

MEETING SUMMARY

ALASKA WATER RESOURCES BOARD MEETING

December 4 and 5, 1979

The Alaska Water Resources Board met in Anchorage, on December 4 and 5, 1979. The members of the Board were:

Charles Johnson, Nome
LeVake Renshaw, Anchorage
Ernst Mueller, (ex-officio) Commissioner of DEC
Peg Tileston, Anchorage
Richard Sims, (Chairman) Kodiak
Wayne Westberg, Anchorage
David Vanderbrink, Homer
Robert LeResche, (Executive Secretary) Commissioner of DNR
Frederick Boness, Anchorage

The Commissioner of DEC was represented by Glenn Akins. The Commissioner of DNR was represented by Brent Petrie.

Tuesday, December 4

Chairman Sims called the meeting to order at 8:55 a.m. He announced the resignation of Dr. Charles Behlke from the Board and introduced Fred Boness who was appointed to fill Dr. Behlke's seat. Chairman Sims also welcomed back Glenn Akins as the DEC representative to the Board. Design Memorandum 27 on the Fairbanks Flood Control Project and a letter from the Governor, thanking the Board for expressing their concerns on the Flood Control Project, were passed around to the Board members. The summary of the previous meeting was approved.

At 9:00 a.m., Gordon Nelson, Hydrologist for the U.S.G.S., gave his presentation on the North Kenai Water Study.

Major points:

- * Using a schematic diagram, the hydrology of Nikiski aquifer was explained.
- * From 1950 to 1966 precipitation was well above average, but since ground water development in the area, it has been below average. The drought coincides with heavy pumping by industrial users.
- * The geology of the system was illustrated with the general observation that below 100 feet exists an upper confined aquifer. Above 100 feet the aquifer is unconfined.
- * The effects of pumping were explained. In the unconfined aquifer pumping effects are severe. In the upper confined aquifer, leakage will offset pumpage to produce a steady state. Once the adjustment takes place, water levels fluctuate in a natural manner, although the water level itself may not be natural.

- * Pumping from the lower confined aquifer, 250 to 300 feet below sea level, was described. It has little effect on the upper confined aquifer. Scavenging water from near the coast and leakage in the uplands were explained.
- * There is no salt water intrusion yet but with piezometric heads at 11 and 17 feet below sea level the potential for salt water intrusion exists.
- * Water quality in the upper confined aquifer is excellent; in the lower confined it is mediocre with much color.
- * Other water supply options are available. The well drilling program in the Moose Range was described. The aquifer there is similar to the Nikiski aquifer and has good potential for development.
- Q Chairman Sims: What is the local reaction to this study?
- A Gordon Nelson: When development of Beaver Creek Basin is discussed, citizens from Beaver Creek in Kenai become upset. Based on known information this is not warranted but may result from a misunderstanding of previous information from the USGS. When asked if present lake levels are acceptable people generally say yes. Another concern is that a pipeline to carry water to industrial users would be paid for by all water users. People were adamantly opposed to that at the public hearing.
- C Gordon Nelson: Providing water to the whole community is not necessary. Only industrial users need to be supplied to relieve stress. Domestic use is not significant.
- Q Wayne Westberg: Since the North Kenai area is not densely populated, are not domestic wells insignificant?
- A Gordon Nelson: Regardless of density domestic wells are relatively insignificant because they are just recycling water. Density makes a difference because if the wells are too close together concentrations of pollutants can build up.
- Q Wayne Westberg: Is the computer model done?
- A Gordon Nelson: There is a steady state solution but it is not as effective as it could be. A major limitation is that the model can not take into account the effects of adjoining basins.
- C Brent Petrie: In January the Department of Natural Resources will hold a public hearing in Kenai to conclude issuance of certificates to Union Chemicals and Tesoro. There will probably be issued an order strictly regulating well drilling.
- Q Brent Petrie. He had a question for Ike Waits of the Kenai Peninsula Borough. What next step will the Borough take on the water study report?

- A Ike Waits: The planning commission will make a recommendation to the Borough Assembly based on the public hearing. The hearing had a negative effect because most comments were opposed to the government getting involved. A presentation similar to the one presented here by Gordon Nelson would be helpful to the planning commission.
- Q Chairman Sims: Did the report done by Lohman offer an economic analysis as to how much it would cost?
- A Ike Waits: Yes, a mil rate for the system was worked out.
- Q Charles Johnson: Will the coastal zone management plan have an effect on well drilling?
- A Ike Waits: For the coastal zone management program, the Kenai Peninsula Borough is not doing any separate work on water because of other studies on water.
- Q Wayne Westberg: How far will the Department of Natural Resources go on a complete permitting system? What will you do with the information?
- A Brent Petrie: This is necessary for having an acceptable well log program. We are concerned about minimum depth of wells, interference between wells, and possible induced leakage from the upper confined aquifer to the unconfined aquifer.

