PUBLIC MEETING

Yakima Basin Storage Study
Draft Planning Report/EIS

Wednesday, February 27, 2008
2:00 to 4:00 p.m.

Yakima Convention Center
10 North Eighth Street
Suites 300 and 400
Yakima, Washington, 98901

Candy McKinley
Hearing Officer
ORAL COMMENTS WERE PROVIDED BY THE FOLLOWING PEOPLE:

<table>
<thead>
<tr>
<th>NAME</th>
<th>PAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>JOHN OSBORN</td>
<td>5 - 8</td>
</tr>
<tr>
<td>NORM JOHNSON</td>
<td>8 - 9</td>
</tr>
<tr>
<td>STEVEN GEORGE</td>
<td>10 - 13</td>
</tr>
<tr>
<td>THOMAS ALLEN</td>
<td>13 - 17</td>
</tr>
<tr>
<td>RICK DIEKER</td>
<td>17 - 19</td>
</tr>
<tr>
<td>URBAN EBERHART</td>
<td>19 - 20</td>
</tr>
<tr>
<td>JOEL FREUDENTHAL</td>
<td>20 - 23</td>
</tr>
<tr>
<td>TERRY KEENHAN</td>
<td>24 - 26</td>
</tr>
<tr>
<td>BOB HALL</td>
<td>27 - 29</td>
</tr>
<tr>
<td>GARY LUKEHART</td>
<td>29 - 30</td>
</tr>
<tr>
<td>MEL WAGNER</td>
<td>31 - 32</td>
</tr>
<tr>
<td>ROCKEY MARSHALL</td>
<td>33 - 35</td>
</tr>
<tr>
<td>WARREN DICKMAN</td>
<td>35 - 37</td>
</tr>
<tr>
<td>ALAN FINCH</td>
<td>38 - 39</td>
</tr>
<tr>
<td>MICHAEL GARRITY</td>
<td>39 - 41</td>
</tr>
<tr>
<td>MICHAEL MORRISETTE</td>
<td>41 - 44</td>
</tr>
<tr>
<td>DAN KINNEY</td>
<td>45 - 48</td>
</tr>
<tr>
<td>VIC ROBERT</td>
<td>48 - 49</td>
</tr>
<tr>
<td>MIKE LEITA</td>
<td>49 - 50</td>
</tr>
<tr>
<td>AMBER HANSEN</td>
<td>51 - 53</td>
</tr>
<tr>
<td>RHONDA ROSE</td>
<td>53 - 54</td>
</tr>
<tr>
<td>DAVID McFADDEN</td>
<td>54 - 56</td>
</tr>
</tbody>
</table>

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6 SOUTH SECOND STREET, 413 LARSON BLDG., YAKIMA, WA
<table>
<thead>
<tr>
<th></th>
<th>Name</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>DOUG PALACHUK</td>
<td>57 - 58</td>
</tr>
<tr>
<td>2</td>
<td>WALTER GEORGE</td>
<td>58 - 60</td>
</tr>
<tr>
<td>3</td>
<td>JIM BREEDLOVE</td>
<td>60 - 63</td>
</tr>
<tr>
<td>4</td>
<td>CHRIS NASS</td>
<td>63 - 64</td>
</tr>
<tr>
<td>5</td>
<td>JOHN HODKINSON</td>
<td>64 - 65</td>
</tr>
<tr>
<td>6</td>
<td>KEITH POSS</td>
<td>65 - 68</td>
</tr>
</tbody>
</table>

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6 SOUTH SECOND STREET, 413 LARSON BLDG., YAKIMA, WA
HEARING OFFICER CANDY McKINLEY: Good afternoon. And my name is Candy McKinley. I work with the Bureau of Reclamation. I will be coordinating this public hearing today, which is an opportunity to gather verbal comment for the Draft Planning Report and Environment Impact Statement for the Yakima River Basin Storage Water Feasibility Study.

This is a joint document that was prepared by the Bureau of Reclamation and the Washington State Department of Ecology in compliance with the National Environmental Policy Act, NEPA, and the State Environmental Policy Act, SEPA.

I would like to note that Mr. Derek Sandison with Ecology is also present for this hearing, as well as a court reporter that will be present to record your comments. She's asked that you speak clearly and slowly. If she has any difficult, she will let you know.

To start the public hearing, I will call the first speaker as indicated on the sign-in sheet. To expedite the process, we will also call the following speaker, who should remain seated until the current speaker is finished.

If you had have a verbal comment for the record,
please come forward, speak into the microphone, state your name, spell your last name, state the organization and the group that you represent, and then present your comment. You will be given four minutes to state your comment. At three minutes we will let you know that you have one minute remaining by holding up a yellow card.

If you do not wish to give a verbal comment this afternoon, you're still able to make a comment on the document either by submitting a written comment to Reclamation, which the comment period ends March 31st, either by e-mail, fax or call in your comment. And those phone numbers and addresses are available at the back table out in the lobby.

At this time, we'll begin the hearing with our first speaker, who is John Osborn.

JOHN OSBORN

My name is John Osborn, O-S-B-O-R-N. I'm here as a board member of the Center for Environmental Law and Policy, and I also chair the Sierra Club's Upper Columbia River Group based in Spokane, my professional work as the senior physician at the Spokane Veterans Hospital.

I wanted to talk just briefly regarding the
backdrop to this decision. It's best I think to
approach the issue in terms of the environmental
history of the Columbia River.

On August 12th of 1805 Lewis & Clark first
stepped foot into a watershed, a place where people
lived in dynamic equilibrium with the watershed for
thousands of years, and in 200 years profound changes
have occurred. These can be systematically approached
looking at a series of historic overlays, the river
land grants, particularly the Northern Pacific, the
1872 mining law, the drawing of state boundaries, the
establishment of national forests, and then dam
building.

I think linked to the dam building history of the
Columbia has been a long history of water over
appropriation, and that's really what is driving a lot
of the discussion here today.

Both CELP and the Sierra Club will be submitting
additional and substantive comments in our opposition
to the Black Rock Dam, but I did want to make a couple
of points here.

One is that the geology beneath the damming at
the site is unstable. There's a thrust belt that's
shown clearly on the geologic cross section area upon
the watershed, and also prone to landslides. I grew
up in Southern Idaho, where we experienced up front
the Teton Dam disaster.

Secondly, seepage on the Hanford site, I think
the public can tolerate no risk at Hanford. The
challenge there is great enough as it is, without
adding to the seepage problem.

Energy issues, we'd be talking about an
incredible energy drain, when we're already facing
questions about our energy future, to pump water from
the Columbia River 1,400 feet to try to fill up the
Black Rock pool.

Another issue is lack of water availability.
Where is that water going to come from?

And, finally, the cost. And I think that NED is
clear here that the benefit-cost ratio, 16 cents on
the dollar, is outrageous, and that this is an
outrageously expensive project.

Where do we go with the Yakima specifically and,
perhaps more broadly, with the Columbia River
Watershed in terms of the problems resulting from over
appropriation. You know, we need to look hard at
conservation and we need to price water for what it's
worth. If we did that, things would be very
different.

Fish passenger for the Yakima River. And
finally, an element that's discussed in the executive
summary of the Draft EIS, and that's natural storage.
And I think really looking at investing and restoring
our watersheds and connecting them with the
floodplains to reestablish environmental integrity of
the watershed. Thank you very much.

HEARING OFFICER CANDY McKINLEY: Our next
speaker is Norm Johnson.

NORM JOHNSON

Thank you very much, and I appreciate the
Bureau providing this opportunity for me to speak on
behalf of the Black Rock Project.

I am Norm Johnson, J-O-H-N-S-O-N, Yakima City
Council, and I am speaking on my own behalf and in the
absence of Mayor David Edler of the City of Yakima,
who is currently enjoying the balmy weather of the
Mexican Riviera.

A little bit about myself. I was born in
Toppenish nearly 70 years ago and have lived in this
valley all of that time expect for the years spent in
college and the military. I have been in municipal
government for 25 years serving as a council member in
Mabton, Toppenish and now in Yakima.

I feel I'm well versed in the benefits of the
Black Rock Project and the impact that project would have in this area of Central Washington. I do not feel that it is necessary to repeat the entire litany of the pros for or, for that matter, what some consider to be the cons of this project, although I feel that the cons can be solved to the benefit of all.

One of my chief concerns is the possibility of a long-term drought, and I believe that is very much within the realm of possibilities in this area. We have seen a number of shorter term droughts. Although I do not pretend to be an expert in weather predictions or economics, I can tell you from my own experience from living in this valley all of my life that a prolonged drought would have a far greater economic impact than the cost of this project, and I would encourage the Bureau and the private sector to work together to find a way to finance Black Rock. After all, we have had 75 years to do something and we need to finally get up and do it. Thank you very much.

HEARING OFFICER CANDY MCKINLEY: Next speaker is Arthur Miller.

MR. ARTHUR MILLER: Pass.

HEARING OFFICER CANDY MCKINLEY: Steven
George.

STEVEN GEORGE

Good afternoon. My name is Steve George, G-E-O-R-G-E. I'm here today representing the hop and dairy industries of Yakima Valley, to give comments on the recent storage study.

I represent the hop and dairy producers in the Yakima Basin. Nearly all of these producers use water from the Reclamation Project through local irrigation districts. Combined, these industries generate close to one-half billion dollars in farm gate value annually.

As these agricultural activities require huge amounts of inputs, those dollars help to stimulate our local, state and national economies.

These industries, like most agricultural operations, require a source of stable inputs. As testimony to the structure present in the Yakima Valley, agricultural inputs such as land, equipment, transportation and water have been available that allow for these industries to become established and maintained. Without input stability, these industries cannot operate.

Since 1977, the Yakima Basin has had severe water
shortages. In the beginning, these shortages were primarily due to weather. Since that time, water shortages have come more frequently, mostly due to weather, but also due to additional demands on our water sources, exasperating the situation.

The state sponsored watershed plan known as the 2514 process, after the House Bill that created it, completed a multiyear water study a few years ago. The study cost nearly $3 million and acquired the services of some of the best water consultants in the state. The study found there was a storage of water in the Yakima Basin. Those shortages were identified as for fish, people and agricultural. It is my understanding that the Bureau of Reclamation studied some of these same elements in their process that brought us here today.

The study found that the basin can be short approximately 475,000 acre-feet of water annually. It also found that conservation measures cannot meet this requirement for water; can't even come close to meeting it.

The study also found that there was little support for on-stream storage facilities. The Black Rock Reservoir met the qualifications of an off-stream storage site.
The study that we're commenting on today has found that the cost-benefit ratio for the Black Rock project is not positive. However, since the BOR has restrictive guidelines, it did not take into account all of the elements that would affect the outcome. Other studies have found that by taking these undocumented elements into account, the ratio could be positive.

It seems ironic that the issue of fish restoration was not fully taken into the account, as the Bureau works on fish enhancement and passage issues as we speak today.

One would think that there would be a high value placed on fish with all the resources going into this effort and all of the litigation that has transpired in the past. One would think that crop would have a very high value as we look at less than a 30-day world supply of wheat, and shortages of acreages to grow crops in this valley such as hay, corn and hops.

Not only do fish and agricultural need ample water supplies, but people will need water as our communities continue to grow. Static or declining communities do not flourish. Taking water from current allocations for other uses does not address our water shortage issue. It only diminishes the
value from where it was taken.

Water storage sites and management structures have been studied in the Yakima Basin for years. We know how much water we need, we know where it's needed today and into the future. The Black Rock Reservoir is the only alternative that meets these requirements, both in the amount of water it can generate and being located in the least environmentally sensitive area in the Basin. If all economic considerations were taken into account, it could likely have a very positive return ratio.

