

Oregon Water Resources Commission
Meeting
June 1, 2001
Salem

Members

Nancy Leonard
Tyler Hansell
Dan Thorndike
Susie Smith
Jim Nakano

Staff

Paul Cleary
Meg Reeves
Sharyl Kammerzell
Tom Byler
Cindy Smith
Dick Bailey
Dave Jarrett
Tom Paul
Mike Ladd
Barry Norris
Bob Devyldere
Bruce Moyer
Bill Fujii
Tony Justus
Laura Snedaker
Bob Rice
Marc Norton
Diane Addicott
Rick Lusk
Renee Moulun
Mary Grainey
Laurie Norton
Jerry Gainey
Mike McCord
Jerry Rodgers
Craig Kohanek
Kris Byrd
Bill Ferber

Others

Reed Benson
Kimberley Priestley
Karen Russell
Molly Kramer
Ed Henricks
Doug Myers
Brad Harper
Terry Cawlfieid
Steve Applegate
Tom Lynch

Written material submitted at this meeting is part of the official record and on file at the Oregon Water Resources Department, 158 12th Street NE, Salem, Oregon 97301-4172. Audiotapes of the meeting are on file at the same address. Copies of written material and tapes are available upon request.

A. Commission Meeting Minutes

The minutes of the April 5-6, 2001, meeting were offered to the Commission for their consideration. Hansell moved that the minutes be accepted as presented; seconded by Nakano. All voted approval.

B. Commission Comments

Leonard said how much she enjoyed the Thursday evening retirement party. It was great to celebrate with staff and meet so many past retirees.

Nakano said he toured the South Fork of the Owyhee District. The District received an OWEB grant to pipe a two-mile lateral off their main canal. They hope to conserve approximately 1,500 acre feet of water per year; and as more irrigators switch to sprinkler systems they will likely save another 1,500 acre feet of water per year. The pipe will also prevent soil erosion.

Nakano attended a negotiation meeting with the Bureau of Reclamation and Oregon Department of Fish and Wildlife regarding establishing a minimum pool at Beulah Reservoir. It was a good meeting and a fair agreement was reached.

C. Director's Comments

Cleary said he will be attending a meeting of the Interim National Drought Council on June 21 and 22 in Portland. The Council is interested in knowing what actions Western states are taking to help with drought issues and what assistance from the federal government is needed.

Oregon Congressman Walden and California Congressman Herger, both members of the House Resources Committee, will hold a hearing on the Endangered Species Act implementation in Klamath Falls on June 16. Cleary plans on attending.

Cleary said he attended a four-day Klamath Basin Fish and Water Management Symposium in Humboldt, California. They discussed the science, restoration activities, and various administrative and water management issues. He expressed concern that so many entities are spending more money on legal fees than on research and actual projects.

D. Recent Developments in the Klamath Basin

Meg Reeves, Deputy Director; Fred Lissner, Ground Water/Hydrology Division Manager; and Dick Bailey, Water Rights Division Administrator, offered this update to the Commission. Reeves reviewed the history of the Klamath Basin situation and explained that the written staff

report focuses on immediate ground water development to offset supply that would have come from Upper Klamath Lake, and ongoing efforts toward long-term resolution of water use conflicts in the Basin. She said the Department will continue to work with water users, the Bureau of Reclamation, the California Department of Water Resources, and other interested parties to facilitate aggressive development of ground water resources; enhance water measurement, conservation and efficiency; and pursue water supply augmentation alternatives.

Lissner and Bailey spoke on ground water development and emergency drought-related permits in the Basin. Since the drought was declared in Klamath County, the Department has received 61 applications for emergency ground water permits in the Basin, covering some 14,909 acres with a potential production volume of over 44,728 acre feet of water. Staff have approved 50 permits so far, turning them around in approximately seven days. Water Rights Division staff are being sent to Klamath Falls each week to provide application assistance to the public.

As of May 21, staff had approved twelve Bureau of Reclamation applications for limited licenses to develop wells and use ground water for stream flow and water quality purposes. Terms of use for some 40 existing well permits in the Basin that would expire on July 31, 2001, will be extended to December 31, 2002, to allow completion of a ground water/surface water interference study.

