



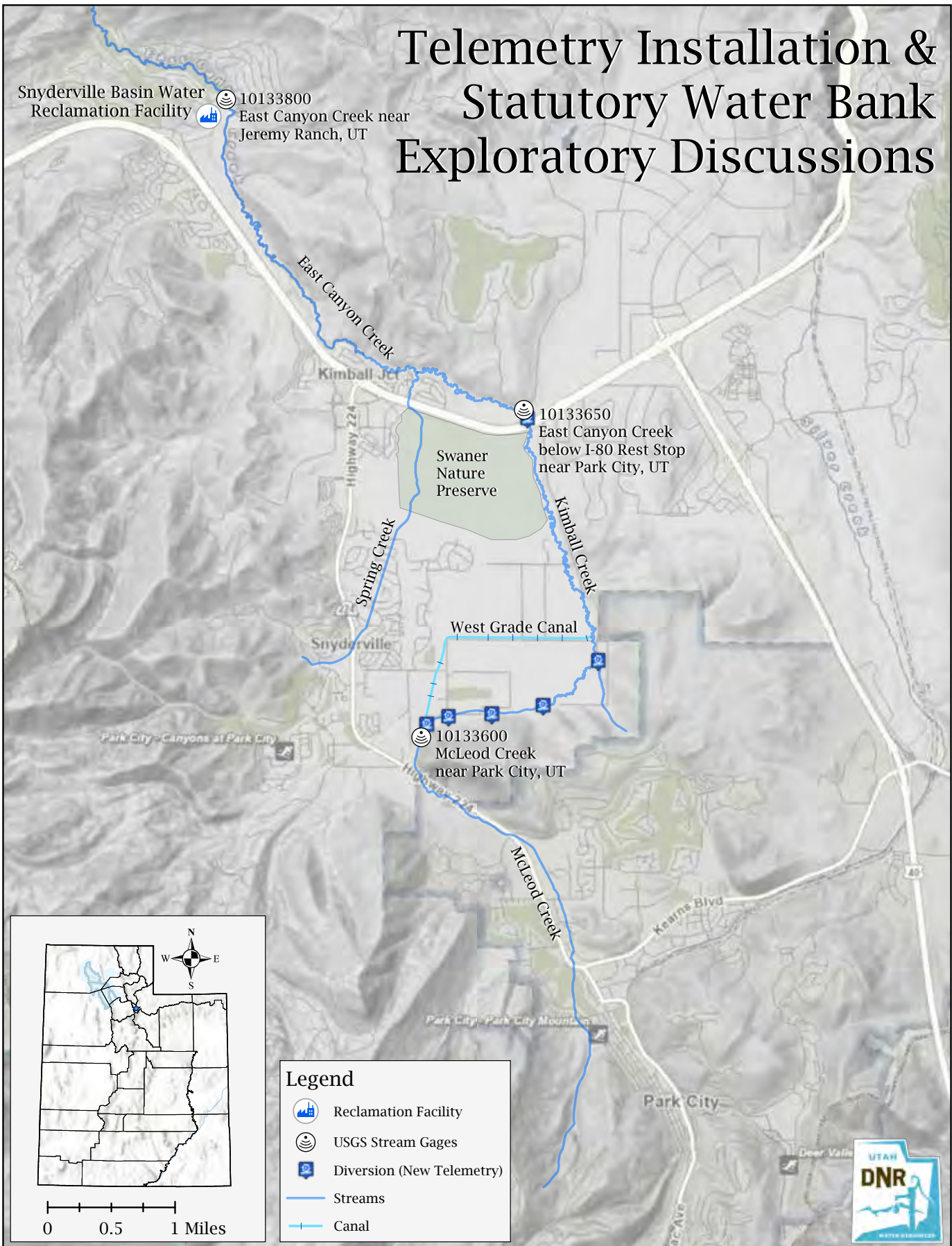
Snyderville Basin Pilot Project

The Snyderville Basin pilot water bank project sought to create a water marketing program to improve streamflows in the upper reaches of East Canyon Creek near Park City, Utah. East Canyon Creek frequently suffers low streamflows in late summer. These low-flow periods create a series of problems, including: warm temperatures and reduced habitat for cold water fish, reduced baseflow to absorb wastewater effluent, degraded water quality, and negative aesthetics for recreation.

Statutory water banks were of particular interest to project Stakeholders. At the time that the water bank concepts were being developed, Utah had limited water right protections for water rights leased for instream flow purposes and a statutory bank could provide environmental benefits. The water bank concept was focused on pooling the financial resources and staff capacity of various Stakeholders. Ideas ranged from a very broad water bank concept where individual homeowners in the Snyderville Basin could donate funds or be charged a small fee to generate revenue to lease water rights, down to a relatively small water bank involving a few key water rights and funding interests focused on the environmental community.



