



Grant County
PUBLIC UTILITY DISTRICT
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PRCC Habitat Subcommittee Meeting

FINAL MEETING MINUTES
 Thursday, June 11, 2015
 Grant PUD Wenatchee Office

PRCC Habitat Subcommittee Members

Kate Terrell, USFWS	Chris Fisher, CCT
Dave Duvall, GCPUD	Lee Carlson, YN
Dale Bambrick, Justin Yeager (alt), NMFS	Carl Merkle, CTUIR
Jeremy Cram, Carmen Andonaegui (alt), WDFW	Orlene Hahn, GCPUD, Executive Assistant
Denny Rohr, D. Rohr & Assoc., Facilitator	

Attendees

Chris Fisher, CCT	Jeremy Cram, WDFW
Dave Duvall, GCPUD	Lee Carlson, YN
Justin Yeager, NMFS	Kate Terrell, USFWS
Orlene Hahn, GCPUD, Executive Assistant	Denny Rohr, Facilitator

Decision Summary:

1. Approved \$231,683 from Fund 602 for Buckley II acquisition; Duvall to coordinate the appraisal.
2. Approved \$27,000 from the same fund used in the original agreement (602 or 603) for Barkley Diversion Company Irrigation Diversion Change; Duvall to coordinate the change order.

Action Items from April 9, 2015:

1. Peshastin and Icicle Irrigation Districts Pump-back System Options Feasibility Study - Rohr will talk to Kaputa about answering the three questions posed by the HSC. Completed
2. Cram and Rohr will amend language of the Entiat Enlow Flood Plain Protection spec sheet to include profitability of the house removal. Completed.
3. Rohr will discuss the following with Grant PUD management and ask that their response be addressed to the HSC in written form. Completed.
 - Explain Grant PUD's ability to interfere with how habitat funds are spent.
 - Ask if Grant PUD will reconsider their direction to Grant PUD's representative on the HSC to resend his vote.

- Ask if the Grant PUD representative on the HSC can abstain from the vote.

Minutes

- I. **Agenda Review** – Rohr had two additions to the agenda described below under the Potpourri agenda item.
- II. **Action Items Review from April 9, 2015 Meeting** – Action items were complete or discussed during today's meeting.
- III. **Approval of Meeting Minutes**
 - A. March 12, 2015 – Rohr stated the minutes were approved on April 9th by the HSC subject to approval of Yeager who had requested more time for review. Rohr has received email approval from Yeager. Minutes were approved.
 - B. April 9, 2015 – Minutes were approved.
- IV. **Habitat Funds Report** (D. Rohr) – Rohr reported that as of April 30, 2015 the NNI Fund is at \$3.1 million, Fund 602 is at \$3.4 million, and Fund 603 is at \$615,946.
- V. **Newby Narrows:** (D. Rohr) – Rohr reported affirmation of HSC approval by email vote on June 1, 2015 for \$2,550.09.
- VI. **Enloe Dam Project:** Rohr talked to Grant Management on May 10th. Reconsideration is not going to take place. Grant management stated that Duvall is the Grant representative to the HSC and is responsible for all HSC decisions and activities.
- VII. **Property Acquisition Language:** (D. Rohr) – Rohr reminded the HSC about the five questions pertaining to property acquisition, which he summarized and organized into a memo which he also recommends be considered for adoption as HSC policy after being reviewed by legal representation.. Duvall referenced the May 4, 2015 memo from Rohr and he commented that specific language from the memo was included in the draft contract sent to CDLT for the current McCarty property acquisition. During the review of the draft contract by CDLT, one paragraph was deleted and re-written. During Grant PUD's subsequent review, legal counsel did not agree with the changes. Accordingly, HSC members discussed the two different versions and it was determined that Duvall would discuss the committees' decision to keep the language as proposed (provides more flexibility during resale) by CDLT but strengthening the language if possible. Additionally, Rohr asked for feedback from the HSC regarding the question of reimbursing Fleming on time spent on selling the property. Everyone agreed she should be paid for her costs to sell. In general, the HSC agreed that property re-sales should be handled on a case by case situation, based off the percentage rather than a flat fee. HSC members asked what if the CDLT dissolves and the property needs to be sold? Other questions were raised as well. These same questions could also apply to other project sponsors involved with acquisitions. Duvall will discuss these questions further with legal. Terrell commented that protections need to be really clear in the Contract. Carlson opined to possibly have the contract state that HSC retains ownership and CDLT manages it. Duvall will pursue with legal all the questions asked in today's meeting. Rohr summarized the HSC discussion outlining that after the property is acquired, restoration requirements will be permanently attached to the property, the HSC must approve any sale, any money from sale comes back to Committee, handle on a case by case basis with CDLT (and other sponsors where applicable) including how much funding to provide for the re-sale. Duvall will discuss further with legal to strengthen the language between the two draft contract versions, and Rohr will send to the