Next on the agenda was Dave Denig-Chakroff, Department of Natural Resources, on Geothermal Resources. Dave explained his role as coordinator for the Geothermal Resources Program in the Department, relationship of the program to water resources and current activities concerning geothermal resource management in Alaska.

Major points:

- * Geothermal resources were defined and their location in Alaska described. The major areas are the Aleutian Islands chain, Wrangell St. Elias and a belt from Seward Peninsula to the Fairbanks area.
- * Limiting factors on its use include the remote location of the resources, the limitations of available technology, and the uncertain land status of the best areas.
- * Lower temperature geothermal resources are more suitable for small scale development. Advantages include negligible environmental concerns, it is easier to obtain, has more frequent occurrence, and the technology exists.
- * Potential uses of low temperature geothermal include circulation of heated water for domestic use and heating districts as done in Japan and Iceland, greenhouses, and fish hatcheries. Electric generation, the biggest economic potential for geothermal, requires hotter water.

- * The current state statutes governing geothermal resources are hindering development. The law is unnecessarily long and confusing. The work of the National Conference of State Legislators to amend this was described and the opportunity to review and comment on draft legislation was offered to the Board.
- * A major recommendation is that geothermal resource should be redefined to be above a temperature threshold of 120°C.
- Q Would water above 120°C be subject to the Water Use Act?
- A Dave Denig-Chakroff: This something being worked out presently. Under the NCSL recommendations, geothermal water above 120°C would be leased, below 120°C it would be appropriated under AS 46.15, the Water Use Act. The Department feels water above 120°C should also be subject to AS 46.15.
- C There was some discussion of discovery rights and competitive leasing. The Board members felt there should be some incentive given for exploration.
- Q Have the considerations been mainly for large development?
- A Brent Petrie: No, they are trying to remove impediments to small scale development.
- Q Is the NCSL going to come up with a proposed statute for the coming session?
- A Dave Denig-Chakroff: Yes, if DNR ^{es} don't agree with it, the Department will submit proposed changes. This could affect the Water Use Act.
- C Wayne Westberg: This is becoming too involved to be resolved at the Board meeting. The board members should go over this material in a study session and then come up with some recommendations of our own.
- C Chairman Sims: This item will be put on the agenda for a work session. The subcommittee idea appears to be good.
- Q Wayne Westberg: What is happening at Pilgrim Hot Springs with the test drilling for geothermal resources?
- A Dave Denig-Chakroff: They have drilled one hole and quit for the winter. The prospects are good but they ran out of money for this year.

Next on the agenda was Dick Dworsky, Southcentral Level B Study Director. He spoke on the recent activities of the Alaska Water Study Committee.

Major points:

- * Recent water resources planning trends were discussed, concentrating on the concept of consistency. At the national level, Level B methodologies are being reevaluated in this light.

- * On the local level the Southcentral Level B is being reevaluated in terms of what the products will be. Shorter time frames will be used and implementation will be important. The process will be refocused to concentrate on areas where concerns have been raised but no studies done, and at the same time find ways to implement reports that are on board.
- * Separate from Level B, a water management study will look at ways to coordinate activities between agencies.
- * The Tanana Level B will not be funded for FY82 but the proposal will be resubmitted in March.
- C Wayne Westberg: Much material is received from the Alaska Water Study Committee and the Southcentral Level B Study. Reading at a high rate, one cannot get through all of it. It's supposed to be the basis for decision making but there is not enough time for decision makers to read it all.
- A Dick Dworski: Three documents are expected for the final product: A ten page executive summary, 100 page final report which will detail the methodology analysis, and detailed technical reports.

The Board adjourned for lunch.

At 1:30 p.m., John Harshman of Anchorage Water Utility gave an overview of the Anchorage Water Utility.

Major points:

- * The Anchorage Water Utility does not serve the whole community bowl. The number of customers is in the range of 100,000 to 110,000.
- * Recent problems include summer and spring shortages in 1975 and 1976, but since then, due to better weather and production, shortages have been averted.
- * Production is 26,000,000 gallons per day, half from 9 wells and half from Ship Creek. There is excellent quality water.
- * The Anchorage Water Utility would like to see the Metropolitan Anchorage Urban Study (MAUS) water supply recommendations adopted by the Anchorage Municipality.
- * The capital improvements for water supply estimates in the DEMAUS report were at least \$93,000,000. The Anchorage Water Utility cannot carry that much and it would be much for the municipality. Perhaps the state could help.
- Q We have heard earlier that many population projections for the Southcentral Level B were high. Were they also high for MAUS?
- A John Harshman: It's more a matter of time. The people are going to be here. The disagreement is when they'll get here. The municipality figures have been the most conservative.