Water management and supply in the Yakima Basin continues to be precarious. Some of these issues should have been addressed when the Reclamation project was initiated, but they were not, leaving one to wonder what liability the Bureau has and if this liability will translate into future litigation. The Yakima Basin continues to rely on water storage --

HEARING OFFICER CINDY McKINLEY: Time is up.

Thank you.

The next speaker is Thomas Allen.

THOMAS ALLEN

used to represent an army at one time when I was on
active duty, but I guess I'm going to say I represent
one working man, me.

One of the first days in college I took a stat
class and the professor put on the board there's three
types of people in the world: Liars, damn liars, and
statisticians. And I believe that must have been
statisticians that did this study. It is way off
mark.

I want to thank the Bureau of Reclamation and
other government workers, which I was one for about 20
years, for having the guts to do this. I'm grateful
to be in the only country in the world that would let
a common person like me to do this. I tip my hat to
Mike, who's not here, and to Bob Hall and Mel Wagner
and Gary Lukehart, who are, and hope that somebody in
this government and this society of ours listens to
some of the economic elders, not just those people who
are getting paid by our taxes, when it comes to
improving our community and our world.

Life is not a risk-free enterprise. We're all
going to die. The question is, are we going to leave
the world a better place.

I've been in this valley about 23 years. Grew up
back East. I've owned a boat every year since age 12,
so I've got about 40 years of boating under my belt.
I'm here to tell you that not taking recreation into
this, for a guy with a Bachelor of Arts degree, no
expert, but I've got a BA in economics, and these land
labor capital mount inertia (phonetic), this
government hasn't given us enough water storage.

According to hydrogeologists I listened to from
either BLM or BOR some years ago at the Yakima Lions
Club, there's enough precipitation that the creator
provides this valley for every fish, every person,
every business and every environmentalist to have
enough, but we don't store it. We don't take
advantage of the natural advantage that God has given
us, the great transportation group we've got here, all
this land that's not being used.

And I think they put the cart before the horse
because they're looking at payoffs, they're not
looking at costs; i.e., when we have a water-short
year, and there's been two of them I think in the last
five, the number of a billion dollars of crop loss or
economic loss gets tossed about.

In the life of this reservoir, 50 or 100 years,
whatever it would be, how many times would it save us
from a water-short year.

What about the military aspects? Would the
military train in the lake, would the navy be here,
with the coast guard be here, wold the army do ranger
operations. Would there be another component that has
been overlooked.

When Colin Powell spoke in Spokane a few years
ago, he got asked in the Q and A, What's the most
important thing for the U.S. to do to maintain our
defense, and he had a one word answer. That answer
was "food". It's criminal and obscene that we don't
use all the land here that we can and use what God has
given us, the talents to harness the water for
everybody's benefit.

At one time, 52 percent of the people in this
county received a transfer payment from the federal
government. How much of that would go away? What's
the social cost of that? If we could take five or ten
percent of those checks away, how many billions of
that, or millions.

What about the benefit of the multiplier factor
of all the wages and building supplies that would
obtained. All those workers are going to work at
prevailing wage. Lots more than most people in this
community earn. They have got to spend it somewhere,
they have got to eat, they have got to put gas in
their truck, and they have got to stay somewhere for
the time the project is built.

What about the inevitable tourism benefits. What about the fact that we probably have an ability to not depend strictly on agricultural, that it would be a boom to tourism.

Time?

HEARING OFFICER CANDY MCKINLEY: Yes.

MR. TOM ALLEN: Thank you for listening.

HEARING OFFICER CINDY MCKINLEY: Thank you.

Our next speaker will be Rick Dieker.

RICK DIEKER

My name is Rick Dieker, and I'm employed by the Yakima-Tieton Irrigation District. I want to start off by saying that -- D-I-E-K-E-R is how you spell my last name -- is that my views are not of the irrigation district. In fact, our district has not taken any formal position on the Black Rock Project or the storage initiative at this point, except to say that we are in favor of additional storage in this Basin. It would be one of the aspects to solve the issues that we face here for this watershed by not having enough storage.

First of all, I'd like to say the Black Rock Project I believe is not really feasible because of...
the cost. Not only the construction cost, but also
the annual cost of $60 million, the bumping and the
O & M costs.

   And I'm in favor of -- I do believe that the
Wymer Project is a more feasible project. It does not
meet the 70 percent goal that is in the storage
initiative, but it does add 16.5 percent additional
storage to the Basin, which is a plus, and it is
affordable to operate on a yearly basis, and I think
is the money could be raised and come in.

   I think also the Bureau earlier in this process
made a mistake when they took the Bumping Project
enhancement out. There are large environmental
concerns there, of course, but I think the idea that
you have to gauge something by whether it impacts the
enormity of flow of the river, which is a moving
target, is a fallacy. This is a managed watershed and
always will be.

   And as long as you have storage reservoirs and
irrigation and infrastructure, you're going to have a
managed watershed. And if you have a storage, the
Wymer storage halfway down the system as an
off-storage site and add another headwater storage,
that will increase the probability of managing the
water to the benefit of all interests.
And if you do agree with the concept of climate change, which the science is still out on it, but if you do agree that there will be changes in the climate earlier runoff, change in the snow versus rain, it just makes sense to put more storage in the Basin to capture those and have that availability for future use and current use. Thank you very much.

HEARING OFFICER CANDY McKinley: The next speaker is Urban Eberhart.

URBAN EBERHART

Thank you for the opportunity to speak. My name is Urban Eberhart, and my last name is spelled E-B-E-R-H-A-R-T. I am the current Chairman of the Board of the Kittitas Reclamation District, which is a district that is fully proratable in the Upper Yakima Basin and provides water to 59,122.2 acres in the Kittitas County area.

The Kittitas Reclamation District supports the construction of additional storage in the Yakima Basin, and we've been very active throughout the years in supporting it and working with the development of the Yakima River Basin Enhancement Project in its current version, which was passed and signed by President Clinton in October, October 31st, 1994.
And as we were working that version through Congress, it was very clear with the committees that we were speaking to that that version is and would be an interim step to additional storage.

The Yakima Basin Project has never been completed and we do need additional storage. Conservation will not provide enough water to meet the water needs, meet all the water needs for the users in the Basin. And the only way to provide a consistent and adequate supply of water for all of the users and all of the needs in Yakima Basin is through additional storage.

And we will have some more comments later in the comment period. Thank you.

HEARING OFFICER CANDY MCKINLEY: Next speaker will be Joel Freudenthal.

JOEL FREUDENTHAL

Joel Freudenthal, fish and wildlife biologist, Yakima County Public Surfaces.

I work for the county and have been involved in numerous processes that study water resources, fish, fish habitat, riverine processes and flood hazard. These include the development of the watershed plan, subbasin plan, salmon recovery plan, and interaction with the Columbia River Basin Water Supply Development
Alternatives under consideration in the storage study have the potential to fundamentally change water availability and water resource management in the Yakima Basin and significantly affect water use and availability in the Columbia River as well. As such, I've been directed by the Board of Yakima County Commissioners to review the storage study and briefly comment on major issues today. More extensive written comments on the EIS will be submitted by the County at a later date.

The first issue I'd like to address is the economic analysis. For the storage study, Reclamation did adopt the goal of no less than 70 percent proration, which is consistent with the Watershed Management Plan. While the goal is consistent with the Watershed Plan, the rationale which leads to development of that goal has not been included in the economic analysis.

The document states that benefits for the storage alternatives are only realized in those years that the proration level would drop below 70 percent, and the increased storage and reliability have no effect in the years that are not prorated.

The original studies, for instance, Montgomery
Water Group, 2002, that led to the development of this goal, were based on economic studies that showed the entire economy of the basin was influenced in all years by the risks associated with proration and drought. Reduce that risk and the economy in the basin is improved in each and every year. Basically the economic analysis misses the point, the premise and legislative intent which resulted in the storage study.

Further, it appears that this approach is inconsistent with the P&G the Reclamation uses to guide the development of planning reports. The current approach only deals with the subset of one of the two NED accounts required by the P&G.

The EIS should be amended to include all of the elements for damage reduction, intensification and efficiency benefits that are economically accrued from reduced drought risk, as put forth in the P&Gs.

Secondly, Ecology funded a significant proportion of the study to the Columbia River Water Supply Development Account. In the use of these funds, the legislature directed Ecology to focus its efforts to develop water supplies for the Columbia River Basin on the following needs: Alternative to groundwater for agricultural users in Odessa, sources of water supply
for pending water right applications, a new
uninterruptible supply of water for the holders of
interruptible water rights on the Columbia River
mainstem that are subject to instream flows or other
mitigation conditions to protect stream flows, and new
and municipal, domestic, industrial and irrigation
water needs within the Columbia River Basin.

The EIS did not address many of these topics
in relation to the Columbia River or the increased
water supply to the mainstem Columbia provided by
Black Rock alternative.

I recognize that congressional restrictions
limited the Bureau's analysis to a specific geographic
area, but Ecology is not limited in its analysis and
has been specifically by the legislature to look at
issues associated with the Columbia River.

Ecology has the legislative direction to perform
such an analysis. This should be included in the
environmental review process prior to preparation of
the decision document for all the way through a
Supplemental EIS consistent with the storage study and
the Columbia River Water Supply Development. Thank
you.

THE REPORTER: Could you spell your last
name, please.
TERRY KEENHAN

Hello, I'm Terry Keenhan. I'm the surface water manager at Yakima County, and I've been asked to present some comments on this. I'm just going to mention three of them because we will provide written comments. My last name is K-E-E-N-H-A-N.

I have been working on dams since 1971, until I last -- actually two years ago, and so I have quite a bit of experience. I'm an engineer, and some of my points are around some of these issues.

The County is a cooperating partner, which means that we reviewed the October draft, and so we made some comments then, and I'm going to address some of that at this time.

The first is in regards to Black Rock, relative to the seepage. And I made some comments at that time that in doing a risk study, you don't just identify the potential hazard and then assume that that will happen. So typically what's done in an EIS or an engineering study is that you look at the mitigation.
You look at the likelihood first, and then you look at the mitigation, and then you look at the problem, what really your potential is, so the probable. So those comments were actually grabbed and the Bureau made those changes, and I was quite happy about that.

I did notice that the OSE and EQ accounts were not modified as a result of that, which have heavy weigh ins towards seepage and other things which would create a fairly dark picture, where you don't have the information at this stage. So that was one comment.

Then the other one is on climate change. I have been a practicing hydrologist for quite a long time, as well as a hydraulics engineer, so I've spent 17 years with PC Hydro looking at all their dams. And the actual englacier mass, the balance studies, are one of the things that I did at that time. And this particular area, I went back and looked at that after I went through the material in your EIS, and we have a real trend here since 1946, a two-degree change in mass wasting in the glaciers, which shows that the snowpack is going away.

So that trend is not going to reverse itself. In fact, it's probably going to go the other way. And the information you have in the EIS part of this, what is stated is that we -- or the report states that the
precipitation stuff is pretty solid, but the
temperature stuff is not, so therefore we won't even
do that. So I don't find that very consistent because
that's the opposite of what is happening with the
seepage at Black Rock. So you took one where it
didn't work and one where it worked, so that was a
real inconsistency.

I think there are real concerns for this Basin.
I believe those numbers, above 50 percent of
production of the summer flows. I think that's just a
tip of the iceberg. Having come from virginia, gone
through a very large drought, and now coming here, we
started a second drought, it's a new trend.

