

March 24, 2015

US Fish & Wildlife Service
Attn: Gary Ball
911 NE 11th AVE
Portland, OR 97232

Dear Mr. Ball:

Re: New Water Right Application S2-30600 Revision

Public Appeal of S2-30600

This REVISED order SUPERSEDES the previous order dated December 5, 2013 to the United States Fish and Wildlife Service (USFWS). This REVISED Report of Examination (ROE) is a result of a review of the original ROE after Rodney and Mary Roeder appealed Ecology's original decision to the Pollution Control Hearings Board (PCHB) on January 6, 2014. The Roeder's asserted that the ROE failed to properly document the actual historic place of use for the USFWS domestic water system. This omission precluded the Roeder's property from being within the authorized place use for the water right and did not account for the Roeder's water use in the overall water budget put forth in the ROE. The Roeder's, Ecology, and the USFWS entered into a settlement agreement and the PCHB issued Stipulation and Agreed Order of Dismissal PCHB No. 14-003 on May 29, 2014. In exchange for voluntarily withdrawing their appeal, the Roeder's received the following concessions:

- Ecology will accept a new water right application from the Roeder's and process the application within two years.
- Ecology will not seek enforcement for water used by the Roeder's on their property during the processing of their application.
- The USFWS acknowledges the Roeder's legal authority to maintain an active connection to the USFWS domestic water system.
- The USFWS will subordinate its right to use water under Water Right Application S2-30600 to the use of water by the Roeder's.

The subordinated amount of water is limited to that which the domestic water system can convey to the Roeder's property.

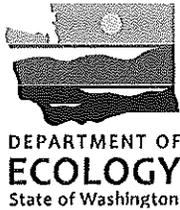
While the settlement agreement and PCHB order did not require any revisions of Water Right S2-30600, Ecology Water Resources staff deemed the issues with the ROE for Water Right S2-30600 to be substantial enough to warrant revision.

Water Right Revision

A review of the ROE for Water Right S2-30600 revealed several issues with the structure of the ROE. In a letter dated October 5, 2014, Ecology proposed an administrative fix to correct the problems discovered in the review. The issues with the original ROE are as follows:

- The portion of 0.1 cfs and 20.6 acre-feet per year (ac-ft/yr) requested for Multiple Domestic Supply using the USFWS's domestic water system is not for a new appropriation of water. This portion is wholly sourced as non-additive water from the irrigation portion of existing Water Right Certificate 5670 issued in 1950. Water Right Certificate 5670 authorizes 0.11 cfs for the irrigation of 10 acres and multiple domestic supply. A site visit conducted on September 25, 2014 concluded that less than two acres of the originally authorized 10 acres under Water Right Certificate 5670 have not been consistently irrigated in at least the last five years. The remaining unirrigated acres have been effectively relinquished due to non-use.
- Water sourced for Multiple Domestic Supply by S2-30600 proposed to use water from Water Right Certificate 5670 that was previously perfected as water for irrigation purposes. The purpose of use for a perfected water right cannot be changed using a new water right application.
- Water sourced for Multiple Domestic Supply by S2-30600 proposed to use water from Water Right Certificate 5670 that was previously perfected under a place of use of 40 acres. The place of use for a perfected water right cannot be enlarged from 40 acres to 380 acres using a new water right application.
- The Multiple Domestic Supply purpose of S2-30600 incorrectly combines water usage from the employee housing and hatchery facility. Ecology considers all water used at the hatchery facility to be for Fish Propagation purposes. These two water uses need to be separated on the cover sheet to reflect actual purposes of use.
- The ROE for S2-30600 does not differentiate which purpose of use each source is associated with.
- The metering requirements presented in the ROE for S2-30600 do not specify the placement and quantity of meters required on the domestic water system.

The main actions taken by Ecology are to split S2-30600 into two separate water rights to isolate the two different water sources and not to allocate non-additive irrigation water from Water Right Certificate 5670 for the domestic water system. Water Right S2-30600 will retain the Un-named Creek (Hillside Spring) for Fish Propagation purposes. New Water Right S2-30648 will contain the Un-named Spring used for the domestic water system and will amend the purposes of water use under the domestic system.



