Water Resources Commission Meeting Medford, Oregon October 13, 2016

WRC Present John Roberts, Chair Ray Williams, Vice-Chair Bob Baumgartner Bruce Corn Meg Reeves Eric Quaempts

WRD Staff Present Tom Byler **Racquel Rancier** Cindy Smith Brenda Bateman Lisa Snyder Alyssa Mucken Jen Woody Dwight French Ivan Gall Justin Iverson Scott Ceciliani Travis Kelly Mike Thoma Trevor Smith Shavon Haynes

<u>Others</u> Lauren Smith Gordon Lyford Kimberley Priestley Stacey Detwiler Rick Parsons Eric Dittmer Colleen Roberts Chrysten Lambert Frances Oyung Renae Corn Sam Whitridge Kendra Smith Robert Coffan Colleen Johnson

Written material submitted at this meeting is part of the official record and on file at the Oregon Water Resources Department, 725 Summer St. NE, Salem, Oregon 97301-1271. Audiotapes of the meeting are on file at the same address. Staff reports and PowerPoint presentations are available on the Department's website.

Chair Roberts called the meeting to order, welcomed new Commissioners Meg Reeves and Eric Quaempts, and asked Commissioners and the audience to introduce themselves.

A. Presentation by the Rogue Basin Partnership

Sam Whitridge, Managing Director of the Rogue Basin Partnership, gave a presentation on the collaborative work done in the Rogue River Basin, and responded to Commissioner comments and questions.

B. Overview of Groundwater Management in Oregon

Brenda Bateman, Technical Services Division Administrator, and Justin Iverson, Groundwater Manager, presented an overview of groundwater data and management in Oregon.

Commissioner Williams asked, with groundwater being complex, how much money it takes to be comprehensive in determining policy judgements. Iverson used the example of the recent Harney County study, estimating \$5 million plus staff time.

Commissioner Corn commented on the potential challenges of funding projects that go beyond a biennium and that funding doesn't necessarily match up with the long term need for a study that takes years.

Director Byler responded that in the case of the groundwater declines in the Harney County area, the Legislature provided funding, and that the Department hopes the Legislature will continue to support future studies. He also commented on the efforts to engage with community leaders to work

collaboratively on long-term solutions, approaching the issue not only from a science and technical perspective but also from the social and policy area.

Commissioner Corn is concerned that if funding runs short mid-stream, the Department loses credibility, which is critical for a successful outcome.

Commissioner Baumgartner commented that incomplete science has a high probability of leading to bad policy and applauded Director Byler for his strategy of enlisting local input and participation.

Chair Roberts commented that if resources remain at the current level, the Department will just be operating crisis to crisis, and asked what it would take within the Department to have the resources to accomplish studies at a faster rate. Could the Commission request the Department to begin to put a program together to understand the resources needed to accomplish this?

Commissioner Baumgartner suggested the Commission needs a base understanding that is broad enough to make sure they recognize when changes are occurring in time to do something about it.

Director Byler agreed that there needs to be long-term planning that could help plot a path, and be a vehicle to discuss priorities around groundwater management that is not bound by current budget reality, but is a practical work plan.

Commissioner Baumgartner said that the Department doesn't have to solve the problem by itself, because when there is an emphasis on Place Based Planning and trying to solicit local input, there will be additional sources that don't necessarily need to be brought.

Chair Roberts said Place Based Planning efforts sits under the IWRS.

Commissioner Reeves agreed with the other commissioners, because it will take some advocacy to generate enough funding. Defining what it will take and planning in an ideal world is important. Her only hesitancy is not letting that become too big of a project that it takes too much effort away from other work the Department is doing.

Commissioner Quaempts would like to see proposed priorities in which areas should be addressed first, to be fair to staff with current workloads, and have realistic expectations of timeframes.

Chair Roberts said that the Commission was a major player in the development of the IWRS, and would like to have a couple of commissioners involved in developing the long-term plan for obtaining funding.

Commissioner Williams said this information could serve as a basis for developing a policy that fairly protects the interests of senior water right holders over junior water right holders, but might provide justification for actual solutions, and funding of projects.

Chair Roberts asked the Commission if they have an agreement to proceed with an effort to get a plan together for the Department to focus on what it takes in resources to accomplish something with all of these basins and would like a couple of commissioners to volunteer to participate in that activity with the staff.