And the last part is, I have worked on benefit-
cost studies, Three Gorges feasibility, and I have
never seen a dam that's built with a positive benefit-
cost ratio, except for an hydroelectric dam, and it
took benefits that were outside of the region into
effect. So the scope of this benefit-cost is flawed.

Thank you.

HEARING OFFICER CANDY MCKINLEY: Thank you,

Terry.

Next speaker, Bob Hall.
Good afternoon. My name is Bob Hall, H-A-L-L. I'm a member of the Yakima Basin Storage Alliance's Board of Directors, I'm a Yakima automobile dealer, a member of the Chamber of Commerce, and Yakima County Development Association.

I'm here today to speak to put on the record for those that will hear the facts and read the facts and be making decisions on this critically important issue for us as a community, us as a region, and us as a Nation.

The Yakima Basin Storage Alliance, to go on record, is a consortium of non-interested in each other's party. We are not aligned strategically in business, we are not aligned strategically for the Yakima Basin Storage Alliance. We are aligned as a community interest to bring a solution to what has been identified as a shortage in our community since 1945, on a project that was built from 1903 to 1933.

We have over 40,000 supporters that will be presenting in written form to you by the end of March, we have over 350 investors, and Yakima Basin Storage Alliance is a proponent for solution. And this has been identified by the Basin Alliance as a marathon, and we are nearing the sprint stage of a very long and
very tedious project.

It's important that we state publicly that from the day one to this day, this is a public private partnership that can only be funded by all parties participating, not just the federal government. State government, county government, city government and a substantial portion from private enterprise.

In its broadest form, we have a glass that I always look at as half full. You will have proponents on the other side of the question that may look at it half empty. And I would build the case that we are managing risk. Without risk, this country wouldn't be what it is. Without risk, this county and Kittitas County and Benton County wouldn't enjoy the spotlight of the world through our high, high quality production of agricultural products and manufactured products that are purchased and used throughout the world, and our ability to draw visitors through our recreation and our sites from all over the world that leave their dollars here.

Yes, this is economic. In 1991 the assessed value of all three counties was under $10 billion. Today the assessed value of all three counties exceeds $34 billion, a small investment to ensure that our real estate values and the values of this community
and our production stay in place.

Grand Coulee, our five reservoirs, were built without a cost benefit analysis, but look at what they have returned. We are against what we're for, eliminating the potential of droughts, increasing salmon flow, and providing water for our municipalities for growth, jobs, recreation and agricultural production, and fish.

Urgency is critical that we solve this now, and the Yakima Basin Storage Alliance are in the game to represent the community to bring solution so that our children and our grandchildren aren't still attempting to solve our challenge. Thank you.

HEARING OFFICER CANDY MCKINLEY: Thank you.

Gary Lukehart.

GARY LUKEHART

I'm Gary Lukehart. That's spelled L-U-K-E-H-A-R-T. I'm a resident of Naches. I live in the Naches River Valley. I have a ranch. I'm also a businessman in the community, and I serve on the Board of Directors of the Yakima Alliance, Basin Alliance.

I'd like to respond primarily to the study that was done for Black Rock. I'm obviously interested in seeing the Black Rock Reservoir being built to solve
our problems for the future.

I would like to point out the fact that I think that the cost to benefit ratios that were established for this study, I think they didn't carry enough weight for the migrant fish. And I think that Bonneville Power has been spending an enormous amount of money trying to solve that problem by themselves, and this would be help, a lot of help. And basically what we really need is a better water supply and a consistent water supply to help with the fish, along with the farming.

The other area that I felt that the benefits didn't spend enough time on was really the economic impact of the reservoir itself in terms of commercial development and recreation, and I think those things have to be added in. It's awfully difficult to come up with these exact numbers, and they are guesses, but I think that the people that built the dams 75 years ago were probably dealing with less information than we have here, and they were able to see through the light and build these dams that now serve the state of Washington. And I believe that the Black Rock Reservoir would serve that purpose to take care of the our water needs for the future. Thank you.

HEARING OFFICER CINDY McKINLEY: Thank you.
The next speaker will be Mel Wagner.

MEL WAGNER

Thank you for this opportunity. My name is Mel Wagner, W-A-G-N-E-R.

I had the privilege of serving with the Yakima River Watershed Council in 1994, and I learned a lot about the problem we're trying to deal with today, and I'd like to review some of the lessons I learned and who the teachers were.

The very first lesson I learned was from the Bureau, that we don't have an adequate supply of water to deal with the water rights that we have.

The second lesson came from the environmental community and the Yakama Indian Nation Fisheries, and they taught me that we have inadequate flows in the Yakima River in the summertime, especially in drought years, and the water is too low and it's too warm for fish.

The third lesson I learned was conservation. We need to conserve water and use it more wisely. And we passed that problem on to the agricultural community in the Lower Valley, and they have done a wonderful job of improving the conservation.

One of the complaints was the plume that came out
down in the Granger area that contaminated the Yakima River. They have practically totally eliminated that. And then the communities complained. They not only had a shortage of water, but their growth was threatened.

The Watershed Council studied ahead in the future and studied in the past. We've had potential solutions developed over the past 50 years, but every time competing views come up with one decision: No Action.

This began 14 years ago. The area has increased in population and water needs, and now we have climate change which is threatening our future. No action is not an acceptable alternative. We must grow up and be mature enough to deal with the problem that we're faced with.

It is certainly a value that this was sagebrush 75 years ago and now, with the development of five reservoirs, it's three communities with a net property value of $34 billion. And we have to be mature. Only if we're willing to witness the total loss of salmon, the destruction of our economy, can we do No Action.

Black Rock is the answer. It makes winners out of every element. Thank you.

HEARING OFFICER CANDY MCKINLEY: Thank you.
The next speaker will be Rockey Marshall.

ROCKEY MARSHALL

Good afternoon. My name is Rockey Marshall, and I've been a carpenter here in this community for over 30 years. For the last eight years, I've been a representative of 350 union carpenters here in the Basin. I'm also a board member of the Yakima Basin Storage Alliance.

I'm proud to say that the Carpenters Local 770, the Central Washington Building Trades, the Washington State Building Trades, the Pacific Northwest Regional Council of Carpenters, the Yakima South Central Counties Central Labor Council, and the Washington State Labor Council all support the Black Rock Project. I and others have worked hard in getting Congress to provide the appropriations for the study, and now I'd like to take just a few moments to talk about the purpose of the study.

The purpose of the storage study, as stated in the report by the Bureau of Reclamation, is to evaluate plans that would create additional water storage for the Yakima River Basin. The Bureau of Reclamation was to assess each plan's potential to supply water needed for fish and the aquatic resources
that support them and the Basin. It was also to assess irrigation and future municipality needs.

The reason for the study was we have a finite existing water supply and a limited storage capability of the Yakima River Basin. This finite supply and limited storage capability does not meet the water supply demands in all years, resulting in significant adverse impacts to the Yakima River Basin's economy and to the Basin's aquatic resources.

Specifically affecting those resources that support anadromous fish, Reclamation and Ecology's purpose was to identify means of increasing water supplies available for improving fish habitat and meeting irrigation and future municipal needs.

The Black Rock Project meets and exceeds all the required benefits in the storage study. With Black Rock being a water neutral project, flows in the Yakima River will increase and the water will return to the Columbia River with a greater number of fish. Black Rock will be our insurance policy when our region suffers from the full impact of climate change we are now starting to experience.

The Yakima Basin Storage Alliance is not focused on national economic benefits or regional economic benefits, but rather on what is needed to ensure a
reliable water supply for the Basin's future. We have tried to look at a full array of beneficial effects, which the Bureau cannot look at because of its principles and guidelines. Since the Bureau has been using these principles and guidelines, no project that has had the irrigation component has met the cost benefit ratio.

I'm concerned that based on the cost benefit ratio being so low, that the Bureau will recommend No Action. No Action is not acceptable. It's going to leave us high and dry in the future.

As stated in the Planning Report, a preferred alternative may be identified in the Final Planning Report.

HEARING OFFICER CINDY McKinley: Thank you, Mr. Marshall.

Next speaker is Warren Dickman.

WARREN DICKMAN

Good afternoon. I appreciate the opportunity to talk a bit to you folks. The spelling of the name, D-I-C-K-M-A-N. I'm a retired manager of Yakima-Tieton Irrigation District, and a YBSA board member.

I'm going to be talking primarily about benefits
to cost. This is a key issue in the process of moving
Black Rock to a completion. This hurdle must be
cleared so the project can go forward.

I have an understanding of table 2.48 on page
2-77 of the report that puts a total cost to Black
Rock Project projected to be 6.7 billion. The
benefits are stated as 1.045 billion, and this leaves
a negative total of 5.7 billion. And the benefit to
cost is shown as .16. Now, this tells me that 16
cents will be the expected return on each dollar
invested under this scenario.

Now, this data is developed using current Bureau
guidelines. I've heard their explanation of the
Bureau guidelines and feel that the numbers quoted in
the report follow the guidelines as -- they address
the guidelines that they were handed.

Now, Black Rock is a multifaceted project and I
don't believe gets a fair benefit to cost
consideration under the antiquated guidelines under
which the Bureau must operate. These antiquated
guidelines place no value on salmon recovery. YBSA
places a value of 2.6 billion for the restoration of
the salmon run.

No value is placed on the restored salmon run for
use by the Yakama Nation and the cultural values of
fish for the members of the Tribe. Cultural values of
the fish could be priceless.

No figure is given for the benefits of recreation
provided for the area above the waterline. A report
by Mitchell Nelson dated January, 2007 places a value
of 3.5 billion on this important side benefit.

For each drought that occurs, additional losses
of three-quarters of a billion will be lost to more
basin. Eliminating this loss would certainly be
considered a benefit.

To have a true benefit to cost ratio, these
important contributors, salmon recovery, recreation
and water for drought years, should be included in the
benefit to cost ratios. If only the 3.5 million for
recreation and the 2.6 billion for salmon recovery are
used, this would mean 6.1 billion that could be added
to the benefit side of the ledger.

The items previously mentioned are all big ticket
items, and there are other items that could be
considered, too, as a plus. Early construction and
completion of Black Rock would provide cost reduction
from estimates reported in the cost.

We all need to get this thing going, get it built
and start using it. Thank you.

HEARING OFFICER CANDY MCKINLEY: Thank you.
The next speaker, Alan Finch.

ALAN FINCH

My name is Alan Finch, F-I-N-C-H. And I represent my business, Mayflower Metals.

I fully support the Black Rock Reservoir Project.

Three reasons for that. As an citizen, I realize I'm a beneficiary of those that had the vision of an irrigated Yakima Valley. I came here in 1967 with my family. My dad farmed 20 acres and he worked on a -- managed an apple ranch. And I'm a beneficiary of what these guys did, though both of those entities had the SVID projects supplying them.

I'm sure that the same doubts and challenges confronted those individuals back then that built our existing systems, and I expect we will show the same farsightedness and build a resource that will benefit us and generations in the future.

The second reason, my business I believe will benefit from this project any way that we can use our water resources. Increasing and stabilizing them will be a benefit to agriculture, cities, fisheries, and it would strengthen the commercial and industrial environment of this area. This would, in turn, strengthen and increase the clients that my company
provides services to.

And, thirdly, as an investor, looking at the economics, certainly the economic benefits of Black Rock Reservoir, that the benefits it would provide have been underestimated. Our location, which gives us the products and the access to the world's fastest growing area, Asia and the Pacific Rim, is worth this significant investment. I expect the demand for agricultural products to continue to grow, along with the population and the service industries required to support farming.

