



NORTHEAST OREGON

WATER ASSOCIATION

LIFE DEPENDS ON WATER, WE DEPEND ON YOU.

Our CRUST Panel

- J.R. Cook, Director of NOWA and Contract Program Manager for Mid-Columbia Water Commission (overview of CRUST and local efforts to implement and maintain compliance with DOC)
- Jake Madison, Chair of Mid-C, NOWA Board member and 4th generation farmer (landowner perspective and landowner commitment)
- John Shafer, Umatilla County Commissioner and Liaison Commissioner on water matters (the local government investment pre and post CRUST)

Compressed Basin Timeline

- 1855 Treaty with the Walla Walla, Cayuse and Umatilla Tribes (Note: CTUIR Water Rights Claim is still NOT SETTLED)
- 1916 Adjudicated decree of water rights to use waters of Umatilla River and its tributaries
- 1958 First reports of water table decline in Butter Creek area
- 1976 OWRD designates Butter Creek a Critical Groundwater Area (remanded until 1986)
- 1976 Critical Groundwater Area designated by OWRD for Ordinance Basalt and Gravel
- 1977 Lost Lake/Depot well owners initiated project to artificially recharge shallow gravel aquifer using existing canal system
- 1986 Critical Groundwater Area designated by OWRD for Buttercreek Basalt (Governor Atiyeh forms first Groundwater Task Force in Region, great plan but no memorialized implementation)
- 1988 Umatilla Basin Project authorized and funded by Congress -- allows irrigators to exchange Umatilla River water for Columbia River water
- 1990 DEQ declares 352,000 acres in Umatilla and Morrow counties as a groundwater management area (GWMA) due to nitrate contamination (Note: groundwater quality designation uses different data set than OWRD data set regarding who is connected to who. Those data sets continue to be segregated today)
- 1991 Critical Groundwater Area designated by OWRD for Stage Gulch Basalt
- **2004-2008 Development of the Umatilla Sub-Basin 2050 Water Management Plan**
- **2008 Oregon Legislature passes SB 1069 authorizing \$750 K to complete a feasibility study of the Umatilla Basin Aquifer Restoration Project (A milestone in OR water planning efforts – OR and AK w/o plan but still no clarity on how to memorialize implementation)**
- **2009 Oregon legislature passes HB 3369 authorizing \$2.5 million in grants and loan funding (a milestone in state water development efforts but still no emphasis on implementing regional water sustainability efforts and implementation. Just a band aid)**
- **2010 - Umatilla Basin Water Commission (UBWC) forms to coordinate the implementation of the Umatilla Basin Aquifer Restoration Project and address basin wide needs**
- **March 2011 – Stage I of Umatilla Basin Aquifer Restoration Project Completed**
- **August 2013 – UBWC completes work authorized by IGA and dissolves due to finding that recharge can't fix everything, CRUST Declaration of Cooperation Signed**
- **August 2013 - Northeast Oregon Water Association (NOWA) forms to continue water development projects under a coordinated, comprehensive effort**
- **2013 – NOWA unveils “new” water supply plan that takes pressures off of fish rearing tributaries of the Columbia River, improves aquifer conditions and builds the local economy (legislation to memorialize implementation and accountability from the state fails)**
- **2015 – Oregon legislature approves \$11 million in funding for regional Columbia River water supply projects**
- **2015 – NOWA begins to do their best to implement the 2013 plan without structural foundation (including local funding and structure)**

