

Water Banking Drafting Group – Pilot Group Sub-Committee

June 20, 2018

Clyde Snow & Sessions 8:00 – 9:00

Attendance:

Steve Clyde - sec@clydesnow.com
Emily E. Lewis – eel@clydesnow.com
Marcelle Shoop - mshoop@audubon.org
Elizabeth Kitchens - ekitchens@TNC.ORG
Rich Tullis - Rich@cuwcd.com
Nathan Bracken - nbracken@shutah.law
Paul Burnett (via phone) and Staff -

Not in Attendance but following Proceedings:

Jani Iwamoto – jiwamoto@le.utah.gov
Sterling Brown – sterling.brown@fbfs.com
John Mabey - jmabey@mwjlaw.com

Meeting Summary:

The group primarily discussed resource constraints and applying for a BOR WaterSmart grant to fund a project manager to oversee the various elements needed to bring a pilot water banking plan to fruition, so it can be implemented on the ground. The BOR grant would be a collaborative effort with the application jointly submitted by the large number of stakeholders participating in the water banking discussions.

The application deadline for this year's BOR WaterSmart grant is **July 17, 2018**. Elizabeth Kitchens volunteered Nature Conservancy staff time to draft the grant application once the group coalesced around the key grant outcomes and components. The group agreed to distribute a bullet point outline of grant concepts and goals to discuss at the next meeting. (Attached).

Assignments for Next Meeting:

The group made several assignments:

- Nathan Bracken: contact
 - o Sterling Brown- re Ag. participation
 - o John Mabey - re PacifiCorp participation
 - o Jennifer Gimbel – BOR Grant Application best practices
- Rich Tullis: talk to Gene Shawcroft about his Prep-60 District contacts
- Steve Clyde: contact Mike Styler about grant participation
- Elizabeth Kitchens:
 - o Tom Isom (resource on how to structure the bank)
 - o Distribute copy of Grand Valley Application
- Paul Burnett:
 - o reach out to WBWCD to join next meeting
 - o Distribute Yakima Basin Washington TU Application
- EELewis:
 - o contact Jani Iwamoto regarding update on progress
 - o distribute notes and proposed Grant Guidelines

Next Meeting:

Tuesday June 26th 4:00 Phone Meeting

866-906-7447

Passcode: 1695142

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<p>MINUTES: These minutes are taken contemporaneously as a record of the group’s conversation. Please excuse any inadvertent attributions, accidental misstatements, or omissions.</p>	<p>MAIN THEMES/USEFUL TOOLS:</p>
<p>Steve Clyde:</p> <ul style="list-style-type: none"> - Start with Weber, then move to Rich on Provo System, then BOR Grant <p>Paul Burnett:</p> <ul style="list-style-type: none"> - Pretty active informal water market in the Weber - There are several places with potential for formal water banking - If we want to do a bank here we are going to have incorporate one or more of the Federal reservoirs – would need to engage the districts - Brief conversation with WBWCD – open to discussions - Scott Paxton has been looking at water banking for a quite some time <ul style="list-style-type: none"> o Need to find the social structure where people want to work with the bank - Size of the bank <ul style="list-style-type: none"> o Like the idea of something that has an organic size that is developed on its own instead of pre-determining the scope o We have looked at Chalk Creek and Echo Reservoir o If we broaden a little bit and look at downstream water users there might be potential there as well o Just need to put some resources into working with those folks <p>Steve Clyde:</p> <ul style="list-style-type: none"> - What is the sense/interest level up there? <p>Paul Burnett:</p> <ul style="list-style-type: none"> - Some groups are ok as it is as long as they get water - Another group that is more interested in looking at broader water banking opportunities <p>Rich Tullis:</p> <ul style="list-style-type: none"> - Meeting with consortium to meet M&I Demands – bonus is meeting agricultural demands and environmental <ul style="list-style-type: none"> o CU; Metro; Goshen Valley; Jordan Valley etc. - Formed into sub-groups and discussion groups <ul style="list-style-type: none"> o State Legislation Group <ul style="list-style-type: none"> ▪ Split season ▪ Constitutional constraints ▪ Protecting entities’ excess water rights ▪ Change Application statute – need to move 	<p>Need More Resources: The capacity of the water community is being stretched thin and there is a need for additional resources to bring a water banking pilot project to fruition.</p> <p>Apply for a BOR WaterSmart Grant: Stakeholders participating in water banking discussions submit a joint application and contribute matching funds.</p> <p>Scope of Grant: Primarily fund a project manager to coordinate various efforts and work with the participating experts to finalize components needed to implement a pilot project on the ground (legislative changes, administrative changes, contract/MOU recommendations, management of environmental flows, etc.).</p> <p>Grant Outline: Distribute grant outline of key concepts to group for refinement and discussion. Grant application is due July 17, 2018.</p>

