas known to provide for the recharge of aquifers from the surface; and
- (g) An estimate of the surface and ground water available for further appropriation, taking into account the minimum instream flows adopted by rule or to be adopted by rule under this chapter for streams in the management area including the data necessary to evaluate necessary flows for fish.
- (2) Strategies for increasing water supplies in the management area, which may include, but are not limited to, increasing water supplies through water conservation, water reuse, the use of reclaimed water, voluntary water transfers, aquifer recharge and recovery, additional water allocations, or additional water storage and water storage enhancements. The objective of these strategies is to supply water in sufficient quantities to satisfy the minimum instream flows for fish and to provide water for future out-of-stream uses for water identified in subsection (1)(e) and (g) of this section and to ensure that adequate water supplies are available for agriculture, energy production, and population and economic growth under the requirements of the state's growth management act, Chapter 36.70A RCW These strategies, in and of themselves, shall not be construed to confer new water rights. The watershed plan must address the strategies required under this subsection.
- (3) The assessment may include the identification of potential site locations for water storage projects. The potential site locations may be for either large or small projects and cover the full range of possible alternatives. The possible alternatives include off-channel storage, underground storage, the enlargement or enhancement of existing storage, and on-channel storage. [2001 2nd sp.s. c 19 § 2; 1998 c 247 § 3.]

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Notes:

Intent -- 2001 2nd sp.s. c 19: "The legislature recognizes the potential for additional water storage as a solution to the water supply needs of the state. Last year the legislature created a task force to examine the role of increased water storage in providing water supplies to meet the needs of fish, population growth, and economic development, and to enhance the protection of people's lives and their property and the protection of aquatic habitat through flood control facilities. One solution discussed by the task force to address the state's water supply problem is to store water when there is excess runoff and stream flow, and deliver or release it during the low flow period when it is needed. The task force discussed the need for assessments of potential site locations for water storage projects. The legislature intends this act to assist in obtaining the assessments relating to water storage." [2001 2nd sp.s. c 19 § 1.]

In addition to the implementation of the Watershed Planning Act as described above for several state WRIAs, a major regional water supply planning effort began as a result of a February 2005 Memorandum of Understanding (MOU) on water resource and water supply planning between King County and the Cascade Water Alliance – a group of eight local governments and special purpose districts in King County (Bellevue, Kirkland, Issaquah, Redmond, and Tukwila, and the Covington Water District, the Skyway Water and Sewer District, and the Sammamish Plateau Sewer and Water District).

3. WATER MANAGEMENT VISION AND GOALS

The Mission and Goals of the Department of Ecology as defined in the 2009 to 2011 Strategic Plan are:

The Mission of the Department of Ecology is to protect, preserve and enhance Washington's environment, and promote the wise management of our air, land and water for the benefit of current and future generations.

The specific department goals are:

- Prevent pollution.
- Clean up pollution.
- Support sustainable communities, and natural resources.

The Department provides products and services in the areas of:

- Environmental permitting.
- Compliance assistance.
- Inspections and enforcement.
- Contracts, loans, and grants.
- Environmental monitoring and analysis.
- Policy, rule, and technical guidance.
- Education and outreach.

To carry out its mission, the Department's objectives are:

- Improve air quality.
- Reduce the use of toxic chemicals and manage hazardous wastes.
- Reduce and manage solid wastes.
- Clean up toxic sites.
- Clean up the Hanford Nuclear Reservation.
- Protect wetlands, shorelines, and watershed health.
- Improve water quality.
- Manage the sustainability of water resources.
- Monitor and assess environmental conditions.
- Prevent and clean up oil, hazardous spills and illegal dumps.
- Provide efficient and effective administrative support.

The Department adopted and recently reaffirmed the following strategic priorities:

- Protect and Restore Puget Sound.
- Reduce Toxic Threats.
- Support Successful Water Management.
- Address Climate Change.
- Improve the Success of Environmental Mitigation Projects.

