

Deschutes River Mitigation Actions

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Interlocal Agreements

The Cities of Yelm, Olympia and Lacey have entered into interlocal agreements (ILAs) to pursue collaborative mitigation for the Deschutes River Basin. These ILAs serve as legal supporting documents to allow for joint acquisition of water rights and land. A copy of the Deschutes mitigation ILAs are included here in Appendix D.

Key elements of the ILAs include:

- The purpose and intent of the ILAs is defined. In this case, it is for joint acquisition of water rights and land for the purposes of mitigation.
- The scope of the agreement and the work that will be performed under the ILA is defined. The ILA also allows the cities to jointly contract for professional services to accomplish the work described in the ILAs. For Deschutes Mitigation work, the scope has been focused on research on water rights, negotiation for acquisition of these rights, and beneficial use analysis of water rights. The amended August 2008 ILA allows the cities to jointly purchase land for the purposes of habitat restoration associated with mitigation, and also retain legal counsel for joint legal advice if required.
- The ILAs also includes standard language on costs (expressed as a not to exceed amount), disposition of acquired assets (including water rights and property), duration of the ILAs, termination of the ILAs, indemnification and insurance, dispute resolution, and clarification that no separate entities are created under the ILAs.

The cities will be entering into a third ILA which outlines the specific mechanisms for implementing habitat restoration activities on the Smith Ranch. This ILA will include joint management responsibilities, cost shares, and time frames for completing restoration work.

Water Rights Acquisition

The Cities of Yelm, Olympia and Lacey have two water rights in the Deschutes Basin under contract to purchase and are in negotiations to purchase a third. The water rights mitigation credit for these acquisitions will be split equally between the three cities. The cities have been evaluating the beneficial use history of these rights, and all indications suggest the rights have a good use history.

This package of water rights is our proposed mitigation for predicted depletions of summer flow in the Deschutes River basin. The cities also gave higher priority to the acquisition of surface water rights in the upper and middle reaches of the Deschutes River, to ensure that mitigation was in the same reach as, or upstream of, predicted impacts.

As a package, these water rights collectively satisfy our mitigation needs, and provide significant flow benefits to the Deschutes River during irrigation months. These rights would be voluntarily relinquished to offset modeled surface water impacts to the Deschutes River.

The cities contracted with WestWater Research to conduct a three step evaluation of water rights within the Deschutes Basin for the purposes of ranking and identifying the most promising rights for acquisition. Out of over 1500 water rights identified in Ecology’s WRTS database for WRIA 13, 73 of these water rights were identified as potentially meeting the needs of the cities for the purposes of flow mitigation. The in-office review of these rights included mapping each water right’s Place of Use (POU), conducting an analysis of aerial photos of the POU for selected water rights for the last three years, and reviewing water right files to identify any unrecorded water right change applications. Field investigations from public rights of way were then conducted for these water rights, and they were numerically ranked in high, medium and low categories based on physical evidence of recent water use, current irrigation acreage, purpose of use, authorized beneficial use, and ownership continuity.

Table 1 provides a summary of size, location, and use characteristics of the three high priority water rights included in the Deschutes flow mitigation package. The Jensen and Smith water rights are under contract for purchase. The third water right is in negotiation for acquisition.

Table 1. Summary of Water Rights for Acquisition in Deschutes River Basin

Water Right	Rank	New Cert. #	Source	Rate (Qi)	CFS or GPM	Duty (Qa)	Acres	Primary Use
Irrigation Water Right	High		Silver Springs Creek	0.37	CFS	60	30	Irrigation
Jensen	High	S2-00972CWRIS	Deschutes River	0.5	CFS	100	50	Irrigation
Smith	High	G2-26862GWRIS	Spring	300	GPM	170	135	Irrigation

Irrigation Water Right – Middle Reach

The Cities are in the process of negotiating acquisition of an irrigation water right in the Middle Reach of the Deschutes River. Located on Silver Springs Creek feeding the middle reach of the Deschutes River, this water right would be a key acquisition for maintaining a permanent, clean, abundant cold water source to the river. This acquisition could also include land immediately surrounding the water source.

Certificate # G2-26862GWRIS - Smith

The Smith water right is located at the upper reach of the Deschutes River. This important water right has a strong history of beneficial use. This is a critical cold water spring source which is a