HSC for review. Rohr stated he will handle this by email or conference call as necessary to keep this moving forward.

- VIII. Upper White Pine Flood Plain Reconnection Proposal:** (C. Fisher) – Fisher presented a proposal from Jennifer Hadersberger, Chelan County Natural Resources, titled “Nason Creek Upper White Pine Floodplain Re-connection”, dated May 22, 2015. In the earlier Tributary meeting this same day, the same project was reviewed and not approved for funding primarily because of high costs. Accordingly, HSC members discussed possible alternatives, suggestions, and ideas. Hadersberger had sent information to Rohr regarding the proposed costs compared to the costs of similar projects, and Rohr emailed this information to HSC members prior to today’s meeting. Based on her evaluation the costs were on the low end of the range. After review and discussion, there was no support from HSC members for funding to move forward as proposed.
- IX. 1890’s Side Channel Restoration Effectiveness Monitoring Project:** (L. Carlson, J. Cram) – Cram worked with K. Murdoch on some preliminary review monitoring concepts early on. While the proposed monitoring has value, particularly on the fish side, he commented this is not the best funding source for the proposal. Carlson, supporting the project, offered that it answers a lot of questions but Hans is the best person to answer the technical questions. Several committee members expressed questions and concerns regarding the project as currently written and suggested narrowing down the scope to concentrate on the fish component plus showing a breakdown of the itemized budget to provide more clarity. Carlson will deliver the message to Yakama Nation staff involved with this proposal. Accordingly, the project was rejected by the HSC as proposed.
- X. Buckley II Acquisition:** (K. Terrell) –Chris Johnson with MSRF submitted a spec sheet, titled “Buckley II Acquisition”, dated May 21, 2015 to purchase 5 acres for \$231,683 near the Twisp River. Like some previous projects, the parcel could be re-zoned and the uplands sold off, (about 2.5 acres) with the proceeds going back to the HSC. An earlier attempt to do a conservation easement wound up being about the same cost as an acquisition, which will protect the side channel and help the HSC funded MVID project. After further discussion the HSC approved the project for the requested funding as contained in the spec sheet for \$231,683 using Fund 602.
- XI. Entiat Restoration Projects:** (D. Rohr) – Steve Kolk emailed information on the Entiat Projects to Rohr which he distributed to HSC members. The RTT also reviewed the project information, and HSC members commented that June 23rd is when comments from the RTT will be provided. The HSC will be involved in reviewing the Enlow and Bremer properties as part of the Entiat Restoration Projects since the HSC funded their acquisition. Rohr commented that accordingly, any restoration work needs to be approved by the HSC, and the HSC will ultimately have the final say in approving restoration projects on land purchased with HSC funds.
- XII. Barkley Irrigation Company 2012-2014 Diversion Change – Resubmitted May 14, 2015 with Request for O&M Funding:** (J. Yeager) – Yeager presented a spec sheet requesting \$27,000 to fund two more seasons of temporary O&M costs from a previously approved project (See spec sheet titled “Barkley Irrigation Company 2012-2014 Diversion Change”, dated July 12, 2012). After some discussion the HSC approved this project for \$27,000, using whichever fund was previously used (602 or 603). Duvall will work on the Change Order.
- XIII. Potpourri:** (D. Rohr)
- A. Canada Tour – Rohr had been asked by some HSC members if there would be a Canada tour in October of this year. After discussion, HSC members agreed to have the tour. Rohr stated that he will talk to HCP Tributary Committee Chair Tracy Hillman to coordinate details.

