



State of Washington REPORT OF EXAMINATION FOR WATER RIGHT CHANGE

PRIORITY DATE November 22, 1980	WATER RIGHT NUMBER G3-26738C
MAILING ADDRESS DIAMOND LAKE WATER & SEWER DISTRICT 172 S. SHORE ROAD NEWPORT, WA 99156	SITE ADDRESS (IF DIFFERENT)

Total Quantity Authorized for Withdrawal or Diversion

WITHDRAWAL OR DIVERSION RATE	UNITS	ANNUAL QUANTITY (AF/YR)
10	GPM	10.8

Purpose

PURPOSE	WITHDRAWAL OR DIVERSION RATE			ANNUAL QUANTITY (AF/YR)		PERIOD OF USE
	ADDITIVE	NON-ADDITIVE	UNITS	ADDITIVE	NON-ADDITIVE	(mm/dd)
Municipal	10	---	---	10.8	---	01/01 - 12/31

Source Limitations

SOURCE FACILITY/DEVICE	A S	WITHDRAWAL OR DIVERSION RATE	ANNUAL QUANTITY (AF/YR)	PERIOD OF USE
Well S02, S03, S06	10	10	10.8	01/01 - 12/31

Source Location

COUNTY	WATERBODY	TRIBUTARY TO	WATER RESOURCE INVENTORY AREA
Pend Oreille	3 Wells		55-Little Spokane

SOURCE FACILITY/DEVICE	PARCEL	WELL TAG	TWP	RNG	SEC	QQ Q	LATITUDE	LONGITUDE
Well S02	---	AHC036	30 N	44 E	02	SESE	N 48.12118	117.20196
Well S03	443002-55-9030	AHC035	30 N	44 E	02	SESE	N 48.12262	117.19902
Well S06	--	ACC605	30 N	44 E	02	SESE	N 48.12118	117.20196

Datum: WGS84

Place of Use (See Attached Map)

LEGAL DESCRIPTION OF AUTHORIZED PLACE OF USE

The place of use (POU) of this water right is the service area described in the most recent Water System Plan/Small Water System Management Program approved by the Washington State Department of Health, so long as the water system is and remains in compliance with the criteria in RCW 90.03.386(2). RCW 90.03.386 may have the effect of revising the place of use of this water right.

Proposed Works

3 wells, pumps, reservoirs, distribution system

Development Schedule

BEGIN PROJECT	COMPLETE PROJECT	PUT WATER TO FULL USE
Begun	7/1/2014	7/1/2021

Measurement of Water Use

How often must water use be measured?	Bi-weekly
How often must data be reported to Ecology?	Upon Request by Ecology
What volume should be reported?	Total Annual Volume
What rate should be reported?	Annual Peak Rate of Withdrawal (gpm)
Bi-weekly means every two weeks	

Provisions

The total combined withdrawal under Diamond Lake Water & Sewer District water rights are limited to 520 gallons per minute and 822.5 acre-feet per year, continuously, for municipal supply.

Wells, Well Logs and Well Construction Standards

The unused well (Well S04) shall be decommissioned in accordance with Chapter 173-160-381 WAC.

All wells constructed in the state must meet the construction requirements of WAC 173-160 titled "Minimum Standards for the Construction and Maintenance of Wells" and RCW 18.104 titled "Water Well Construction". Any well which is unusable, abandoned, or whose use has been permanently discontinued, or which is in such disrepair that its continued use is impractical or is an environmental, safety or public health hazard must be decommissioned.

All wells must be tagged with a Department of Ecology unique well identification number. If you have an existing well and it does not have a tag, please contact the well-drilling coordinator at the regional Department of Ecology office issuing this decision. This tag must remain attached to the well. If you are required to submit water measuring reports, reference this tag number.

Installation and maintenance of an access port as described in WAC 173-160- 291(3) is required.

Measurements, Monitoring, Metering and Reporting

An approved measuring device must 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.

Water Use Efficiency

Use of water under this authorization will be contingent upon the water right holder's maintenance of efficient water delivery systems and use of up-to-date water conservation practices consistent with established regulation requirements and facility capabilities.

Proof of Appropriation

The water right holder must 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 water right. 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, will 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.

