

**NOTICE: A MVID Member Meeting will be held Wednesday, August 13th, at 7:00 pm at the Twisp Grange. Web and call-in connections will be provided. See [www.mvid.org](http://www.mvid.org) or email Bunny Morgan, [bunny@methownet.com](mailto:bunny@methownet.com) for details.**

Dear Members,

We recognize that the fires of the past month have been devastating for many families, and that recovery of land, livelihood and basic services are now top priorities for our community. We realize that this month is a challenging time for many members to meet, but in order to begin work on the MVID system this fall, we need to sign contracts as soon as possible.

Over the past year we've been working out the details of the plan that was presented to the members last year, and that over 90% of the members supported in an advisory vote. The general outline of the plan has remained the same – a gravity feed pipe on the East side, a pump/pipe system for the benches on the upper West side, and well conversions for the lower West side and members below Beaver Creek on the East side.

Details that have changed from last year include:

- \* We will use a water banking permitting strategy instead of a conventional change in point of diversion (see additional info. below).
- \* The upper West side pump system has been reduced in size by increasing the number of members who will convert to wells.
- \* The storage tank on the upper west side was eliminated.
- \* We will use 3 or 4 wells manifolded together in lieu of one large well to reduce pump replacement cost and reduce the risk of a larger pump sucking in sand. These changes were to make it a simpler system that will reduce construction costs and more importantly long term O & M and replacement costs.
- \* We will keep all of the members who are converting to individual wells **in the District** at least until the District is “right sized” (water rights = irrigable acreage). The members being served by individual wells will pay a reduced assessment to reflect the member’s cost of operating and maintaining the well. Part of our strategy for “right-sizing” the District is to look for members who want to be excluded without a water right.
- \* We will use a voucher reimbursement system to pay for well conversions in lieu of a cash payment.
- \* The Barkley Ditch Company announced plans to pipe their system, part of which is shared with the MVID East Canal. The Barkley piping will result in increased operation and maintenance costs for MVID.

Water banking is relatively new; it was made legal by the State Legislature in 2003 for the Yakima basin and expanded to the entire state by the legislature in 2009. The Directors have chosen to use a water bank

permitting strategy instead of a conventional change in point of diversion for the following reasons:

- \* When the underlying water right is held in trust, all water permits/certificates held by the District will have **built-in legal protection from relinquishment** (the 5 year use it or lose it law). Dan Haller (a Water Rights Consultant who has been working with the District) said that he recommends that all of his clients use water banking where possible for this reason alone.
- \* It would allow for shifting water rights from the West side to East side or vice versa to meet demand.
- \* If a member who goes to a well relinquishes that water right at any time in the future – that water would go back into the Bank and the District could file an application for a new permit based on that water. Water Banking will result in the District receiving more water (180 acres according to the draft ROE from the Department of Ecology) than a Change in Point of Diversion permitting method because the ACQ test (Annual Consumptive Quantity) is not required under Water Banking.
- \* The Water Bank will allow the District to increase the on-farm duty back to 4 acre feet per acre from the current 2.83 acre feet per acre that was the result from the last Tentative Determination of the Extent and Validity of the Districts Water Right in 2001.

As outlined last year, the District faces many issues including infrastructure issues, delivery issues, water rights issues and ESA issues. The water banking strategy helps to address the water rights issues, the proposed infrastructure improvements will address the issues of aging infrastructure, and unreliable delivery issues, and the project will also eliminate the ESA issues associated with the Twisp River diversion.

Please read the attached FAQ information sheet. Copies of the final draft contracts between MVID and Trout Unlimited and the Trust Water Right Agreement will be emailed to the member list and posted on the website prior to the meeting. Please contact Bunny Morgan at [bunny@methownet.com](mailto:bunny@methownet.com) if you need a copy emailed to you or a hardcopy mailed to you.

At the meeting there will be a very short presentation and most of the time will be devoted to answering member's questions. Larry Martin, who is an attorney in Yakima that the District has retained because of his experience and expertise in water banking and irrigation districts, will be at the meeting to answer questions regarding water banking.

Feel free to contact the Directors if you have any questions.

Greg Nordang	509-669-5574
John Richadson	341-4584
Steve Dixon	997-7494