Commissioner Baumgartner is in full agreement and wants the Commission to give the Department some guidance to not create too much work.

Commissioner Reeves likes the idea of a plan that does not divert the staff too much from what else they are doing, but also trying to put together a plan with a reasonable amount of specificity that would address how to prioritize the work that needs to be done, what's doable, what it might cost, and what the timeframe would be.

Chair Roberts thought they should pick a 10-15 year timeframe because it can't be done in one biennium and it may prove to take longer or shorter once we dive into the planning.

Director Byler appreciates the Commission's interest in conserving staff time, and agreed that it would be a document with a lot of detail, and an exercise to gauge different scenarios. It would also be a good time to look at it from a programmatic standpoint, to see if some adjustments need to be made.

Commissioner Williams asked if there was a time for a more aggressive ask of the upcoming legislature, or has that time passed? Byler confirmed that time has passed, but it is something to think about for next session.

Kimberley Priestley is pleased and supportive of the Commission discussion. It is timely with the recent Oregonian series. WaterWatch is hopeful it will be helpful in the next session to support the groundwater package the Department has put forward. It also lends support to the Commission and the Department to move forward on some management issues that have bubbled up over the years. WaterWatch hopes that the following issues will be involved in future discussions: the need for data, and the need to prioritize. WaterWatch thinks the priorities need to be the Hood, Sandy, Umatilla, Walla Walla, Powder and Grande Ronde Basins. They would like the Commission and the Department to bring back the discussion of the Water Right Management Fee. WaterWatch would like to see a focus on measurement and reporting, of not just groundwater but also surface water; and would like to see some hard deadlines on the water management strategy that was developed by the Commission several years ago. WaterWatch would also like to see the default be a denial of a water right when there is limited data, as it could be used as a tool to bring funding to basins.

Commissioner Baumgartner doesn't like the idea of defaulting to a "no", as he would prefer the focus to be on the process.

C. Deschutes Basin Ground Water Mitigation Process

Dwight French, Water Right Services Administrator, briefed the Commission on the 2015 annual report and evaluation of the Deschutes Ground Water Mitigation Rules and the Deschutes Basin Mitigation Bank and Mitigation Credit Rules, and responded to Commissioner comments and questions.

D. Mosier Wells Repair, Replacement and Abandonment Program Update

Brenda Bateman, Technical Services Division Administrator, and Justin Iverson, Groundwater Section Manager provided an update on a cost-share program that is designed to distribute funds authorized by the 2015 Legislature for wells in the Mosier area. They responded to Commissioner questions and comments.

E. Status of Basalt Aquifers in the Walla Walla Subbasin

Brenda Bateman, Technical Services Division Administrator, Justin Iverson, Groundwater Manager, and Jen Woody, Senior Hydrogeologist presented a report on the declining groundwater levels in the aquifer systems of the Walla Walla Subbasin and the efforts underway to engage with the community on groundwater management. They responded to Commissioner questions and comments.

F. Appointments to the Ground Water Advisory Committee

Justin Iverson, Groundwater Manager, presented the recommendation to fill three positions on the Groundwater Advisory Committee. Iverson asked the Commission to approve the appointment of Chad Courtney, Chris Hyatt, and Mark Owens to GWAC terms beginning December 1, 2016 through November 30, 2019.

Commissioner Williams moved to approve Chad Courtney, Chris Hyatt, and Mark Owen to GWAC terms beginning December 1, 2016 through November 30, 2019. Seconded by Commissioner Corn. Voting in favor of the motion: Commissioners Corn, Quaempts, Williams, Baumgartner, Reeves and Roberts. Voting in opposition: none.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Lorri Cooper Executive Administrative Support to the Director's Office

Water Resources Commission Meeting Medford, Oregon October 14, 2016

WRC Present John Roberts, Chair Ray Williams, Vice Chair Bruce Corn Eric Quaempts Bob Baumgartner Meg Reeves

Staff Present Tom Byler Cindy Smith Racquel Rancier Dwight French Brenda Bateman Ivan Gall Lisa Snyder Jen Woody Justin Iverson Alyssa Mucken Others Lauren Smith Gordon Lyford Marilyn Rice Craig Harper Kimberley Priestley Margaret Matter Jack Shipley Eric Dittmer Frances Oyung Robert Coffan Jack Shipley

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G. Approval of Minutes

The minutes of the August 18 and 19, 2016 meeting were offered to the Commission for consideration.