- B. **NNI Funding List for 2015+** - The HSC previously talked about having a joint meeting with the PRCC in May of 2015, and then decided it wasn't necessary. Rohr commented that he had been approached by some HSC members who felt that it would be beneficial to put together a project list that may be applicable for future NNI funding. HSC members agreed. Accordingly, Rohr will review and update the previous NNI Funding List and provide to the committee for review and update. Rohr will be doing the same task with the PRCC in order to compile a coordinated listing of potential NNI funded projects.

XIV. Project Updates

- A. **602-23H - McIntyre Dam** – Improving Fish Jumping Efficiency (C. Fisher) – going to monitor early part of the run because of warm water temperatures. Only monitor in July. Already have a temperature at Malott of 22.5 degrees.
- B. **602-13H - Icicle Creek Boulder Field Assessment Project** (K. Terrell) – past the assessment component. Project going through SRFB. TU has selected a preferred alternative. Designs will be 90% completed by the end of the month per the contract. They will start permitting and schedule construction hopefully in 2016 but probably 2017. They have met with YN, NOAA and TU. Bigger public outreach comments in the lower mainland area.
- C. **602-14H - Shuttleworth Creek** (C. Fisher) –. Falling short on some funding led to a discussion with the Ministry of Environment on getting the settling basin installed by late July or early August. No updates on irrigation issue. Regarding the two dams on upper part of watershed, CCT funded dam evaluation on how to remove the dams, where the material will go, where is it applied, and how deep. . Trying to figure out how far are they from completing the project.
- D. **602-16H - Roaring Creek Flow Restoration and Diversion Removal Project** (K. Terrell) – Update provided by Terrell. In May, TU focused on the finalizing all of the agreements and necessary approvals to get the project to construction. Progress was made on all of the easements with USFWS, Taylor Orchards and Roaring Creek Water Users. In addition TU worked with Ecology to wrap up the ROE's and the final water right changes have been posted! TU also spent significant time working with the engineer to review and update the designs as we prepare for implementation on the project. TU sought outside review of the plan sets and consulted several pump manufacturers. As we approach construction TU is beginning to turn from paper work towards coordinating the logistics on project construction. This included coordination with the well driller, USFWS, landowners, contractors and the engineer to line out the time line(s) and a game plan for construction in July.

In the next month TU will be working on the bid docs and coordinating construction related activities as well as wrapping up all of the easements.

- E. **603-27H - Peshastin and Icicle Irrigation Districts Pump-back System Options Feasibility Study** (K. Terrell) – Rohr has been in contact with Kaputa. However, the HSC decided to table this subject because there is no action on the table for us. Kaputa has not provided the information that is needed. Terrell commented this is a super low water year right now and the perspective may change come fall when there is absolutely no water. Rohr stated that Hillman has been talking to Kaputa.

- F. **602-13H - Icicle Creek Boulder Field PIT Tag Array** (J. Cram) – Nothing new. Probably be installed in July or August. There is still just one juvenile coho that has been detected on the upper array.
- G. **602-29H - ORRI - Penticton Spawning Platform #3** (C. Fisher) – So far so good, 50% design with 90% design to follow. Going to tender with a competitive bid early next month. Should be good to go by September. They have secured \$66,000 from other sources. Submitted traffic plan to the Town of Penticton.
- H. **602-11H - Trout Unlimited – Lower Wenatchee Instream Flow Enhancement Project, Phase II** (J. Cram) - Update provided by Terrell. Several important steps toward project implementation were taken in May 2015. 30% engineering designs were received, commented by Trout Unlimited (TU) and the Jones Shotwell Ditch Company (JSDC), and revised. The report of examination (ROE) is being reviewed and revised by a legal team in preparation for draft submission to the Department of Ecology. Additional project funding sources are closer to being secured as TU has provided robust evidence of biological benefit, water quality/quantity benefit, and cost-effectiveness.

In June TU will work with the engineering firm to move toward 70% design (expected the first week of July). TU will complete a survey of all JSDC service connections and associated water demand. The draft ROE will be submitted to Ecology. And remaining water right due diligence questions will be researched as requested by Ecology and/or project funders.

- I. **602-26H - Lower Nason Side Channel RM 2.4 Development on the McCarty Property** (D. Duvall) – Working on Contract property acquisition language. Duvall to continue working with Fleming and Grant PUD Contracting and Legal.
- J. **601-20H - MVID – Methow Valley Irrigation District** (K. Terrell) – Update provided by Terrell. In May TU worked diligently on several components as described below:

East side piping Project: The system is up and running and everything seems to be working as designed. Tapani Construction will be up the week of June 11 to address a couple of punch list items that remain. The feedback that TU has been receiving from the shareholders has been all positive.

