

Umatilla Basin Basalt Stabilization Workgroup

Date December 17, 2018

TO: Governor Kate Brown

RE: Umatilla Basin Basalt Stabilization Workgroup Recommendations

Dear Governor Brown,

Like many rural areas in Oregon, groundwater use plays a significant role in the culture and economy of the Umatilla Basin. However, current groundwater demand exceeds supply and levels in critical groundwater areas in the Umatilla Basin have continued to decline posing a serious risk to environmental, economic, and community stability within the basin. The Umatilla Basin Basalt Stabilization Workgroup appreciates your recognition of these risks and thanks you for the opportunity to make recommendations on how groundwater levels in the Umatilla Basin can be stabilized and eventually restored.

The Umatilla Basin Basalt Stabilization Workgroup (workgroup), whose members represent the Confederated Tribes of the Umatilla Indian Reservation, basin farmers, the Northeast Oregon Water Association, Umatilla and Morrow counties, the City of Hermiston, Oregon Water Resources Department, and Eastern Regional Solutions, met three times between October, 2018, and December, 2018, to discuss the current status of critical groundwater areas in the Umatilla Basin and options to stabilize and restore groundwater levels. Because, under current regulations and with unmet demands, it is challenging to protect groundwater use that is conserved or replaced with other sources, particularly at a basin scale, the workgroup agrees that a mechanism is needed to replace basalt groundwater use with surface water use so that saved groundwater can be accounted for, much as a bank tracks savings for a depositor. Additionally, the workgroup agrees their recommendations to stabilize and restore groundwater levels in the basin need to adhere to the following principles:

- Only Columbia River water shall be used to replace basalt aquifer groundwater use;
- In no way shall the Umatilla Water Rights Settlement of the Confederated Tribes of the Umatilla Indian Reservation be negatively impacted;
- Protecting conserved or replaced groundwater (basalt banking) under existing water law is preferred (i.e. voluntary agreements);
- Municipalities need access to safe, reliable, and affordable water. Cost and benefit equity for municipal and agricultural water users needs to be considered and a funding structure needs to be developed to support the replacement of groundwater use with more expensive alternatives;
- Groundwater users who forgo allocated groundwater use or use an alternative water supply to support a basalt bank development need to have their groundwater rights protected from forfeiture;
- State regulations should not penalize water users in the basin for partnering to stabilize and restore basalt aquifers by entering into voluntary agreements.

We are fortunate in the Umatilla Basin that previous private and public infrastructure investments have provided the basin with the opportunity to stabilize and restore groundwater levels by using Columbia

River water in place of groundwater. Before this can occur at a basin-wide level water users, regulators, and other stakeholders need to know that voluntary water use agreements can successfully stabilize and restore groundwater levels, water saving efforts can be quantified, and an equitable cost-share model to replace groundwater use with surface water needs to be developed.

Recommendations

To test these issues the workgroup recommends the implementation of a five year pilot project, beginning January, 2020. The pilot project should initially focus on Stage Gulch sub-areas C, D, and H, and Butter Creek sub-area West, to align with planned water delivery projects in the basin. The anticipated outcomes of the pilot project include a list of water users signing voluntary agreements to use Columbia River water and to forego diverting conserved groundwater, stabilized groundwater levels as measured and monitored annually and reported by Oregon Water Resources Department, an equitable funding program that allows basin water users to share in the cost and benefits of groundwater stabilization and restoration, and a proven model that can be duplicated in other areas facing critical groundwater declines and that have an alternate water source available for groundwater dependent users to utilize.

The workgroup acknowledges additional consideration and direction will be required to implement the pilot project and to determine next steps based on pilot outcomes. Therefore, the workgroup recommends the pilot project be directed by a Umatilla Basin Basalt Aquifer Stabilization and Recovery Advisory Committee comprised of members representing the Confederated Tribes of the Umatilla Indian Reservation, municipalities in the basin, the Northeast Oregon Water Association, Umatilla and Morrow counties, farmers in participating critical groundwater sub-areas, the Port of Morrow, and the Oregon Water Resources Department and Eastern Regional Solutions as ex-officio members. Due to the challenging nature of issues associated with water management and the importance of collaborative solutions within the basin, the workgroup also requests the pilot project be designated as an Oregon Solutions project.

In order to implement the pilot project the workgroup requests state funding of \$500,000 per year for five years. This funding, which is contingent upon voluntary agreements to use Columbia River water to replace groundwater, will allow approximately 7,000 acre feet of groundwater per year, with a replacement cost differential of approximately \$70.00 per acre foot, to remain in place by replacing its use with Columbia River water. Pilot project administrative costs, estimated at \$10,000 per year, will be funded by basin stakeholders using non-state resources. As noted above, in return for state assistance it is anticipated the state will receive stabilized groundwater levels in critical groundwater areas participating in the pilot project, a self-funding program to stabilize and restore critical groundwater areas that can be expanded across the basin, and a proven model that can be duplicated in other basins facing critical groundwater declines where alternate water supplies are available to groundwater dependent users.

Sustainable groundwater use is critical to the long term health of communities and economies in Oregon and across the globe. Thank you for the opportunity to make recommendations on how to stabilize and restore groundwater levels in the Umatilla Basin and we hope our efforts to collaborate across stakeholder interests in the basin can continue to serve as a model for other basins in Oregon and beyond. We

appreciate your ongoing interest in the region and look forward to working with you and other state partners to find solutions for the Umatilla Basin's and Oregon's growing water challenges.

Sincerely, Umatilla Basin Basalt Stabilization Workgroup



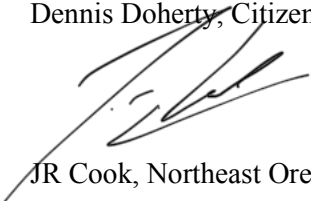
Chris Marks, Confederated Tribes of the Umatilla Indian Reservation



Darrin Ditchen, Golden Valley East LLC




Dennis Doherty, Citizen at Large



JR Cook, Northeast Oregon Water Association



Dave Drotzman, Hermiston, Mayor



Bill Elfering, Umatilla County



Don Russell, Morrow County



Courtney Crowell, Regional Solutions (Ex Officio)

cc: Mike Ladd, Oregon Water Resources Department, Region 5 Manager (Ex Officio)
Tom Byler, Oregon Water Resources Department, Director
Senator Bill Hansell
Representative Greg Smith