Cleary distributed a copy of the commentary by Governor Kitzhaber in the June 1, 2001, issue of *The Oregonian*, entitled "Klamath Solution Takes Cooperation By All."

Public Comment on Item D

Reed Benson, WaterWatch of Oregon, referred to a letter mailed to the Commissioners May 30 regarding water measurement in the Upper Klamath Basin. He said that WaterWatch has been very active in the Klamath Basin for several years — staff have attended the ADR meetings, participated in the adjudication, and intervened in the irrigators' court case along with participating in the mediation. The water resources in the Klamath Basin are hugely important ecologically for a great array of species. The Klamath Basin is sort of a shape of the things to come. There is probably only one basin in the West that has moved faster than the Klamath toward the collision of the traditional ways of doing things, tribal trust responsibilities, and the ESA. There is a sharp difference between the basin above Upper Klamath Lake and below the lake. The lake is managed by the Bureau of Reclamation. The irrigation interests below the lake are in bad shape this year — WaterWatch and other groups have supported assistance for those users. In the Upper Basin it is a different situation where the state of Oregon is responsible for water management. WaterWatch has encouraged the state for some time to be more aggressive, especially in requiring water measurement by the users on the Sprague, Williamson, Sycan, and Wood Rivers. He said that in the midst of the current crisis WaterWatch is asking again to get measurement devices on all water uses above Upper Klamath Lake and increase WRD field

presence. A few years ago WaterWatch was concerned that there was excessive water use on the Wood River. As a result, WRD ordered head gates on diversions to be installed on the west side of the river. A hydrologic study commissioned by WaterWatch showed that 20-30 cfs of excessive use had been eliminated in a certain stretch of the Wood River. If there are excessive diversions in the Upper Basin, eventually that water would get to Upper Klamath Lake. The question is when does it get there and in what shape. Water quality is an issue in Upper Klamath Lake related to fish kills. Reducing agricultural return flows seems to be one of the most effective ways of improving the quality of Upper Klamath Lake. In addition, excessive diversions above the lake could result in delays of when the water gets to the lake. In recent years, July 15 has been the crunch time for management of the lake. Water is most valuable if it gets to the lake early in the season. The state wants to do all it can to address the problems in the Basin. Measurement and monitoring are key actions.

Cleary said that the June 12 Alternative Dispute Resolution meeting in Klamath Falls will focus on control structures and measurement in the Upper Basin.

Hansell said bank loans for farmers and ranchers are closely tied to water rights available on the land — lenders don't like uncertainty. Nakano added that future contracts between farmers and food processors may be in jeopardy if the availability of irrigation water for crops is questionable.

E. Deschutes Basin Update

Cleary offered this update to the Commission saying the Department has been working in the Basin since 1999 with the Deschutes Basin Steering Committee. This committee has been developing a ground water mitigation strategy to accommodate new growth, to protect senior water rights and scenic waterway flows, and to provide incentives for restoring stream flows.

The next step will be to initiate rulemaking proceedings to implement the strategy. Staff plan to present proposed rules to the Commission at their November 2001 meeting. Because the rules will amend a basin program, a Commissioner must be the hearing officer. Commissioners Hansell, Smith, and Thorndike volunteered to be available to serve.

F. Endangered Species Act/Water Rights Administration

Meg Reeves, Deputy Director, briefed the Commission on the Department's efforts at improved communication and coordination with federal agencies regarding implementation of the Endangered Species Act.

She said the ESA/Water Law Work Group has evaluated the sufficiency of mechanisms that exist under state law for restoring and protecting stream flows. The Group recommended that the

Department seek legislative authority to approve split season leases — HB 2712 has passed through the Legislature and is ready for the Governor's signature. HB 2714 would establish authority for state cost-share of installation and maintenance of measuring devices related to streamflow restoration efforts — that bill was referred out of the House Stream Restoration and Species Recovery Committee to Ways and Means.