State of Washington
SUPERSEDING REPORT OF EXAMINATION
FOR WATER RIGHT APPLICATION

File No. S2-30600
WAC Doc ID: 5357983

| | |
|--|--|
| PRIORITY DATE August 6, 2012 | APPLICATION NUMBER S2-30600 |
| MAILING ADDRESS U.S. Fish & Wildlife Service 911 NE 11 th Avenue Portland, OR 97232 | SITE ADDRESS (IF DIFFERENT) U.S. Fish & Wildlife Service 56961 State Route 14 Cook, WA 98605 |

Quantity Authorized for Withdrawal or Diversion

| DIVERSION RATE | UNITS | ANNUAL QUANTITY (AF/YR) |
|----------------|-------|-------------------------|
| 1.5 | CFS | Non-Consumptive |

Purpose

| PURPOSE | WITHDRAWAL OR DIVERSION RATE | | | ANNUAL QUANTITY (AF/YR) | | PERIOD OF USE (mm/dd) |
|------------------|------------------------------|--------------|-------|-------------------------|--------------|-----------------------|
| | ADDITIVE | NON-ADDITIVE | UNITS | ADDITIVE | NON-ADDITIVE | |
| Fish Propagation | 1.5 | 0.0 | CFS | Non-consumptive | 0.0 | Year-round |

Source Location

| WATERBODY | TRIBUTARY TO | COUNTY | WATER RESOURCE INVENTORY AREA |
|----------------|-----------------|----------|-------------------------------|
| Un-named creek | L. White Salmon | Skamania | 29 |

| SOURCE FACILITY/DEVICE | PARCEL | TWN | RNG | SEC | QQ Q | LATITUDE | LONGITUDE |
|-------------------------------------|----------------|-----|-----|-----|-------|------------|-------------|
| Un-named creek (Hillside Spring) | 03092600020000 | 3N | 9E | 26 | SE NW | 45°43'12"N | 121°38'42"W |

Datum: WGS84

Place of Use (See Map, Attachment 1)

PARCEL
Parcel Nos. 03092600020000, 03092600030000, and 03092600060000 all within portions of Section 26 of T3N, R9E, Skamania County

LEGAL DESCRIPTION OF AUTHORIZED PLACE OF USE
See attached map.

Proposed Works

Water for fish hatchery usage is diverted from an unnamed stream (Hillside Spring) into a collection box located approximately 100 feet west of the hatchery administration building through an existing

14-inch diameter pipeline to the hatchery buildings, with return flow water being returned to the Little White Salmon River. The diverted water from this water source goes into a mixing box, which also receives water from three other sources, Bailey Spring, Roadside Spring, and the Little White Salmon River.

| Development Schedule | | |
|-----------------------------|------------------|-----------------------|
| BEGIN PROJECT | COMPLETE PROJECT | PUT WATER TO FULL USE |
| January 1, 2016 | January 1, 2018 | January 1, 2020 |

| Measurement of Water Use | |
|---|--------------------------------------|
| How often must water use be measured? | Weekly |
| How often must water use data be reported to Ecology? | Annually |
| What volume should be reported? | Total Annual Volume |
| What rate should be reported? | Annual Peak Rate of Withdrawal (cfs) |

Provisions

Measurements, Monitoring, Metering, and Reporting

An approved measuring device shall be installed and maintained for each of the sources identified by this water right in accordance with the rule "Requirements for Measuring and Reporting Water Use," WAC 173-173, which describes the requirements for data accuracy, device installation and operation, and information reporting. It also allows a water user to petition the Department of Ecology for modifications to some of the requirements.

Recorded water use data shall be submitted via the Internet. To set up an Internet reporting account, contact the Ecology Southwest Regional Office. If you do not have Internet access, you can still submit hard copies by contacting the Regional Office for forms to submit your water use data.