The Water Resources Program of the Department of Ecology has adopted the following mission statement:

The mission of the Water Resources Program is to support sustainable water resources management to meet the present and future water needs of people and the natural environment, in partnership with Washington communities.

From a statewide perspective several trends have been identified as important on a regional basis and they are briefly identified here. Additionally, specific goals and objectives for the individual WRIAs are available at <u>http://www.ecy.wa.gov/watershed/ws_update.html</u> Washington residents have historically enjoyed an abundance of clean and affordable water in what is typically viewed as a water-rich state. This situation is changing as the state is beginning to encounter shortages of water where and when it is needed by people, communities, and the environment. Increased demand for water, primarily from population and economic growth, combined with environmental needs and climate changes are creating water supply and management issues in Washington. There are a number of factors which will likely need to be addressed in future planning including:

- The threat of extinction to once abundant fish stocks.
- Recurring droughts resulting in dry streams, withered crops, dead fish, and concern for wildfire hazards and reduced hydropower production.
- Record low stream flows and declining aquifer and groundwater levels.
- The lack of water for future needs while protecting senior water rights, instream flows, and groundwater aquifers.

- Legal uncertainty related to the validity and extent of water rights and claims.
- Absence of established stream flow levels for most state rivers and streams.
- Inadequate information on water availability, stream flows, and groundwater.
- Growing awareness and concern over the long-term effects of climate change on water supply.

Several policy initiatives are underway to clarify and ease water management, including exempt wells, flow setting, water banking, and rain water, among others. Controversy surrounds many of these efforts as witnessed by on-going legal wrangling in municipal water, exempt well use, and stockwatering.

The 1998 Watershed Management Act provides the framework for: further definition and analysis of the above issues; identification and quantification of other local watershed issues/needs; and developing sustainable solutions.

4. SCOPE OF WATER RESOURCE PLANNING

Washington's natural and scenic beauty and diverse economic opportunities make it a desirable place to live and work. Consequently, the population is projected to grow by almost two million people by 2030 (from 6.7 million people in 2008 to 8.6 million in 2030: Office of Financial Management). Ensuring a high quality of life is a key goal identified by the state. Serving and increased population will require more water use and more land being converted to urban areas. The state indicates that the future challenge is to manage a sustainable economy and environment and to support thriving communities. The strategic priorities of protecting and restoring Puget Sound, reducing toxic threats, successfully managing state waters, and finding ways to mitigate and adapt to climate change will allow the state to address these challenges.



Water Resource Management, Watershed Planning, and Select Issues and Successes

The Department of Ecology will utilize the Watershed Planning Act to guide state, local, and tribal governments in the development of watershed plans that address local water needs, reduce pollution, and protect fish habitat. The information on the following pages comes from the 2009

to 2011 Department of Ecology - Strategic Plan and recently updated information from agency staff.

The planning status for the state's 62 WRIAs is summarized below:

- 34 watershed planning units are active today in 40 WRIAs. This means watershed plan development and implementation activity is occurring in 65 percent of the state's WRIAs.
- 36 WRIAs have watershed plans approved by the planning units working in these WRIAs.
 28 lead agencies representing these planning units are receiving Phase 4 Implementation funds. (There are several multi-WRIA planning units, therefore the number of adopted plans will not equal the number of WRIAs.
- 22 Detailed Implementation Plans (DIPs) are completed. This is two-fold increase in the number of DIPs that were completed at the end of 2007. Six more planning units that have adopted plans are now preparing DIPs.
- 23 planning units are using grants from the state's Operating and Capital Budget appropriations to Ecology to implement DIPs or adopted plans. This is a 9 percent increase from the number of units with plan implementation grants at the end of 2007.
- One WRIA's plan has recently been approved by the planning unit; county board adoption is expected in early 2009.
- Three WRIAs are expected to complete plans in the next two years.
- Three have just begun the planning process.
- The rest of statewide WRIAs have either elected not to use or have stopped the Watershed Planning Act process.
- The map on the cover of this report provides a good picture of statewide Watershed Planning Act involvement and status.