- Q Do you want adoption of a policy that the Anchorage Water Utility have jurisdiction over the entire area encompassed by MAUS?
- A John Harshman: It doesn't have to be the Anchorage Water Utility but a decision should be made by policy makers on whether there should be an area-wide utility jurisdiction.
- C Wayne Westberg: Anchorage Water Utility has the ability to find long term financing where private companies don't. Central Alaska Utility will come up against that some day and at a minimum will have to cooperate with the Anchorage Water Utility to get financing.
- C John Harshman: Anchorage Water Utility also has access to grants. Recommendations in the MAUS report are that the Anchorage Water Utility get in to bulk supply, not take over all distribution.
- Q Would not adoption of MAUS move Alaska Water Utility toward development of surface water?
- A John Harshman: The Anchorage Water Utility is doing a study on this that should be done in approximately one year. The Anchorage Water Utility won't be tied to any particular source.
- Q The Anchorage Water Utility is looking at the state primarily as a funding source or also as a water supplier?
- A John Harshman: Funding is the major problem.
- Q LeVake Renshaw: What are some of the legal problems that the Anchorage Water Utility faces?
- A John Harshman: There are two major problems. Water rights on Ship Creek and the future source of water, either Eagle River or Eklutna. The problem on Ship Creek is competition from the military and Fish & Game. Occassionally there is a shortage in the spring.
- C Brent Petrie: Military use and the problems of Federal Reserve Rights were explained. The federal government will not participate in a water rights adjudication unless it's done basin wide and in a court of law instead of the administrative procedure under Alaska's Water Use Act. The Water Management Section would like somebody to initiate an adjudication on Ship Creek. Otherwise the Department will explore ways of getting it to court.
- Q Have you found MAUS report and the Level B Study useful?
- A John Harshman: MAUS is controversial and duplicative of some other efforts but because of the Corps of Engineers involvement, it can be useful. Level B is too broad to be of any use to the Anchorage Water Utility.

Next on the agenda was the Dam Inventory Program. Mike Steele gave a print and slide show on the recent work of the Department. The breaching of a dam in Prince William Sound and the inventory work at Monaska Creek, Bettinger

Lake, Pelican, Petersburg, Skagway, Rainbow Lake and Salmon Creek were discussed.

Brent Petrie explained the methodology used to identify possible inspection sites for this summer's field work.

Q Is the Department of Transportation still officially the lead agency?

A Brent Petrie: Yes, but they do not want to do it.

Next on the agenda was Colonel Nunn, U.S. Army Corps of Engineers. He reported on the Phase III Tanana Levee completion of the Fairbanks Flood Control Project.

Major points:

- * Construction was delayed earlier this year in response to the August 23 resolution by the Fairbanks North Star Borough. Since the Corps had delayed the winter before to further study completion alternatives, there has been a two year delay in Phase III.
- * Subsequent to the North Star Borough resolution, the Corps of Engineers has had numerous meetings with borough and state officials, plus they have engaged Northwest Hydraulics Limited to review and comment on the Corps recommended Phase III construction plan and Ott Water Engineers to make feasibility studies and cost estimates of the most plausible on-land schemes.
- * The preliminary report by Northwest Hydraulics was discussed. Northwest agrees that the in-river alignment is feasible but have recommended an alignment closer to the north shore. The Corps has no problems with the alignment revisions. Any effect on navigation due to lowered water levels would be very unlikely. Modeling would not be useful for answering questions about downstream consequences of the levee construction, but it might be useful for groin emplacement.
- * The preliminary findings of the Ott Water Engineers report on the on-land alignment indicate that there's no cost effective way to remove interior drainage from a 100 year or greater flood.
- * The most workable solution appears to be the alignment proposed by Northwest Hydraulics Limited.
- * The Corps is also preparing an Environmental Impact Statement on this construction and on a series of upstream groins designed to protect the levee.

Q LeVake Renshaw: How long a period will it take for the river to restabilize?

A Colonel Nunn and Tom Munsey: It should take two years to scour out the pilot channel. Smaller changes after that will occur as the river approaches stability.

Steve Mack of the Department of Natural Resources then summarized other activities pertinent to the review of the project.

Major points:

- * The Department of Law has drafted legislation for the repeal of the current state liability Statute.
- * Legislation for a five year monitoring of the project by the Corps of Engineers has been introduced into Congress. Colonel Nunn explained the background of that legislation.
- * Based on the information received, the cost of relocating the railroad would be greater than the potential liability.

Q Chairman Sims: What is happening on Susitna?

A Colonel Nunn: The Governor has to make a decision on whether to accept the Alaska Power Authority recommendation to use a private consultant, Acres American, for the feasibility study. The Corps thought its proposal was quite good but the Alaska Power Authority chose a private firm. There hasn't been much in the paper considering the size of the project.

Q Dave Vanderbrink: With a project like the Fairbanks Flood Control Project, at what time is it best to bring a problem to the attention of the Corps of Engineers?