Real Estate Excise Tax

This decision may indicate a Real Estate Excise Tax liability for the seller of water rights. The Department of Revenue has requested notification of potentially taxable water right related actions, and therefore will be given notice of this decision, including document copies. Please contact the state Department of Revenue to obtain specific requirements for your project. Phone: (360) 570-3265. The mailing address is: Department of Revenue, Real Estate Excise Tax, PO Box 47477, Olympia WA 98504-7477. Internet: <http://dor.wa.gov/>. E-mail: REETSP@DOR.WA.GOV.

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 there will be no impairment of existing rights.

Therefore, I ORDER approval of Application No. CG3-26738C@1, 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).

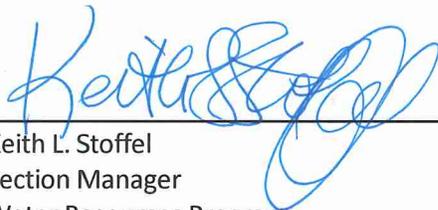
To appeal you must do the following within 30 days of the date of receipt of the Order.

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
<p>Department of Ecology Attn: Appeals Processing Desk 300 Desmond Drive SE Lacey, WA 98503</p>	<p>Department of Ecology Attn: Appeals Processing Desk PO Box 47608 Olympia, WA 98504-7608</p>
<p>Pollution Control Hearings Board 1111 Israel RD SW Ste 301 Tumwater, WA 98501</p>	<p>Pollution Control Hearings Board PO Box 40903 Olympia, WA 98504-0903</p>

Signed at Spokane, Washington, this 15th day of November, 2011.



Keith L. Stoffel
 Section Manager
 Water Resources Program

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>.

INVESTIGATOR'S REPORT
 Water Resources Program – Eastern Regional Office
 Water Right Control Number CG3-26738C@1

BACKGROUND

An application for change/transfer was submitted by the Diamond Lake Water & Sewer District (DLWSD) of Newport, Washington to the Department of Ecology on February 2, 2007. The District proposes to change one point of withdrawal, add two (2) points of withdrawal, change the purpose of use and change the place of use as granted under Ground Water Certificate No. G3-26738C.

Attributes of the Existing Water Right and Proposed Change

Change Application Filed: February 2, 2007

Attributes	Existing Water Right	Proposed Changes
Number	G3-26738C	CG3-26738C@1
Name	Diamond Lake Sewer Dist	Diamond Lake Water & Sewer District
Priority Date	November 22, 1980	***
Instantaneous Quantity	10 gpm	***
Annual Quantity	16 af/yr (See provision on Certificate)	10.8 af/yr
Purpose of Use	Community Domestic Supply	Municipal Supply
Period of Use	Continuous	***
Point(s) of Withdrawal	A well (S04)	3 wells (S02, S03, S06)
Place of Use	See Certificate	Municipal Water Supplier – RCW 90.03.386(2)

*** No change

Existing Sources of Withdrawal or Diversion

Source Name	Parcel	Well Tag	Twp	Rng	Sec	QQ	Latitude	Longitude
Well S04	---		31N	45 E	31	NE¼SE¼		

Proposed Sources of Withdrawal or Diversion

Source Name	Parcel	Well Tag	Twp	Rng	Sec	QQ	Latitude	Longitude
Well S02	---	AHC036	30 N	44 E	02	SE¼SE¼	N 48.12118	117.20196
Well S03	443002-55-9030	AHC035	30 N	44 E	02	SE¼SE¼	N 48.12262	117.19902
Well S06	---	AHC605	30 N	44 E	02	SE¼SE¼	N 48.12118	117.20196

Public Notice

RCW 90.03.280 requires that notice of a water right application be published once a week, for two consecutive weeks, in a newspaper of general circulation in the area where the water is to be stored, diverted and used. Notice of this application was published in the Newport Miner on April 18 and 25, 2007. No protests were received.

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.

Because this application does not meet any of these conditions, it is categorically exempt from SEPA and a threshold determination is not required.

INVESTIGATION

In considering the proposed application, the investigation included, but was not limited to, research and review of (1) appropriate rules and statutes; (2) Existing Diamond Lake Water & Sewer District water rights and other rights/claims/applications in the vicinity; (3) water well reports for the applicant's well; (4) USGS topographic maps; (5) Meeting with District officials and consultants; and (6) discussions with Department of Ecology regional program staff; including review by Ecology hydrogeologists.