Telemetry Installation & Statutory Water Bank Exploratory Discussions



Snyderville Basin Water Reclamation Facility

10133800
East Canyon Creek near Jeremy Ranch, UT

East Canyon Creek

Kimball Jct

Swaner Nature Preserve

10133650
East Canyon Creek below I-80 Rest Stop near Park City, UT

Spring Creek

Kimball Creek

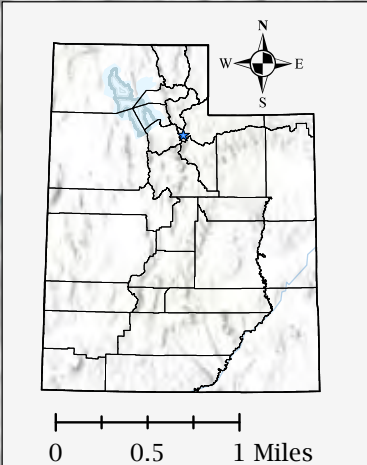
West Grade Canal

Snyderville

10133600
McLeod Creek near Park City, UT

McLeod Creek

Park City



Legend

- Reclamation Facility
- USGS Stream Gages
- Diversion (New Telemetry)
- Streams
- Canal

Stakeholder Engagement, Outreach, and Communication

The Project Team helped organize and facilitate substantial multi-party Stakeholder discussions on the potential of increasing instream flows in East Canyon Creek through a water bank. The Project Stakeholders included municipal water and wastewater districts, municipal representatives, environmental NGOs, and state water agency representatives. Specific Stakeholders included: Weber Basin Water Conservancy District, Swaner Preserve and EcoCenter, the Audubon Society, Mountain Regional Special Service District, Trout Unlimited, Snyderville Reclamation District, and Park City Municipal Corporation. Over 40 meetings of Snyderville Basin Stakeholders were held during the course of the Pilot Project.

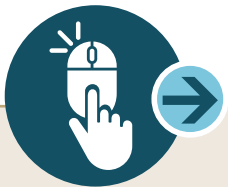
Stakeholder Surveys: Understanding a Statutory Water Bank

To better understand what it means to create a Statutory Water Bank, the Project Team organized a series of Stakeholder surveys:

- **Statutory Water Bank Tasks and Responsibilities**

To identify the administrative tasks involved in establishing and operating a Statutory Water Bank, the Project Team and Stakeholders created an exhaustive list of all activities possibly needed to establish a successful Statutory Water Bank. These tasks were then grouped into categories, such as “Bank Organizational Activities,” “Bank Incorporation Tasks,” “Marketing the Bank,” and “Change Application Activities.” The Stakeholder group then identified three categories of activities: 1) tasks required by the Water Banking Act; 2) tasks that are implicit in having a successful water transaction but not required by the statute; and 3) tasks that are not necessary to facilitate a water transaction but helpful or valuable.

This exercise was extremely helpful for finding a way to approach how to start discussing the formation of a Statutory Water Bank. It has informed the development of two resources for prospective Statutory Water Bank groups: the Statutory Water Bank Summary of Tasks & Responsibilities and the Statutory Water Bank Participant Assessment.



These work products are available on the [Utah water marketing website](#).

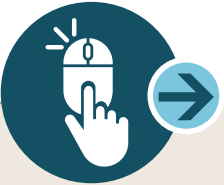


- **Stakeholder Expertise, Capacity, and Interest Survey**

Having identified what was needed to establish a Statutory Water Bank, the Project Team then facilitated a survey asking which Stakeholders had the expertise, capacity, and interest to complete each of the identified tasks.

The survey results were informative as it was determined that each interested Stakeholder wanted to participate in and support a Statutory Water Bank, but no Stakeholder had the resources or investment to spearhead creating a Statutory Water Bank. Stakeholders generally desired to provide a supporting role on the tasks instead of a leading role. This process was helpful because it provided some context for local Stakeholders on the level of effort required to implement a Statutory Water Bank. Ultimately, these meetings and surveys resulted in a general consensus that there was a lack of capacity among the local Stakeholders to both establish and maintain a Statutory Water Bank.

With a fuller understanding of time and costs, the local Stakeholders decided not to commit to developing a formal water bank. Following Stakeholder's determination that capacity was lacking to establish a water bank, the Project Team convened local Stakeholders to brainstorm alternatives to a water bank to achieve the underlying objective of improved streamflow in East Canyon Creek. These alternative concepts will likely be further explored by the basin Stakeholders moving forward. An "Alternatives Concepts Memorandum" is appended to the Snyderville Basin Pilot Project Summary Report.



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Lack of Critical Stream Flow and Creative Distribution

Early in the project, the Project Team and Stakeholders identified water right administration as a critical hurdle to conducting water leases for improved instream flows in East Canyon Creek. The measurement data and accounting policies were not established in East Canyon Creek to allow the State Engineer to create a distribution order to protect water rights leased for instream flow purposes.

In response, the Project Team began working with the State Engineer and used \$32,000 of Project funding to fund six new telemetry sites along East Canyon Creek: Quarry Mountain, JH Bailey, West Grade, Osguthorpe, Ranch Creek 3, and Glenwild. With this information, local Stakeholders will, for the first time, be able to have real time flow data in East Canyon Creek to the accuracy needed to facilitate a water lease for instream flows.

Another creative element stemming from discussions in the Snyderville Basin Pilot area regard coordinating distribution schedules. Similar to the way an irrigation company coordinates deliveries amongst Shareholders, greater flows in East Canyon Creek could also potentially be achieved by better coordinating diversions from individual water right owners. For example, instead of all taking their water on the same day or within hours of each other, during critical times of year a voluntary coordinated diversion program could stabilize existing flows in the creek. The Stakeholder Group worked with the State Engineer to create a draft distribution plan. To move this concept forward, Stakeholders will need to work with the State Engineer and local diverters.



Lessons Learned

An important lesson from the Snyderville Pilot Project is that multiple marketing options should be considered when formulating a water marketing plan. During the Snyderville Pilot Project, Stakeholders determined that they lacked sufficient capacity and resources to operate a Statutory Water Bank, but they may be interested in future independent leases, a pump-back project, or a coordinated distribution plan.

A second key lesson learned during the Snyderville Pilot Project is that water administration, water right accounting, and streamflow measurements are critical to successful water marketing. Sufficient measurements and accounting procedures must be in place to ensure leased water supplies can be used, tracked, and protected as intended.