Hansell said he hopes the ESA/Water Law Work Group will continue to meet, and perhaps a Commissioner living closer to Salem could participate. Smith agreed that bringing the group together after the legislative session would be a good idea.

Department staff have met and will continue to meet with federal agency representatives to discuss improved federal/state communication and coordination on federal ESA implementation. Staff will also continue to monitor ESA activities in other Western states, and review ESA-related court decisions and settlements for any insights or alternatives regarding successful resolution of ESA conflicts.

Reeves said she understands that irrigation districts in the Walla Walla are close to making an agreement with the U.S. Fish and Wildlife Service to bypass a certain amount of flow. Mike Ladd, North Central Region Manager, spoke on what is being done to help with ESA-related water user concerns in his region.

G. Stewardship/Supply Pilot Project

Due to lack of time, this informational report regarding the Department's stewardship and supply pilot project in the Klamath Basin will be moved to a future meeting.

H. Legislative Update/Budget Update

Tom Byler, Senior Policy Coordinator, reviewed a listing of 14 bills yet being considered by the Legislature.

Bruce Moyer, Administrator for the Administrative Services Division, reviewed highlights of the legislatively-approved budget recently signed by the Governor.

I. Public Comment

Terry Cawfield and Thomas Lynch, members of the Woodland, Edison, Victor Point Road Homeowners Association, introduced a request to the Commission in draft form that the area where they live be declared a critical ground water area. Lynch said this area is identified in the letter and attachments presented to the Commissioners. It is approximately one square mile, located on the southwestern corner of Silverton's urban growth boundary. The area is within the

sensitive ground water overlay zone established by Marion County in 1998. Homeowners are worried about declining ground water levels within the aquifers identified in the area. Lynch said that in 1998 members of the Association realized they needed to develop some information and work with WRD and Marion County Planning staff to determine the level of severity within the aquifers, and methodologies for collecting data. The Association also hired a professional hydrologist to assist them. A team of about six people collected information during a three-year period on monthly well static levels within the aquifers. Attachment 2 and 3 of their letter contain an inventory of these measurements and information on the wells. Graphs of the selected sample of the wells are in Attachment 4. Lynch said his group did look for alternative water sources, including extending the city of Silverton's water to their area. Cawfield also presented written information to the Commission. She said there are about 12 lots in the area yet to be developed. Cawfield asked if staff could check to see if neighboring agricultural users are staying within their water rights.

Fred Lissner, Ground Water/Hydrology Division Manager, said his staff have been working with residents of the Victor Point area. The data collected appears to be accurate. When received, the final version of this draft request will need to be considered and a recommendation made to the Commission.


Chair Leonard suggested having an informational presentation on critical ground water declarations as part of the work session at the July meeting. Cleary agreed this would be a good idea.

Karen Russell, WaterWatch of Oregon, commented on the pressure to develop ground water in Klamath Basin as surface water supplies become more scarce. A short-term response in time of drought is important, but WaterWatch is concerned about people going to the expense of drilling wells for the drought period and the future expectations they may have. It is important to be cautious in terms of long-term development of ground water in that area. The possible connection between ground water and surface water needs to be considered. She said there are two interests in the springs and the ground water in the Lost River Basin. The Lost River gets its water from BOR projects and from ground water which comes in through seeps and springs. The ground water quality is important for purposes of the quality of the river and for fish. In the early 1990s, Bonanza Springs had spawning endangered suckers. The issue is not just an issue of having existing users of the springs and ground water dig deeper wells — that doesn't help the fish. In the Lost River area, there are users with temporary permits conditioned for certification only if it is shown from studies that ground water can be pumped without significantly diminishing surface water flows. Russell is concerned that these people don't realize the importance of this condition and may expect to have their permits automatically certificated. Department staff need to be clear about this process so people will understand what they may be facing in the future.

Clery said that he recently met with WaterWatch on this Lost River issue. A letter of explanation will be going out to owners of wells to be extended for use while staff continue the ground water/surface water interference study.

There being no further business to discuss, the meeting with adjourned.

Respectfully submitted,

A handwritten signature in cursive script that reads "Diane K. Addicott".

Diane K. Addicott
Commission Assistant