Department of Fish and Wildlife Requirement(s)

The intake(s) shall be screened in accordance with Department of Fish and Wildlife screening criteria (pursuant to RCW 77.57.010, RCW 77.57.070, and RCW 77.57.040). Contact the Department of Fish and Wildlife, 600 Capitol Way N, Olympia, WA 98501-1091. Attention: Habitat Program, Phone: (360) 902-2534 if you have questions about screening criteria. <http://wdfw.wa.gov/about/regions/>
 A permit from the Department of Fish and Wildlife may be needed to raise fish in any state waters: <http://wdfw.wa.gov/about/regions/>.

Proof of Appropriation

The water right holder shall file the notice of Proof of Appropriation of water (under which the certificate of water right is issued) when the permanent distribution system has been constructed and the quantity of water required by the project has been put to full beneficial use. The certificate will reflect the extent of the project perfected within the limitations of the permit. Elements of a proof inspection may include, as appropriate, the source(s), system instantaneous capacity, beneficial use(s), annual quantity, place of use, and satisfaction of provisions.

Schedule and Inspections

Department of Ecology personnel, upon presentation of proper credentials, shall have access at reasonable times, to the project location, and to inspect at reasonable times, records of water use, wells, diversions, measuring devices and associated distribution systems for compliance with water law.

Findings of Facts

Upon reviewing the investigator’s report, I find all facts, relevant and material to the subject application, have been thoroughly investigated. Furthermore, I concur with the investigator that water is available from the source in question; that there will be no impairment of existing rights; that the purpose(s) of use are beneficial; and that there will be no detriment to the public interest.

Therefore, I ORDER approval of Application No.S2-30643, subject to existing rights and the provisions specified above.

Your Right To Appeal

You have a right to appeal this Order to the Pollution Control Hearing Board (PCHB) within 30 days of the date of receipt of this Order. The appeal process is governed by Chapter 43.21B RCW and Chapter 371-08 WAC. "Date of receipt" is defined in RCW 43.21B.001(2).

To appeal you must do the following within 30 days of the date of receipt of the Order.

- File your appeal and a copy of this Order with the PCHB (see addresses below). Filing means actual receipt by the PCHB during regular business hours.
- Serve a copy of your appeal and this Order on Ecology in paper form - by mail or in person. (See addresses below.) E-mail is not accepted.

You must also comply with other applicable requirements in Chapter 43.21B RCW and Chapter 371-08 WAC.

| Street Addresses | Mailing Addresses |
|--|---|
| Department of Ecology Attn: Appeals Processing Desk 300 Desmond Drive SE Lacey, WA 98503 | Department of Ecology Attn: Appeals Processing Desk PO Box 47608 Olympia, WA 98504-7608 |
| Pollution Control Hearings Board 111 Israel RD SW STE 301 Tumwater, WA 98501 | Pollution Control Hearings Board PO Box 40903 Olympia, WA 98504-0903 |

Signed at Olympia, Washington, this 24th day of March 2015.

Michael J. Gallagher
Michael J. Gallagher, Section Manager

For additional information visit the Environmental Hearings Office Website: <http://www.eho.wa.gov>. To find laws and agency rules visit the Washington State Legislature Website: <http://www1.leg.wa.gov/CodeReviser>.

BACKGROUND

Appeal

This Report of Examination (ROE) was appealed to the Pollution Control Hearings Board in January 2014. A subsequent review of this ROE by Water Resources staff revealed the need to restructure this water right. This was accomplished by splitting the two sources of water (Un-named Creek & Un-named Spring) from the original water right into two different water rights (S2-30600 & S2-30648). The cover sheet now reflects only the non-consumptive water approved for fish propagation sourced from the un-named creek. In addition, the Recommendation section at the end of this ROE has been edited to remove quantities of water for the domestic water system.

Cost Reimbursement

This application is being processed under a cost reimbursement agreement between the applicant and the Department of Ecology (Ecology). This report has been prepared by HDR Engineering, Inc. (HDR) under Ecology Cost-Reimbursement Agreement No. HDR009 (Master Contract No. C1000189). The Work Assignment for this project was authorized by Ecology on March 19, 2013.