THE CRUST* PROCESS: Another great plan with no capacity for success



- The CRUST Basically consolidated recommendations from 4 previous plans/efforts
 - 1986 Groundwater Task Force Report
 - 1988 Umatilla Basin Plan
 - Various plans and commitments stemming from the 1988 Umatilla Basin Exchange Act (Hatfield)
 - Umatilla Sub-Basin 2050 Plan (Adopted in 2008)
- The Basin has confirmed goals:
 - We developed a list of projects and policy needs for both the short and long term
 - We developed a list of goals and a crisp list for SUCCESS
 - We developed recommendations for structure to ensure “skin in the game to see it through”
- CRUST memorialized the above:
 - Recognized the need
 - Identified what can and can’t be supported by full consensus of state interest groups
 - Addressed a need for clarity on how we move forward
 - Recommended a pathway for long-term accountability and maintenance of interest
- In February, 2013 the CRUST was signed
 - **Implementing Legislation in 2013 (SB 846) to place same level of measurables as WA Columbia River Water Management Program (Chapter 90.90 RCW) and YBIP leg (2013) FAILS**
 - In 2015 the Umatilla Basin received \$11 million to construct projects but has since struggled to implement remaining concepts of the CRUST DOC
 - As of 2020 only 3 of 21 members who signed CRUST still in the positions that committed to the effort (institutional capacity is gone and no legislative benchmarks established to ensure that concepts are implemented)

Key CRUST Deliverables

- Develop additional water storage capacity. We need to develop both in the short and long term additional capacity for storing Columbia River water during winter months, for later use during irrigation and fish migration seasons. This strategy includes both aquifer storage and above-ground storage, primarily in Oregon. While possible joint investments in large storage sites in Washington or Idaho could become more viable over the next year, we are not recommending specific action on those options at this time.
- ☐ Improve water management. Using water more efficiently and more productively will help us get the most value in the basin from the water we have. This strategy includes greater investments in conservation practices, potential transfers of developed water rights, and improved water transaction mechanisms to move water between users and uses.
- ☐ Develop a stronger interstate approach to Columbia River water. Some options depend upon interstate agreements about protecting newly stored or conserved water as it flows through Washington or Idaho. We need the institutional capacity to develop these agreements and explore longer term opportunities for potential joint-investments in State of Washington and elsewhere in new large (up to 1 million acre-feet) water storage projects. It is also important to coordinate with discussions related to the Columbia River Treaty Review.

Summary of Effort

Development

- Testing and completion of Stage I of Umatilla Basin Aquifer Recovery Project (Now Ordinance)
- New Juniper Canyon Storage

Note: No consideration at the time on how to get water to CGA's. That is why NOWA Formed (i.e. to make sure basin fixed problems with the water and sent the water to the right places

Mitigation

- Wallowa Dam Repair
- Use of Unused, Developed Washington water
- Efficiency testing in Wallowa Basin
- Testing Umatilla River Water Transaction Program
- Agreements with State of Washington (and/or Idaho) to protect water conserved or stored in Oregon
- Interstate discussions on potential joint investments or joint utilization of water storage sites in Washington and Canada

Lack of State Memorialization of Effort lead to misinformation and confusion

- Commoditization of the resource
- Concerns of water grabs
- Lack of regional planning and coordination
- Lack of clarity and understanding on timing and commitments