See <u>http://www.ecy.wa.gov/watershed/ws_update.html</u> for general information regarding a specific WRIA. For detailed information on the planning status and plan elements of a specific WRIA, its planning unit and lead agency, see <u>http://www.ecy.wa.gov/watershed/index.html</u>. The 2008 Annual Report the Legislature on Watershed Planning and Progress on Setting Instream Flows will be posted during the first half of 2009.

At the state level the Department of Ecology and individual programs within the Department are engaged in supporting local planning and implementing their statutory responsibilities. These efforts include:

Improve Water Management Capacity

Several factors are leading the state to improve water management:

- Increasing water demand driven by population growth.
- Increased competition for scarce water.
- Frequent droughts that impose high cost on the state and its citizens.
- Better understanding and acceptance of water availability problems.
- Listings of fish and other water-dependent species under the federal Endangered Species Act.

• Concern for how climate change could impact future water supplies and the environment.

Future success is contingent on funding and legislative mandates. The Department has been working with stakeholders to update water management policies, and the Legislature has provided funding to address the increased demand and competition for water. These actions have resulted in some progress, but have also highlighted the gap between current water management capacity and other challenges:

- Initiate state-wide water management strategy to provide context and direction for water management focused initially on water demand and supply forecast. Staff resources will be aligned to meet priorities and watershed planning recommendations.
- Setting instream flow requirements while providing for future water use, implementing local water management plans, and taking other actions to get water back into streams. An intensive effort is ongoing with local interests to set instream flows on streams and rivers.
- Processing water rights change applications. Focusing on change applications helps facilitate the sale, transfer, and changes in water use to better use existing water supplies.
- Approving new uses and change uses that mitigate impacts to senior water rights and stream flows.
- Expanding the use of cost reimbursement to process more applications (new and changes) without adding more staff.
- Improving water use management and efficiency through improved policies and programs, incentives, and financial assistance.
- Finding innovative water supply solutions. As traditional water supplies become increasingly scarce, and acquiring new water rights is increasingly difficult, water users are turning to innovative water supply solutions.

The Department is working with stakeholders on innovative water supply solutions that include developing awareness of readily usable water limits and providing incentives and institutional capacity for new water efficiency technologies, water market improvements, water storage, reclaimed water, and stormwater management projects. The Department has a variety of efforts underway, many of which are occurring through the Columbia River Basin Management Program as described below. Similar efforts may be utilized in other areas of the state.

- Improving water use accountability by: increasing water use metering and reporting; maintaining and expanding the stream gaging network; responding to local watershed requests for compliance service; and taking actions on water law violations.
- Improving permit-exempt well management. These wells are impacting senior water rights and flows in some areas of the state.
- Providing clarity on water rights and claims. The Department is close to completing the Yakima River Basin Adjudication, which will bring clarity and certainty regarding the validity and extent of surface water rights and claims in the basin. Several alternatives for future adjudications and adjudication reform are being considered to improve the effectiveness of water management. Further, the Department is also are looking at water rights settlement discussions with tribes.
- Improving the availability of water resource data and information. The Department is developing, maintaining, and enhancing its water management data systems including well

constructions and licensing, and the water rights tracking system, mapping and keeping pace with increased demands of modern water management, public service expectations, and technology.

 Providing sources for stable long-term funding for water management programs and capital facilities is a priority.

Provide Technical and Financial Assistance for Local Watershed Planning and Implementation

The Department is assisting in the implementation of watershed planning in several ways including:

- Supplying technical assistance to local groups during planning and implementation.
- Providing financial assistance to local groups.
- Adopting county-approved watershed actions into state rules and agency activities.

Adjudicate Water Rights

Adjudication reduces water right conflicts and supports sound water management by increasing certainty regarding validity and extent of water rights. Adjudication is a judicial determination of water rights and claims, including federal, tribal, and non-tribal claims. The Department's current focus is completing the Yakima River Basin surface water adjudication and pre-adjudication work in the Spokane area and assessing other areas.