I have and will support using existing funds, any additional taxes necessary to complete this project. And I think the vision of the people that built these projects we now enjoy should be our vision that we have now. Thank you.

HEARING OFFICER CANDY MCKINLEY: Thank you.

The next speaker, Michael Garrity.

MICHAEL GARRITY

Thanks for the opportunity to comment. My name is Michael Garrity. I'm with American Rivers, the Northwest Regional Office for Natural River Conservation Organization. And my last name is spelled G-A-R-R-I-T-Y.
I've just got some brief comments. We'll be submitting detailed written comments in March. But based on the Draft EIS, it looks to American Rivers as if the Black Rock proposal is too costly, with too little fish benefit, as well as too risky to build because of the concerns about seepage and Hanford.

We support a lot of the goals of this study when it comes to increase in flows, protecting fish and helping meet the water needs in the basin, but just don't see Black Rock as the way to do it.

As far as fish go, the benefits of flow alone are fairly minor, as the study shows, and we would like to see a detailed analysis of what floodplain and reach restoration can do, along with fish passage, adapt stream reservoirs, and the combined effects of some of the alternatives that were examined by the Department of Ecology, including enhanced water conservation, market based allocation of water, and groundwater recharge, and see how that fits in. And ultimately see how the cost and benefits of doing those activities here fit in with that obligation to restore listed populations of salmon and steelhead throughout the Columbia Basin and maintain and group habitat for the unlisted species.

But 6.7 billion is not likely to be seen as an
equitable share of resources for water supply and
salmon recovery in the Basin overall and we need to
find the most cost effective way to do that, and
that's without the likely risk of mobilizing the
groundwater, the contaminated groundwater under the
nuclear reservation. Thanks.

HEARING OFFICER CANDY MCKINLEY: Thanks.

Next speaker, Michael Morrisette.

MICHAEL MORRISSETTE

Well, good afternoon and thank you for this
opportunity. Mike Morrisette. The last name is
spelled M-O-R-R-I-S-E-T-T-E. I'm here representing
the Greater Yakima Chamber of Commerce. We are an
organization that represents nearly 2,200 business
professionals and over 1,600 companies operating in
Yakima County.

The Commission of the Chamber is to protect and
enhance economic vitality of our region as a means to
improve the quality of life for all of our citizens.

During my career as a Chamber professional, which
spans some 29 years and three states and four
communities, I have never encountered a project with
greater potential for doing good than the one proposed
by the Yakima Basin Storage Alliance. The Greater
Yakima Chamber of Commerce therefore supports the Black Rock Reservoir as the best alternative for water storage, habitat and economic development. But not only for our region, but for the entire state.

We all know that we're living off the investments made by our ancestors some 75 years ago, when it comes to water storage here in Eastern Washington. We believe it's time that we step up and make our own investment on behalf of future generations that will be living here long after we're gone.

Both Pacific Northwest National Laboratory and the University of Washington's Climate Impact Group predicts severe decreases in Cascade snowpack by mid century and the CIG expects this loss of natural mountain storage capacity will result in reduced summer stream flows by 20 to 50 percent. Therefore, in our opinion, the alternative to do nothing now is just not an option.

Here are a few reasons why we support Black Rock as the best alternative: We believe the success of our economy depends utterly on not only an adequate supply of water, but a growing supply of water for our region. The annual gross farm gate receipts contributes 1.5 billion annually to our economy, according to a 1990 study done by the University of...
Washington at Battelle Northwest.

There are conservative estimates indicating that in the last 12 years we've lost 2.2 billion in agriculture-related economic benefits and receipts due to the seasonal droughts. Meanwhile, our agriculture industries are growing, along with demand for a reliability supply of water for agricultural uses.

We believe only Black Rock has the water storage capacity to keep up with our future needs. Anything less can considerably stunt our growth and ability to sustain this needed resource.

The recreation value of the project we believe is neglected in the report, and we understand why. The economic benefit and residential and recreational property development stops at the waterline, so the estimated 3.5 billion found in Mitchell Nelson's report for development around the lake is not included. We feel that estimate, which only takes the expected development out for 20 years, is very, very low.

And we would ask you to consider two new housing developments currently underway here in the valley, the Vineyards and Zillah Lakes projects. The lots are going for over $300,000 or more.

Black Rock sits dead center in our fast growing...
wine country and industry that will soon rifle that in
the Napa Valley. And how can we not value this
opportunity knocking at our door to grow this
industry, create new jobs and propose international
tourism.

Also, Black Rock meets the requirements of
Congress. The Bureau of Reclamation study reports
that Black Rock is the only alternative that meets all
three criteria stipulated by the Congress.

Did you put up the yellow card? I didn't see.

MR. JOHN EVANS: I did, yeah.

MR. MICHAEL MORRISETTE: I'm sorry. I'll
wrap it up.

So it meets all three requirements.

The BOR, we also underestimate the value the
salmon recovery, and you'll hear more about that. We
believe our storage capacity needs to supply a two- to
four-year water supply, and right now in Yakima we
store only 50 percent of our annual use.

So we feel it's urgency. We feel that the time
is now and we need to do so.

HEARING OFFICER CINDY McKinley: Thank you.

MR. MICHAEL MORRISETTE: We were told we had
five minutes when we got our announcement, by the way.

So we all timed ourselves for five minutes.
HEARING OFFICER CINDY McKinley: You did very well. Our next speaker is Dan Kinney.

DAN KINNEY

My name is Dan Kenney, spelled K-I-N-N-E-Y. I want to thank you for allowing me to testify to the Yakima Basin Water Storage Facility Feasibility Study, and I'm speaking on behalf of myself. I'm a resident and a businessman in Yakima for over 40 years, and I have worked to provide a viable community, one that's both economically prosperous and offers the recreational opportunities of the great Northwest.

I believe that water is a very important ingredient in our lives here in Central Washington. Truly water has turned the desert into a fluke hole of the Nation and is the lifeblood of our valley.

As a member of the Yakima River Watershed Council Storage Committee, I studied and learned a great deal about the water needs and uses in the Yakima Valley. In June of 1998 the Yakima River Watershed Council issued a report with the following recommendations to pursue the least cost, least economically damaging surface water storage reservoir as a potential means
of making water available during the water short years
for the recovery of our Basin's anadrous fish species
and the legitimate needs of the current agriculture
and municipal base.

In reviewing the Black Rock study plan with the
recommendations in mind, the main problem that I find
with the feasibility study is that the Black Rock is
certainly not the least cost proposal. With the total
project cost of $4.5 billion and annual operating cost
of $60 million, this solution is too expensive for
water users and taxpayers alike.

I might add that it is not very energy efficient.
The additional pumping cost of $50 million a year,
that's enough energy for 54,000 homes, which would
require the construction of another wind farm the size
of the Wild Horse Project above Ellensburg to produce
that much required energy.

Black Rock looks to me like an overblown
solution. Why is the damage so large? Black Rock
would store 1.3 million acre-feet of water behind a
700-foot high dam, a dam that is higher and longer
than the Grand Coulee, which holds back the mighty
Columbia.

Black Rock would impound almost three and a half
times the amount of water that is needed to bring the
junior water rights districts to 70 percent of their entitlement in the worst year on record, in 1994, when they received only 37 percent.

The national economics development benefit cost ratio of only 16 cents shows the true folly of this proposal. There is already far too much spent on this unacceptable proposal. By contrast, the more conservative Bumping Lake enlargement could produce 425,000 acre-feet increase and the Bureau of Reclamation's study said that that cost back in 1983 would only be $150 million, with an annual cost of $100,000. Even adjusting those figures to the 2000 cost estimates would fall far short of the Black Rock's $4.5 billion price tag.

The golf courses, resorts and the real estate boom that proponents talk about are pure speculation and definitely should not be used as justification for increased irrigation storage.

Recreational values and commercial ventures are truly pie in the sky. And how can the operational objectives to maintains the Black Rock Reservoir at full capacity be received, when the Columbia River Basin Management Water Management Program has already stated that withdrawals of water from the Columbia River in July and August would be prohibited. Are not
July and August not only prime recreational months, as well as the months of highest irrigation demand. How can the Black Rock claim --

HEARING OFFICER CANDY McKINLEY: Thank you, Mr. Kinney.

MR. DAN KINNEY: Thank you.

HEARING OFFICER CANDY McKINLEY: Next speaker is Vic Robert.

VIC ROBERT

My name is Vic Robert, R-O-B-E-R-T, no "S". All right. I'm an old time Yakimanian. We've been out there east of where is the dam is proposed for 92 years on a ranch, a livestock ranch, and we know the value of water.

We in 1977 had two inches. That doesn't grow much grass. So if it don't grow much grass, how much would it irrigate your fields, your orchards, your vineyards? We need more storage.

We've been around here a long time. When I was a kid in the '30's, there was 18,000 people in Yakima. Now we've got 80,000. How much more water is being used?

And they say the cost. That's only three or four Stealth Bombers. They lost one the other day. What
good did that do. There's a billion dollars in the
ditch.

Hanford spent 30 years cleaning up the area, and
they spent billions of dollars out there, and they
haven't done a damn thing, and it's about time they do
something. So I'm for it and my family is for it.
Thank you.

HEARING OFFICER CANDY MCKINLEY: Thank you.

Next speaker is Mike Leita.

MIKE LEITA

That's a hard speech to follow. My name is
Mike Leita, Yakima County Commissioner. I appreciate
this opportunity. I'm going to be real quick here.
And Yakima County will be fully engaged in this
ongoing process.

In the '30's the federal government's vision was
to build something out of nothing, and today our
region benefits from those efforts, starting with
Grand Coulee and our local reservoirs.

The temporary measures that were started back in
the '80's, such as flip-flop, well drilling within the
Kittitas, Yakima and Benton Counties in the Yakima
River Basin, have become inadequate solutions.

The EIS and the cost benefit analysis really are
about soft numbers. We throw around the numbers of billions of dollars without much -- You know, what's the difference between four billion and six billion? To me, it's two billion dollars.

The cost analysis that has gone in and the benefit analysis are very subjective. They need hard, solid justifications before any decision of this magnitude is made.

Yakima County understands what is at risk at this point in time, and it is a significant point in time for Yakima County. It is our future because water is life.

You've already heard how Yakima County, Benton County, Kittitas County has grown over the years. And if you think it's simply going to stop, that's not going to happen, and water for all purposes is essential.

My final comment is, my observation based upon our staff input and whatnot is that this process to date borders on the verge of an $8 million travesty. Thank you.

HEARING OFFICER CINDY McKINLEY: Thank you.

Next speaker, Amber Hansen.
Good afternoon. Thank you for allowing us to speak today. My name is Amber Hansen, H-A-N-S-E-N. I'm manager of the Port of Sunnyside. I've been the manager there for the past 18 years. And, as you know, Sunnyside is very heavily into the agricultural business, just as most of Yakima County is.

My one concern or our one concern is that the Bureau will select as their preferred alternative No Action, and no No Action, as many people before me has said, is very unacceptable.

Black Rock is the only alternative that, as stated in their own study, that meets all the congressional criteria. In my opinion, in the No Action alternative is very unacceptable for the Yakima Basin's future. Yakima Basin needs a secure resource of water for the future to protect our fish and our agriculture for generations to come.

Our Governor has asked us, as a state, to look into and to try to be a grain fuel state. Well, most of that grain fuel is grown in the Yakima Valley. If we can't produce it with the water, then where are we going to get those corn and other grains to produce that grain fuel? Are we going to import that, too? I sure hope not.
The study by BOR completely underestimates the benefits of Black Rock due to constraints in its methodology. These constraints, if you used these constraints when they we were making the decisions for the five Yakima reservoirs and Grand Coulee, it probably wouldn't have been built because they may not have met the criteria.