Pre-CRUST Basin Coordination

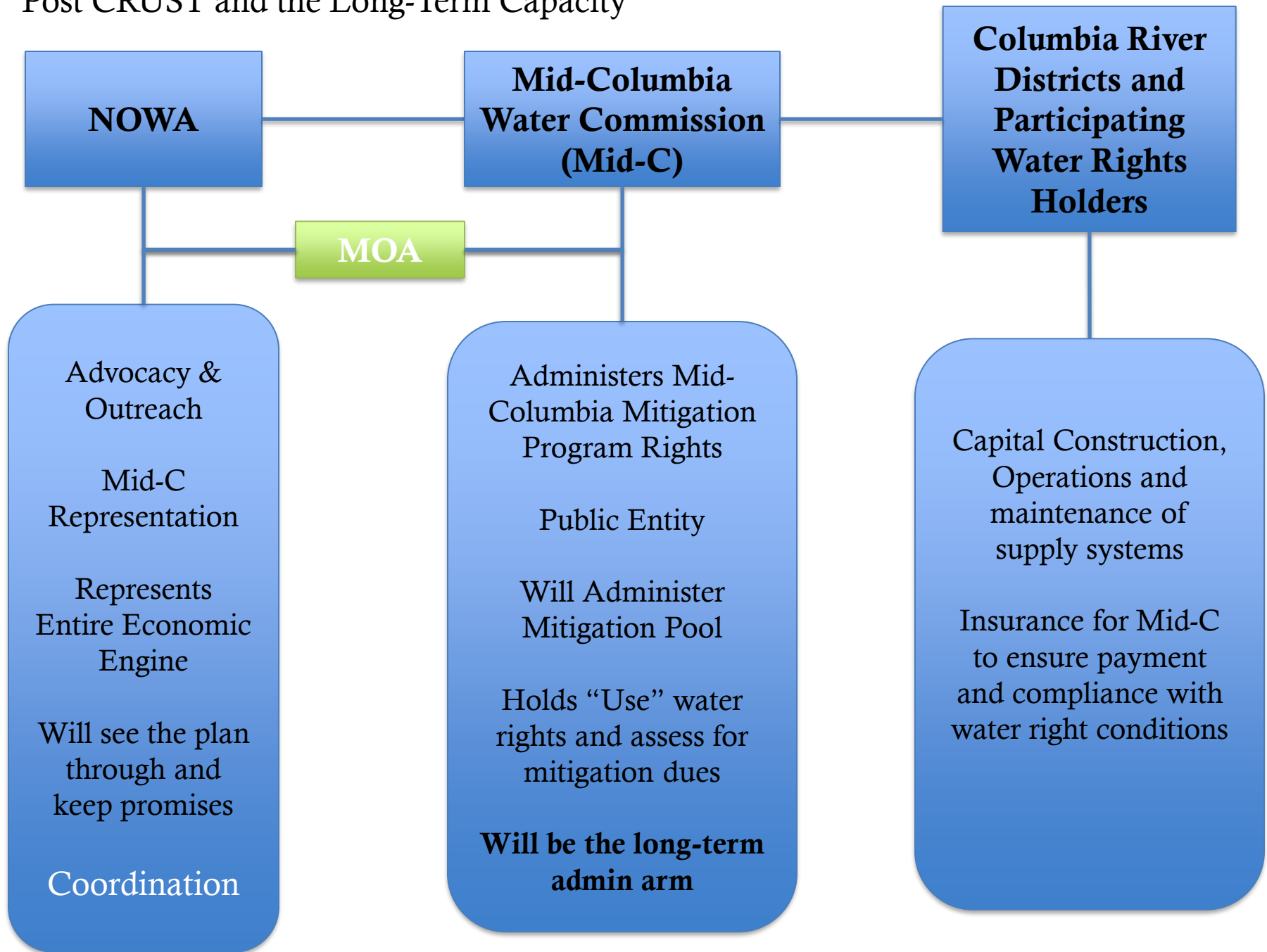
LandOwners

**Government
(Federal, Tribal,
State, Local)**

Business Owners

Interest Groups

Post CRUST and the Long-Term Capacity



What's Missing?

“Develop Oregon institutional capacity and staffing to pursue regional agreements and potential interstate investments in water development projects.

Summary: Oregon needs to provide staffing to implement the consensus actions describe in parts III, IV, and V of this Declaration. For 2013, a minimum of one new senior level position should be funded in the OWRD budget to begin building this capacity, and additional support is desirable.

“For the longer term, the Governor’s Natural Resources office will convene a work group over the interim to detail the appropriate structure and elements of a statewide program of new water storage, conservation, utilization, and instream flow protections and augmentation. That effort will include an advisory board made up of appropriate stakeholders.

Next steps:

- ☐ Oregon 2013 Legislative session budget approval
- ☐ Develop program goals and position description.
- ☐ Structured stakeholder discussion through the Governor’s Office, to develop the longer-term institutional framework for multi-use water development

Time Frame: Short term, should be implementable this next biennium.

Budget Needs: Funding for positions”

Learning from 2013 Failure and Going Forward

- We should have worked out the detail and concerns of SB 846 or vetted that out and tried to pass in 2015
- We know now what our region is and where to go (Washington and Canada)
- We know enough now to move a CRUST II effort forward and attempt to get to memorialization

The Landowner Perspective

“Our Commitment to the
Underlying Principles of CRUST”

What have landowners done the past 8 years?

