

MEETING MINUTES
GROUND WATER ADVISORY COMMITTEE (GWAC)
January 29, 2010
Conference Room 124B
North Mall Office Building,
725 Summer St. N.E., Suite A
Salem, Oregon 97301

GWAC Members Present	Staff Present	Others
Tim Smith	Jerry Rodgers	Jerry Schmidt
Greg Kupillas	Tracy Loudon	John Jackson
Bob Jones	Doug Woodcock	
Merilyn Reeves	Juno Pandian	
Bill Blair	Kris Byrd	
Kevin Gill	Phil Ward	
Terry Daugherty	Kyle Gorman	
Rob Turkisher	Arla Heare	

A: Call to Order – Chair Tim Smith

Tim introduced and welcomed Bill Blair as a new member representing the well drilling industry. Bill provided a brief summary of his educational and drilling background.

B: Approval of Minutes for October 9, 2009 Meeting

Greg Kupillas noted that on the 3rd page – section 5 – 2nd paragraph – 2nd to last sentence – Add “to recharge aquifers” to describe the AR process. Greg also noted on the last page – item 6 – last full line- add the word “and” between IWRS and requested comments.

Merilyn Reeves motioned to approve minutes with editorial changes – Kevin Gill seconded and the motion carried unanimously.

C: Administrative Issues

Jerry Rodgers, Technical Services Administrator, presented information to the committee regarding travel expenses for members attending meetings in person. Members are entitled to direct round trip mileage reimbursement for travel using personal vehicles, meal expenses under the state per diem guidelines, lodging for those who travel long distances, and parking passes for the day of the meeting. Arla can help members complete their travel expense forms.

Jerry distributed an agency organization chart to provide information on where program responsibilities fit within the Department’s Divisional structure. This information is helpful in locating the correct administrator or manager to obtain information or ask questions.

D: Budget Update

Tracy Loudon, Administrative Services Administrator, presented information on general and fee-based funds, comparing the current biennium budget with the previous budget. Generally speaking, fee revenue has gone down much like we’re seeing in the overall economy.

Tracy compared the projected revenue in the budget from start card fees, geotechnical hole report fees, and exempt use well reporting fees compared with the actual collections to date.

- Start card fee revenue is expected to be down about \$300,000 from budget projections due to fewer wells being drilled. The Department is reducing expenditures to not overspend the fund. Currently there is a vacant well inspector being held open in the North Central Region.

- Exempt use recording fee revenue is projected to be \$69,000 short of budget projections. These funds are used to primarily pay for groundwater science staff previously paid from the general fund. The Department is managing expenses to the available revenue.
- Geotech hole report fee revenue is running slightly behind the budget projection. This is a small part of the budget that will have little impact on agency operations.

E: 2009 Well Drilling Activity

Kris Byrd, Well Construction Specialist, presented the final well inspection summary reports for 2007 and 2008 and preliminary information for 2009. The 2009 report will be finalized later this year. Overall the number of wells drilled in 2009 was lower than 2008. There was interest by members on the percentage of new wells inspected. The preliminary numbers indicate about 47% of new wells were inspected.

F: Discussion with Water Resource Commission Chair

Director Phil Ward introduced John Jackson, Water Resources Commission Chair. Chair Jackson addressed GWAC regarding their role as advisory to the Department and Commission. He thanked members for volunteering their time and expertise. Chair Jackson said he relies on input from the Committee to help guide his vote on groundwater related decisions made by the Commission. He reviewed the Committee's statutory responsibilities and advised members to be careful when presenting in public to not represent personal opinions as that of GWAC.

Chair Jackson said that the Integrated Water Resources Strategy (IWRS) is an important activity that the Commission is currently working on. He also noted that technology and understanding in the areas of Aquifer Storage & Recovery (ASR) and Artificial Recharge (AR) is improving and that the Commission will look forward to GWAC council in these areas.

Tim asked how best this Committee can provide timely advice, particularly in the area of legislation. Chair Jackson replied that if members hear of legislation that impacts groundwater to talk with the Department. Timely response on legislation can be difficult, even from the Commission, with the limited number of meetings. Director Ward added that we can structure timely response on Agency bills that are groundwater related, however WRD often has limited ability to influence legislative changes or legislatively generated bills. Chair Jackson noted that the Commission usually doesn't have the opportunity to comment when bills are before the legislature.

Greg noted that GWAC generally has the opportunity to comment on legislative concepts that look good initially, but that the final version is often different and there may be no opportunity to provide input on changes. Chair Jackson responded that this also happens to the Commission, but staff will brief the Commission on any changes in enacted legislation.

Merilyn asked if the Commission has discussed implementation of the IWRS? Chair Jackson responded that many people are getting engaged through current public outreach process. He encouraged members to review briefers and online information to better understand the IWRS. Director Ward added that the Department will need to go back to the legislature for implementation funding. He encouraged members as citizens and the organizations they're involved with to be engaged in the process. The Commission will be the final arbiter of what goes forward to the legislature.

Merilyn expressed concern that we will look for quick fixes such as new storage including ASR verses conservation or increased efficiency. Chair Jackson responded that the term integrated means looking at multiple beneficial uses and solutions.

Tim thanked Chair Jackson for the dialog on behalf of the Committee.