Project Description/Intent of Application

This application was filed by the U.S. Fish & Wildlife Service (applicant) for their existing Little White Salmon Fish Hatchery in Skamania County. This application is for two different sources: one from an un-named spring for multiple domestic supply for the hatchery, administrative facilities, and residences, and the other source for water used from an un-named creek designated by the applicant as Hillside Spring for fish hatchery usage.

Multiple Domestic Supply

One intent of this application is to document the current place of use for the water usage for domestic supply since the place of use for domestic supply has expanded over the years as more hatchery buildings and housing units have been constructed.

Water is diverted from an un-named spring located approximately ¼ mile north of the main hatchery buildings through a 6-inch pipeline, to a storage tank and treatment facilities and then to a distribution system to six residences and all the hatchery-related facilities that use water for multiple domestic supply.

Fish Hatchery Usage

Although the water from the Hillside Spring source that is used for fish hatchery usage was the initial source that was used for this fish hatchery which began operation in 1896, no water right has ever been issued for this source. Therefore, another intent of this application is to obtain a water right for this long-standing use of water from this source for fish hatchery usage. In addition, the applicant's intention is to document that the entire property owned by the applicant is the place of use for the fish hatchery water usage. Since there is no existing water right for this source, it is considered to be an additive water right if approved.

The water for fish hatchery usage is diverted from an un-named stream (Hillside Spring) into a collection box located approximately 100 feet west of the hatchery administration building and approximately 200 feet upstream of the confluence with the Little White Salmon River, through an existing 14-inch diameter pipeline to a mixing box and then to the hatchery buildings, with return flow water being returned to the Little White Salmon River. The diverted water from this water source, which is called

Hillside Spring by the applicant, goes into a mixing box, which also receives water from three other sources: Bailey Spring, Roadside Spring, and the primary source, which is the Little White Salmon River.

The annual quantities applied for as shown in the following table is based on a continuous diversion of the two instantaneous quantities that were applied for.

Table 1. Summary of Application No. S2-30600

| Attributes | Proposed |
|-----------------------------|---|
| Applicant | U.S. Fish & Wildlife Service |
| Application Received | August 6, 2012 |
| Instantaneous Quantity (Qi) | 0.1 cfs for multiple domestic supply 1.5 cfs for fish hatchery usage |
| Annual Quantity (Qa) | 73 acre-feet per year (AF/YR) for domestic supply 1,095 AF/YR for fish hatchery usage |
| Source | Spring/ Unn. stream tributary to L. White Salmon R. |
| Point of Diversion | NENW and SENW Section 26, T 3N, R 9E |
| Purpose of Use | Multiple domestic supply, fish hatchery usage |
| Period of Use | Year round |
| Place of Use | Parcel Nos. 03092600020000, 03092600030000, 03092600060000, and 03092600070000, all within portions of Section 26, T. 3N, R 9E. |

Legal Requirements for Application Processing

The following requirements must be met prior to processing a water right application:

Public Notice

Public notice of the application was given in the Skamania County Pioneer, published in Skamania County on September 5 and September 12, 2012. There were no comments or protests received during the 30-day protest period following the last date of publication.

State Environmental Policy Act (SEPA)

A water right application is subject to a SEPA threshold determination (i.e., an evaluation whether there are likely to be significant adverse environmental impacts) if any one of the following conditions are met.

- (a) It is a surface water right application for more than 1 cubic feet per second, unless that project is for agricultural irrigation, in which case the threshold is increased to 50 cubic feet per second, so long as that irrigation project will not receive public subsidies
- (b) It is a groundwater right application for more than 2,250 gallons per minute
- (c) It is an application that, in combination with other water right applications for the same project, collectively exceed the amounts above

- (d) It is a part of a larger proposal that is subject to SEPA for other reasons (e.g., the need to obtain other permits that are not exempt from SEPA)
- (e) It is part of a series of exempt actions that, together, trigger the need to do a threshold determination, as defined under WAC 197-11-305.

