

MEMORANDUM

Date: August 13, 2012
To: Water Right File 35-13542
From: bjordan
Re: Permit Evaluation

South Interchange Properties LLC filed application for permit no. 35-13542 on October 20, 2005 seeking to develop a commercial and industrial ground water permit for a distribution center, manufacturing plant and administration building operated by Melaleuca Inc located southwest of the City of Idaho Falls. The total amount of water sought under this application was 0.2 cfs and up to 140.0 acre-feet per annum from 01/01 to 12/31. Of that total all but 7.4 acre-feet would be used for non-consumptive purposes such as restrooms, drinking fountains, break rooms and cooling. The 7.4 acre-feet of water would be used for water in a manufactured product which is considered consumptive. All but the 7.4 acre-feet of water would be discharged from the three facilities through a buried pipeline to the Shelley Sewage Treatment plant near Shelley, Idaho. The applicants initial mitigation plan indicated that if the applicant were required to mitigate for the 7.4 acre-feet, then two available alternatives were available (see back file for water right 35-13542).

This application was published on 11/03/2005 and again on 11/10/2005 for public comment and drew no protests. In the applications final processing review the department raised concerns about the proposed mitigation plan and emphasized that mitigation is necessary not only to offset impacts to the Snake River reaches for the consumptive portion of the new water use but is also necessary for the impacts to the Snake River reaches for the non-consumptive portion of the new water use. IDWR must ensure that the non-consumed water is discharged to the Snake River in such a way that would offset the depletions to the river that will be caused by pumping ground water at the proposed point of diversion.

The department used ESPA model transfer spreadsheet version 3.1 to determine whether there would be injury to the Snake River Reaches if the application were approved. Based on the ESPA analysis, impacts greater than 2.0 acre-feet per trimester would occur in the Ashton to Rexburg and Heise to Shelley river reaches that could not be mitigated by discharging water from the City of Shelley's waste water treatment facility. To satisfy department concerns, the applicant would have to mitigate for depletions greater than 2.0 acre feet per trimester to the Snake River reaches upstream from where water is discharged from the City of Shelley's Waste water treatment facility.

On August 2, 2012 South Interchange Properties LLC filed an amendment to application for permit 35-13542 which proposes to adjust the proposed place of use, reduce the total water use 0.20 cfs and 22.0 acre-feet. The nature of use will be commercial. The commercial use under the permit will be for non-consumptive culinary inside use for a powder facility, daycare facility and administrative building.

The original application for permit sought to divert 140.0 acre-feet to be used for a distribution center, manufacturing plant and administration building. This volume is being reduced to 22.0 acre-feet primarily because the manufacturing plant (industrial) will not be constructed at this time. The original volume proposed for commercial use was based on a rate of 30 gallons per day per employee for 2,000 employees. Based on Melaleucas own records, 30 gallons per person calculation is too high. New calculations have been made which dramatically reduced the amount of water needed for the applicant's commercial operation.

To resolve the departments ESPA modeling concerns, the applicant provided an updated ESPA analysis modeling potential impacts to the ESPA reach areas, in particular to the Ashton to Rexburg and Heise to Shelley reaches. According to the analysis, the Ashton to Rexburg and Heise to Shelley reach transient and steady state impacts are less than 2.0 acre-feet per trimester. No additional mitigation for the Ashton to Rexburg and Heise to Shelley reaches is required. The transient and steady state impacts at the Shelley to Near Blackfoot and Near Blackfoot to Neeley reaches exceed 2.0 acre-feet per trimester, which requires mitigation. Mitigation requirements are satisfied for the lower reaches because water that is used in the three buildings flows through a buried pipeline to the Shelley Sewage Treatment plant near Shelley, Idaho and is discharged into the Snake River.

There are no other issues identified under the amended application for permit. This application can be approved.