A Colonel Nunn: On the Fairbanks Flood Control Project specifically, the Corps was studying it when the '67 flood hit. Problems will usually be identified to elected officials who can come to the Corps. The Corps has some money for evaluation of problems but it is limited. Full funding takes congressional action. This can take time because there are so many projects on the list.

The Board adjourned for dinner after Colonel Nunn's presentation.

The meeting was called back to order at 7:30 p.m. Three people were present to speak, Cathy Allen of the State Ombudsman's Office, Jim Brennan, attorney for RRR, Inc., and Bob Rogers, developer of Sherwood Estates.

Cathy Allen an investigator for the Ombudsman's Office was the first to speak. She described four situations that illustrate the piece-meal approach the state takes towards water management. These situations involved a placer miner, a tideland user, a small hydro operator and the Rainbow Lake problem.

Major points:

- * There is no one point of communication for the public. The agencies know what they require but not the requirements of other agencies, and as a result, they inadequately direct citizens where to go next.

- * Agency staffs are overloaded and agencies priorities differ. Staff turnover is also a problem.
 - * Going to different agencies for the review of the same project is viewed as massive duplication by the public.
 - * The Northwest Territories Water Resources Office in Canada has consolidated permitting. They require fewer permits that take much less time for processing. They orient themselves toward individual projects rather than require permits for every piece of action.
 - * The Water Board could be what is needed to hear complaints and cut through duplication.
 - * Other points that don't relate to duplication but should be brought to the Board's attention include: (1) some of the public is misinformed about the need for water rights; (2) in land disposals, new land owners are being informed of the need for water rights in the purchasing information whereas older private land owners haven't been. In time this could create problems with more recent water users having prior rights to use water. (3) information on water availability is not being used to manage water use.
- C Chairman Sims: The Board has been concerned with the problem of duplication for some time. The one stop permit program under the Department of Environmental Conservation has been going for 1½ years and is making progress. There is much information available for water resources of the Anchorage area.
- C Peg Tileston: A problem is that information is developed on the federal and state level but is not used on the local levels for decisions affecting growth and development.
- C LeVake Renshaw: The Board has wrestled with the same problems that are being brought up here. Part of the difficulty is that regulations are always in a state of flux.
- Q The Ombudsman's Office is working on a list of regulations that could be eliminated. Do you have any pertaining to water?
- A Cathy Allen: That was for all regulations. Water regulations are not that numerous and there aren't very many bureaucrats working on water.
- Q Dave Vanderbrink: How many more of these horrible experiences with the bureaucracies exist in the Ombudsman's files. The more evidence of problems the Board can show, the sooner the permanent problems can be solved.
- A Cathy Allen: The Ombudsman's Office's files will be searched for these problems. A presentation can be made at the next Board meeting.
- C Chairman Sims: The comments on the Department of Natural Resource is telling people they don't need water rights for domestic use is disturbing because it is the opposite of what the Board has been requesting -- advertising of the need for water rights.

Brent Petrie next gave a description of the Rainbow Lake problem.

Major points:

- * Rainbow Lake is a natural lake with an old highway grade serving as a small dam raising water levels about 5 feet. Sherwood Estates Lake is approximately .6 miles above Rainbow Lake and is a man-made lake created by an earth fill structure built on an old beaver dam.
- * Sherwood Estates Lake Dam has no spillway and has a fish ladder that does not function at times. A problem at Rainbow Lake is a culvert that acts as a syphon.

Jim Brennan, attorney representing Rainbow Lake Home Owners (RRR Inc.), spoke next.

Major points:

- * The permitting process is designed to protect the public from adverse actions by single individuals. It is very difficult for a citizen to find correct agencies and then to get them to enforce their decisions. Also it appears many agency people are not familiar with the laws they are supposed to be enforcing. The laws involved in this case are the Water Use Act and Fish & Game laws.
- * The chronological history of the controversy was recounted in detail, emphasizing the procedural defects of the Sherwood Estates Dam permit in the beginning and the lack of action by the agencies contacted. Downstream users have had to tolerate an illegal dam and then agency inaction and indecision.
- C There was some discussion of the physical problems of the two dams. Consensus was that the Board couldn't resolve engineering problems or judge the outcome but should see that some type of action is taken.

Bob Rogers, developer of Sherwood Estates spoke next.

Major points:

- * He followed the procedures that the Alaska Division of Lands and the Department of Fish & Game told him to. He got the permits to build a dam and the fish ladder was put in to Fish & Game specifications but was built at his expense.
- * Water level problem at Rainbow Lake is due to leakage from Rainbow Lake Dam, not from his stopping any flow.
- * Much money has been spent meeting the demands of the state agencies and downstream home owners. This is putting him in a financial bind.
- * He is unfamiliar with what type of permit he has. He only did what the state agency people told him to.

- C One of the problems is that this case has strung out so long that Mr. Rogers has run in to changing regulations and procedures.

Cecilia Kleinkauf, a property owner on Rainbow Lake, was the next speaker.