G: Exempt Use Well Mapping Demo

Dorothy Mortenson, GIS Developer, and Bob Harmon, GIS Coordinator, demonstrated the recently completed electronic mapping program designed to assist landowners in mapping the location of their wells. Senate Bill 788 passed by the 2009 Legislature established recording requirements for new exempt use wells. The recording requirements include a fee and map of the well location. Landowners may now submit the map using the electronic mapping program or a paper copy.

H: Deschutes Mitigation Program

Kyle Gorman, South Central Region Manager, briefed the committee on the Deschutes Basin Mitigation Program used to allow for new groundwater appropriations. In the mid-90s, there was concern about the number of new wells going in and the potential impact this could have on streamflow. The Department, USGS, Warm Springs Tribe, and local agencies initiated a cooperative multi-year study to better understand the basin water budget. It was found that the base flow in the lower river is almost entirely made up by groundwater. A computer model was developed to understand the impact that groundwater use was having on the Scenic Waterway and instream flows on the lower river. A work group was formed in the late 90s to resolve how growth in the basin could continue while still protecting streamflow. The Deschutes Basin Mitigation Program was created in 2002 when initial rules were adopted. Mitigation is replacing new groundwater withdrawals with instream leases and transfers of surface water, storage and conservation savings. So far only instream leases and transfer have been used to create mitigation credits needed for new permits. Mitigation is not required for new exempt uses, only new uses that require a water right. The mitigation rules were challenged in court and overturned in 2005. The 2005 legislature passed legislation adopting the rules as law. The legislation included a cap of 200 cubic feet per second (cfs) of new water rights. There have been flow increases on the middle Deschutes River that are measurable and significant because of this mitigation.

I: Deschutes Basin Water Management Proposed Division 522 Rules

Kyle Gorman reviewed the proposed Division 522 Rules currently open for comment. The proposed rules were drafted based on recommendations of a multi-interest work group convened pursuant to House Bill 3494 and are intended to operate in conjunction with the Deschutes Basin Groundwater Mitigation Rules, Division 505, and Deschutes Basin Mitigation Bank and Mitigation Credit Rules, Division 521. The work group met four times in 2008 to review and make recommendations for improvements to the mitigation program.

The proposed rules address changes in four areas:

- Allow recapture of permits not developed under the 200 cfs cap.
- Clarify that offsets are not counted under the 200 cfs cap.
- Allow municipal and quasi-municipal entities to incrementally grow into permits requiring credits for only the portion of the permit developed.
- Provide greater flexibility in reassigning permanent mitigation not used by an applicant, permit, or certificate holder.

A public hearing is scheduled for February 3rd in Bend and the public comment period is open until February 19th.

Merilyn made a motion that GWAC having received a presentation on the Division 522 rules developed by a task force that came to a consensus, and although the GWAC has not had an

opportunity for an in-depth analysis or review of these rules, no objections were raised during the discussion. Terry Daugherty seconded the motion. Greg added to the motion that GWAC is commenting on rules as presented at this time. Tim asks that the motion be rewritten to include Greg's comments. Motion carried unanimously.

Approved motion: The Groundwater Advisory Committee had a discussion of the proposed Division 522 Rules, developed and approved by the consensus of a work group. Although GWAC members have not had an opportunity to review the proposed rules in depth; no objections were expressed during discussion.

J: Well Owners Handbook

Doug Woodcock, Groundwater Section Manager, distributed a draft copy of a new well owner handbook currently under development by the department. He asked committee members to review the content, mark up the draft copy, and return it with comments by the middle of February. The department plans to finalize, print, and start distribution of the publication in the next few months.

K: Items not on the Agenda

Doug Woodcock briefed the committee on Legislative Concept 99 (LC99) proposed for the February 2010 Legislative session. The concept was submitted by Rep. Ben Cannon, Chair of the House Environment and Water Committee. This concept proposes to reduce the exempt use groundwater limitation for single family domestic use from the current 15,000 gallons per day (gpd) to 5,000 gpd. Group domestic would remain at 15,000 gpd. The concept also rolls the ½ acre non-commercial lawn and garden irrigation exemption into the 5,000 gpd limitation for single family domestic and the commercial exemption. The proposal is not retroactive, only impacting uses after the date of enactment. The concept would give the Commission the authority to require permits for exempt uses in groundwater restricted areas. Presumably this would be done through the rulemaking process.

L: Public Comment

None offered

M: Election of Officers

Officer terms are limited to two years by Administrative Rule 690-235-005(4). Chair Tim Smith and Vice-Chair Greg Kupillas were both elected in January 2008.

Greg asked if serving in one officer position disqualified a member from serving in the other. Jerry Rodgers responded that the Department view is that a member could serve up to two years in each position.

Tim Smith nominated Greg Kupillas to be Chair, seconded by Robert Turkisher. Terry Daugherty nominated Marilyn Reeves to be Chair. Marilyn declined the nomination pointing out that she only has one year of service left on committee. She offered to provide assistance to the Chair and moved that Greg be elected by unanimous consent. Terry seconded the motion. Motion carried unanimously.

Greg nominated Marilyn to serve as Vice-Chair. Kevin Gill motioned by unanimous consent to elect Marilyn for Vice-Chair. Greg seconded the motion. Motion carried unanimously.

The members and staff thanked Tim for his service as Chair over the past two years.

The meeting schedule for 2010 was tentatively set as follows:

April 30th, July 30th as a teleconference, and October 22nd as a teleconference.