In addition, they are not permitted or choose not to include recreation or land development benefits to the area in the cost analysis. In my opinion, that's very short sided. What better place is there for a lake than in the middle of sunny wine country.

Black Rock Project in this proposed location is entirely within the Port of Sunnyside, which is inside of Yakima County. We border Benton County and the Port of Benton. It's my understanding that all four municipalities, and I speak only for the Port of Sunnyside, recognize the cost benefits of having such a development as Black Rock would bring.

On the flip side, we also recognize that if you do not have a sustainable water supply, we risk losing two to three billion dollars annually in agricultural products from our Valley. The last three droughts have cost our area nearly $1 billion a year. That's $3 billion over three years of drought. That is
almost the total cost of this project of 4.5 billion.

It's a safe bet that another drought is coming. The only question is when. And if you take global warming to heart, I'd say it will probably be sooner rather than later. Black Rock is the only alternative that makes sense, and it is a requirement for our future well-being. Thank you very much.

HEARING OFFICER CANDY MCKINLEY: Thank you.

Next speaker, Rhonda Rose.

RHONDA ROSE

Thank you. My name is Rhonda Rose, R-O-S-E. I'm a Yakima realtor.

And I just wanted to say that I am in support of this project. The majority of my clients truly are moving here from out of the area.

I would like to take this moment just to give you a brief excerpt from the preamble of our Codes of Ethics. And this, by the way, was written over 100 years ago.

It says: Under all is the land. Upon its wise utilization depend the survival and growth of free institutions and of our civilization. Realtors should recognize that the interests of the nation and its citizens require the highest and best use of the land.
and the widest distribution. They require the
creation of adequate housing, the building of
functioning cities, the development of productive
industries and farms, and the preservation of a
healthful environment.

Not only has the Yakima, Tri-City and Kittitas
Associations been in support of this endeavor, but
recently the Washington realtors ponied up with
support with the sizable donation. Our 25,000 members
state wide recognize that we are an agricultural-based
community, and they believe that this is a worthwhile
project that will boost our economic viability, and
the Washington realtors state wide see that there is
the benefit to the Central Washington Basin area.

We believe this is a viable solution to our water
storage issue and it would truly enhance the
recreational opportunities for current residents and
for those that are relocating. Thank you.

HEARING OFFICER CINDY McKINLEY: Thank you.

Next speaker, David McFadden.

DAVID McFADDEN

Thank you. My name is Dave McFadden,
M-C-F-A-D-D-E-N. And I am the president of the Yakima
County Development Association, and I'm speaking on
behalf of our organization.

We have been in business for over 20 years trying to work on strengthening and diversifying the Yakima Valley economy, and over the years what we have recognized is that our history, our culture, our economy, and indeed our future is totally dependent on water availability and supply.

We have watched the discussions with interest unfold over the last two decades surrounding this issue and we are very encouraged by this recent study completed by Bureau.

At this point, though, it's clear and obvious to us that Black Rock Reservoir is the most comprehensive and sustainable solution and option being considered. I would add to that, and I'd echo what other people said, you look at some benefits, but we feel that some of those benefits were not really recognized, like recreational value or the value of salmon recovery.

And we feel when you really consider, again, how recreational economies support salmon recovery and generate other economic activities, that this reservoir project becomes the most legitimate and cost effective alternative to address the region's long-term water requirement.

Our communities and our region need a water
solution now. Little, if any, new storage has been added within the Yakima Basin over the last 60 years and the region's diverse demands for water now far outstrip the supply of water in existing reservoirs. Favoring a No Action alternative in the Bureau of Reclamation's study for these reasons would be a disaster.

We have studied water issues in our Basin for many years, and we must move past the analysis and talk to invest in new water storage. Conservation of our water resources will certainly help in part resolve the region's water sustainability issues, but it by itself is not the entire solution to our water supply and management issues.

So our organization, New Vision, the Yakima County Development Association, supports the specific Black Rock Reservoir option. It's the only one that meets your goals; it's the only one that provides a comprehensive long-term water solution that we're going to depend on for the next few generations. Thank you.

HEARING OFFICER CINDY MCKINLEY: Thank you.

Next speaker, Doug Palachuk.
Good afternoon. My name is Doug Palachuk, I'm the business representative for the Carpenters here in Yakima, Washington. Last name is P-A-L-A-C-H-U-K.

I'm here because I'm concerned about the future of my own town. I'm concerned about my children, my grandchildren's future. Will they have the opportunities that I have been blessed with. I'm here because I know that if my children, my grandchildren are to have the same opportunities that I have had, we must do more for water and with the reliability water supply.

I believe that Black Rock proposal guarantees my family's future opportunities will be here for them. The cost to build Black Rock should not be a stumbling block, when it comes to our children and grandchildren's future.

We have looked at the problem for many years. We have done nothing about it except spend money to study the problem. I don't know about the rest of you folks, but I am tired of studying a problem. It's time that we do what we know we must do. I think this is our last chance to get help from the government.

I have a couple items that should be mentioned in
the study. One of the studies that the Basin Storage
Alliance did on recreation needs to be included. This
is a $3.5 billion benefit for our economy.

Two, the salmon recovery estimated by the Yakima
Basin Storage Alliance was $2.6 billion. The
recreation of salmon restoration numbers estimated by
Alliance covers the cost to build Black Rock.

Lastly, the EIS must address global warming and
how it impacts the future water needs in the Valley.

Thank you.

HEARING OFFICER CANDY MCKINLEY: Thank you.

Doug was our last speaker. Is there any
additional comments?

Okay, we have a gentleman right here.

WALTER GEORGE

My name is Walter George, G-E-O-R-G-E, just
like anybody's first name.

I spent 27 years on the South Yakima Conservation
District Board, four years of my life helping write
the Yakima River Plan. I've never known the federal
government to let the irrigator, and I'm a landowner
and an irrigator, get off without a certain percentage
of the cost because we're going to get some benefit
out of this. Everybody else, all the recreation, gets
a free ride. And as taxpayers also, we don't get that free ride, as a landowner and an irrigator.

But my biggest concern is with the safety. I drilled a well in Cold Creek back in the '60's, and it's now in grapes out there, and I hit the Vantage sands down in the first few layers of basalt. They're also under the Moxee, where this reservoir is going to be. I asked the Martinez Brothers, and they hit the same grainy sand.

They're also over on Sunnyside side when they drilled the well on a project there. There's 10 to 20 foot of sand down below these layers of basalt.

Now, there was a spring called Barrel Springs just south of the Silver Dollar Cafe. It used to flow. Then when they drilled the wells on Vic Robert's place and over on the Gold Creek, it's all the same aquifer, it took the pressure off it and it quit running. And the one at Rattlesnake Springs almost quit.

They're going to build here a 600-foot high dam. If you just say there's a 550-foot level of water at that end, that's the high dam, out on the east end. Not the west end, but the east end. There's over 200 pounds of pressure on that thing.

The only reason I mention Barrel Springs is
because there was a fissure in the basalt, so our water can come up, you know. There's no saying that there isn't some cracks in the basalt under this reservoir, with over 200 pounds of pressure. If it gets into Vantage sand, where is it going to come up? I don't blame the Atomic Energy Commission for being very worried about this project. It has some real safety problems. Thank you.

HEARING OFFICER CANDY MCKINLEY: Thank you.

Another comment?

JIM BREEDLOVE

My name is Jim Breedlove. That's B-R-E-E-D-L-O-V-E. I've been a resident of Yakima since 1970.

In 1971 we had a hot summer, but we had plenty of water, and I looked around and I thought, Why in the world don't we store more water around here? It's desert without water. It's always been desert without water. The benefits to Black Rock are obvious, bolstering our irrigation water during drought years.

If 1994 and 2005 had been back to back, how many people would have gone out of business? Many, many, many people. And the cost be damned. It doesn't matter what it cost. If people go out of business and...
leave this Valley, then we have no Valley. It doesn't matter what it costs. We need water storage.

As far as the seepage is concerned, that's speculation. And it would be terrible if a bad accident happened, but, if it did, then it did. At least we have to do something. Do something.

Someone said years ago, Don't stand and look at the project. Do something, even if it is wrong. We must do something.

Black Rock would provide so many benefits to this Valley. We've talked about the recreation. We've talked about the real estate projects that are enumerable. How much money is that worth? No telling what.

And, you know, contradictions fascinate me. One group of detractors says it's not going to cost too much. We're not going to get that much money back from it. It's not going to make money. Another group of detractors says we can't do this because it's just a bunch of guys want to build it so they can make money.

So, on one hand, you're not going to make any money. On the other hand, they say we can't do it because you're going to make money. So that's kind of confusing to me.
It seems to me that we're having right now one of the only real estate booms in the country. We were in the U.S.A. Today yesterday. Eighteen percent increase in 2007 in real estate in Yakima, the second highest market in the United States of America. People are selling out all over the place, coming to Yakima. We're a great investment area for real estate.

A friend of mine, a retired naval captain in San Diego, sold his place for 2.5 million. Came to Yakima and bought a place for 300,000, and he said it's a better place than what he had in San Diego. He put a little bit in the bank.

A lot of people are going to do that. A lot of people with coming here from the west side, from all over. More and more people are coming to town for recreation. They're called tourists.

And many people come here for the sports advantages. We didn't build the field of dreams, but we got pretty close out here. And all those places have a lot of these kids come to town and play ball every year.

Hotels are sprouting up like hop fields. Boy, I'm just trying to say that we're going to have a lot more tourists in the future. We're going to need more water, not just for agriculture. But we are an
agriculture-based economy, so that's the main thing.

Black Rock is not actually to make money. It's so that we'll have water when we need it, and in drought years we really need it. Please. Who doesn't want to help the Yakima Valley? We all want to help the Yakima Valley. Black Rock is essential. Thank you.

HEARING OFFICER CANDY MCKINLEY: Thank you. Another comment?

CHRIS NASS

Hi. I'm Chris Nass with the Yakima Association of Realtors. That's N-A-S-S.

And you might think that I'm going to talk to you about real estate values, but I'm not. My only comment about that is, if we have the water and if we have everything else the Black Rock project promises, the real estate values will take care of themselves. That's all I have to say about real estate values.

Agriculture, we absolutely need that water for agriculture. We have to ask ourselves in some cases with this cost benefit what would it cost if we don't do this. For 60 years we haven't done anything.

If we would have built Black Rock 20 years ago, it would have been cheaper to do it. Instead, we're
putting man on the moon, and now we're paying almost
as much for toilet seats on the Space Shuttle as Black
Rock costs, and I'm very disappointed by that. I'm
not against the space program, but I think that we
need to do something.

If our crops die, if the livestock dies, there's
going to be a lot of people out of work, the federal
government is going to be in a position where they're
going to have to hand them a Welfare check. Instead
of having some cost benefit, there will be no benefit.
It will just be a drain on the society. Our local
economy will go bust.

You know, you could build a half a dozen Wymers.
What's it going to cost to build them, compared to the
cost to build Black Rock? I'm definitely for this
project. And I think, if the Bureau takes the action
of doing nothing, it's negligent.

HEARING OFFICER CINDY McKINLEY: Thank you.
Any additional comments?

JOHN HODKINSON

Good afternoon. My name is John Hodkinson.
I'm with Almon Commercial Real Estate. Also a member
of the Real Estate Association. I'm on the board.