Major points:

- * Property owners have been passed from agency to agency for four years trying to get this problem resolved. As a result of that frustration an attorney was hired.
- * After the attorney was hired they were able to make the Department of Natural Resources hold a public hearing.
- C There was some discussion at this time about the modifications to Schrock Pitman Road, which serves as a dam for Rainbow Lake.
- C LeVake Renshaw: From an engineering standpoint it is hard to believe that the upper lake is effecting the lower lake water levels. However, the real problem is that every one has been the victim of agency inaction.
- C Brent Petrie: The concern of the people involved is understandable. This affair should not have happened. After this meeting next week Ted Smith will make a decision that people can either hold up or attack.
- Q LeVake Renshaw: Could this happen again?
- A Brent Petrie: Possibly.
- C LeVake Renshaw: It shouldn't. If it can happen again the public is not being served.

The meeting was adjourned until 9:00 a.m. the next morning.

Wednesday, December 5

The meeting was called to order at 9:00 a.m. Glen Akins of the Department Environmental Conservation spoke first.

Major points:

- * The Environmental Procedures Act was reported on. Limitations to the master permit process are that it must be voluntarily used and applies only to state permits.
- * Permit information centers are in operation in Juneau and Anchorage. Next year there will be one in Fairbanks.
- * The Department of Environmental Conservation will try to revise the statute to improve the master application process. It would be renamed a Permit Coordination Request, allow common public notice in public hearings, require a time frame for making a decision, and have one piece of paper serve as the application.

Q Chariman Sims: Is it confusing to the public to go to DEC to start the process on getting a permit?

A Glenn Akins: For most no, but some are bothered that the coordinator is also the regulator.

Next on the agenda was Tom Meacham, Assistant Attorney General. His presentation was on Paug-vik v. Martin which had recently been decided in Superior Court.

Major points:

- * A brief chronology of the case was given.
- * The decision was in favor of the state. Paug-vik's strongest claim was for aboriginal rights to water but that claim was not sustained before the judge.
- * Paug-vik also claimed that ANCSA reserved water rights. Because Wards Cove had been using water 41 years before ANSCA, this did not need to be decided for this case. It is still an open question.
- * Two other Paug-vik cases are going now, Nelbro Packing and Whitney Fidalgo. These are under different circumstances than Wards Cove and could bring up the question of ANSCA.
- * State may appeal the finding that there are reserved water rights on land reserved for native selections.
- C At this point there was some discussion on how to initiate quantification of federal reserved water rights, in particular, on Ship Creek. It would have to be a basin wide court action before the federal government would participate. This is what is required under the McCarran Amendment.

Q Does the McCarran Amendment apply to Indian Reservations?

A Tom Meacham: Yes, question is whether lands withdrawn for native selection and later selected are federal reservations. If so, then rights must be quantified under the McCarran Amendment. If not, they must apply for water rights like everyone else. This could be a problem because the water use for which many lands were selected -- subsistence -- is not a beneficial use under the Alaska Water Use Act.

C That's where an instream flow bill is needed.

Next on the agenda was Bill Long, hydrologist for the Division of Geological and Geophysical Survey, talking on the Division's water programs.

Major points:

- * 90% funding is limiting the Division's hydrology programs to maintenance of ongoing programs. The five main cooperative projects for this fiscal year are; Surface Water Monitoring, Hydrologic Data,

Ground Water Data Collection in Bristol Bay, Knik Glacier Study, and Beluga Water Quality Study.

- * The new budgetary process for FY81 sets out the projects and identifies the amount of money available for them.

Q Where is geothermal?

A Bill Long: It's not under hydrology and has its own section.

- * In the proposed budget funding for water has been substantially increased. Proposed projects include water well log collection, statewide ground-water monitoring, ground-water modeling, surface-water monitoring and village assistance projects. Also hydrology work has been requested for Delta, Nenana and Talkeetna agriculture projects.

Q Where is the water well log collection program?

A Bill Long: The funds will come to the Division of Geological and Geophysical Surveys but some will be passed on to the Division of Forest, Land and Water Management. Some progress is being made with getting well drillers to submit logs.

Next was Tom Williams of the Division of Geological and Geophysical Surveys. He reported on the geothermal well drilling project at Pilgrim Hot Springs.

Major points:

- * Two test holes four inches in diameter and 150 foot deep were drilled using drilling mud weighted with Verite. Geothermal fluid with a temperature of 90°C was encountered at about 95 feet. It had artesian flow at about 200 gallons per minute.
- * Drilling was hampered by logistical problems and lack of equipment. Because of weather problems supplies could not be flown in and operations were suspended for the winter.
- * Safety recommendations supplied by the Oil and Gas Conservation Board were beneficial.
- C At this point there was considerable discussion on types of logging that would have provided useful information. Because adequate logging equipment was not available many questions are left unanswered by the drilling program.

At this point the meeting was adjourned for lunch.