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<p>that faster</p> <ul style="list-style-type: none">▪ ASR might fit within water bank○ Federal Reclamation Law Group<ul style="list-style-type: none">▪ Looking at Warren Contract matters – need to be able to easily move water up and down the system▪ Unallocated project water for temporary deliveries to non-project users▪ Looking at using unused AG contracts○ Agricultural Committee<ul style="list-style-type: none">▪ How to benefit the Ag community (slow buy and dry)○ Charters and Agreements<ul style="list-style-type: none">▪ Want contractual agreements to control this▪ MOUs▪ DRAFT points out○ Environmental Group<ul style="list-style-type: none">▪ NEPA Requirements (huge when dealing with Federal projects)▪ Environmental benefits<ul style="list-style-type: none">• 10% keep as instream flow?• who manages it?○ Water Rights Issues<ul style="list-style-type: none">▪ Adjudication Issues▪ Conjunctive use (possible overlap with State Legislation) <p>- Scheduling has been difficult but feel this is a priority and can change the dynamics</p> <p>- Sensitive to agricultural concerns</p> <p>- Reality today having trouble renting water – need to address it</p> <p>Steve Clyde:</p> <ul style="list-style-type: none">- Have you included Reclamation yet?- RT: yes – we are going to need some changes in policy and potentially even in reclamation law <p>Nathan Bracken:</p> <ul style="list-style-type: none">- When we last discussed this with the larger group the goal was to try to find a scalable system applicable for the group <p>Steve Clyde:</p> <ul style="list-style-type: none">- Going to run into capacity and staffing issues- Like the idea of a really narrow test – and try to see what is going on- Pulling from lots of different things that are still in the process and asked to make something from whole cloth- Haven't looked at BOR Reclamation grant <p>Marcelle Shoop:</p>	
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- BOR funding grant – Water Smart funding
- Can use the money for a broad number of things
- If we had a place to apply it – less than 30 days to come up with something for this
- If part of the process is getting people and having someone be the point the person
- Next year could be target

Nathan Bracken:

- Worked a lot on the Water Smart grants at the congressional level – always trying to find someone in Utah
- Investigation funding is also possible

Rich Tullis:

- All of us have trouble with change
- Division of Water Rights is no different – they are going to have something set up to make sure they can do the things we are asking for
- What if the grant is to pay for something like this
- Go to the end and work backwards – no matter what group wants to do this

Nathan Bracken:

- One of the things that is appealing is that we already have all of the stakeholders – make it an appealing ask

Steve Clyde:

- Need to have someone who is paid to have the discussion

Elizabeth Kitchens:

- Nature Conservancy has some folks willing to put the grant together if we had a sponsor

Steve Clyde:

- Need to talk Mike Styler

Nathan Bracken:

- They do want to have specified areas – could be growing urbanizing areas
- Could also include the Great Salt Lake as hub –
- These are the same players over and over again and need new players – Utah is prime

Marcelle Schoop:

- If you can show this water project has wide stakeholder support more likely to get funded

Steve Clyde:

- Like the hub and spoke and aspect of this
- For planning and dialogue purpose

Nathan:

- They are looking for a deliverable?
- Maybe we can bring it back to the interim study request

EELewis:

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- Can't the deliverable be our plan?

Elizabeth Kitchens::

- Call Reclamation and ask for a review on scope
- Elizabeth will call
- Rich Tullis – can also ask at meeting with BOR

Marcelle Schoop:

- Project Manager to herd the cats

Nathan Bracken:

- That's a great bang for your buck

Rich Tullis:

- In the past BOR had 25 by 25

Nathan Bracken:

- Who is going to get the grant proposal together?
- Who do we need to have on this?

Steve Clyde:

- We need a meeting with Elizabeth Kitchens' grant team in short order

Elizabeth Kitchens:

- I am volunteering others

EELewis:

- We need to get a list of the bullet points of what we want on the grant
 - o Frame it as two part group project
 - o Funding for project manager
 - o Coordinator Stakeholder group meetings
 - o Implementing interim study requests for legislature
 - o Funding component for a State Engineer employee to address administration of the bank
 - o Goal: Implementation of a water bank
 - Changes to federal law
 - Changes to state law
 - Cooperation between entities
 - Identify managing entity for bank and water
 - Shepherding water – water commission

Contacts:

- Nathan Bracken – Sterling; John Mabey; Jennifer Gimbel
- Rich – talk to Gene about his Prep-60 District contracts
- Steve – reach out to Mike Styler
- Elizabeth – Tom Isom (resource on how to structure the bank)
 - o Get hold of Grand Valley Application
- Marcelle – have a contact to
- Paul – reach out to WBWCD to join next meeting
 - o Reached out to Washington Office
 - o Distribute copy to Group
- EELewis - Jani Iwamoto -

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