Assess, Set, and Enhance Instream Flows

The Department evaluates and sets instream flows that are fundamental to water resources management. Instream flows are used to determine how much water needs to remain in streams to meet environmental needs, how much can be allocated, and when to regulate junior water users based on flow levels. The goal is to restore and protect flows, while meeting out-of-stream needs. Flows are enhanced by acquisitions via the states Trust Water program by leases, purchases, and donations. Efficiency improvements in irrigated agriculture also help with flows. Enhancements are contingent on willing participants. Improvements and acquisitions have different values depending on location, timing and duration (short-term vs. long-term).

Ensure Dam Safety

The Department protects life, property and the environment by overseeing the safety of Washington's dams. This is accomplished by inspecting the structural integrity, flood and earthquake safety of existing state dams not managed by the federal government. The Department also approves and inspects new dam construction and repairs and undertakes compliance and emergency actions.

Ecology initiated a process to find previously unpermitted dams. As of 12/31/08, over 600 dams have been identified; which are being assessed and deficiencies corrected.

Manage Water Rights

The Department allocates surface and groundwater resources to meet many needs for water. This involves making decisions on applications for new water rights and on applications for changes to existing water rights to reallocate water. To make these decisions, the state must assess many factors, including determining whether water is available and whether existing rights would be impaired. The Department is responsible for managing an existing water rights portfolio of over 49,000 certificates, 3,000 permits and 166,000 claims.

Prepare and Respond to Drought

The Department provides services to reduce the impact of droughts and to prepare for future droughts and climate change. When droughts are declared, the Department provides services include providing water via emergency transfers, water right changes, and temporary wells. The Department also provides drought related information and financial assistance to local governments and coordinates drought response efforts.

Provide Water Resources Data and Information

The collection, management, and sharing of data and information is critical to local watershed groups, conservancy boards, businesses, local governments, nonprofit groups, the Legislature, other agencies, the media, in addition to Ecology water management staff. The data collected by the Department supports daily operations, including making water allocation decisions; setting and enhancing stream flows; identifying the location and characteristics of wells, dams, and water diversions; supporting compliance actions; metering; tracking progress; and communicating with constituents. Ecology is transitioning "paper" information making it increasingly available in electronic formats.

Regulate Well Construction

The Department protects consumers, well drillers, and the environment by licensing and regulating well drillers, investigating complaints, approving variances from construction standards, and providing continuing education to well drillers. This work is accomplished in partnership with delegated counties delivering technical assistance to homeowners, well drillers, tribes, and local governments.

Support Water Use Efficiency

The Department provides agricultural, commercial, industrial, and nonprofit water users with services that deliver water savings. Services include information, planning, and technical, engineering, and financial assistance. The Department also provides support for water re-use projects and to the Department of Health for municipal water conservation. The Department provides grants and loans to irrigation and conservation districts who work with individual irrigators to achieve greater efficiency and save water for stream flow improvement.

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Protecting Puget Sound Habitat

Habitat protection is a priority for Puget Sound restoration. One-third of the Sound's shoreline has been altered by bulkheads, rip rap or concrete walls. Many wetlands and floodplains have been lost to cutting, grading and filling for homes, businesses, towns, cities, and transportation. With another million people expected to move into Puget Sound area by 2025, it will be a goal to smarter and more effective in protecting functioning shorelines and upland habitats. In this biennium, the Department of Ecology will continue to assist counties and cities to update their regulations that protect shorelines and other important habitats - their local shoreline master programs and critical area ordinances.

Floodplain Management and Flood Hazard Reduction

Proper flood hazard management protects people and private and public property, as well as natural resources and fish and wildlife habitat. The Department of Ecology administers the Flood Control Assistance Account Program (FCAAP), providing grants and technical assistance to local governments for comprehensive flood hazard management planning and flood damage reduction projects. The Department of Ecology is also the state's coordinating agency for the National Flood Insurance Program (NFIP) and the liaison with the Federal Emergency Management Agency (FEMA) and State Emergency Management Division.