There's been some comments like in the paper that
have mentioned that people coming to this area and
doing things around Black Rock is kind of a pipe
dream. I have a signed purchase and sale for 460
acres to put in a resort type development that would
have brought people from all over the world to this
Valley. I can't do the development because I can't
get water.

The bottom line to that story was, I've been
working on this for probably ten months, the
Department of Ecology, etcetera, etcetera, looking for
a way to bring water to this property. And I'm told,
even though I could find water rights to purchase,
they would not allow another well to be drilled to
pull that water out because of the aquifer level going
down. So here's a development that's not going to
happen that would have brought a lot of money to this
Valley in economic development.

I also in my past life was a rancher and totally
depended on water, so I too am 150 percent in support
of Black Rock. Not only for the economic development,
for the enhancement of fish, for the water storage
that that will bring to our Valley to ensure that our
agricultural industry survives and does well. Thank
you.

HEARING OFFICER CINDY McKINLEY: Thank you.
Any more comments?

KEITH POSS

My name is Keith Poss, P-O-S-S. I farmed out in the Moxee area for about 40 years, plus years, lived out there all my life, and I experienced drought.

In '77 the Roza shut their water off around the first part of August. We lost everything. It took us a long time to recover. After that, every third, fourth year we had short water. We still had to pay for it. We get no reimbursement. The next year we had to pay the same amount of money to have our water turned back on.

I don't know whether Black Rock is feasible or not. I haven't found any Bureau project that has ever been cost efficient, but it has benefited the people, a lot of people. We need water in the Valley, and there's no question about it.

I was on the Conservation Board, North Yakima Conservation Board, for about 40 some years, and finally retired here last year, but we've been studying water.

We've done a lot of work with farmers in conservation. We've helped them with sprinkler
systems, drip systems, ponds, reusing water, etcetera, etcetera, but we're running short.

I can't tell you what the date was, but when Judge Bolt ordered that "X" amount of water must go down the river in the wintertime for the fish, that drawed down our reservoir. It didn't make any difference whether there was snow in the mountains or no snow. That water still had to come out of the reservoir to go down the river to save the fish.

I'm not saying we shouldn't save the fish, but I often question who's more valuable, the fish or the humans. Fish don't earn any money for me or anyone else. They're good to eat, fun to catch, but people and the industry needs water.

And if we're going to keep drawing in this Valley, we've got to have some type of reservoir or more reservoirs, small reservoirs or the Black Rock. And I'm all for whatever project, but let's get off the stick and do something.

We have a legislator that was on the city council. He was one of our state legislators. He came to our meeting one time and we talked this issue over. This was back in '77. We were looking for more water, trying to figure out how to get more water.

And he says, You know -- And it's been a few years
ago. And he said at that time, There's been studies
and studies and studies. We could fill a room full of
studies, but not one shovel full of dirt has been
turned over to create more water. Thank you.

HEARING OFFICER CANDY McKINLEY: Thank you.
Additional comments?
(NO RESPONSE)

HEARING OFFICER CANDY McKINLEY: This
hearing will be open until four. At this time, we
will call a recess to this hearing, at 3:30.
(A RECESS WAS HAD AT
3:32 P.M. UNTIL 3:57 P.M.)

HEARING OFFICER CINDY McKINLEY: We'd like
to reopen the hearing and see if there's any
additional comments.
(NO RESPONSE).

HEARING OFFICER CINDY McKINLEY: At this
time, then, we'll close the hearing.

MR. ARTHUR MILLER: I just have an informal
comment.

I would like to thank and congratulate all of the
Bureau staff that's come in here and helped us do
this, and I appreciate their efforts and their
objectivity in doing this whole study. I think that
they have been extremely objective and done a fine
job, and I'd just like that to be noted.

HEARING OFFICER CINDY MCKINLEY: Thank you.

Okay. At this time, 4:00, we'll close this hearing. Thank you.

(HEARING ADJOURNED AT 4:00 P.M.)
WRITTEN COMMENTS WERE PROVIDED BY THE FOLLOWING PEOPLE

AND ARE ATTACHED AT THE END OF THE TRANSCRIPT:

STEVEN E. GEORGE
ROCKEY MARSHALL
ALAN FINCH
DAVID McFADDEN
CERTIFICATE

STATE OF WASHINGTON
                           ) ss.
COUNTY OF YAKIMA      )

THIS IS TO CERTIFY that I, Dorene Boyle, Notary Public in and for the State of Washington residing at Yakima, reported the within and foregoing public hearing; said public hearing being taken before me as a Notary Public on the date herein set forth; that said statements were taken by me in shorthand and thereafter under my supervision transcribed, and that same is a full, true and correct record of the statements of said participants.

I further certify that I am not a relative or employee or attorney or counsel of any of the parties, nor am I financially interested in the outcome of the cause.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal this day of , 2008.

CERT/LIC NO. 2521
Notary Public in and for the State of Washington, residing at Yakima

COURT REPORTING SERVICE (509)457-6741 (800)317-6741
6 SOUTH SECOND STREET, 413 LARSON BLDG., YAKIMA, WA
PUBLIC MEETING

Yakima Basin Storage Study
Draft Planning Report/EIS

Wednesday, February 27, 2008
7:00 to 9:00 p.m.

Yakima Convention Center
10 North Eighth Street
Suites 300 and 400
Yakima, Washington, 98901

Dave Kaumheimer
Hearing Officer
ORAL COMMENTS WERE PROVIDED BY THE FOLLOWING PEOPLE:

<table>
<thead>
<tr>
<th>NAME</th>
<th>PAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>JOHN COOPER</td>
<td>5 - 8</td>
</tr>
<tr>
<td>JIM SEWELL</td>
<td>8 - 9</td>
</tr>
<tr>
<td>TOM CARPENTER</td>
<td>9 - 13</td>
</tr>
<tr>
<td>ARNOLD MARTIN</td>
<td>13 - 15</td>
</tr>
<tr>
<td>ROD MITCHELL</td>
<td>15 - 16</td>
</tr>
<tr>
<td>WENDY AGUILAR</td>
<td>16 - 17</td>
</tr>
<tr>
<td>KEN NELSON</td>
<td>17 - 19</td>
</tr>
<tr>
<td>DONALD LEIPPERT</td>
<td>20 - 22</td>
</tr>
<tr>
<td>JOHN SMETS</td>
<td>23 - 25</td>
</tr>
<tr>
<td>RICK GLENN</td>
<td>25 - 29</td>
</tr>
<tr>
<td>SUE CARLSON</td>
<td>29 - 31</td>
</tr>
<tr>
<td>JIM AMUNDSON</td>
<td>31 - 32</td>
</tr>
</tbody>
</table>
HEARING OFFICER DAVE KAUMHEIMER: Well, I'd like to welcome you this evening. This is our public hearing on the Draft Planning Report and the Draft Environmental Impact Statement for the Yakima River Basin Water Storage Feasibility Study, and the study was done under the National Environmental Policy Act, or NEPA, as well as under the State Environmental Policy Act, or SEPA.

So tonight's hearing is held under the auspices of both NEPA and SEPA. We have Derek Sandison here from the Department of Ecology. Ecology was the lead agency for the State in preparing this EIS.

Our purpose tonight is to get your comments on the Draft EIS, so we'll be trying to get comments from you. You can provide oral comments, which is what the microphones are for. We also have some comment forms in the back of the room. If you prefer not to give a verbal comment, you can give us a written comment. There's a box in the back to stick those written comments in.

This is only part of the comment process. You can also provide us written comments until March 31st. That's the close of the comment period. You can provide those comments by fax, by e-mail or by regular mail. And all the information you need to get us your
comment is printed on the bottom of the comment form
in the back of the room.

We'll be keeping a transcript of the hearing	onight. That's why we have a court reporter here.
And she'll let us know if she can't understand or
can't hear what you're saying. So try and speak
slowly and clearly, so she can get a record of
everything that you're saying.

If you're speaking from a written set of
comments, we'd appreciate it if you would drop off a
copy of those comments with the court reporter so we
can get an accurate record of what you told us
tonight.

We're going to take the folks in the order in
which they signed in on the sign-in form that was out
in the lobby, at the end we'll ask if there's anyone
else who wishes to speak. So if you didn't get signed
in on the form, you will still have an opportunity.

I'm going to call your name, again, in that
order. I want you to come up to the microphone, so
everyone can hear you and we get an accurate record.
I'm going to ask you to repeat your name, spell your
last name, so, again, we get a good record, and give
us your address. I know the sign-in form asks for
your address. Some folks gave it to us, some folks
didn't. We need you to give us your address when you prepare your comments or when you give us your comments.

If you're representing a group tonight, we'd like you to indicate who it is you represent. If you're representing yourself, you don't need to bother.

You'll have four minutes to present oral comments. My assistant will wave a little yellow card when you get to three minutes, so you'll know you're coming to the end of your comment period and you can summarize your comments or close them out.

So with that, we'll start the public hearing and we'll take the first individual.

John Cooper.

JOHN COOPER

Good evening. My name is John Cooper, and I'm president and CEO of the Yakima Valley Visitor and Convention Bureau. I will give you my notes, but there's a lot of chicken scratches on them, as you can imagine. Again, my last name is Cooper, C-O-O-P-E-R.

Outside this building as you came in there was a number -- you will see that all along and up and down the boulevard and throughout the valley a number of colorful banners that welcome you to Washington Wine
This is a locally-based initiative to build economic opportunities from Yakima Valley all the way to Walla Walla through tourism and community development. And I believe this project and others have helped to bring in new development, like Zillah Lakes residencies, the various projects you see happening down at Red Mountain, all the merging wine industry, as well as other developments that have helped to build our communities.

One of the overall goals of Washington Wine Country is to provide new opportunities so that we can keep our best and brightest of our kids, as well as our citizens, living productive lives here in the valley.

Recently the Washington Wine Commission released a report just earlier this month about the state of the wine industry and what it means for the economy, not only of Washington State, but also the Nation. I'm just going to read a few things from their study, from their release.

Right now the Washington wine, grape and grape juice industries contribute three billion annually to our state's economy and almost five billion annually to the U.S. economy. The study also wanted to show
that employment-wise, over 19,000 jobs are created across this state, with a payroll of close to $580 million, all coming from Washington wine and wine grapes.

In addition, on a national level, the number of jobs from our local industries are about 29,000 across the country, and $850 million. The industry also creates a lot of taxes for both the state as well as on a national level. The wine, grape and grape juice sectors paid over $145 million in state and local taxes in our state.

Likewise, the sector I'm most interested in is for tourism. Wine-related tourism expenditures has just exploded since 1990, reaching $237 million for 2006. That's a 165 percent increase each year.

And the vast majority of all this growth that we've seen has happened here in eastern Washington. The wine industry is a very crucial part of our economy, our life-style and where we're headed into the future, which brings me to a few of my key points in regards to all this.

Tourism in Yakima County alone is now a $307 million industry. We've got 3,300 people who are employed and dependent upon this industry, and water of course plays a very vital role, whether it’s to...
irrigate the vineyards and other crops that simplify
our products, providing fishing opportunities, habitat
enrichment, rafting, skiing or just supplying the
needs for our guests.

So to close, I really want to let you know that
the Yakima Valley Visitor and Convention Bureau, the
main tourism industry for this county, has gone on
record supporting the Black Rock Project.

HEARING OFFICER DAVE KAUMHEIMER: John?

MR. JOHN COOPER: Yes.

HEARING OFFICER DAVE KAUMHEIMER: Could we
get your address?

MR. JOHN COOPER: Oh, I'm sorry. My address
is 322 South 76th Avenue, Yakima, 98908.

HEARING OFFICER DAVE KAUMHEIMER: Thanks.

Jim Sewell.

