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COMMUNITY PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT

Creating Solutions for Our Future

Joshua Cummings, Director

MEMORANDUM

TO: Thurston County Storm & Surface Water Advisory Board

FROM: Bryan Benjamin, Associate Planner, Community Planning
Ashley Arai, Planning Manager, Community Planning

DATE: March 21, 2024

SUBJECT: Water Resource Management – Comprehensive Plan Policies

BACKGROUND

Community Planning staff are examining water quantity management policies throughout the Thurston County Comprehensive Plan (“the Plan”) as a part of the Plan’s periodic review. This examination responds to: [community feedback](#) that protecting water quantity is a priority community value, to legislative requirements for water resource management planning ([Watershed Planning](#) and [Streamflow Restoration](#)), and best available science indicating the region’s changing water future.

This review revealed three water quantity themes, currently absent in the Plan, as potential areas for policy development:

- Lengthening planning horizons for assessing water availability;
- Water banking – for agriculture, conservation subdivisions, and permit-required mitigation & offsets; and
- Incentivizing alternatives to and considering development standards for permit-exempt drinking water wells.

SUMMARY OF PROPOSED POLICY DIRECTIONS

- **Lengthening Planning Horizons:** Utility planning, capital improvements planning, and local watershed management plans developed under the Streamflow Restoration Act use twenty-year growth projections to assess water demand, evaluate supplies, and develop quantity projections for permit-required mitigation and/or permit-exempt well offsets. A

longer-term planning horizon—between fifty to ninety years—may improve the County’s ability to understand supply and demand conditions and plan for escalating water needs under climate change conditions. Additional work to support this policy initiative would likely include developing appropriate methodologies to understand: long-term population growth, supply and demand conditions, mitigation & offset needs, and thresholds for potential climate change impacts.

- **Water Banking:** Obtaining new water right permits in basins with instream flow rules or closures is a difficult process, requiring both mitigation and monitoring to meet Ecology’s water right permit requirements. Changing precipitation patterns will likely increase competition for water between existing water users during the spring and summer low-flow seasons. The Growth Management Act requires supporting the long-term viability of agriculture, natural resource industries, and ensuring adequate water availability for new and existing rural residences. Water banking offers local administrative flexibility in distributing existing water rights in a manner that serves growth in resource industries, rural development, and other current water users. While not a blanket management solution for all the County’s water needs, water banking may help deliver water at the right time, in the right location, and in the appropriate quantities for some existing and/or new water users. Additional work to support this policy initiative would likely include identification of user groups, identification of seed water rights, defining funding opportunities, and seeking final direction on establishing a water bank.
- **Alternatives to Permit-Exempt Wells:** The Streamflow Restoration Act requires Thurston County to offset the projected impacts of new permit-exempt well installations in all four of the County’s Water Resource Inventory Areas (WRIAs). Meeting each watershed’s minimum offset targets is required in order to continue issuing building permits for residences supplied by permit-exempt wells. Exploring approaches that encourage alternatives to permit-exempt wells responds to the limiting factors and complexity of completing offset projects, which are currently only funded on a competitive basis through Ecology grants. Additional work to support this policy initiative would likely include developing incentive programs for alternative well types, exploring appropriate permit-exempt well development standards and fees, and defining new funding approaches to administer offset projects.

The following draft water quantity policies represent snapshots of work in progress. In addition, the initial staff review proposed leaving a variety of existing water quantity policies throughout the Plan unchanged. Goals with underline text indicates proposed changes to existing language.

Chapter 2 – Land Use

- Goal 1, Objective A, Policy 20: Develop approaches to forecast domestic and natural resource water demands and respective impacts to groundwater resources through the twenty-year planning period and beyond.
- Goal 1, Objective A, Policy 21: Develop approaches to evaluate water quantities and project types needed for mitigation and offsets of existing and new groundwater withdrawals for domestic and natural resource water use through the twenty-year planning period and beyond.

Chapter 3 – Natural Resource Lands

- Goal 2, Objective A, Policy 9: Reserve adequate water rights for designated agricultural land of long-term commercial significance for both future production and to support programs conserving designated agricultural land.
- Goal 2, Objective B, Policy 5: Explore approaches to administering water in cooperation with farmers, including water banking, that would allow farmers to realize value of water rights.

Chapter 9 – Environment, Recreation, and Open Space

- Goal 2, Objective A, Policy 17: The County should explore approaches to monitor and offset groundwater impacts from existing and forecasted permit-exempt well installations through the twenty-year planning period and beyond.
- Goal 2, Objective A, Policy 18: The County should explore approaches to monitor and offset the impacts of existing and forecasted permit-exempt wells on instream flows during the twenty-year planning period and beyond.
- Goal 3, Objective A, Policy 8: The County should cooperate with adjoining jurisdictions, watershed management entities, and other salmon and aquatic species restoration entities to develop complementary programs and regulations pertaining to water availability, upland wildlife habitat, and other critical areas that span jurisdictional boundaries.
- Action Item: The County should explore approaches to managing water resources on a longer planning horizon (i.e., 50-90 years) to ensure water availability for long-term population growth and the sustainability of instream flows.