Department staff works with local governments, the business community, and citizens on flood hazard recognition and hazard reduction. This includes grant funding, technical assistance, education and training, and hazard assessment and mitigation advice.

Responding to levee decertification will be special focus area this biennium. The Department will work with all concerned parties to identify challenges and opportunities for solutions regarding levee decertification. A second focus will be Chehalis watershed flood hazard reduction. We will work with our local, state and federal partners to improve the resilience of communities and infrastructure in this challenging area.

Climate Change - SEPA and Preparing for Sea Level Rise

The Department of Ecology will clarify how considerations of climate change should be incorporated into environmental review and decision making under the State Environmental Policy Act (SEPA). Based on recommendations from the Climate Action Team (CAT), it is the Departments intent to revise the state's SEPA rules, and prepare guidance regarding how climate change should be considered during SEPA environmental review, in order to avoid a "policy by litigation" scenario in Washington. The anticipated rise in sea level is a particular challenge for the state. Nearly 40 communities along our 2,300 miles of shoreline are threatened by rising sea levels. Climate change is predicted to bring higher tides, stronger storms, bigger waves, increased flooding, heavier rains, smaller snow packs, and engulf low-lying shorelines.

Ocean and Coastal Health

Washington has two coasts with distinct issues, resources, communities, and needs: the outer coast and Puget Sound. While Puget Sound tends to have greater problems with water pollution, stormwater runoff, and toxic sediments, the outer coast is also a priority. On the outer coast, issues include aquatic invasive species, toxic algal blooms that routinely close shellfish harvesting and threaten human health and wildlife, and shoreline erosion that threatens infrastructure and property.

Shellfish Aquaculture Siting and Operation

Shellfish aquaculture is gaining greater attention in western Washington for a variety of reasons including economic, water quality, and land use issues. In this biennium, the Department will assist local governments with implementing improved guidelines for siting and operation of intertidal geoduck aquaculture. A 2007 to 2009 biennium project under HB 2220 directed the Department to adopt rules for geoduck aquaculture siting and operations into the Shoreline Master Program guidelines.

Protect and Manage Shorelines in Partnership with Local Governments

The Shoreline Management Act is a joint program between local and state governments for managing shorelines to provide habitat for fish and wildlife, and minimizing flooding and property damage. Local governments develop and manage local Shoreline Master Programs, and the Department provides support and oversight through:

- Developing guidelines for local shoreline programs.
- Providing technical assistance to local governments and applicants on shoreline planning and permitting activities.
- Reviewing and approving amendments to local shoreline master programs.
- Reviewing permits to ensure resources are protected and the law is followed.

Protect Water Quality by Reviewing and Conditioning Construction Projects

The federal Clean Water Act and Coastal Zone Management Act set up water and coastal protection programs. The Department reviews construction proposals that may impact streams, lakes, rivers, wetlands,

shorelines, or marine waters.

Protect, Restore, and Manage Wetlands

The Water Pollution Control Act and Shoreline Management Act set frameworks for wetlands protection. Local governments write wetland protection and mitigation rules into local Shoreline Master Programs and Critical Area Ordinances. The Department provides support to local government and carries out independent wetland protection and restoration programs.

Provide Technical and Financial Assistance to Local Governments to Reduce Flood Hazards

The Flood Plain Management Act sets up programs to reduce flood damage. Local governments develop and manage local floodplain restrictions, and the Department provides support to local governments and carries out independent prevention and response programs through:

- Providing grants and technical help to local governments for flood management planning and flood reduction projects.
- Administering the National Flood Insurance Program, which helps over 250 cities and towns enrolled in this program.
- Doing outreach on recognizing and reducing potential flooding hazards.