- WE COMMITTED TO MITIGATION
- Invested over \$500,000 into NOWA to vet mitigation water rights, negotiate grant agreements, work with interest groups and keep each other committed
- Began working as a region (formed the EID and the Mid-C)
- Have invested over \$105 million and have a 30 year financial commitment to mitigation

Project Cost Detail

Project Component	State Funding	Local Funding	Total
Components Deemed “Qualifiable Expenses” under OWRD Grant (Project Mainlines and Pumpstations)			
Pump station and mainline Construction (West)	4,000,000	27,348,662	31,348,662
Pump station and mainline construction (East)	7,000,000	37,877,802	44,877,802
Components that are tied to project but not qualifiable expenses under the budget approved by OWRD			
Additional legal and technical costs (East)		\$1,861,402	\$1,861,402
Mitigation water rights negotiation and management		\$150,000 annually (\$750,000 over 5 years)	\$750,000
Private cost of getting water to cut-off lands (Laterals and distribution lines)		\$38,150,000	\$38,150,000
Annual Administrative Costs and 30 year straight cost (not counting project O&M)			
Water rights mapping, administrative costs and reporting (mitigation water rights only) ¹		\$600,000*30 years = \$18,000,000	\$18,000,000
Mitigation Cost (First 180 CFS) ²		+/- \$900,000 Annually	\$27,000,000
Totals			
	State	Local	
Grand Total: \$161,987,886	\$11,000,000 (7%)	\$150,987,866 (93%)	
Capital Costs: \$116,237,886³	\$11,000,000 (9%)	\$105,237,886 (91%)	
Mitigation and Mitigation Water Rights Management	0 (0%)	\$45,750,000 (100%)	

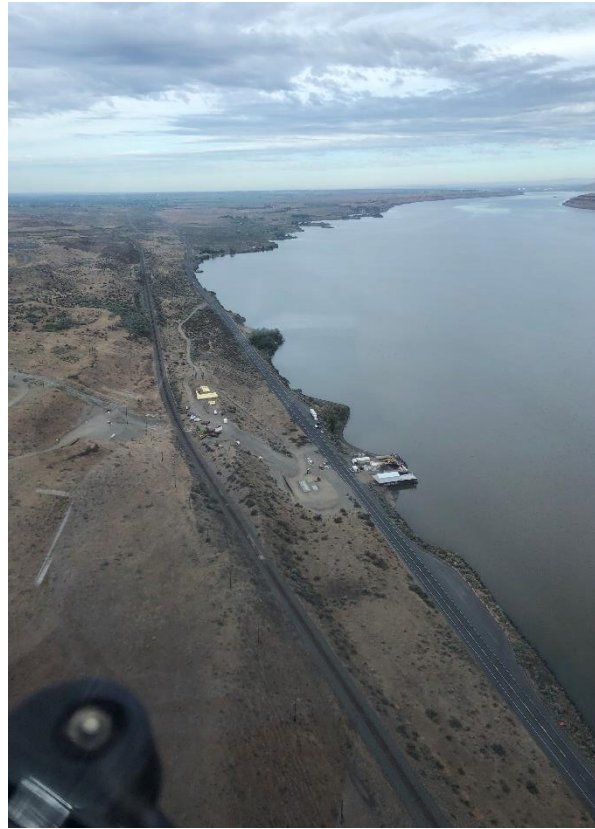
¹ This cost excludes annual transfer costs and reporting costs associated with existing water rights in the Basin (Critical Groundwater reporting, POD reporting, temporary and permanent transfers, future water bank reporting, etc.)

² Note: The Umatilla Basin needs 500 cfs (168,000 acre-feet) to fulfill its goals of basalt stabilization and sustained land base/environmental improvement

³ **NOTE: This total does not include the third and still outstanding project (The Central Project/Ordinance Project) which totals \$16 million**

