

TROUT UNLIMITED INDIVIDUAL WELL COMPENSATION PLAN

This well compensation plan identifies procedures for converting Methow Valley Irrigation District (MVID) members identified in Alternative 5 as adopted by the Directors to individual wells. Water deliveries using MVID's infrastructure to members converting to individual wells will cease May 1, 2015 (East Side) and May 1, 2016 (West Side).

These procedures do not imply a guarantee of the extent and validity of these individual water rights. Our water right change applications which are necessary to implement Alternative 5 have been appealed by the Okanogan Wilderness League (O.W.L.) who is being represented initially by Lee Bernheisel, O.W.L. President. Until this appeal is resolved, we cannot right-size the District matching the number of members to our legally available water. Thus, all members converted to individual wells will remain in the District and pay reduced assessments.

1. Members will be compensated for the infrastructure necessary to ensure a reliable and adequate water supply up to the individual member's MVID irrigable acreage including electrical hookups, controls, pressure tanks, and piping needed to hook up to a well.
2. All contiguous parcels will receive one well per member that will be capable of providing irrigation water to the total amount of cumulative acreage owned.
3. All members with 3 acres or less are eligible for a larger pump and connection to their existing system.
4. All members with greater than 3 acres are eligible for a new well, pump, and connection to their existing system.
5. Compensation caps will be set at varying levels based on acreage.
6. Compensation for each member will be in the form of a voucher system administered by TU with caps, (See voucher caps schedule attached). The vouchers will guarantee payment by TU to a well contractor for the costs of new pumps and/or wells up to the cap amount for their parcel size. No upfront payment will be required from the member. No retroactive compensation will be made for irrigation improvements installed by landowners prior to this project.
7. If a member requires improvements that go beyond the compensation set for their parcel size, the member will be responsible for any costs over the voucher cap amount unless these additional costs are approved by the Board of Adjustment. (See #8).
8. The MVID Board understands there will be extenuating circumstances and one size does not fit all. There will be a Board of Adjustment (BOA) that will work through any questions, concerns, or financial adjustments. The Board of Adjustment will consist of: 1 MVID representative (Greg Nordang), 1 TU representative (Roger Rowatt), and 1 independent irrigation system expert (Jack Myrick, Washington Conservation Commission).
9. For expenses above the cap to be reimbursed, the member must come to the BOA with supporting evidence to document why the additional expenses are necessary. Contacting the BOA prior to installation is the only way to gain assurance that additional expense will be reimbursed. If a member comes to the BOA after installation, the expense may or may not be reimbursed at the BOA's discretion.

10. TU will request a Statement of Qualifications and Rates from firms willing to accept TU vouchers who can provide “one stop shopping” to landowners including an initial assessment of landowner’s existing systems, replacing pumps and associated controls, drilling wells, and installing new supply lines to existing infrastructure. A list of qualified respondents with prices will be supplied to landowners who may select from this list.
11. A member may select their own system installer(s) not on the list of qualified respondents (Preferred Providers). If a member chooses to hire their own installers they may do so by paying the installer up front and submitting documentation of their expenses to TU for reimbursement. Members will be reimbursed up to the cap. Note, that TU is required to send a tax Form 1099 to any members to whom they have made such a reimbursement. Members will be responsible for filing the appropriate document(s) or information with their federal taxes.
12. To facilitate MVID’s operation during the summer of 2015, well installations will be scheduled as identified in the attached well drilling schedule. Landowners not meeting this schedule will not receive water as MVID canals are shut down. All compensation for wells will end by June 1, 2016.
13. Landowners wishing to install a well prior to their place on the schedule may do so by working with Roger Rowatt or his designee to arrange for a Preferred Provider OR by paying the installer of their choice up front, and being reimbursed up to the caps in the table (note, TU is required to send a tax Form 1099 to any members to whom they have made such a reimbursement; that member will be responsible for filing the appropriate document(s) or information with their federal taxes).
14. All installations will be tested until May 1, 2016. If access to reliable and adequate water is not possible the landowner will have recourse to the BOA if the problem is the result of an inadequate well and not the result of a poorly designed or installed system. In instances of a poorly designed or installed system, the landowner must work with the well driller to resolve the problem.
15. All wells will be metered. MVID members must supply seasonal water usage records to the MVID Secretary annually on or before December 31st.

VOUCHER PAYMENT CAPS

ITEM	Unit Cost	1 to 3 Acres	>3 to 5 Acres	>5 to 10 Acres ¹	Source
		9 to 27gpm COST	27 to 45 gpm COST	45 to 90 gpm COST	
100-Foot Deep 6-inch ² Well with Casing and Surface Seal	\$6,000	\$0	\$6,000	\$6,000	Anchor (confirmed with local drillers)
6-inch 10' Well Screen	\$100 per ft.	\$0	\$1,000	\$1,000	Anchor (confirmed with local drillers)
Submersible Well Pump and Appurtenances ³	Lump Sum	\$1,200	\$3,100	\$3,800	Grainger Catalog for Dayton pumps
Pipe, Fittings, Valves, Meter	Lump Sum	\$500	\$700	\$800	Anchor (confirmed with local drillers)
Irrigation Hookup to Existing System for 300 ⁴	\$9 per ft.	\$900	\$1,800	\$2,700	Local Contractors
Well Capacity Test	Lump Sum	\$600	\$600	\$600	Bach Drilling
Electrical and Controls	Lump Sum	\$500	\$500	\$500	Anchor
Subtotal		\$3,700	\$13,700	\$15,400	
Mobilization / Demobilization	7.5%	\$278	\$1,028	\$1,155	
Sales Tax	7.7%	\$285	\$1,055	\$1,186	
Cap Cost		\$4,263	\$15,783	\$17,741	

¹ Parcels larger than 10 acres will be dealt with on an individual basis by the BOA

² Larger parcels may require an 8" casing as authorized by the BOA

³ Well Pump Sizing: 1 hp 3 hp 5 hp

⁴ Incl. excavation and pipe

INDIVIDUAL WELL DRILLING SCHEDULE

Landowners wishing to install systems out of schedule must contact the BOA prior to drilling to confirm reimbursement and Preferred Provider availability.

Location		Completion Deadline
MVID East below Beaver Creek		May 1,2015
MVID West below Hotchkiss Spill		May 1, 2015
MVID West below Alder Creek		July 1, 2015
MVID West below Gunnar Drop		August 1, 2015
MVID West above Twisp		May 1, 2016