Provide Technical Assistance on State Environmental Policy Act (SEPA) Review

The State Environmental Policy Act sets up a joint program between local and state governments designed to ensure environmental impacts from private or public actions are considered by government officials. Local and state governments review project impacts and determine how projects can be done with minimal impacts. The Department provides technical support and carries out independent actions through:

- Conducting training and giving technical assistance to local and state government.
- Maintaining the SEPA register which catalogs SEPA projects across the state.
- Coordinating the SEPA process when Ecology is the decision making agency.

SEPA provides an opportunity for local citizen involvement in the environmental review process and provides developers an opportunity to identify mitigation opportunities that help overall project approval and minimize development costs.

The 2009 to 2011 Strategic Plan (pages 6 to 9) identifies a few key issues and successes that highlight the importance of providing support for successful water management.

Eastern Washington Water Supply

For many years, the state has struggled to provide water for growing communities and agriculture, while also protecting aquatic resources and stream flows. In the Columbia River salmon populations are declining, with 15 fish species listed as endangered or threatened. New water right decisions have ground to a halt.

In 2006, the Legislature passed House Bill 2860, the Columbia River Basin Water Management Program to aggressively find new water supplies for communities and agriculture while protecting instream flows for fish. Since this bill passed, several early successes have been achieved. It will be critical to continue to implement the Columbia River Basin Water Management Program into the 2009 to 2011 biennium to maintain these and other projects to improve water supply and instream flows.

Lake Roosevelt Incremental Releases

In early 2008, Governor Chris Gregoire signed agreements with the Spokane Tribe of Indians and the Confederated Tribes of the Colville Indian Reservation to deliver water from Lake Roosevelt to the Columbia Basin for farmers, cities and endangered salmon.

Kennewick Aquifer Storage & Recovery Project.

In 2008, Ecology allocated \$1 million to help fund an aquifer storage and recovery pilot project with the City of Kennewick. The pilot will be funded and conducted in two phases. In the first phase, Ecology will spend \$200K on testing to determine if the aquifer will be capable of storing water. If the project passes that test, the remaining \$800 thousand will be used to construct and test an injection and recovery well in the second phase. The state-funded portion of the saved water will be allocated according to statutory requirements: one-third instream, two-thirds out-of-stream.

Voluntary Regional Columbia River Agreements

Ecology and the Columbia-Snake River Irrigators Association (CSRIA) are proposing a Voluntary Regional Agreement (VRA), provided for in RCW 90.90.030. The purpose of this VRA is to supply new water for issuing drought permits to existing interruptible water rights holders and new water rights on the Columbia and Snake River. Ecology and the CSRIA will evaluate how much conserved water can be developed through a series of pilot projects, including canal lining projects, onfarm efficiency improvements, and shallow aquifer recharge.

Columbia River Grant Program

Ecology is currently processing pre-applications for the first round of its Columbia River Basin Water Management Grant Program. The grants will fund a variety of projects, from conservation and storage, to feasibility studies. Following review by a Technical Advisory Group, Ecology will recommend projects for funding in 2009.

Walla Walla Pump Exchange

Ecology has allocated \$400,000 to the Confederated Tribes of the Umatilla Indian Reservation for a cooperative study in the Walla Walla River Basin. The four-year study will be completed in 2008 and will determine the feasibility of restoring stream flows through several options. These include acquisition, conservation, groundwater recharge, and replacement of Walla Walla River irrigation water with Columbia River water.

Columbia Basin Project Conservation Alternatives

Ecology and the Columbia Basin Project Irrigation Districts are working together on a water conservation strategy to develop water supplies for the Odessa Sub-Area and protect Columbia River stream flows.

Odessa Sub-area Special Study

The U.S. Bureau of Reclamation and Ecology are investigating continued phased development of the Columbia Basin Project to replace groundwater currently used for irrigation in the Odessa Groundwater Management Sub-area with surface water.

