

'Water bank' could pay dividends in region's growth



Staff photo by E.J. Harris

Kent Madison talks about the benefits a water bank would have on regional agriculture as Craig Reeder, vice president of Hale Farms, looks on at Madison Farms outside Echo. Madison and Reeder both believe a water bank would help create more local jobs while increasing the value of locally grown crops.

By SAMANTHA TIPLER
East Oregonian

Water means everything in Eastern Oregon.

"Irrigated ground is the single engine toward the rest of the economy in (Umatilla County)," said Kent Madison, a farmer and businessman based in Echo.

He and others believe that access to more water — especially water from the Columbia River — will make a big difference in the economy, and the environment.

Changes are afoot. This year the Umatilla Basin Water Commission, with \$2.5 million from the state, created a project that pumps water from the Columbia River into the ground near the line between Umatilla and Morrow Counties. This is starting to change how water is moved around, on paper and on the ground, in Eastern Oregon.

J.R. Cook, executive director of the water commission, is forming a complex new way to allow water to change hands and move it where it's needed most at a given season. It's called the Umatilla Basin Water Transac-

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tion Program, but is commonly referred to as a water bank. It's an idea yet to find its legs, but has gotten the attention of state authorities with oversight of Oregon's water.

Acre-foot accounting

For farmers like Madison and Craig Reeder, vice president of Hale Farms, more water can mean money in their pockets and in the local economy.

Farmers measure water by the acre-foot, the amount of water that covers one acre to a

depth of one foot, 325,851 gallons, about half an Olympic-sized pool.

In a farming context, Reeder said, the first acre-foot of water ensures the ability to grow wheat, worth \$600-\$750 an acre. A second acre-foot can grow crops like alfalfa, with a value of \$1,500-\$2,000 per acre.

A third acre-foot of water brings a farmer into the realm of root crops: potatoes, onions and carrots. Reeder said the value there jumps to \$4,000-\$6,000 per acre.

"You totally change the face of this area," Reeder said. "You go from a whole bunch of wheat to a whole bunch of potatoes, carrots, onions and mint. It's a big, big deal."

And that jump in value, from \$600 to \$6,000, doesn't just stay on the farm.

Crops like wheat don't require much processing, Madison said. After they're harvested the only secondary profit is in shipping it elsewhere.

See WATER/7A

WATER: Heavily-irrigated crops could drive need for processing plants, add jobs

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Crops like carrots, potatoes, onions and mint, on the other hand, need to be processed after they're harvested.

Madison and Reeder see a domino effect: More water means more root crops, which means more food processors, which means more jobs, which means more money for all of Eastern Oregon.

"The real economic boom is that person that's unemployed in downtown Hermiston looking for a processor job," Madison said.

More water could lead to a job for that person.

"The entrée is that we process it and then we ship it," Reeder said. "That's what we need to do around here."

Water clearinghouse

The idea of moving water around for different uses is not new. It can be done, Cook said, but it is very difficult to do now.

Most water in Oregon is tied to what is called a "rate" and a "duty." The rate is the amount of water; the duty is the specific place it is designated to go — a specific acre on a farm, for example.

The water bank will allow a farmer to decide where a given acre-foot will go, whether to another farmer, a water-recharge program or left in the river for fish.

"It allows more flexibility in our basin to move water around to where it's most needed in any given year," Cook said.

A farmer could move that water around now, but it involves a lot of extra paperwork, processing and permitting.

"Some permits have been in application for 10-20 years," Cook said.

Under the water transac-



Staff photo by E.J. Harris

Farmers can sell heavily-irrigated crops, like potatoes, at much higher prices than crops that don't demand as much water.

tion program, the water bank and the basin water commission would act as intermediaries between the state and the farmers. Rather than individuals filing many applications with the state to repurpose water, the commission would serve as clearinghouse for all those applications.

All work toward this new idea is funded by a \$300,000 water and energy efficiency grant from the U.S. Bureau of Reclamation. Matching funds are coming from what remains of \$2.5 million provided by state Senate Bill 1069, which also funded the recharge project the basin water commission built this spring.

Barry Norris of the Oregon Water Resources Department said his office has yet to take a position on the water bank idea. No matter what, he added, the department is confined by existing rules and regulations.

However, having heard Cook and the basin water commission talk about the

idea, Norris was positive.

"We're anxious to work with them and figure it out with them, like we have been doing all the way along," he said. "We'll be open minded as much as we can be within the confines of water law."

Cook is finalizing his plan and working with partners like Reeder, Madison and the Freshwater Trust, along with the partners of the Umatilla Basin Water Commission. The plan may require further legislation.

Cook's immediate goal is to have a proposal ready to show the public, and the Legislature, by fall.

Restoring streams

The water bank would affect more than farmers and irrigators. It can also benefit those working with water for environmental uses.

The Freshwater Trust is a Portland-based nonprofit that works to "preserve and restore freshwater ecosystems," according to the group's website.

David Pilz, Freshwater

Trust flow restoration developer, said the organization works with landowners to rebuild river landscapes, or to lease or buy water rights from farmers to leave in streams for fish.

In approaching farmers, he offers them the option of seeing their water as another commodity, like wheat or potatoes.

"They can sell a crop or they can sell their water," Pilz said. "I try to make it as much a business proposition as anything ... Maybe it's a good year to sell water, or sell part of the water, or lease some water or look at these other options."

In his work Pilz is trying to restore rivers with low flow. The waterways he's watching in Eastern Oregon are the Umatilla main stem south of Pendleton and its tributaries: Birch Creek and Butter Creek.

Pilz chuckled at the mention of Butter Creek. Many people think it's too far gone, he said.

"But I think this project

gives us an opportunity to look at Butter Creek seriously," he said. "You can provide a source of water to some of those irrigators that might be able to do something."

In a place like Butter Creek, Pilz would like to exchange water from another source to entice farmers to leave water in the creek or in the ground to eventually feed the creek.

Having the water bank would better allow for such an exchange.

"It's going to unlock a new way for us to get water in those places," Pilz said. "It's not going to be hard to sit down at the table and promote this to people because there's such a tangible benefit to it."

No. 1 concern

Groups like the Freshwater Trust aren't alone in wanting to conserve water in the Umatilla Basin, Madison and Reeder note.

They care, too.

In addition to putting money in their pockets and the local economy, they are equally excited about a chance to bring water back to the basin — a water source bled dry by a century of over-irrigation.

"Everything about the environment we use," Reeder said. "The water, the soil, the air. It's our No. 1 concern. We can't let all our soil blow away. We depend on return flows. We depend on our water not being contaminated because we put it on food crops."

Madison compared it to an urban dweller taking care of his home and yard.

"You've got a half-acre yard and we've got a 10,000-acre yard. But the point is, it's still our yard," he said. "This is my backyard. This is my drinking water well. This is my land. This is what I inherited from my father and I am passing on to my children."