Commissioner Corn moved to approve the August 18, 2016 minutes as presented. Seconded by Commissioner Williams. Voting in favor of the motion: Commissioners Baumgartner, Roberts, Corn, Quaempts, Reeves, and Williams. Voting in opposition: none.

Commissioner Corn moved to approve the August 19, 2016 minutes as presented. Seconded by Commissioner Williams. Voting in favor of the motion: Commissioners Baumgartner, Roberts, Corn, Quaempts, Reeves, and Williams. Voting in opposition: none.

H. Approval of 2017 Water Resources Commission Meeting Schedule

Commissioners discussed proposed dates for the 2017 Commission Meeting Schedule. Commissioner Reeves is unable to make the January 19-20 date, and Chair Roberts proposed January 26-27 instead. Commissioner Williams moved to approve the dates and locations as they appear on the staff report, with the modification that the January meeting be moved to January 26-27, 2017. Seconded by Commissioner Baumgartner. Voting in favor of the motion: Commissioners Baumgartner, Roberts, Corn, Quaempts, Reeves, and Williams. Voting in opposition: none.

I. Commission Comments

Commissioner Corn reported that the irrigation season just finished and was a little more favorable than the last several years. The last full water year was 2011, and he found it quite surprising that they saved about 20 percent in voluntary conservation measures. He thinks it is very important to press forward with

what was learned during the drought years. He sees positive developments around the state in water conservation.

Commissioner Quaempts has been a member of the Task on Drought Emergency Response, working to develop drought response tools, and identify new tools separate than the things that are part of the IWRS update. The draft report is due to the Legislature by November, and will be made available to the Commission at that time.

Commissioner Williams had nothing significant to report.

Commissioner Reeves is honored to be working with the group, and to be back in water policy.

Commissioner Baumgartner talked about the recent rain, and commented that the weather patterns are quite different than in the past. He was impressed with the tour, and the collective impact model referred to, and is very interested in supporting those types of efforts. Baumgartner commended the staff on the series of presentations on groundwater.

Chair Roberts also thought the groundwater discussion was timely and appropriate, and looks forward to developing a groundwater strategy with the Commission and the Department. He would like to use the IWRS model, with staff and two Commissioners developing a groundwater strategy. Commissioners Reeves and Quaempts volunteered to participate in the development. He appreciated the opportunity to show the Commission the WISE project. The Rogue Basin Partnership is a model for other areas of the state for water councils to come together and collaborate on their efforts. Roberts was Public Hearings Officer on September 29 in Brookings on the rulemaking for protecting the Smith River from mining. A decision point will be brought to the Commission in January, at the earliest.

J. Director's Report

Director Byler thanked Chair Roberts for hosting the meeting in his home area, and arranging the tour. He thanked the Rogue Basin Partnership for hosting the social time after the Thursday meeting and sees the more informal conversations are extremely valuable in understanding particular issues.

Byler highlighted points on the Staff Report, and talked about the status of the budget development and legislative concepts hinging on the outcome of the election, particularly Measure 97.

Byler talked about the ODFW Transfer and Exchange process, its current status, and the potential need for a full Commission public hearing local to the exchange site.

The Secretary of State's office has been conducting a performance evaluation on the Department. A final report is due in mid-December.

There have been discussions with Umatilla County on the current and potential future system of supporting water management services in the county.

Litigation costs have exceeded the budget amount for this biennium, and filling positions has been delayed to assist in making up the deficit. Chair Roberts would like to revisit the Water Right Management fund to supplement the budget. Commission Baumgartner asked, in light of increased litigation costs, is there a possibility of in-house council to do pre-AG work? Byler said the Department hasn't looked at that, and doesn't know if the Department of Justice would find it acceptable. Commissioner Reeves knows the AG's office gets nervous about lines that may be crossed, but it is an ongoing concern to help cut costs.

K. Willamette Basin Review Feasibility Study Update

Alyssa Mucken, Program Coordinator for the IWRS, briefed the Commission on recent activities related to the Willamette Basin Review Feasibility Study, which is evaluating the potential to reallocate stored water from the Willamette Valley Project reservoirs.