A field investigation was conducted by Gene Drury on August 11, 2011 with Ray King - DLSWD Commissioner, Darwin "Buck" Cole – DLSWD Senior Operator and Kevin Koesel – Engineer for James A. Sewell & Associates. DLSWD is located at Diamond Lake in Pend Oreille County approximately 7 miles southwest of Newport, WA. It was noted that the project has started as District Wells #S02, #S03 and S06 are in place and water is being pumped for municipal supply purposes. At this time DLSWD has approximately 528 water service connections.

History of Water Use

Ground Water Certificate G3-26738C was issued to the District on October 17, 1984 for continuous community domestic supply. Under this right, the District provided water to 13 lots within Smith Estates Replat and 12 lots within the 1st Addition to Smith Estates for a total of 25 lots. The 25 lots were

allocated 0.9 acre-feet per year per lot. The proof examination conducted in 1984 authorized 16 acre-feet under this G3-26738 and 11.7 acre-feet under G3-26439. However the total withdrawal under both could not exceed 22.5 acre-feet for the 25 lots. The District transferred the use from this well (S04) to its existing wells and claims it has maintained the water right by continuing to provide water to the original place of use. The District is considered a municipal water supplier and provides water for "municipal water supply purposes" as defined under RCW 90.03.015(4). The 10.8 acre-feet per year under this right has been perfected and placed to beneficial use therefore, the purpose of use under this right will be changed from "community domestic supply" to "municipal supply purposes".

The place of use is being changed as per RCW 90.03.386(2) which states in part: "The effect of the department of health's approval of a planning or engineering document that describes a municipal water supplier's service area under chapter 43.20 RCW, or the local legislative authority's approval of service area boundaries in accordance with procedures adopted pursuant to chapter 70.116 RCW, is that the place of use of a surface water right or groundwater right used by the supplier includes any portion of the approved service area that was not previously within the place of use for the water right if the supplier is in compliance with the terms of the water system plan or small water system management program."

The District currently has a total of three wells which are indentified as Wells S02, S03 and S06. Well S02 currently has no pump but the District intends to keep the well for monitoring and in case of emergency or failure of the other wells. Well S06 was drilled as a replacement for when S02 contained high iron and dropped off a bit in production. Well S06 is located adjacent to Well S02 and within the same legal description. Well S06 and S03 are the primary water sources and the water is blended before delivery. Both wells currently pump around 250 gallon per minute. The District's current reservoir capacity is 350,000 gallons. In 2008, the District pumped a total of 59,269,600 gallons (or 182 acre-feet).

Other Water Rights

A review of Ecology records was conducted for existing water rights in the vicinity of the points of withdrawal located in the SE $\frac{1}{4}$ of Sec. 2, T. 30 N., R. 44 E.W.M.

File #	Person	Doc	Priority	Purpose	Qi	Qa	Source
G3-010944CL	ANDERSON DELLA M.	Claim L	5/1/38	DG	10	2	WELL
G3-016961CL	HANSON W. F.	Claim L	6/1/47	DG	0.05	1	WELL
G3-031812CL	CHANEY J. C.	Claim L	8/1/67	DG	0.01	1	WELL
S3-040393CL	SCHULTZ HAROLD A.	Claim L	6/1/69	IR,DG	160	0.3	DIAMOND LAKE
G3-004784CL	SCRIBNER LELA M.	Claim L	4/1/71	IR,DG	10	488775	GW

Water Rights held by the Diamond Lake Water & Sewer District:

File #	Person	Doc	Priority	Purpose	Qi	Qa	Source
G3-24239C	DIAMOND LAKE	Cert	4/23/75	MU	250	400	WELL
G3-24240C	DIAMOND LAKE	Cert	4/23/75	MU	250	400	WELL
G3-26439C	DIAMOND LAKE	Cert	1/14/80	CD	10	11.7	DIAMOND LAKE
G3-26738C	DIAMOND LAKE	Cert	11/22/80	CD	10	16*	WELL

*The water rights held by the District total 520 gallons per minute and 822.5 acre-feet per year. A provision to G3-26738C limited the combined total of G3-26439C and G3-26738C to 20 gallons per minute and 22.5 acre-feet per year.