Supplemental Potholes Feed Route

Ecology and the U.S. Bureau of Reclamation are collaborating to make water supplies more reliable to the southern portion of the Columbia Basin by feeding additional water into Potholes Reservoir through a supplemental feed route. The feed water will come from the Columbia River via Billy Clapp Reservoir in the northern part of the Basin. It will be conveyed to Potholes via Crab Creek and the Frenchman Hill's Waterway beginning in 2008. Kennewick Irrigation District Pump Exchange

Ecology and the Kennewick Irrigation District (KID) are investigating the feasibility of a pump exchange on the Yakima River. In the first phase, KID would move its withdrawal point downstream to the Columbia River to double the steam flow in the lower Yakima River. In the second phase, additional water supplies developed under the CSRIA Voluntary Regional Agreement would be used to increase irrigated acreage at Red Mountain and supply additional residential irrigation.

5. PARTNERSHIPS, STAKEHOLDER, AND PUBLIC INVOLVEMENT

The State of Washington places a strong emphasis on locally based, inclusive and collaborative planning. References to open, public processes are throughout the state's water statutes. The state has identified the following entities as key partners in water resource management and planning:

- Current and future citizens
- The Legislature
- Agricultural groups; environmental and public interest groups; local watershed planning & management groups
- Business and industry
- Federal, state, tribal, and local governments (cities, counties, utilities, irrigation districts, conservation districts)
- People living near dams and owners of dams
- Real estate developers, realtors and builders
- Recreational water users; sport and commercial fishers
- Water and power utilities
- Water-right holders; well drillers

The Water Resources Act of 1971 (RCW 90.54.010) speaks to the interest in water all citizens share and that conflicts can be reduced through planning. The statute says, "Comprehensive water resource planning must provide interested parties adequate opportunity to participate". Further, 90.54.010(2) states, "*It is the intent of the legislature to work closely with the executive*

branch, Indian tribes, local government, and interested parties to ensure that water resources of the state are wisely managed."

The Watershed Planning Act in RCW 90.82.030 establishes the following guiding principle including provisions for public involvement:

In order to have the best possible program for appropriating and administering water use in the state, the legislature establishes the following principles and criteria to carry out the purpose and intent of chapter 442, Laws of 1997.

(1) All WRIA planning units established under this chapter shall develop a process to assure that water resource user interests and directly involved interest groups at the local level have the opportunity, in a fair and equitable manner, to give input and direction to the process.

(2) If a planning unit requests technical assistance from a state agency as part of its planning activities under this chapter and the assistance is with regard to a subject matter over which the agency has jurisdiction, the state agency shall provide the technical assistance to the planning unit.

(3) Plans developed under chapter 442, Laws of 1997 shall be consistent with and not duplicative of efforts already under way in a WRIA, including but not limited to watershed analysis conducted under state forest practices statutes and rules.

6. PLAN IMPLEMENTATION STRATEGY

Water planning and implementation is carried out at the local, regional and state level. As previously discussed, Washington's planning process has 4 phases (1- Organization; 2- Assessment; 3 - Planning; and 4 - Implementation). Since the Watershed Planning Act was passed, 26 of the 62 watershed planning units have adopted and approved watershed plans and are in the implementation phase. Continued grant funding to local watershed planning units to implement their plans will be critical to the success of long-term management of water resources and instream flows.

The Department of Ecology has also authorizing funding for eighteen water resources projects in the Columbia River Basin in 2008. Totaling \$46.4 million, the funding will pay for studies and construction costs for water conservation and storage projects. Money to fund the projects comes from the Columbia River Basin Water Supply Development Account. The account was created by the legislature in 2006 to fund water storage and conservation projects within the Columbia River Basin.

7. OUTCOMES ASSESSMENT PROCESS

The Department of Ecology is utilizing the planning process to focus their program efforts, allocate resources, shape policy and regulations, and to address future needs at the local and statewide level.