JIM SEWELL

Good evening. Jim Sewell. I'm a
commissioner with the Port of Grandview. My address
is 906 King Street, Grandview, 98930.

In reviewing the various options, it's clear that
not taking any action is not an option. If we're not
able to take the steps now to provide water that the
valley will require, it will limit our growth and our
potential into the future.

When we look at the agricultural industry, the growing wine industry, recreation and tourism, they all depend upon water. If we do not have those water resources, these new industries will dry up and then we'll die.

The Port of Grandview supports the Black Rock proposal as the most viable option. Thank you.

HEARING OFFICER DAVE KAUMHEIMER: Thank you.

Tom Carpenter.

TOM CARPENTER

I live at 400-B Carpenter Road, Granger, Washington, is the attitude -- or the address, excuse me. Probably an attitude, too.

HEARING OFFICER DAVE KAUMHEIMER: Could you spell your name for the court reporter, please.

MR. TOM CARPENTER: C-A-R-P-E-N-T-E-R.

HEARING OFFICER DAVE KAUMHEIMER: Thank you.

MR. TOM CARPENTER: I'm Tom Carpenter, a lifelong resident of the Yakima Valley, and I have five sons, 19 grandchildren and three great-grandchildren. All of our family lives, plays and works here in the Yakima River Basin. This family has an inherited interest in the Yakima Valley,
meaning that my great-grandfather settled here in the
Yakima area, homesteading in the Ahtanum area west of
Union Gap and South of Yakima during the year 1868.

Charles Carpenter quickly noted what happened
when that water was married to land. This desert
quickly responded with great production of about any
crop that a farmer planted here. These early pioneers
set the stage for the prosperity for the whole Yakima
River Basin soon after they understood the nature of
the value of water spread over land.

The Chief Kamiakin of the Yakama Tribe is noted
as the first irrigator of the Yakima Valley to bring
water out on his land up in the Ahtanum area where he
grew abundant food.

So these early irrigators soon found out they
needed storage systems to sustain the available water
required over the entire time of each irrigation
system to provide water on land that they knew
produced abundant crops.

Our forefathers had the vision right. They took
much risk to do something to create the economy that
drives the livings of the grandchildren, their
grandchildren and others who came here to enjoy the
prosperity. Look around you today. The fact is they
had it figured out right from the start and did
something to sustain the future without the beauty of
a feasibility study, I might add. They just got it
done.

They did miss badly on fish, though. They did
not think then of building things that were friendly
to fish as should have been the case. But in today's
world we are attempting to fix that. We've got to do
it with what some call a holistic attitude towards
correcting fish issues that must be addressed in
today's world.

Endangered Species Act, Clean Water Act,
including many new federal, state and local mandates,
require us to take care of fixing the fish issues. In
fact, society has spent billions of dollars for all
kinds of schemes and ideas evident today that are
about fixing this problem.

There is the issue of experts with ideas that
need to be directed toward solution, not a whole
system bent on funding various interests solely for
the funding of piecemeal projects that may have some
meaning in the total picture, but in fact it will take
a big fix to handle the needs of the Yakima River
Basin for the future.

Learning about tribal culture needs for fishing
which the Yakama people deem a sacred right that
merits fixing has been a hard lesson for many of us as farmers to learn, but I'm one of those fellows that made the commitment to the Tribal Council that farmers on the Roza and Sunnyside Irrigation Districts would clean up runoff causing damage to salmon coming up the river.

What does that thing mean?

MR. JOHN EVANS: You've got a minute.

MR. TOM CARPENTER: Most farmers today understand we must take care of fish in the next big fix required to make the Yakima the model salmon production river, like Jack Stanford, the noted biologist, said.

I'd like to make a few observations about the feasibility study. The enhancement bill suggested several fixes that indeed must be addressed. My question to the Bureau of Reclamation is that in that fix water storage was the main agreement, or was that a promise you're going to address ever?

Over many years in the Yakima Basin we've looked at various sites to use the need for storage. We've all put all of them on a dusty shelf. It does not make sense to me that we're willing to base our decision on water for the recovery of our salmon and steelhead in this basin solely on the value of fish.
caught.

How do can we see a billion dollars a year being spent on fish recovery in this region with very little evidence of salmon recovery evidenced in the real -- that takes care of the fish the way they need to be taken care of.

HEARING OFFICER DAVE KAUMHEIMER: Tom, we're out of time. Thank you for your time.

MR. TOM CARPENTER: Shoot, I ain't even started it, sir. You will put it all in the written testimony, though, won't you?

HEARING OFFICER DAVE KAUMHEIMER: If you provide us written comments, we'll put them in.

MR. TOM CARPENTER: There you go.

HEARING OFFICER DAVE KAUMHEIMER: Arnold Martin.

ARNOLD MARTIN

I'm representing myself and also the Sunnyside Port District from Sunnyside.

The Sunnyside Port District has supported the Yakima Basin Storage Alliance and its efforts working towards Black Rock Reservoir. The potential of economic gain and the sustainability of economic
growth with the Black Rock Reservoir is huge.

Now, it is totally the way it's positioned within
the Sunnyside Port District. With that change in back
for myself, I remember the 1977 drought, which began
the year which really set my father back, started the
end of his farming, it really set me back, but I did
survive.

More recently, the 1997, 2001, 2005 droughts, I'm
on the Roza Irrigation District, I'm still farming,
but my farm is only half what it used to be. And my
son that was farming with me isn't anymore. So it's
very personal there.

The Black Rock Reservoir will provide needed
water for fish, cities and agricultural needs. The
Yakima River system is one of the best systems for
salmon recovery. We are losing huge amounts of money
on our farms whenever we have a drought. This is
money lost to farmers and to the economy as a whole,
the Yakima River system and the Basin.

We have been studying this problem ever since I
was a child on my dad's farm. Droughts happen, and
it's time we have a solution. And this is a solution.
And to me it's time for everybody to get together and
solve this problem so we can move on with our lives,
my life, the life of the people here, and the whole
Yakima River system.

It is just way past time to solve this problem, and Black Rock Reservoir does it, and it satisfies the three criteria set forth by Congress, and it's time to do the job. Thank you.

HEARING OFFICER DAVE KAUMHEIMER: Could we get your address?

MR. ARNOLD MARTIN: 1710 SLI Road, Sunnyside Washington, 98944.

HEARING OFFICER DAVE KAUMHEIMER: Rod Mitchell.

ROD MITCHELL

My name is Rod Mitchell, M-I-T-C-H-E-L-L. Address is 2205 Butterfield Road, No. 63, Yakima, 98901.

I'm here as the vice-president of the Carpenters Local 77 here in Yakima. I'm also here as a lifetime resident of the Yakima Valley, concerned citizen, somebody that really believes that this Black Rock Project will enhance the economy.

We've spent thousand and thousands of dollars here in Yakima to try to pick up the downtown area. We spent thousands of dollars on the feasibility studies that we've done on the Black Rock,
started in 2003. Probably prior to that.

The economic value to the Yakima County is a no-brainer. I mean, I'm not a rocket scientist or a big shot that knows a lot about science and stuff like that, but I do know that the things that we're trying to do in the valley and the Hanford area with the vitrification plant and everybody last month or so come up, now they're worried about contamination and water.

If they get the vitrification plant done on time, I don't think there will be anything down there to worry about them contaminating because it should be all done and taken care of and Black Rock will come right after that. So I think it's a no-brainer and I want to stand to be commented on Black Rock, that I'm a go for it.

HEARING OFFICER DAVE KAUMHEIMER: Wendy Aguilar.

WENDY AGUILAR


And I'm here to speak for Black Rock as a mom, as a citizen. I actually moved to Yakima about 15 years ago, and I love it here and I've grown with it, and my...
children have continued to grow with it. I believe that Black Rock is a solution to our future. If we don't have water, the beautiful bounty that we see now will be no more eventually.

So I just want to say that we have an opportunity to sustain life in Yakima for my children, for my grandchildren hopefully. And if we do nothing, we potentially will fail, and we will fail our children in the future for Yakima. That's all I have to say. Thanks.

HEARING OFFICER DAVE KAUMHEIMER: Thank you.

Ken Nelson.

KEN NELSON

Ken Nelson, 211 Sand Hill, Grandview, 98930.

I'm representing the realtor organization. Actually three of them. The Lower Yakima Valley, Yakima Valley Tri-Cities Association, and the Washington Association of Realtors.

We just ponied up $50,000 for this. Or actually 55. 50,000 came from the Washington Association of Realtors. And most of those folks on this committee were from western Washington that saw the viable need that is for this area.

We couldn't understand why in this study, when a
study is supposed to encumber all things, why the
economic viability part of it wasn't in the study,
period, or why the University of Washington fish study
was not put in there either. It made no sense to us.
The economic viability of this area can only come
through having water.

This is farm country, farmland, and we have to
wait on the snow production, which we haven't had in
two years of the drought. The drought cost us, in
the 2001 drought, cost us 250 million, roughly, in
crops. Not only that, there was a lot of orchards and
things taken out. Because once you stress an orchard
out, it takes quite a few years for it to recover.

But, overall, it was about 750 million because of
the crops that would have produced sales and temporary
jobs, about 4,900 people. Out of the three droughts,
that's three-quarters of a billion dollars. So the
economic viability of this is very important to this
economy and this area.

This project will create about 6,000 jobs for
about ten years. Not only that, but the goods and
services and the things that it will produce here. We
have a hard enough time with regulations throughout
this state, and we have the regulations here.

A professor out of the Washington State
university just came up because some of the just
single three-bedroom, two-bath homes on the coast
alone was over $200,000 because of regulations and
things. We have people wanting to come to this area
to live, and a home is where a job goes at night. So
the economic viability in this package is very
important and should have been part of it. I'm
curious to know why it was left out.

And taking No-Action, after I read through your
report -- It took me about two or three times to go
through the entire thing, but what it looked like was
taking No Action. No Action is not, I don't think,
the Bureau of Reclamation's job. They need to come up
with something that is more positive.

No Action is what's caused some of our problems
today, is because over the years we have taken No
Action. It's not what should be done here. And I
challenge you guys to come up with putting in these
economic viability packages in here and look at the
overall picture and not just part, a very minute,
small part of this.

HEARING OFFICER DAVE KAUMHEIMER: Thank you.
Donald Leippert.
DONALD LEIPPERT

Don, and the last name is spelled L-E-I-P-P-E-R-T. 801 Terrace Heights Drive Yakima 98901. I'm an orchardist here in the Yakima Valley, and I just have a few points. It won't take very long.

If you look at most countries in the world, one limiting factor in agricultural production is water. I don't know how extensive you guys have traveled, but I just recently went to Africa, and that is the one limiting factor. And I think that's going to become more and more pronounced as the world population increases.

More people are going to require more food and more people are going to put demands on water resources and land resources, and there's going to be less irrigated farmland available.

And I think the value of irrigated farmland worldwide and in the United States and in the state of Washington and this side of the mountains, that the value is going to increase immensely over the next five, 10, 15 years.

As an orchardist, when I develop a new orchard, it costs me about $20,000 an acre. If I put in 100 acres over the next couple years, that's a $2 million
investment. I'm not going to do it if I have a questionable source of water.

I think we have tremendous opportunity in west side tourism. As you know, the population of the state is rapidly increasing on the west side. They are becoming very, very crowded, and a lot of those people enjoy having a place to go on weekends. I think we have a tremendous opportunity for tourism. I certainly don't think that that should be overlooked.