G3-26738C was originally issued for 16 acre-feet per year however, only a portion of this was additive (10.8 acre-feet per year). This was because the combined total between G3-26439C and G3-26738C was limited to 22.5 acre-feet per year. After discussions with Kevin Koesel of James A. Sewell & Associates, LLC and Ray King of the District, it was decided that through the issuance of the change to G3-26738C, the annual quantity on it will be changed to 10.8 acre-feet per year to only reflect the additive annual quantity. This will clear up any confusion in the future regarding the quantities of these certificates.

The original Report of Examination for Certificate G3-24239C incorrectly indicated that the total annual quantities under G3-24239C and G3-24240C were limited to 403.2 acre-feet per year. This was later corrected after a change to G3-24240C on June 30, 1988 by Rynear R. Huffman, Jr. of Ecology. The Report of Examination indicates that the correct total is actually 800 acre-feet per year under G3-24239C and G3-24240C.

Hydrologic/Hydrogeologic Evaluation

Applications for change of water right permits and certificates are governed by RCW 90.44.100, which states in part: the holder of a valid right to withdraw public ground waters may, without losing his priority of right, construct wells at a new location in substitution for, or in addition to, those at the original location, or he may change the manner or the place of use of the water. Such amendment shall be issued by the Department only on the conditions that: (1) the additional or substitute well or wells shall tap the same body of public ground water as the original well or wells, (2) use of the original well or wells shall be discontinued upon construction of the substitute well or wells, (3) the construction of an additional well or wells shall not enlarge the right conveyed by the original permit or certificate, and (4) other existing rights shall not be impaired. The Department may specify an approved manner of construction and shall require a showing of compliance with the terms of the amendment.

The District proposes to integrate its existing three wells by adding them to each water right it holds. The wells are all located on the south side of Diamond Lake and near US Highway 2.

The original well (S04) authorized under G3-26738C is located in T. 31 N., R. 45 E., within the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31. It is approximately one mile northeast of Diamond Lake. The well was constructed in 1971, used for domestic and irrigation purposes, and drilled to a depth of 123 feet. Yields at the time of drilling are unknown, with a static water level of 55 feet below land surface. The well is drilled through clay, sand and gravel to a depth of 68 feet, and into "soft rock" to the final depth of the well. The well log indicates there is a 6 inch diameter casing to a depth of 68 feet, with a surface seal of unknown depth. The elevation of the well is approximately 2372 feet above sea level (ASL).