The first speaker of the afternoon was Pat Metz, Environmental Engineer with ARCO. His presentation was on how water use and water quality affects the oil and gas industry.

Major points:

- * The oil and gas industry use of water can be broken down into four categories: exploration, development, off-shore activities and water as a receiving environment.
- * In exploration, a wildcat well will require typically 1,000,000-2,000,000 gallons ~~for~~ for approximately 60 days. This water will usually be hauled from the closest adequate source.
- * Development requires a more permanent water supply. At Prudhoe Bay deepened lakes and and reservoirs constructed from gravel sites supply water storage.
- * One source of water in a oil field is water from the oil formation. This produced water is high in contaminants and disposal often is a problem. It is excellent water for the water flood program for the reservoir.
- * For off-shore drilling, different processes, including reverse osmosis and distillation, are looked at to see which will produce the least expensive water. In Cook Inlet hauling by boat is the least expensive method.
- * When wastes need to be disposed, using water as the receiving environment is at times the most beneficial method when the impacts of alternative methods are examined. Cook Inlet is a good example. With high tides and nutrient deficiency, an argument can be made that waste disposal is improving the water by adding nutrients. However, there shouldn't be a return to the days of indiscriminant discharge and universally poor treatment of discharges.

Q Chairman Sims: Have there been any problems with DNR or DEC?

A Pat Metz: ARCO has not had a hard time getting any water permits. In 74-75 there was legitimate problem with fisheries at Prudhoe Bay that was cleaned up to everybody's satisfaction. ARCO has had disagreements with DEC. The DEC water quality standards may be to stringent.

C Dave Vanderbrink: Oil companies should exercise more control over exploration contractors. Much illegal ocean dumping goes on.

Jeff Richardson, Alaska Federation of Natives representative on the South-central Level B Study Management Team spoke next.

Major points:

- * Activities of the Alaska Land Managers Task Force were described. While Alaska Federation of Natives is an equal partner in setting up the Task Force, it doesn't have the manpower to adequately cover all the topics that the Task Force addresses, compared to the federal and state agencies. The Alaska Water Study Committee covers many of the same topics. Perhaps they should be combined.

- * The intent of ANCSA was to allow natives a choice of continuing subsistence or to develop some kind of economic base. That the natives are not in a position to quantify their water rights right now should not be held against them.
- * It would be good for the Department of Natural Resources, Department of Law and the natives through their village or regional organizations to sit down and discuss quantification problems. Regardless of whether natives have reserved water rights, they do have water needs that should be recognized.
- C Chairman Sims: There are many natives not applying for water rights because they think they have a reserved water right. If this reserved rights question goes against them they'll be at the end of the line. They should be applying under the state system just to be safe.
- C Jeff Richardson: It's important to differentiate between water rights of people as individuals and as a class. The individual should be encouraged to apply. Native organizations should file applications qualified by the statement that reflects pending litigation.

After Jeff Richardson the DEC agency report was continued. The Department requested that the Board take on additional duties as the 208 Policy Advisory Committee. Judi Gregory was on hand to discuss the activities of the 208 Committee.

Major points:

- * Past advisory committees were large and unwieldy and meetings were expensive. Attendance was not always good.
- * With new work plan membership requirements have been scaled down so that the Water Board would qualify. The 208 work plan is a good one but needs an active advisory board like the Water Board to watch over it.
- * Regular Water Board meetings could have an extra day added on to take care of 208 business.
- * One person from local government would have to be added to satisfy EPA's requirement for two government representatives.
- Q Would the Board be called upon to set DEC or 208 policy? It could lose its independence.
- A Judi Gregory: No, what it is needed is advice on policy decisions. The Board would act as a citizens advisory group for the 208 program.
- C Peg Tileston: It seems to be the same type of function that the Board presently has now, only for the Commissioner of the Department of Environmental Conservation instead of for the Governor.

C The Board members agreed to consider this during the work session.

Glenn Akins, Department of Environmental Conservation, spoke on the reorganization of the Department.

Major points:

- * The reorganization was done to get more people into district offices, more people monitoring activities in the field, and to reduce the ratio of supervisory personnel to working level personnel.
- * The Department has been consolidated into two divisions. One is the Division of Environmental Quality Operations under which are three district offices. Support functions have been transferred to the district offices. The second is the Division of Environmental Quality Management which is headquartered in Juneau.
- * Permits will now be written at district offices. The central office will concentrate on policy.

Brent Petrie next gave the Department of Natural Resources agency report.

Major points:

- * Department of Natural Resources reorganization was briefly summarized. The Department went from five to eight divisions which are organized along functional duties.
- * The Water Management Regulations will be effective January 1, 1980. The major change from past drafts is that that well log confidentiality clause was deleted because there was no authority to keep that information confidential.
- * The Water Management Section has entered into a contract with the USGS to develop a Cooperative Water Use Data Program for Alaska. The goal will be to quantify water uses for different types of industrial uses.
- * Alaska is eligible to receive \$580,000 this year from the Water Resources Council under a grant from the Title III Program of the Water Resources Planning Act. The amount has been raised considerably this year but it appears that the kind of activities that can be used for matching funds has been reduced.