L. Request for Adoption of Rules to Extend Reservations and Make Other Modifications to the Grande Ronde Basin, Malheur Basin, and Owyhee Basin Programs – OAR Chapter 690, Division 508, 510 and 511

Brenda Bateman, Technical Services Division Administrator, presented the requests to modify the Grande Ronde, Malheur and Owyhee Basin Program Rules, including reclassifying the uses of the waters and extending the reservations of water for economic development.

Chair Roberts thinks a condition needs to be included that requires the reservation holder to produce a periodic report. Commissioners discussed the importance on reporting of the status of reservations. Director Byler noted that one of the issues had been that Resource Management Division had been eliminated several years ago, and that as a result the reservations program fell through the cracks, and that regular reporting will keep it on the radar in the future.

Commissioner Baumgartner wanted to make sure ODA reports on the status of each reservation; the rules state that the commission may require this. Bateman confirmed that the requirement can be done administratively, and not need to be written into the current rulemaking. Commissioner Williams directed the staff to make it so and made a motion to adopt the proposed rules in Attachment 2 for OAR 508, 510, and 511. Seconded by Commissioner Corn.

Voting in favor of the motion: Commissioners Williams, Corn, Quaempts, Reeves, Roberts and Baumgartner. Voting against the motion: none.

M. Public Comment

Kimberley Priestley, representing WaterWatch, in response to the presentation of Item L - Reservations, wanted to register concern, that any written comments made by the public be weighed equally with any RAC discussions. She hopes that moving forward the State not take the position that if an issue is not raised in the RAC, then it is not of value to the discussion.

Robert Coffin, Rogue Basin Partnership, summarized from the tour the day before covering the: the WISE project; high value crops of pears and wine; the cannabis facility; and the Rogue Basin Partnership. He commented on his take away of the discussions is that the Rogue Basin Partnership is champions for conserving and taking care of their water resources. He encouraged everyone to continue to think about how to offset the effects of climate change, and what would work on a large-scale to store water that is now running off. He thanked the Commission for their volunteered time to look after the water resource.

Jack Shipley, chair of the Applegate Partnership and Watershed Council, is forming an advisory committee for their Council to start doing outreach and education around water use. The influx of vineyards and cannabis growers in the Applegate area result in a lot of water-related issues, including uninformed water users, impacts on riparian habitats, and an increase in mortality of raptors due to rodenticides. Their hope with the Agricultural Advisory Committee is to work with growers to develop best management practices.

Marilyn Rice, Jackson County Soil and Water Conservation District, was very excited for the Commission to be there and to be looking at ways to manage water quality and quantity in flexible ways to meet the needs in different areas of the state. She is impressed with the Commission's willingness to listen to others and try their best to work across interests. She encouraged the Department to go a step further and support the Oregon Agricultural Heritage Program, which is intended to pull in Federal, State, private funding to help maintain working farms and ranches. She encouraged reaching out to young people to educate them in these issues.

Lauren Smith, Policy Coordinator at Oregon Water Resources Congress, welcomed the new Commissioners; and thanked the Commission and the Department for the time and effort put into the rules for extending reservations of water over the past year.

Eric Dittmer, Southern Oregon Climate Action Now, reinforced the Department's ongoing efforts to acknowledge and support the role of climate change in current and long-term activities. He asked for minimal resources from the Department to help pay for a day-long conference for water managers to come together to discuss their issues. His group wants to support the Department's continued efforts in the area of water conservation.

Frances Oyung, Program Coordinator for Rogue River Keeper, thanked the Department and Commission for coming to the area, and encouraged members to go see the spawning salmon in the river outside the hotel. Rogue River Keeper has followed the progress of the IWRS, and highlighted several issues important to the Rogue Basin: drought and climate change; surface water as it relates to flow, water quality and quantity; fish habitat; science based research; accurate measurement of current water usage; enforcement of existing laws; education and outreach; working with other agencies; continuing grants for feasibility studies and water projects; and place-based planning efforts. She thanked the Commission for touring the WISE project, and asked for continued support for such efforts.

N. Other Issues

Chair Roberts asked the Commission to think about continuing having a liaison with DEQ, and would need a new representative since Jeanne LeJeune is no longer on the Commission. He would like the Commission like to expand the program to include the Department of Agriculture. He asked to discuss at the January commission meeting.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Lorri Cooper Executive Administrative Support to the Director's Office