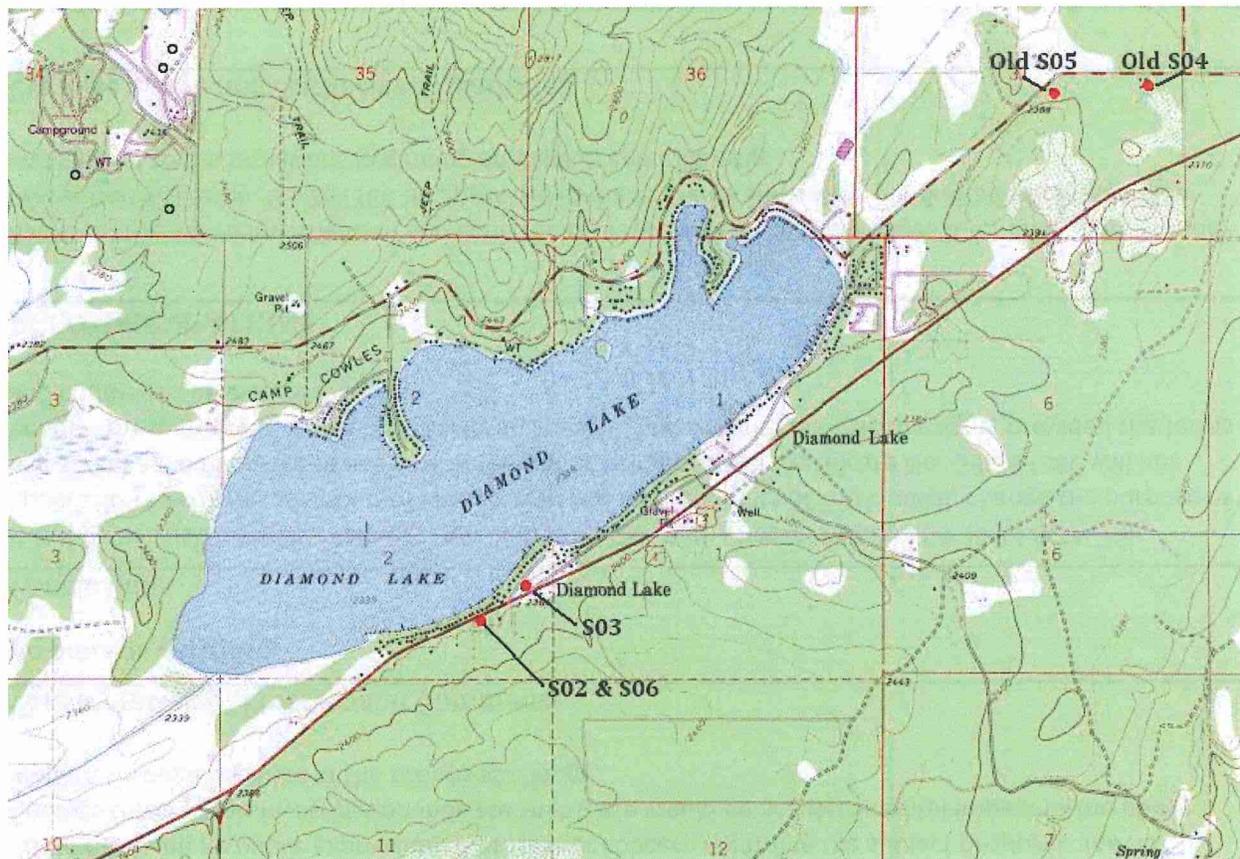
The three wells considered for this change (S02, S03, and S06) are all located in T. 30 N., R. 44 E., in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2. They are within a quarter mile of each other, south of Diamond Lake, approximately 2.2 miles southwest of wells S04 and S05.

Well S06 is located in T. 30 N., R. 44 E., within Gov't. Lot 7 (SE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 2, just south of Diamond Lake and adjacent to well S02. The well was constructed in 1996, used for municipal purposes, drilled to a depth of 75 feet. Pumping yields at the time of drilling are not known. The static water level at this time was approximately 18 feet below land surface. The well is drilled through layers of sand and some clay, and the well log indicates there is an 8 inch casing throughout its depth, with a 21 feet deep surface seal. The elevation of the well is approximately 2360 feet ASL.

The District proposes to integrate these three wells and add them to each of the four water rights it holds. The three wells and original wells S05 and S04 are all completed into the unconsolidated sediments in the area, and are withdrawing water from the same body of public groundwater.

In accordance with Chapter 173-160-381 WAC, wells S04 and S05 need to be properly decommissioned for this change to be approved.

The proposed changes to change the points of withdrawal will not enlarge the quantity of water withdrawn from the aquifer, nor increase the irrigated acres. Several wells already exist in the vicinity of the proposed location. The instantaneous rate of withdrawal for new wells at the proposed location(s) will not exceed what is already being exercised. There has been no documented history of pumping interference problems between existing wells in this area, and it is not anticipated that the proposed change would cause any impairment to existing water rights. In the unforeseen event that these new wells cause impairment to these existing rights, they will be treated as a junior appropriator and regulated accordingly.



(Diamond Lake - U.S.G.S. 7.5 minute)

Impairment Considerations

There has been no documented history of pumping interference between existing wells in this area, and it is not anticipated that this change would cause any impairment to existing water rights.

No Enhancement of Original Right

No withdrawal of water over and above what has been historically put to beneficial use and/or originally authorized under existing rights will be allowed through approval of this change.

Public Interest Considerations

There has been no public expression of protest or concern regarding the subject proposal, and no findings through this investigation indicate that there would be any detrimental impact to the public welfare through issuance of the proposed change.

Consideration of Protests and Comments

No protests were filed.