After the Department of Natural Resources agency report the Board moved into its work session. Chairman Sims had the following list of activities for consideration by the Board: Rainbow Lake, resolutions on the Geothermal Act and Ship Creek, appointment of a committee for the final product from Pilgrim Hot Springs, state assumption of liability on the flood control project, DEC master application, acceptance of duties as the 208 advisory committee, the \$580,000 Title III grant, meeting with the Yukon Water Board, establishing the next meeting date, Alaska Water Study Committee meeting report and Board costs.

* Rainbow Lake:

Chairman Sims felt that two possible actions were to recommend a particular action in this specific case or to include it in the general backlog problem. Other discussion centered on DNR's inaction and how this related to the backlog situation. Brent Petrie stated that Ted Smith was prepared to issue a decision on the Rainbow Lake case in the coming week. It was Board consensus that making a recommendation for a specific course of action was not one of the Board's duties. It was moved and seconded to use the Rainbow Lake controversy as an example of the problems caused by allowing a large backlog of permits. This resolution was discussed, drafted, and approved.

* Geothermal resources:

Chairman Sims noted that there were two things on the list-drafting a resolution and appointing a committee to follow the legislation. There is not enough information available to have a resolution. Perhaps a committee should be appointed to follow the upcoming drafts of the legislation. The Board agreed to have the Anchorage members form a committee to follow this legislation.

* Ship Creek Adjudication:

The Board agreed on a resolution requesting Department of Natural Resources and Department of Law to initiate action for a court administered, basin-wide adjudication for water rights in the Ship Creek Basin. This was so moved, seconded and unanimously passed.

* State assumption of liability for flood control projects.

It was felt that this wasn't far enough along and should be postponed until the next meeting when there would be more information regarding what actually would be submitted to the legislature.

* 208 Policy Advisory Committee:

Peg Tileston stated that as long as the Board keeps continuity and independence, assumption of these duties would not be anything different than from what they have done in the past. She moved that the Board accept the duties and was seconded by Charles Johnson. After some discussion on maintenance of independence and objectivity, the motion passed.

There was additional discussion on the mechanics of having the Water Resources Board meeting and the 208 meeting together. It was decided to have the Water Board meeting for 2 days and on the third day have the 208 meeting.

* Title III program:

Brent Petrie explained the review process for the grant application and the need for state matching funds. The Board requested to have the program on the agenda for the next meeting.

* Yukon Water Board:

Chairman Sims explained the possibility of a joint meeting with the Yukon Water Board. They would like to meet in early March. The first of the week could be reserved for the Yukon Water Board, Wednesday and Thursday for the Water Resources Board and Friday for the 208 meeting. The 12th and 13th of March were selected for the Board meeting with the 14th for the 208 meeting. Contact would be made with the Yukon Water Board to arrange something earlier in that week.

Peg Tileston noted that her term of office was up in February of 1980. She enjoys being on the Board and would like to continue, and will write to the Governor requesting reappointment. She is also concerned that there are no representatives from Southeast Alaska. Chairman Sims commented that while a person from Southeast Alaska was desirable so was an environmentalist like Peg.

Peg Tileston also brought up the possibility of a meeting with the Forestry Board. Having a joint meeting would not be possible for this upcoming meeting. It was decided to offer a standing invitation in the hope that some of their members could attend.

Dave Vanderbrink next offered a resolution on the Caribou Treaty between the United States and Canada. After some discussion on the implications of the treaty it was decided to hold this over to the next meeting.

The Board returned to geothermal resources, discussing whether to recommend anything for the Pilgrim Hot Springs Program. It was agreed to have Wayne Westberg draft a resolution on the type of information that should come out and the kinds of equipment that would be needed.

The Board next agreed to draft a resolution requesting that the state, namely the departments of Natural Resources and Law, and the Alaska Federation of Natives get together to discuss each other's positions on reserved water rights.

In a final action the Board agreed to ask each state agency to review the Trelease report and report which, if any, of the recommendations from that report have been implemented at the next Water Board meeting.

After final comments the meeting was adjourned.