WEST PROJECT (Completed: April, 2020)
\$31 Million



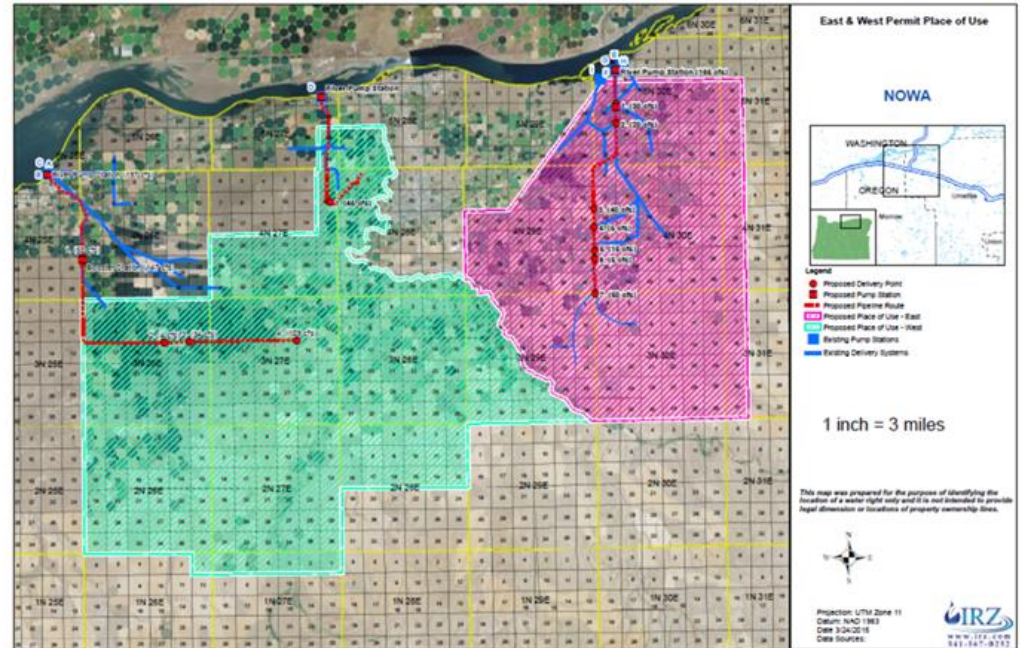


East Project (Completed: October, 2020) \$54 Million

• The Regional Map

Things We Are Proud Of

1. Every pump station on this map is a private pump station that once only served only a farm or a few farms. These stations are now used for multiple benefits and the benefit of a land base, not just a one or two farms
2. We formed and expanded districts to benefit as many of our neighbors as possible
3. We have committed to the Basalt groundwater savings and banking testing which will help all domestic and municipal basalt groundwater rights over time
4. We are working together and have taken significant risk to help the state fix our water problems while also keeping our region economically sound
5. We have stretched our dollars to the maximum (This water is as expensive as we can afford and still farm)



Our Risk

- The Mitigation Options of the CRUST lag
 - We still do not have full state approval on sources we believed would be available to serve our temporary need. This leaves our members with all of the risk and a huge bank bill
- There is no solid commitment from the state to aid our efforts to bank groundwater and invest in permanent mitigation solutions (storage, upstream efficiency, partnerships with Washington and Canada...
 - The environmental benefit side of our effort is essentially out of our hands at this point but we will be the ones blamed if these efforts do not move ahead

The County Perspective

- 1) Umatilla County invested over \$640,000 to develop the 2050 plan (local funding) between 2004 and 2008
- 2) We were a member and provided office space to the Umatilla Basin Water Commission during recharge testing in 2009 (Morrow County, Umatilla County, CTUIR and WID)
- 3) Umatilla County Commissioner Dennis Doherty was a Co-Convener of the CRUST in 2012/2013
- 4) We have invested over \$250,000 into NOWA to move CRUST forward
- 5) We have invested over \$1 million to buy the Central Project pumpstation capacity and are investing another \$2 million into the project, betting on our appropriation, to finish the 3rd and final regional water project of the CRUST/NOWA plan
- 6) We are administering the Basalt Bank funding and effort as well as have agreed to administer funding, if necessary for CRUST II