Conclusions

It is the conclusion of this examiner that, in accordance with Chapters 90.03 and 90.44 RCW, this application to change one point of withdrawal, add two (2) points of withdrawal, change the purpose of use and change the place of use as granted under Ground Water Certificate No. G3-26738C will not enlarge the quantity of water historically authorized, nor will it impair existing rights provided the terms and conditions below are followed.

RECOMMENDATIONS

Based on the above investigation and conclusions, I recommend that the request for change to Ground Water Certificate No. G3-26738C be approved in the amounts and within the limitations listed below and subject to the provisions beginning on Page 2, and following.

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:

Qi: 10 gallons per minute

Qa: 10.8 acre-feet per year

Purpose: Municipal Supply

Points of Withdrawal: 3 Wells all located within the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 2, T. 30 N., R. 44 E.W.M.

Place of Use: As described on Page 1 of this Report of Examination.

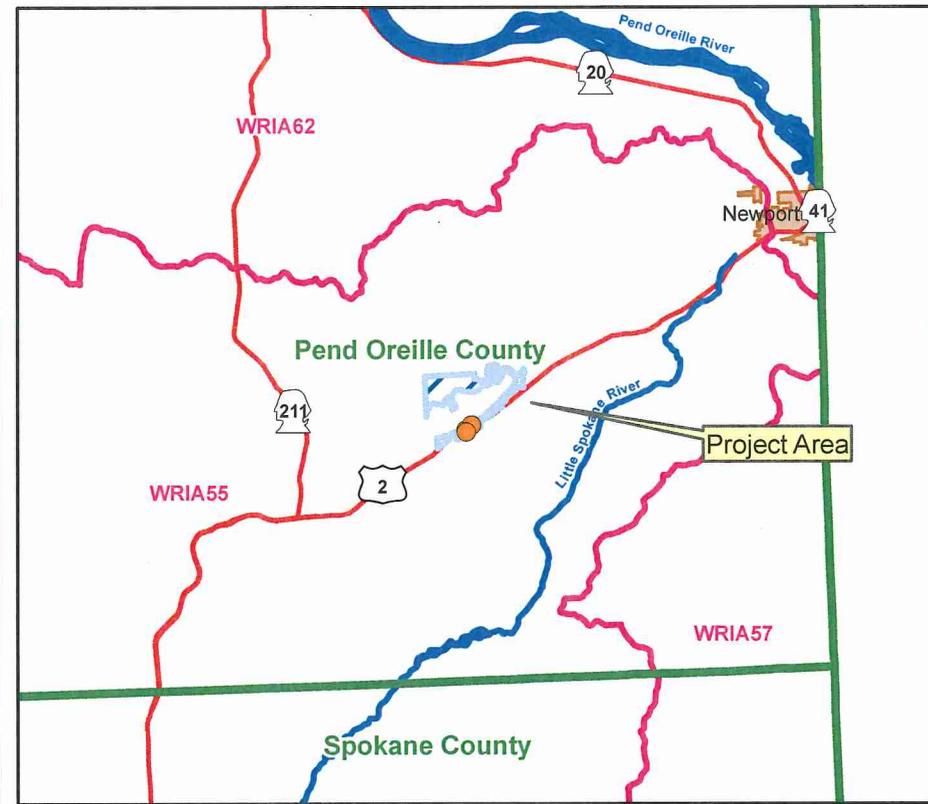
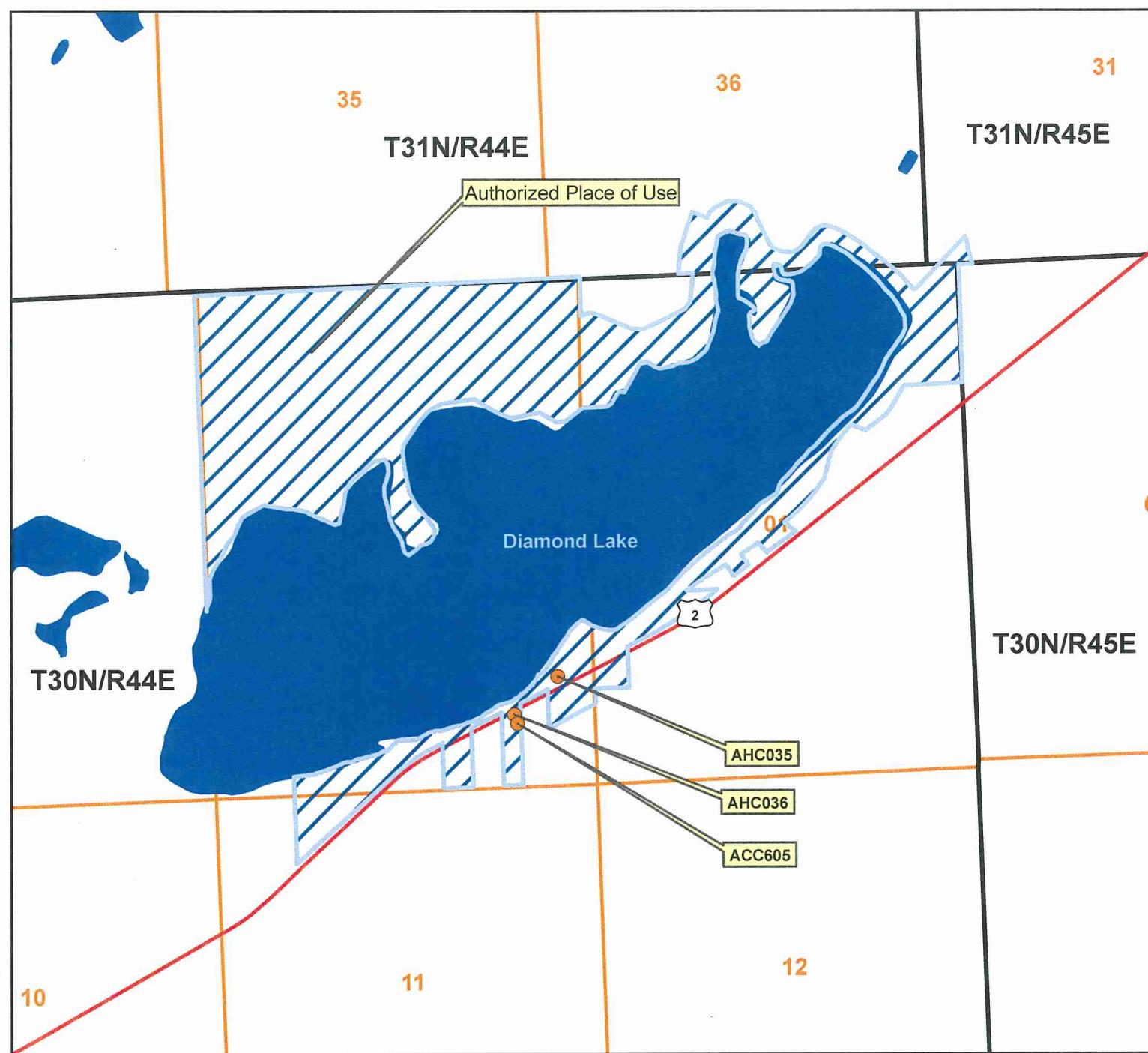
The total combined withdrawal under Diamond Lake Water & Sewer District water rights are limited to 520 gallons per minute and 822.5 acre-feet per year, continuously, for municipal supply.


Gene Drury, Report Writer

11-15-2011
Date

If you need this publication in an alternate format, please call the Water Resources Program at (360) 407-6600. Persons with hearing loss can call 711 for Washington Relay Service. Persons with a speech disability can call 877-833-6341.

DIAMOND LAKE WATER & SEWER DISTRICT
File NR CG3-26738C@1
T31N/R44E.W.M. Sec. 36, T31N/R45E.W.M. Sec. 31,
T30N/R44E.W.M. Sec. 01, 02, 11,
WRIA 55 - Pend Oreille County



- Legend**
- County
 - WRIA
 - Cities
 - Local Roads
 - Highways
 - Townships
 - Sections
 - Authorized Point of Withdrawal
 - Authorized Place of Use

Comments:
Place of use, points of withdrawal/diversions are as defined on the cover sheet under the heading, 'LEGAL DESCRIPTION OF PROPERTY ON WHICH WATER IS TO BE USED.'



Attachment 1