INNOVATION IN FLOW RESTORATION AND WATER BANKING CASE STUDY: DUNGENESS WATER EXCHANGE





WASHINGTON WATER TRUST



DUNGENESS INSTREAM FLOW RULE

WAC 173-518

- Formally closes surface water allocations, with the exception of some high spring flows
- Sets instream flows on mainstem and small streams
- Requires new GW allocations to mitigate impacts to SW flows – including exempt wells
- Requires meters on all future uses
- Provides two choices for how to obtain mitigation:
 - submit your own plan to Ecology; or
 - use the Exchange





DUNGENESS BASIN WATER EXCHANGE

The Future of Regional Water Planning in WA

- Surface and groundwater rights are fully allocated
- SW flows insufficient for instream flow needs *and* economic growth
- New groundwater requests are threatening existing water users
- Late season low flows are limiting stream and fish health
- Economic growth potential is hampered by water scarcity





HOW DOES A WATER BANK WORK?

Water Bank as Broker

Supply

Sellers: water right holders

Typical Functions

- Certifies validity of water rights
- Sets rules/criteria for bank
- Sets prices
- Matches buyers and sellers
- Determines priorities for banking transactions

Demand

Buyers:

- Mitigation for new water use
- Flow restoration



DUNGENESS WATER EXCHANGE: SCOPE OF TRADING

Potential Sellers

- Right holders
 - Irrigators
 - GW users
- Offsets
 - Reclaimed water
 - Recharge
 - Storage

Potential Buyers

- Restoration
- City
- PUD
- Small GW uses
- Exempt Wells





DUNGENESS WATER EXCHANGE

AS ENVISIONED BY LOCAL LEADERS

Restoration Funds

Public Sources

Watershed Implementation State Appropriation Salmon Recovery Board Federal Grants Puget Sound Partnership

Private Sources

Individual Donations Corporate Sponsorships Tribal Donations

Exchange Water Projects

Water Right Leases

New Water Storage

Reclaimed Water

Irrigation Efficiencies

Water Right Purchases

Shallow Aquifer Recharge

Groundwater Well Retirement

Mitigation Funds

Private Sources

Builders/Homeowners Property Developers Other new GW Users

Public Sources

City Payments PUD Payments State subsidies

Environmental Restoration (Dungeness River flows)

Environmental Sustainability

Economic Development (new groundwater uses)



EXCHANGE ADVISORY COUNCIL

WWT will be responsible for day-to-day management. A local advisory board will include:

- Dungeness Water Users Association
- Clallam County
- Jamestown S'Klallam Tribe
- Ecology
- Clallam PUD
- City of Sequim
- WA. Dept of Fish and Wildlife
- Clallam Conservation District



DUNGENESS BASIN REVERSE AUCTION

- Partnership with the Dungeness Water Users Association
- Total funding available \$100K Ecology, \$100/acre maximum bid

Must have irrigated last year and obtain approval from district or company



Open Invite for Bids

How much are you

willing to ACCEPT

for your water?

- \$_____/ acre
- acre feet



DUNGENESS REVERSE AUCTION

2009 Results totals:

10 bids received;9 accepted

■ Acreage leased: 372.6

■ Spent in leases: \$32,187

Instream flow: 2.42 cfs

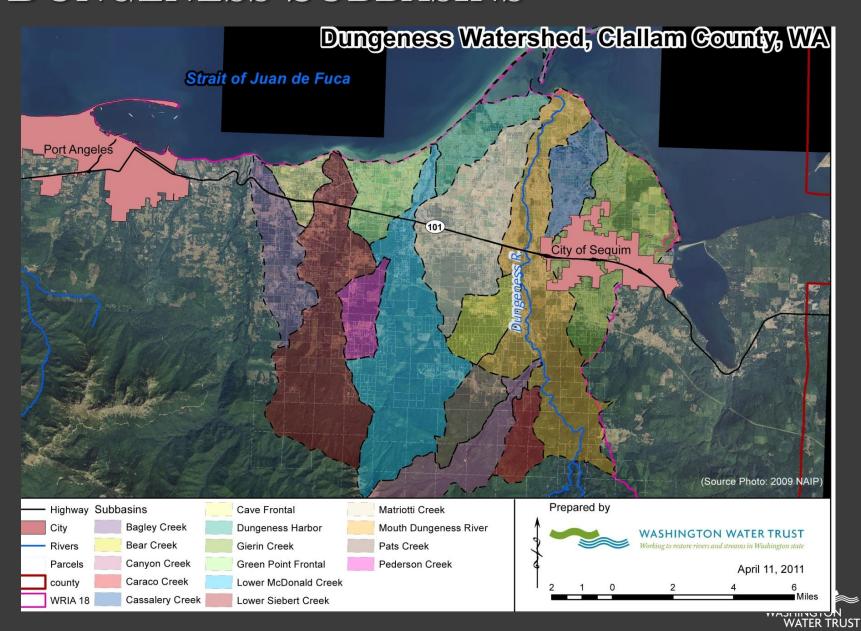








DUNGENESS SUBBASINS



MITIGATING IMPACTS IN SMALL STREAMS

- Small independent streams in the Dungeness present a challenge
- Finding water for water
 mitigation in small streams is
 very difficult due to lack of
 beneficially used irrigation water
 rights as a source of supply
- Consideration of other water management strategies to enhance flow is key to successful mitigation or restoration programs





HOW DOES THE EXCHANGE GENERATE MITIGATION CREDITS?