The Watershed Planning Act specifies the following implementation and reporting requirements:

RCW 90.82.043 - Implementation Plan — Report to the Legislature

(1) Within one year of accepting funding under RCW <u>90.82.040</u>(2)(e), the planning unit must complete a detailed implementation plan. Submittal of a detailed implementation plan to the department is a condition of receiving grants for the second and all subsequent years of the phase four grant.

(2) Each implementation plan must contain strategies to provide sufficient water for: (a) Production agriculture; (b) commercial, industrial, and residential use; and (c) instream flows. Each implementation plan must contain timelines to achieve these strategies and interim milestones to measure progress.

(3) The implementation plan must clearly define coordination and oversight responsibilities; any needed interlocal agreements, rules, or ordinances; any needed state or local administrative approvals and permits that must be secured; and specific funding mechanisms.

(4) In developing the implementation plan, the planning unit must consult with other entities planning in the watershed management area and identify and seek to eliminate any activities or policies that are duplicative or inconsistent.

(5)(a) By December 1, 2003, and by December 1st of each subsequent year, the director of the department shall report to the appropriate legislative standing committees regarding statutory changes necessary to enable state agency approval or permit decision making needed to implement a plan approved under this chapter.

(b) Beginning with the December 1, 2007, report, and then every two years thereafter, the director shall include in each report the extent to which reclaimed water has been identified in the watershed plans as potential sources or strategies to meet future water needs, and provisions in any watershed implementation plans that discuss barriers to implementation of the water reuse elements of those plans. The department's report shall include an estimate of the potential cost of reclaimed water facilities and identification of potential sources of funding for them.

RCW 90.82.048 - Implementation Plan – Timelines and Milestones

(1) The timelines and interim milestones in a detailed implementation plan required by RCW <u>90.82.043</u> must address the planned future use of existing water rights for municipal water supply purposes, as defined in RCW <u>90.03.015</u>, that are inchoate, including how these rights will be used to meet the projected future needs identified in the watershed plan, and how the use of these rights will be addressed when implementing instream flow strategies identified in the watershed plan.

(2) The watershed planning unit or other authorized lead agency shall ensure that holders of

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water rights for municipal water supply purposes not currently in use are asked to participate in defining the timelines and interim milestones to be included in the detailed implementation plan.

(3) The department of health shall annually compile a list of water system plans and plan updates to be reviewed by the department during the coming year and shall consult with the departments of community, trade, and economic development, ecology, and fish and wildlife to: (a) Identify watersheds where further coordination is needed between water system planning and local watershed planning under this chapter; and (b) develop a work plan for conducting the necessary coordination.

8. NEEDS, CHALLENGES AND CRITICAL PRIORITIES - INTERVIEW INSIGHTS

The Water Plan summary includes information in the "Water Management Goals and Visions" and "Scope of Water Resources Planning" sections that highlight the state's current programmatic focus, which in turn is shaped by water resource needs, challenges and priorities. The state has identified several factors which will need to be addressed in future planning including:

- Growth
- Increase competition between uses
- Endangered species (16 listed species)
- Funding for planning, implementation, funding watershed leads, and providing funding for planning grants
- Tribal water rights, they are not quantified or identified (27 federally recognized tribes about 40 tribes total)
- Dispersed water authority
- Columbia River area competition for supply with a high demand for agriculture water and municipal water and instream flow needs and tribal water concerns.
- Puget Sound/Coastal issues, climate change and rising sea level rising concerns
- Water banking has been constrained by legislation to the Yakima Basin and this could be a valuable tool in other basins but it is not yet broadly available legally.
- Washington is very different ecologically and climatologically between the east and west sides.
- Resolution of Litigation
- Need more clarify on exempt stock wells
- Addition information on water availability, stream flows, and groundwater
- Additional infrastructure needs for municipal and agriculture water needs and providing sources for stable long-term funding for water management programs and capital facilities.

9. REFERENCES

Much of the language and information in this summary comes directly from reports published by the Washington State Department of Ecology.

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