East Lower Lateral (ELL): This lateral is also up and running and is working as designed. Hurst Construction had a few punch list items to take care of which they completed in a very timely manner. TU has been very pleased with the work Hurst Construction has done on the project.

E1 lateral: Lloyd Logging has made very good progress in the month of May. Lloyd had some extremely challenging road crossings to deal with which had put them behind schedule in the beginning of the project. Hard work and long days have them looking at the second week in June as a final completion date.

Production Wells: Bach drilling continues to work through the submittal process for the pump station design with the engineer and TU staff. They also have one more well to develop and set the screen on, which they plan on doing in the middle of June. Bach is shooting for a July 30

completion date.

West Distribution System: Bianchi Construction mobilized the last week of May and is planning a June 1st start date for the phase I portion of the project. All the needed pipe has been delivered and is sitting in the staging areas. They are shooting for a July 19th completion date for phase I and will return in the fall after irrigation season is over to complete phase II.

Individual Wells: TU continues to keep 3 well drillers busy working through the individual wells. To date TU has 30 well projects completed and 10 in the cue and 30 more to organize, also 10 land owners have chosen the buyout option. TU is on track for the phase II target date of July 1st and continues to make good progress.

This is all in addition to the mounds of coordination and heaps of paper work, but the project is going well and with several contracts ending is becoming more manageable for the time being.

- K. **602-27H - Silver Side Channel PIT Tag Array** (J. Cram) – Nothing new, the array is now installed. With all the landowner issues surrounding the project, fish were not tagged in the fall. Apparently the easement says WDFW can access the whole channel. Tagged only a couple 100 the first time. There were fish from the Chewuch and Twisp that entered Silver Side channel.
- L. **603-29H - Icicle Work Group – Leavenworth National Fish Hatchery Groundwater Investigations** (K. Terrell) – Funding taking place through a different source – this can be taken off the Agenda. Project was approved and HSC later rescinded the approval due to scope change.
- M. **603-24H - Barkley Irrigation Company Permanent Point of Diversion** (J. Yeager) – Update provided by Terrell. May was a busy month on Barkley. We concentrated efforts on rectifying the survey data, so the consultants could complete the preliminary pipeline design. The work was completed and TU received the first full plan set on the project, which included 30% design of the pipeline and 70% design of the pump station. We are currently conducting internal review and have asked BOR to conduct an external review on behalf of Barkley and TU. We are still anticipating the design report and revised opinion of cost. Other construction related activities included coordination with Okanogan County on storm water issues at Davis Creek. We are also working to address the Fulton Irrigation Canal return into the Barkley ditch above where the new pump station will be located. We worked diligently on the water rights determination and are beginning to formulate the draft material for the point of diversion changes. We continued to work with funders on the project and are seeking funds to pipe the remaining portion of the MVID. We are working with BPA and a contractor on the cultural consultation and expect the letters to go out sometime soon, with field work to follow. We have also started to coordinate the installation of the temporary pump station. Next month we will continue to focus on much of the same.
- N. **603-22H - White River Staff Gage** (D. Duvall) – Finally got approval. It will be extended out. Agreed to \$50,000 for five years of data collection and posting.
- O. **602-28H - Newby Narrows** (L. Carlson, D. Duvall) – Change order is being processed.
- P. **602-33 - Entiat Enlow Flood Plain Protection Acquisition** (J. Cram) – Moving forward. House to be removed for free or not for profit. A couple other leads for the house has occurred but the sale is not done yet. They requested a change to their previous SFRB request. Asking RTT to

review the house and driveway demolition. The 3,000 square foot house was built in 1995 or 1996 by a contractor.

XV. Next Meeting: July 9th, 2015, 1:00 pm at GPUD Wenatchee Office

Action Items from June 11, 2015 HSC Meeting:

1. Duvall to contact appraisers for Buckley II.
2. NNI Funding List for 2015+ - Rohr to edit and send out redlined version.
3. Barkley Irrigation Company 2012-2014 Diversion Change – Resubmitted May 14, 2015 with Request for O&M Funding - Duvall - Do an amendment and a Change Order.