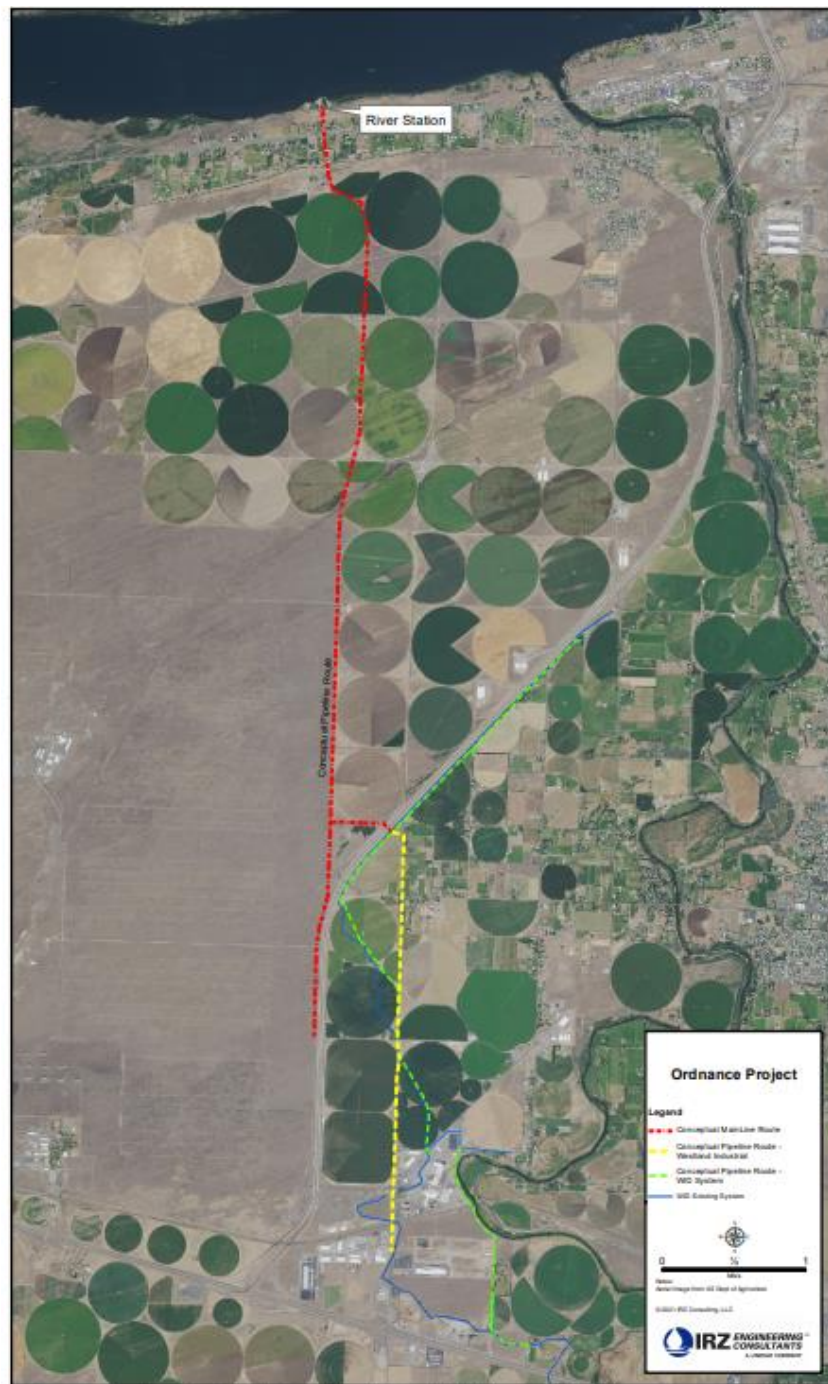


Ordinance Project Remains



Support County Construction

- \$16.9 million
 - \$1 million spent, \$2 million locked up and \$6 million currently in process
 - Federal packages being pursued for mainline and WID distribution component
- Recharge Testing
 - Identifying and seeking funding packages to test recharge and keep 2009 effort going



Our Region is Ready for CRUST II and Ordinance To MOVE FORWARD

- Local government and our business community, including our food producers, are committed
- We just need a little help and some memorialization to get us over the finish line
- Umatilla County and our neighboring Morrow County colleagues have supported the NOWA effort since before inception and the capacity of our region to finish what we started is stronger now than ever

Umatilla County and NOWA 2021 Requests

- \$6 million to fund Ordinance and consolidate groundwater studies in lower Umatilla Basin alluvial aquifers
- \$500,000 for CRUST II facilitation and completion



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