

Water Resources Department

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MEMORANDUM

TO: Water Resources Commission

FROM: Racquel Rancier, Senior Policy Coordinator

Brenda Bateman, Technical Services Administrator

SUBJECT: Agenda Item D, November 20, 2014

Water Resources Commission Meeting

Update on SB 839 Task Forces

I. Issue Statement and Background

In 2013, the Oregon Legislature passed Senate Bill 839 establishing a Water Supply Development Account to provide loans and grants for water supply projects that have economic, environmental and community benefits. As discussed in previous updates, Senate Bill 839 requires the Governor's office to convene a Seasonally Varying Flows (SVF) Task Force and a Governance Task Force.

The SVF Task Force is required to advise the Oregon Water Resources Commission on a methodology to determine what water must be protected instream to support the functional needs of watersheds, while balancing the need for water and the financial feasibility of new water storage projects.

The purpose of the Governance Task Force is to advise the Governor and Oregon Legislature regarding the role of the state in financing multipurpose water projects and the decision-making processes outlined in the bill.

The reports and recommendations of these task forces were due to the Governor and Legislature by July 1, 2014, with the SVF Task Force report also going to the Commission. As discussed in the August 2014 Director's Report, on July 1, the Water Resources Department submitted a report to the Oregon Legislature, describing work completed at that time, as the task forces did not hold their kick-off meeting until August 15, 2014. A list of the task force members is contained in Attachment 1.

Richard Whitman, who is convening the task forces on behalf of the Governor's Office, has directed the SVF Task Force to complete its work by year's end, and expects the Governance Task Force to complete most of its work by the end of January.

II. Discussion

SVF Task Force - Between August and October, the SVF Task Force met. The final meeting is expected to occur on December 1.

Two of the methods the task force spent time evaluating were described in a February 2014 report from the Science Subgroup, also convened under SB 839.

The first method, called the "percent of flow approach," would have allowed a project to divert and store up to 15 percent of daily flow, minus prior allocations, without extensive study or review. The amount of water remaining instream would follow the shape of, but be less than, the natural hydrograph.

The second approach was an in-depth assessment, which would be performed in consultation with the Department and a technical review committee. The in-depth assessment would involve conducting quantitative analyses to address elements within hydrology, biology, geomorphology, connectivity, and water quality. The resulting studies would ultimately inform the flow prescription that specifies the magnitude, frequency, timing, and duration of seasonally varying flows to be protected.

To better understand both of these techniques, the Task Force discussed a number of project scenarios--from both the east side and the west side of the state. Staff and consultants were brought in to help compare the two methods of water diversion for storage projects; these presenters described the engineering requirements, costs, availability of water, and implementation logistics of each method.

A third method emerged during the course of Task Force discussions—a mid-depth assessment that capitalizes on already-existing information (utilizing desktop studies, data models, site visits, and/or workshops) to develop a flow prescription to maintain the biological, hydrological, and hydraulic/physical processes. Making use of information already gathered in each of these categories should help speed up any assessments.

During the October 30 meeting, the tentative consensus appeared to be that the percent of flow approach should not move forward and that the mid-depth would serve as the starting point. The mid-depth and in-depth were also discussed as not being two separate approaches, but rather as a continuum. Staff were instructed to complete a final write-up of the recommended methodology for the Task Force to consider on December 1.

Governance Task Force - After the first kick-off meeting in August, the Governance Task Force meetings were delayed until the end of October in order to allow members that were serving on both task forces to focus on the work of the SVF Task Force. The Governance Task Force met on again October 30 to review the bill and identify the scope of issues to be addressed. Specifically, the Task Force is expected to address questions regarding the scoring and ranking process, what items can be funded under SB 839, the state's role in funding projects, the decision-making process for approving grants and loans, and potential structural changes to the statue that require legislation. Additional meetings are scheduled for November and December.

WRC Agenda Item D November 20, 2014 Page 3

IV. Conclusion

Work is underway with the Governance Task Force and the Seasonally Varying Flows Task Force is expected to finalize its recommendations on a seasonally varying flows methodology in December. The Water Resources Commission must consider the SVF Task Force's findings in adopting rules that establish the seasonally varying flows methodology. SB 839 directs the Commission to adopt the SVF rules in time for them to take effect on January 1, 2015. Since it is not possible to meet this timeframe, the Governor's Office will be submitting legislation to modify the timelines to reflect the delivery of the task force reports and to allow time for the rules to be developed. The rulemaking is expected to start at the beginning of the year with the rules being brought to the Commission for consideration in June.

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Attachment 1: SB 839 Task Force Members

SB 839 Task Force Members

Seasonally Varying Flows (SVF) Task Force

JR Cook, Northeast Oregon Water Association

Katie Fast, Oregon Farm Bureau

Teresa Huntsinger, Oregon Environmental Council

Richard Kosesan, Water for Life

Mark Landauer, Special Districts Association of Oregon

Curtis Martin, Oregon Cattlemen Association

Kimberley Priestley, WaterWatch of Oregon

Eric Quaempts, Confederated Tribes of the Umatilla Indian Reservation

Gil Riddell, Association of Oregon Counties

Tracy Rutten, League of Oregon Cities

April Snell, Oregon Water Resources Congress

Jeff Stone, Oregon Association of Nurseries

Joe Whitworth, The Fresh Water Trust

Economic Subgroup Members (3 from subgroup):

Dr. Bill Jaeger, Professor of Economics, Oregon State University

Paul Matthews, Chief Financial Officer, Tualatin Valley Water District

Dawn Wiedmeier, Deputy Area Manager, Bureau of Reclamation,

Science Subgroup Members (3 from subgroup):

Dr. Leslie Bach, Director of Freshwater Programs, The Nature Conservancy

Dr. Tim Hardin, Instream Flow Specialist, Oregon Department of Fish and Wildlife

Dr. Valerie Kelly, Hydrologist, Oregon Water Science Center, U.S. Geological Survey

Governance Task Force

Katie Fast, Oregon Farm Bureau

Dave Filippi, Stoel Rives

Patrick Griffiths, City of Bend

Teresa Huntsinger, Oregon Environmental Council

Mark Landauer, Special Districts Association of Oregon

Janet Neuman, Tonkon Torp

Kimberley Priestley, WaterWatch of Oregon

Eric Quaempts, Confederated Tribes of the Umatilla Indian Reservation

Amanda Rich, The Nature Conservancy

Gil Riddell, Association of Oregon Counties

Tracy Rutten, League of Oregon Cities

April Snell, Oregon Water Resources Congress

Jeff Stone, Oregon Association of Nurseries

Brad Taylor, Eugene Water and Electric Board

Chris Taylor, West Coast Infrastructure Exchange