This application is for 1.6 cfs so it does exceed the 1 cfs in (a) above, so it therefore is not categorically exempt from SEPA based on this criteria. The applicant was contacted related to the SEPA requirement since this application is not categorically exempt from SEPA.

The applicant stated in their response that since they are a federal agency, they are required to comply with the National Environmental Policy Act (NEPA) provisions specified in the Code of Federal Regulations (CFR). The applicant provided a copy of pertinent provisions of the CFR, including 40 CFR 1508.4(1), where Categorical Exclusions (CX) for NEPA are addressed and which states that "Categorical exclusions are defined as a group of actions that would have no significant individual or cumulative effect on the quality of the human environment and, for which in the absence of extraordinary circumstances, neither an environmental assessment nor an environmental impact statement is required."

Based on the actions associated with this application which is an application for an existing use of water, with no additional water planned to be used than what is presently being used, and with the majority of the water for this application being non-consumptive, the applicant has determined that this action is a categorical exclusion under NEPA.

INVESTIGATION

Site Visit

The following information was obtained from the applicant, Ecology, and a site inspection conducted by Jerry Louthain of HDR on May 14, 2013 with the applicant's representative, Casey Risley, who is the Hatchery Manager for this facility. Additional information relating to this application was provided by the applicant following the site visit.

Other Water Rights Appurtenant to the Proposed Place of Use

The applicant has a number of existing water rights for this fish hatchery. Information on these water rights is shown in the following table.

Table 2. Summary of Existing Water Rights

| Water Right | Priority Date | Qi | Qa | Source | Purpose |
|--------------|---------------|-----------|----------------|--------------|---------------------------------|
| SW Cert 1193 | 12/12/1921 | 4.456 cfs | N/A | L. W. Salmon | Fish Prop. |
| SW Cert 1385 | 6/12/1939 | 15.6 cfs | N/A | L. W. Salmon | Fish Prop. |
| SW Cert 4505 | 3/8/1949 | 34.4 cfs | N/A | L. W. Salmon | Fish Prop. |
| SW Cert 5670 | 9/19/1950 | 0.11 cfs | N/A | Unn. spring | Domestic sup. Irrig. Of 10A. |
| SW Cert 7068 | 7/20/1956 | 18.0 cfs | N/A | L. W. Salmon | Fish Prop. |
| SW Cert 8220 | 6/20/1960 | 3.0 cfs | N/A | Unn. springs | Fish Prop. |
| G2-29251C | 7/19/1995 | 300 gpm | 323 (non-cons) | Well | Fish Prop. |

Surface Water Certificate No. 5670 has the same spring source as the portion of this application for multiple domestic supply. The instantaneous quantity (Qi) of 0.11 cfs for SW Certificate 5670 is essentially the same as the subject application, so any Qi approved under this application for multiple domestic supply would be non-additive. Since there is no annual quantity limitation shown on SW Certificate No. 5670, any annual quantity approved for multiple domestic supply under this application would also be considered as non-additive.

The subject application was filed for multiple domestic supply since the current place of use for domestic supply covers a much larger area than the place of use described as the NW ¼ SW ¼ for SW Certificate 5670 when it was issued in 1950. The current place of use for domestic supply includes several parcel numbers which total approximately 380 acres, as compared to the 40 acres described as the place of use for SW Certificate 5670.

The irrigation portion of SW Certificate 5670 is for irrigation of lawns and garden areas for the residences and the common areas around the hatchery buildings. A separate pipeline of untreated water from this same spring source is used for distribution of irrigation water to these areas. All of the other water rights listed above are for different sources than the two sources associated with this application.