- Acquire water rights from Dungeness Water Users
 Association: 175 acre feet
 - 30 AF instream late season
 - 145 AF aquifer recharge
- Implement aquifer recharge projects





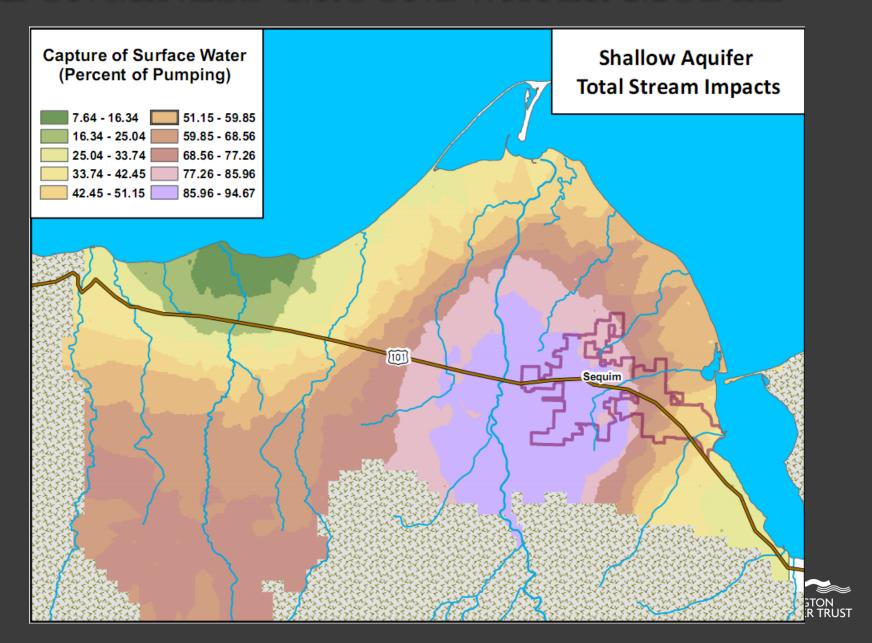
AQUIFER RECHARGE PROJECTS

- To be implemented 2014
- Divert flow during spring runoff (2.2 cfs), convey via irrigation ditches
- 2 sites, east and west of the Dungeness River
- Possible use of perforated pipe for infiltration
- Use groundwater model to select sites and predict impacts





DUNGENESS GROUNDWATER MODEL



Using the Groundwater Model as a Tool

PREDICTING THE AMOUNT OF SURFACE WATER CAPTURE

Parcel #	Bagley Creek	Bell Creek	Cassalery Creek	Dungeness River	Gierin Creek	Matriotti Creek	McDonald Creek	Meadowbro ok Creek	Siebert Creek	Total Impact (Shallow Aquifer)
43012340										
0301000	0.002%	0.65%	21.3%	66.32%	9.8%	0.88%	0.044%	0.874%	0.002%	92.580%



AVAILABLE MITIGATION PACKAGES

Package Description	Average Amount of Indoor Use (GPD)	Average Amount of Outdoor Use (GPD)	Amount of irrigated lawn Area (Square Feet)	Amount of irrigated lawn Area (Acres)
Indoor Only Package: \$1000 (minimal incidental outdoor use only)	150	0	0	0
Indoor with Basic Outdoor Package: \$2000	150	89	2500 sq. ft. (approx. 50x50 ft)	.06 acres
Indoor with Extended Outdoor Package: \$3000	150	200	5625 sq. ft. (approx. 75×75 ft)	.13 acres



STEPS FOR OBTAINING MITIGATION THROUGH THE EXCHANGE

- 1. Start the County building permit application process.
- 2. If you want to use outdoor water, contact the Exchange directly.
- 3. Contact a well driller and drill well (if one is not already drilled) to demonstrate adequate water is physically available.
- 4. Record all Mitigation Certificates on the specific parcel with the County Auditor.
 - The Mitigation Certificate will be attached to the specific parcel and cannot be transferred.
- 5. Deliver a copy of the notarized Mitigation Certificate to DCD.
- 6. Install a meter (as required by Ecology) as part of the plumbing system.



MITIGATION ISSUED SO FAR

Since January 2013

- 13 Mitigation Certificates, all indoor only
- 1st outdoor mitigation certificate in process
- Stockwater and PUD mitigation in process



Photo: Peninsula Daily News



LESSONS LEARNED

- Net instream benefit results from linking flow restoration and groundwater mitigation for exempt wells
- Finding water for water mitigation in western WA requires creativity
- Living and dying by the groundwater model has advantages and disadvantages
- Involvement of key players = critical to success (State & local)
- Start-up cost, time, effort = significant
- Public relations are a key to success



THANK YOU! QUESTIONS?

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