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

Water Board

323 E. 4TH AVENUE - ANCHORAGE 99501

Resolution 79-10

Rural Alaska Water Allocations

WHEREAS the Alaska State Water Resources Board has heard testimony indicating that many rural inhabitants have not and are not applying for water rights through the existing permit process; and

WHEREAS we believe that the source of this refusal is based on a lack of information or misinformation on the effect of applying for water rights because of existing litigation between a native village corporation, a cannery, and the State of Alaska (Paug-Vik vs. LeResche and Paug-Vik vs. Martin); and

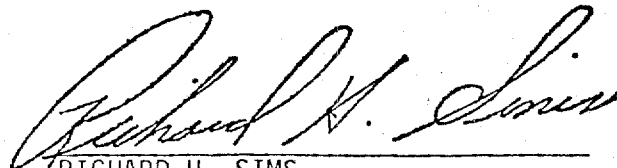
WHEREAS it is the State's duty to proceed with water right allocations in the order in which they are received; and

WHEREAS the failure to apply based on this information or misinformation may have the detrimental effect of placing an existing water user in a secondary position as a result of future valid application for appropriation; and

WHEREAS there may be ways to encourage the application for water rights without affecting the standing of the parties to litigation;

NOW THEREFORE BE IT RESOLVED that the Alaska State Water Resources Board hereby requests that the Governor initiate discussions between the Department of Natural Resources, Department of Law and authorized representatives of the rural communities or Alaska Federation of Natives to explore the possibilities and provisions for these rural residents to apply and perfect their valid water rights while preserving all contested rights currently under litigation.

Respectively submitted this 28th day of December, 1979.



RICHARD H. SIMS
Chairman

Water Board

323 E. 4TH AVENUE - ANCHORAGE 99501

Resolution 79-11

Ship Creek Water Rights

WHEREAS the Water Resources Board, at its December 4-5, 1979 meeting, heard testimony from the Municipality of Anchorage Water Utility regarding plans for capital improvements to serve the growing water needs of the Anchorage area; and

WHEREAS the Anchorage area will have to spend in excess of \$100 million in the next twenty years to meet those needs; and

WHEREAS clarification of the status of water rights as in a number of streams and groundwaters of the Anchorage area is needed to allow both public and private sector water users to proceed with an effective capital improvements program; and

WHEREAS the use of waters in Ship Creek involve federal, state, and local government and private water users; and

WHEREAS the federal water rights to Ship Creek may involve reserved water rights to serve the military installations of Fort Richardson and Elmendorf Air Force Base; and

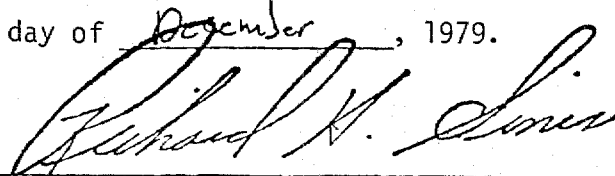
WHEREAS the federal government is only bound to quantify federal reserved water rights through a basin wide adjudication brought to state or federal court under the McCarran Act; and

WHEREAS State of Alaska procedures to quantify water rights are administrative procedures under the Water Use Act (AS 46.15); and

WHEREAS this unquantified water rights situation on Ship Creek is detrimental to all those presently using or who wish to use water from Ship Creek;

NOW THEREFORE BE IT RESOLVED that the Alaska Water Resources Board requests that the Alaska Department of Natural Resources and Alaska Department of Law take such action as is necessary to initiate court proceedings to resolve the quantification of water rights to Ship Creek.

Respectfully submitted this 28th day of December, 1979.



RICHARD H. SIMS
Chairman

Water Board

323 E. 4TH AVENUE - ANCHORAGE 99501

Resolution 79-12

Water Rights Backlog

WHEREAS numerous parties are ignoring the permit process regarding the allocation of water rights; and

WHEREAS there are public conflicts and violations of the permit process that date back five years or more and are adversely affecting all parties; and

WHEREAS the overlapping authorities, inconsistent standards and processing requirements of several State agencies are definite contributing factors in these violations; and

WHEREAS the continuing backlog of unprocessed water permits prevents the timely identification and resolution of conflicts and the backlog contributes to the deliberate ignoring of the permit process; and

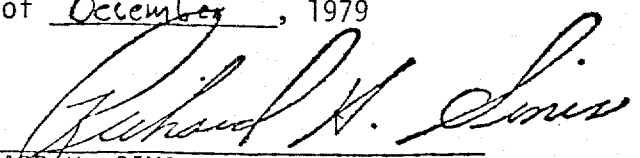
WHEREAS neither the public nor the State is being served or protected as a result of these circumstances;

NOW THEREFORE BE IT RESOLVED that the Alaska State Water Resources Board strongly recommends that the Governor support all efforts to eliminate the backlog of water permits in the State as well as support public information processes to encourage the application for water permits; and

BE IT FURTHER RESOLVED that the Alaska State Water Resources Board requests the Governor's assistance in enforcing the cooperative agreement between the Department of Natural Resources, Environmental Conservation and Fish and Game; and

BE IT FURTHER RESOLVED that the Alaska State Water Resources Board requests the Governor to support and assist in efforts to establish the one-step permit process as the vehicle to best serve the public and the State in the orderly and timely issuance of water allocations.

Respectfully submitted this 28th day of December, 1979


RICHARD H. SIMS
Chairman