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# Habitat Mitigation for New Water Rights in Southwest Washington State

*AWWA Pacific Northwest Section  
Vancouver, Washington*

*Andrew Graham  
HDR Engineering  
Olympia, Washington*



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**New Municipal  
Water Rights?  
In Washington?!**

# Background

- Watershed Planning in Washington
  - Supply, flow, habitat, water quality
  - Local experimentation with State backing
- Lower Columbia Region
  - Lower Columbia Fish Recovery Board
  - Cities, Counties, agencies, citizens



# Area Covered

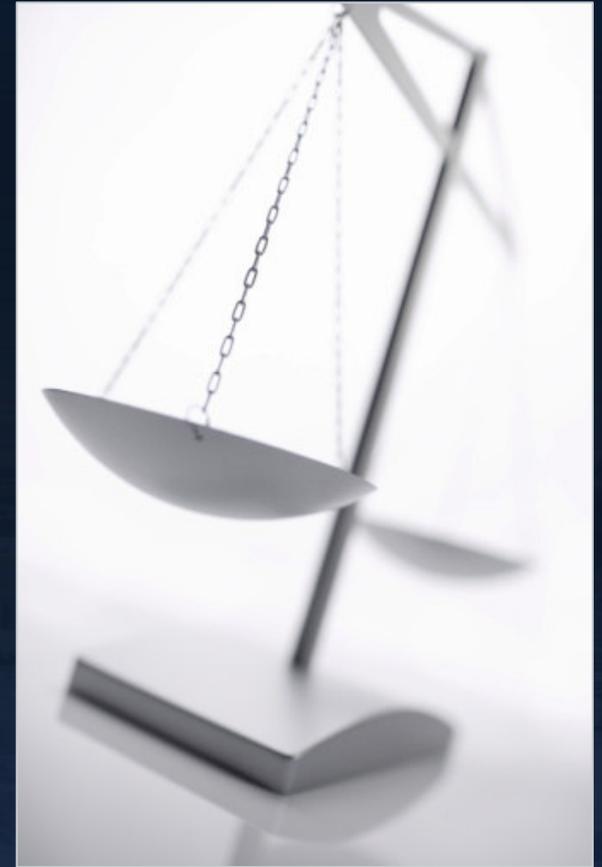


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(Gorge Area excluded)

# Lower Columbia: A Balancing Act

- New stream closures to restrict water development
- Water supply “reservations” for municipal growth
- Salmon Recovery Plan to restore fish habitat



# Water Reservation

- What is it?
  - An allowed flow depletion resulting from *new* supplies
  - Measured in CFS in a sub-basin
  - Once used, no more new water will be allocated
- Who gets it?
  - Assigned to specific water systems for future water rights; or
  - Assigned to a class of users

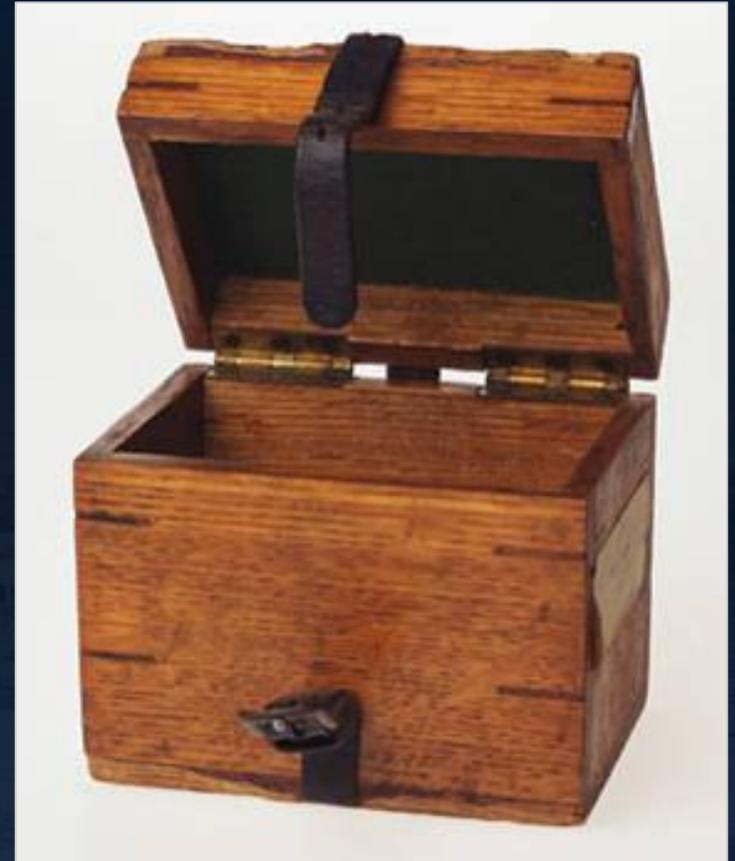
# The Lockbox



# Access to the Lockbox

- Document alternative supplies were considered
- Meet required conservation practices
- Mitigation plan to minimize flow impacts