Having this reservoir will also increase or help replenish the existing groundwater sources that we have in the Yakima Basin. As we all know, those water levels are receding, and this would be a good way to help replenish those sources. More and more people are moving to the countryside; more and more people are putting down domestic wells. Having that water replenished, that groundwater, I think is a tremendous asset.

And we are not going to be able -- There's lots of conservation practices being implemented. I do not believe that we're going to conserve our way out of this problem. We need additional storage, and I just can't overemphasize that.

We're talking about our future. We're maybe not in a huge crunch right now, but I'll guarantee you --
I personally believe that in five or ten years we're going to be in a huge problem. If you just look at what's happening with the world economy right now and the additional demand on crops for ethanol, and we have the shortest supply of wheat that we've ever experienced in recorded time, there's about six and a half months' supply in the world right now. That's why all of our crop prices are just through the roof. It doesn't make any difference.

I heard an old-timer a few days ago tell me that it doesn't make any difference. If it comes from the ground, it's worth a lot of money right now. It doesn't make any difference if it's a precious metal or it's oil or if it's agriculture or crops, they're all going to be rapidly increased in value in the next few years.

Right now, that Columbia River is our future flowing to the ocean. I think we need to take advantage of it. It's wasted if it goes to the ocean. If we store that water and make it available for irrigated crops, we're going to recycle it. Don't let our future go to the ocean, folks. Have an open mind.
PERSON IN THE AUDIENCE:  (Indicating).

HEARING OFFICER DAVE KAUMHEIMER:  Come on forward.  Again, we'll need your name and address, since we don't have it.

JOHN SMETS

Yes.  Good evening, everybody.  I just happened to be in town.

HEARING OFFICER DAVE KAUMHEIMER:  Could we get your name and address for the record.

MR. JOHN SMETS:  You have it.

HEARING OFFICER DAVE KAUMHEIMER:  Pardon?

MR. JOHN SMETS:  You have it.  Oh, it was out in front.  Okay.  It's right there.  It's the last one on the list.  John Smets, S-M-E-T-S.  Check?

HEARING OFFICER DAVE KAUMHEIMER:  Yes.

MR. JOHN SMETS:  Okay.  I am up at Wymer, where specifically is those cliffs, the Wymer cliffs at milepost 14.  And I built the road that opened the -- by the iron gate that my two sons built, and it's at the top of the grade.  The bottom of the grade is where the old foot bridge was.  And that came down after all the vandalism of the '50's and '60's, and so on.

But we've been there since 1946 and '45.  It was
bought from one of the railroad members of the Northern Pacific. And as you probably suspect and people in this room probably suspect, it's a fascinating place. When you get up on top, you'll recognize the top by that platform that I built a long time ago so I could look right straight down on -- There's an island down there that people like to fish on. And it's right on the edge of the cliff, about five feet back, as I measured it by the length of a rake handle. But that stood all that time.

And I built another one on the opposite side. And the next time I came up, about a couple of weeks after I finished it, it was missing. And I went up on top and tragedy had struck. And I was looking for the culprit, and I believe it was the wind that came up the face of that cliff on the highway side and tipped it right off on its back. Completely destroyed it. So I had a cleanup job to do. But that was the end of that platform.

So what I can add to this probably is that one of the few unique things that I recognize in the canyon is I've been through that canyon every foot of the way. The first time, I ran in that first Yakima marathon. Well, 127 marathons later, I walked it. The fascinating thing was I walked it faster than I
could run it. Six hours compared to like three and a half hours.

So, now, how many minutes do I have?

MR. JOHN EVANS: You one minute left.

MR. JOHN SMETS: One left? One left, okay.

I'm familiar with every mile in the canyon. I've memorized and took pictures of the mileposts, so I'm familiar with it. I've adopted the highway three or four miles not only in the canyon where the Eatons' place is, but also they awarded me on the interstate.

Now, that's basically on the ground. If you need any references as in what was the history since 1949 or '50, I'd be a good source. Thank you very much.

HEARING OFFICER DAVE KAUMHEIMER: Thank you.

Is there anyone else who wishes to make an oral comment at this time?

Come forward. We'll need your name and your address.

RICK GLENN

My name is Rick Glenn. My address is 623 North 53rd Avenue, Yakima, Washington, 98908.

I am a lifelong resident of the Yakima Valley. My father homesteaded on the Roza Irrigation District in the early 1950's. He was given 80 acres of land...
with the stipulation that he could build his home on this property within five years.

The Roza irrigation project brought water to thousands of acres of desert. I was one of hundreds of volunteers that spent time digging ash by hand out of the Tieton Canal so that water service could be restored after the eruption of the Mount St. Helens.

I seen Rimrock Lake when it was reduced to a small stream of water running through the center of the lake bed. I remember the efforts to obtain more storage after those droughts in the 1970's. The need for more water storage was clear to everyone who understood the situation, but it seemed impossible to make our voices heard. The Yakima Valley was transforming from a barren desert to a Central Washington oasis. The value of land increased dramatically as farmers discovered that hops, apples, pears and grapes would grow just as well as corn and wheat. The possibility seemed endless.

Today I'm involved with commercial lending in the Yakima Valley. I understand more than ever the importance of water to the Yakima Valley. The access to a reliable supply of water is one of the first questions I ask when it's time to open an agricultural...
line of credit.

If you farm on the 50 percent of irrigated land with junior water rights, then the snowpack in the mountains is suddenly of interest to your banker. If your farm has a well, then the capacity of that well is of great interest. If you don't have the right answers to those water questions, then the bank isn't going to lend you any money.

I would like to thank the Bureau of Reclamation and the Department of Ecology for preparing this report. I thought I understood how important it was to have more water storage. But after reading this document, as well as the Department of Ecology and the Bureau of Reclamation websites, I am convinced that the need for more water storage is absolutely critical. I will list some of the causes for my concern.

No. 1, The Yakima became has the capacity to store one-third of one year's water use. We are wagering a multi-billion dollar economy on how quickly a snowflake melts. The Colorado River Basin, which is also recharged from mountain snowpack, has a storage capacity equal to about six years of usage. They recently ran out of water after droughts in five of the last seven years.
I looked in the National Geographic. The Las Vegas water project manager prior to 2000 projected that their water rights from the Colorado River would sustain them for the one next 50 years, even with above average population growth. Today that same manager is finishing plans to purchase groundwater rights and build a 250-mile pipeline to transport additional water to Las Vegas because Colorado is not meeting their needs. Drought is a big issue, and it's something that -- How much more time do I have?

MR. JOHN EVANS: 45 seconds.

MR. RICK GLENN: Well, I'll have to skip the rest.

The cost-benefit ratio is really the big issue that needs to be considered a little bit more. I'll have to put that in writing because of lack of time.

Black Rock Reservoir is the only solution that will provide a more reliable water supply in the Yakima Basin. This conclusion is based on 30 years of study, 35 different proposals, the findings of this five-year study, and recognition of the political climate in today's society. There is no other choice that meets the listed criteria. There isn't a cheaper alternative; there isn't an adequate alternative.
The Yakima Basin will have to downsize its water needs to match whatever water is available. If we do not build Black Rock, we are saying that the water issue is unsolvable. The drought that is promised by the Department of Ecology and hinted at by Colorado --

HEARING OFFICER DAVE KAUMHEIMER:
Rick, I think we're finished.

MR. RICK GLENN: All right.

HEARING OFFICER DAVE KAUMHEIMER: Could you provide a copy of that to the court reporter?

MR. RICK GLENN: I could.

HEARING OFFICER DAVE KAUMHEIMER: That would be great. Okay.

MR. RICK GLENN: Thanks.

SUE CARLSON

Sue Carlson, 13207 Church Road, Yakima, Washington.

I'm nervous. I don't like this, but I felt I had to. I've been listening to different meetings on outskirts for quite a while, and this is the only one
I have chosen to talk.

I'm an import from the 1960's. My family got here from the Firing Center and my father decided to stay with his four kids because, one, the sun; two, Yakima has four different seasons; and three, the water had fish. He was a fisherman and a sportsman. He's still here. There's about 40 of us here now. We have been here ever since.

And I have traveled to France, Germany, Louisiana, and I was born in Fort Sill, Oklahoma, so I've been around. The food that our farmers gross here does not just stay in this valley. It will goes all over the state and it goes to other countries in the world.

Our water storage, this is just a beginning. If we don't approve Black Rock, what are we going to approve later on? We should be looking past Black Rock. Our farmers are going to need water past Black Rock into the future. For my grandson, not for me. My grandson and his kids.

You can feel the emotion, sorry. Our farmers need the water. Guess what? If we don't have the water there's going to be fewer farmers, fewer farms, and that means people are going to be paying a lot more for food. Not just here.
Wymer is too small. So if this isn't the
solution, somebody better come up with a better one.
I can't do it. And these people in this room can't do
it alone. Thank you.

HEARING OFFICER DAVE KAUMHEIMER: Thank you.
Anyone else who would like to make an oral
comment tonight?
(NO RESPONSE).
HEARING OFFICER DAVE KAUMHEIMER: Well, I
want to thank you for coming. And with that, we'll
recess this hearing at this point.
(A RECESS WAS HAD AT
7:40 P.M. UNTIL 8:20 P.M.)
HEARING OFFICER DAVE KAUMHEIMER: Folks,
we're now going to reopen the hearing, and I'm going
to take additional oral comments.
If you would like to go ahead and supply your
name and address for the court reporter.
The hearing is now open again.

JIM AMUNDSON
My name is Jim Amundson, A-M-U-N-D-S-O-N.
I'm a longtime resident of the Yakima Valley.
I just wanted to -- When I've gone over all
the -- Oh, do you need my address too? It's 702 North
I read over the cost estimates of the returns. Over the hundred-year return, it was like 16 cents on the dollar. But I've been here through quite a few short water years, when it was nip and tuck whether they saved their crops and stuff. And I wanted to know if you figured in like if they lost 20,000 acres of orchard in one year. That could happen if they had no water at all. And I wanted to know if you figured that into the savings. That's about it. The rest of it was pretty clear.

HEARING OFFICER DAVE KAUMHEIMER: All right. Well, thank you.

Is there anyone else who would like to provide a comment at this time?

(NO RESPONSE).

HEARING OFFICER DAVE KAUMHEIMER: Well, we'll go ahead and recess the hearing again.

(A SHORT RECESS WAS HAD AT 8:22 P.M. UNTIL 8:59 P.M.)

HEARING OFFICER DAVE KAUMHEIMER: We're going to reopen the hearing.

And if anyone has any oral comments they would like to provide, now is the time.

(NO RESPONSE)
HEARING OFFICER DAVE KAUMHEIMER: With that, we will now close the hearing. It's 9 p.m.

(HEARING ADJOURNED AT 9:00 P.M.)
WRITTEN COMMENTS WERE PROVIDED BY THE FOLLOWING PEOPLE
AND ARE ATTACHED AT THE END OF THE TRANSCRIPT:

JOHN COOPER
TOM CARPENTER
ARNOLD MARTIN
RICK GLENN
CERTIFICATE

STATE OF WASHINGTON

) ss.

COUNTY OF YAKIMA

THIS IS TO CERTIFY that I, Dorene Boyle, Notary Public in and for the State of Washington residing at Yakima, reported the within and foregoing public hearing; said public hearing being taken before me as a Notary Public on the date herein set forth; that said statements were taken by me in shorthand and thereafter under my supervision transcribed, and that same is a full, true and correct record of the statements of said participants.

I further certify that I am not a relative or employee or attorney or counsel of any of the parties, nor am I financially interested in the outcome of the cause.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal this day of , 2008.

CERT/LIC NO. 2521

Notary Public in and for the State of Washington, residing at Yakima

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