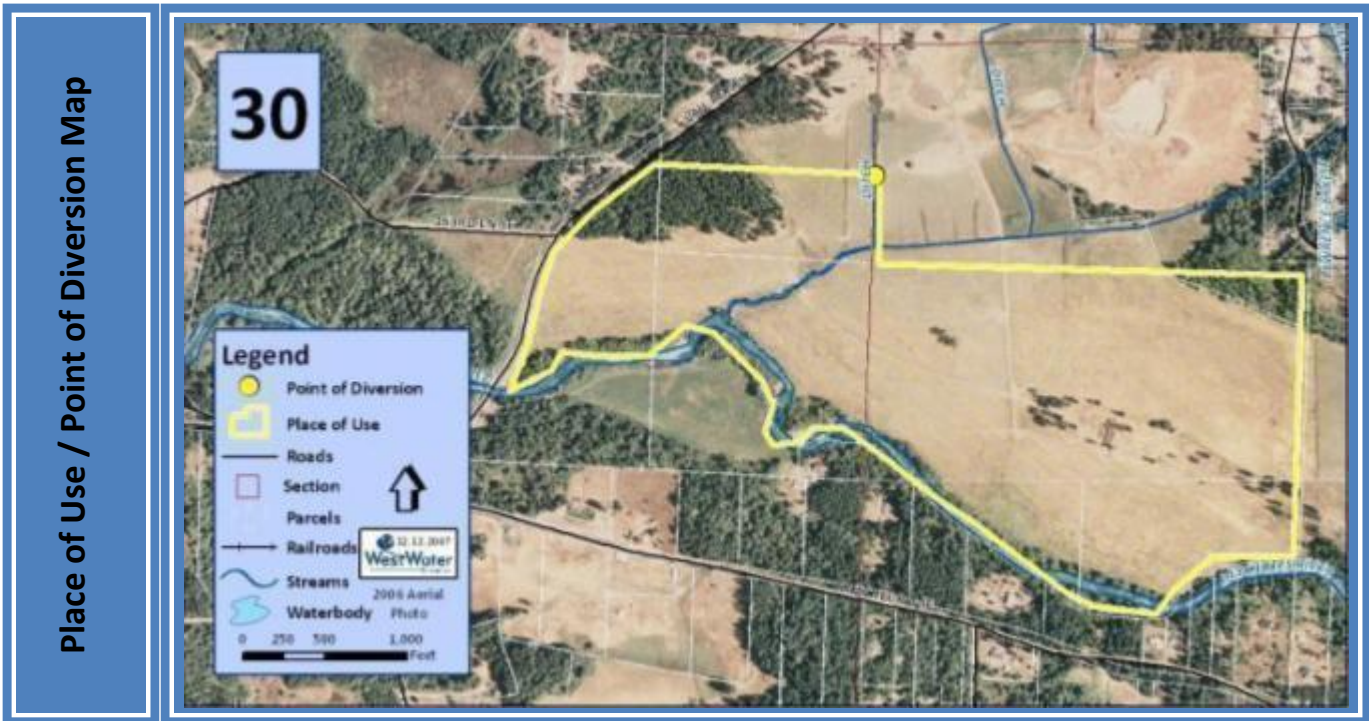
key acquisition in the upper reach of the Deschutes for long-term fisheries restoration and water quality. This is a key acquisition, because relinquishment of this right in combination with the acquisition of nearly 200 acres of property, the ceasing of intensive agricultural activities on the land, and habitat restoration will directly benefit summer flows to a large portion of the Deschutes River and also provide improved water and habitat quality for both fish and wildlife year round.

A copy of the Beneficial Use Analysis and Purchase and Sale Agreement and Amended Purchase and Sale Agreement for acquisition of this water right is included here in Appendix D.

Figure 1. Overview of Smith Water Right

Water Right ID# 30/Smith

Rank	High
Old Document#	N/A
New Document#	G2-26862GWRIS
Document Type	Certificate
Source Name	Well
Rate (Qi)	300.00
GPM or CFS	GPM
Duty (Qa)	170.00
Acreage	135.00
Primary Use	IR
Priority Date	2/18/1986
Primary Contact <i>(Owner or Business Contact)</i>	Ronald Smith, Trustee
Company Name	N/A
Address	16224 Vail Road SE
City	Yelm
State/Province	WA
Parcel Number	22629220200
# of Parcels Intersecting	9



Certificate # S2-00972CWRIS – Jensen (ranking – High)

The Jensen water right is located in the upper reach of the Deschutes River. It has a strong history of beneficial use, and when relinquished, will provide direct benefits to the summer flows in the Deschutes River.

This water right has flow restrictions in place, which requires a minimum flow of 180 cfs on May 1 and decreases linearly to 35 cfs by June 30 through September 15.

A copy of the preliminary Beneficial Use Analysis and the Option Agreement for acquisition of this water right are included in here Appendix D.

Figure 2. Overview of Jensen Water Right

Water Right ID# 24/Jensen

Rank	High
Old Document#	N/A
New Document#	S2-00972CWRIS
Document Type	Certificate
Source Name	Deschutes River
Rate (Qi)	0.50
GPM or CFS	CFS
Duty (Qa)	100.00
Acreage	50.00
Primary Use	Irrigation
Priority Date	1 /18/1971
Primary Contact <i>(Owner or Business Contact)</i>	Dillard & Juanita Jensen
Company Name	N/A
Address	19207 Neat Road SE
City	Yelm
State/Province	WA
Parcel Number	22634110000
# of Parcels Intersecting	4



Land Acquisition and Habitat Restoration

The second major element of the Deschutes River Basin mitigation package involves the acquisition and restoration of farm land in the upper reach of the Deschutes River. As discussed in the McAllister Wellfield Mitigation Plan, these projects will serve to offset predicted winter flow depletions in the river system.

This significant “non-flow” package will involve acquisition of nearly 200 acres of farm land, and restoration projects that will benefit the entire river system, including reshaping a tributary stream channel, replanting riparian buffers, installing a live cribwall along the river, and re-establishing a wetland on site.

The cities of Yelm, Olympia and Lacey consulted with Anchor QEA to develop an Initial Acquisition and Restoration Assessment of the Smith Ranch, which was finalized in October 2010. A copy of the full report is included in Appendix E. The purpose of the assessment was to characterize the suitability of the property to provide mitigation value, and develop a suite of restoration actions that could be completed on the property. The recommended suite of actions is included in Table 4-8 of the City of Yelm Mitigation Plan, and on pages 26-31 in the Anchor QEA document.