*“...avoid, minimize, mitigate.”*



# Mitigation Procedure



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# Status Quo Procedure for Mitigation Proposals

- Mitigation proposals are authorized by Statute (90.03.255 RCW)
- No formal guidelines exist
- Each case requires guesswork and interpretation
- Outcomes inconsistent and vulnerable to appeal

# Desired Features in Mitigation Framework

- Adherence to Plan objectives
  - Make water accessible for growth at reasonable costs
  - Protect and enhance fish habitat
- Applicable to diverse proposals
- Clear and predictable requirements
- Efficient and legally defensible

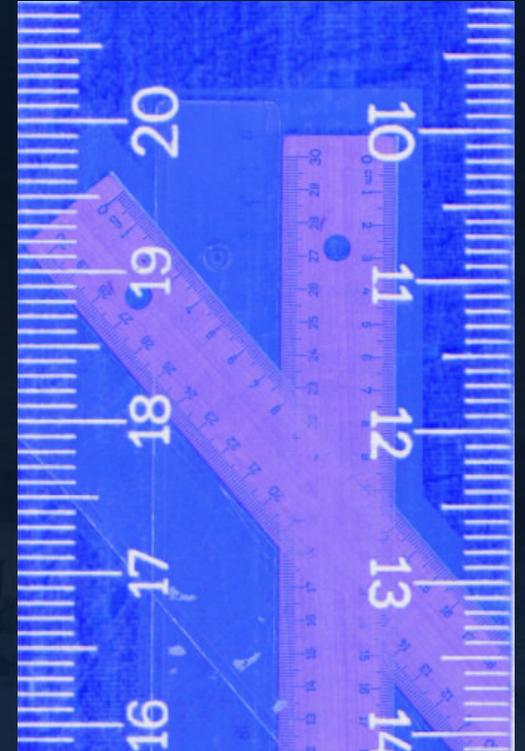


# Approach

- Provide a ***structured framework*** for dialogue and negotiation
- Support use of professional judgment, but within ***well-defined boundaries***

# Some Key Questions

1. Need a “yardstick” to compare flow depletion impacts with mitigation benefits
2. Can mitigation credit be banked for later, pooled, or transferred?
3. What is a reasonable limit on cost of mitigation?



# 1. Yardsticks

- Reviewed scoring systems from other programs
- Devised “ledger” system to score impacts against benefits
- Two categories of yardstick:
  - Flow-enhancement actions (water for water)
  - Habitat/watershed actions

# Water-for-Water Actions

- 100-point scale to allow for *relative* comparisons
  - Flow depletion always normalized to 100
  - Mitigation scored higher or lower based on judgment of relative value
- Points awarded for different attributes
  - Length of affected reach
  - habitat importance ratings (LCFRB Tiers)
  - seasonality
  - water quality
  - mainstem/tributary relationship



# Habitat/Watershed Actions

- Impact points depend on three factors:
  - Length of affected reach
  - Reach importance to fish
  - Whether flow is limiting
- Mitigation scoring differs by category:
  - Create/restore side channel habitat
  - Restore habitat with instream structures
  - Wetland restoration
  - Reconnecting floodplains to stream channel
  - Riparian plantings



# Example for Riparian Plantings

Points per acre of riparian habitat	Reach Importance to Fish Recovery		
	Tier 1	Tier 2	Tier 3-4
	Mitigation Points		
Preservation of high quality riparian habitat	4-6	3-5	1.5-3
Restoration and Preservation of low quality riparian habitat	8-12	4-6	3-5

## 2. Banking and In-lieu Payments

- Banking
  - Allow applicants to carry out mitigation any time, and use credits later
  - Allow parties to transfer credits
- In-lieu payments
  - Simplify process for small systems
  - Pool funds for larger projects with greater habitat benefits

### 3. What is a reasonable cost?

- Mitigation is limited to “practicable” actions, considering economic and logistical considerations
- How exactly should economic considerations be applied?



# Approaches Rejected

- Percentage of project cost for water development (wells, pipes, treatment)
- Economic value of water for instream purposes
- Representative costs of similar mitigation actions performed by others

# Selected Approach: Ceiling Based on Market Value

- Analogous to mitigation because it is a cost paid for access to the supply
- Simple for applicants to understand; and straightforward to administer
- Values are high enough to support substantial mitigation, but match utilities' "willingness to pay"
- Approach
  - Use actual market data on prices paid per acre-foot
  - Adjust periodically for changes in market

# Next Steps on Lower Columbia Mitigation Framework

- Adopt rule establishing closures and reservations – Summer '08
- Finalize procedures on mitigation, Fall '08
- Test procedures with actual applications submitted over time

# A Model for Other Areas?

- In Washington State
  - Without water reservations?
  - More arid locales?
  - Additional stakeholders?
- In Pacific Northwest
- Beyond?



# Questions/Discussion

Andrew Graham  
HDR Engineering  
Olympia, Washington  
(360) 570-4409  
[Andrew.Graham@hdrinc.com](mailto:Andrew.Graham@hdrinc.com)



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