History of Water Use

Water has been used every year since the operation of this fish hatchery began in 1896. The applicant provided a copy of their meter reading records of daily water usage since April 2003 for the domestic supply source. From these records, the average annual water usage for the 8-year period between December 2003 and December 2011 was 60,280,491 gallons, which is equivalent to 18.5 acre-feet per year. The maximum annual water usage during this period was 6,725,332 gallons between December 2006 and December 2007. This is equivalent to 20.6 acre-feet per year.

The applicant has no records of the rate of diversion from the un-named spring for domestic supply.

Only limited records are available for the instantaneous quantity diverted from Hillside Spring for fish hatchery usage. The applicant stated that the applied-for diversion rate of 1.5 cfs, which is equivalent to approximately 675 gallons, is the maximum recorded rate of diversion from the Hillside Spring source. As stated above, there are three other sources of water used for fish propagation, with the principal source being the Little White Salmon River.

Table 2 shows the existing water rights for this hatchery from the Little White Salmon and other un-named springs. These two other sources and the Hillside Springs source for this application make up the three sources that are used in combination for the hatchery. Since there is no existing water right for the Hillside Spring source, any instantaneous amount approved under this application would be additive to the existing water rights.

As stated above, the water usage for fish propagation is non-consumptive, since this water is all returned to the Little White Salmon River.

Current Use and Proposed Water Use

The current use is described above and is the same as the proposed water use. No additional use of water is planned at this time.

Impairment Considerations

There are no other surface or ground water rights in the vicinity that could be impaired by this water use, since this water use is essentially at the mouth of the Little White Salmon River drainage area. The reach of this drainage area that is downstream of this existing water use is in a pool area of the Columbia River, known as Drano Lake. There are no existing downstream water users in the Little White Salmon River drainage area.

Beneficial Use

The use of water for multiple domestic supply and fish hatchery purposes is defined in statute as beneficial uses of water (RCW 90.54.020(1)).

Public Interest Considerations

Phil Crane of Ecology's Southwest Regional Office had an email exchange in June 2012 with Steve Boessow, Washington State Department of Fish and Wildlife (WDFW) Instream Flow Biologist, to determine if there were any concerns by WDFW related to this application. Mr. Boessow concluded that there is likely no impact to the fisheries resource as a result of using water based on this application, since the proposed water source is non-fish bearing and drains directly to the Little White Salmon River at Drano Lake and the Columbia River, which backs up water near this hatchery. There were also no protests filed or objections made to the approval of this application.

Therefore, approval of this application is not considered to be detrimental to the public welfare.

Four Statutory Tests

This Report of Examination evaluates the application based on the information presented above. To approve the application, Ecology must issue written findings of fact and determine that each of the following four requirements of RCW 90.03.290 has been satisfied:

1. The proposed appropriation would be put to a beneficial use
2. Water is available for appropriation
3. The proposed appropriation would not impair existing water rights
4. The proposed appropriation would not be detrimental to the public welfare.

CONCLUSIONS

The conclusions based on the above investigation are as follow:

1. The proposed appropriation for multiple domestic supply and fish hatchery usage are beneficial uses of water
2. The approved quantities are available for appropriation
3. This new appropriation will not impair senior water rights
4. This new appropriation will not be detrimental to the public welfare.

RECOMMENDATION

Based on the information presented above, the author recommends that this request for a water right be approved in the amounts described below, and within the limitations, and provisions on pages 1 through 3 of this report.

Purpose of Use and Authorized Quantities

The amount of water recommended is a maximum limit and the water user may only use that amount of water within the specified limit that is reasonable and beneficial:

1.5 cfs (non-consumptive) from Hillside Spring for fish hatchery usage.

Point of Diversion:

1) Fish hatchery -SE ¼ NW ¼ Section 26, Township 3 North, Range9.E.W.M

Place of Use: As referenced on Page 2 of this Report of Examination and shown in ATTACHMENT 1.

ATTACHMENT 1 - Points of diversion and Place of Use for Application No. S2-30600

Report by:  3/20/15
Jerry Louthain, P.E. Date
HDR Engineering, Inc.

Reviewed by:  3/24/15
Matthew K. Rakow, LG Date
Ecology Water Resources Program

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