

HOUSE COMMITTEE ON WATER POLICY

April 10, 1997 Hearing Room D

3:00 P.M. Tapes 61 - 63

MEMBERS PRESENT: Rep. Ken Messerle, Chair

Rep. Tim Josi, Vice-Chair

Rep. Jo Ann Bowman

Rep. Tony Corcoran

Rep. Steve Harper

Rep. Jeff Kruse

Rep. Jim Welsh

MEMBER EXCUSED:

VISITING MEMBER: Rep. Bob Jenson

STAFF PRESENT: Pat Zwick, Policy Analyst

Rebecca M. Scott, Administrative Support

MEASURE/ISSUES HEARD: HCR 3 Public Hearing

HB 3523 Public Hearing

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

Tape/#	Speaker	Comments
Tape 61, A		
002	Chair Messerle	Calls meeting to order at 3:08 p.m.
<u>HCR 3</u> <u>PUBLIC</u> <u>HEARING</u>		
006	Chair Messerle	Opens public hearing on HCR 3.
011	Pat Zwick	Policy Analyst, summarizes HCR 3 and the -1 amendment. (EXHIBIT

		A)
019	Zwick	Submits letters received from Kathryn Harrison (EXHIBIT B), Rintha Renoud (EXHIBIT C), and Vernie Jo Johnson (EXHIBIT D).
027	Chair Messerle	Comments on the late arrival of the amendments. The meeting regarding these amendments was on April 9, 1997.
039	Kevin Burger	Resident of Cascadia, submits and reviews testimony in opposition to HCR 3. (EXHIBIT E)
063	Jerry Lincoln	Representing the Gate Creek Committee, testifies in opposition to HCR 3.
084	Chair Messerle	Comments that feasible sights need to be found for water storage. Purpose is to try to look at the big picture.
091	Jim Gourley	Resident of Sweet Home, testifies in opposition to HCR 3.
135	Chair Messerle	Comments that scope of measure has been broadened to include other possible sites for future water storage.
137	Gourley	At this point, does not support of HCR 3. Supports creation of water reserves, just not at these particular sites.
139	Chair Messerle	Asks Mr. Gourley if he understands that HCR 3 is only asking the federal government to look at all possible sites, including those two sites.
140	Gourley	It is unfair to look at sites that people have fought against since the 1930's.
156	Liz VanLeeuwen	State representative, District 37, testifies in support of HCR 3. Comments on the need for long term water storage. Discusses the -1 amendments to HCR 3. Also reads the submitted letter from Rintha Renoud. (see EXHIBIT C)
206	Rep. VanLeeuwen	Continues presentation.
240	Rep. Corcoran	Asks if Cascadia is in District 37.
241	Rep. VanLeeuwen	Yes.
242	Rep. Corcoran	Asks if any constituents have approached her with concerns on the effect of the lingering issue of the dam and their inability to finance homes.
247	Rep. VanLeeuwen	Yes. But any project would be far in the future. The proposed site would affect almost no homes. Would affect Mountain House, but the owner feels he would benefit from the dam.
254	Rep. Corcoran	Asks if response to constituents is that it is not a very big concern.
255	Rep. VanLeeuwen	The proposed site is up, beyond where they live. Storage is an advantage to people who live close to it. Have concerns for the total of constituents in the State of Oregon. Comments that the Gate Creek site was removed from HCR 3.

265	Rep. Corcoran	Asks how assurances can be given when the language of the amendments is general regarding sites.
275	Rep. VanLeeuwen	This Resolution goes to Congress and if they decide to do it, they will do it the way they want to, even if it was written specifically
280	Rep. Bowman	Asks for an estimate of the cost to the General Fund to pay for the State's portion of the study.
286	Rep. VanLeeuwen	The money that Congress operates on is also our money.
295	Rep. Bowman	Asks how much money would come out of the General Fund to pay for the State's portion of the study.
299	Rep. VanLeeuwen	Does not know. Unsure if the State would be required to put up a portion unless Congress required it.
304	Rep. Bowman	Comments that the -1 amendments contain language which asks that the federal government to contribute one-half of the money, and that the State will contribute the other half.
308	Rep. VanLeeuwen	Asks Chair Messerle for confirmation that this was included in the -1 amendments.
314	Rep. Bowman	Comments that the term "assists" implies that there will be contributions from both federal and state.
319	Chair Messerle	Comments that it was realized that the state of Oregon does not have a good list of options and of what is feasible. Need to recognize that there will be water supply problems in the future as new people move to the state. Because it will be expensive to identify these sites and to work out the feasibility of them, the state is asking Congress for funding assistance.
335	Rep. Bowman	Asks why the State wants to ask Congress for the "old piece" rather than the new and improved technology.
347	Chair Messerle	Not trying to package this in any size, just trying to look at all the options for water.
351	Don Schlies	Submits and reviews testimony in opposition to HCR 3. (EXHIBIT F)
TAPE 62, A		
002	Schlies	Continues review.
020	Vernie Jo Johnson	Resident of Vida, testifies in opposition to HCR 3. Reviews testimony submitted via fax April 9, 1997. (EXHIBIT D)
055	Johnson	Refers to testimony given at last public hearing on HCR 3. (SEE EXHIBIT H OF COMMITTEE MINUTES DATED 3/4/97, 3:00 P.M.)
092	Chair	Comments that there is a need for long term planning. Need to look 30 to

	Messerle	50 years in the future.
102	Rep. Harper	Asks for suggestions of other options.
107	Johnson	There have been articles in the <u>Capitol Press</u> that the Water Resources Department has been discussing small storage facilities placed high in the tributaries. That would be a more popular approach than the large facilities. There are fish and other environmental issues to be considered.
129	Rep. Kruse	Comments on -1 amendment. Asks why the amendment is not acceptable.
134	Johnson	Would feel more comfortable if it did not include the reauthorization of the 1930's "dinosaurs." Not up to date on part of it. Doesn't understand why it has to be done through a reauthorization of the old project. It would be preferable to leave out the authorizations and start from a new perspective.
141	Rep. Welsh	Comments on the Milltown Hill site.
158	Janet Nilson	Submits and reviews testimony in opposition to HCR 3. (EXHIBIT G)
173	Chair Messerle	Comments on the public hearing process.
175	Nilson	Continues review.
225	Nilson	Continues review.
275	Nilson	Continues review.
325	Nilson	Continues review.
338	Dan Nilson	Submits and reviews testimony in opposition to HCR 3. (EXHIBIT H)
388	Nilson	Continues review.
TAPE 61, B		
003	Nilson	Continues review.
021	Chair Messerle	Recognizes former State Representative Chuck Norris.
030	Chuck Norris	Former Chair of House Water Policy, comments on HCR 3 and the need for future storage and flood control.
075	Chair Messerle	Comments on the limited time.
087	Cynthia Brown	Testifies in opposition to HCR 3.
127	Brown	Continues.
145	Dave Babits	Owner and operator, Thompson's Mills, submits and reviews testimony in support of HCR 3. (EXHIBIT I)
195	Babits	Continues review.
240	Rep. Bowman	Asks Mr. Babits if he supports HCR 3.
242	Babits	Correct, with the -1 Amendments.

244	Rep. Bowman	Asks why he runs out of water if he owns and operates five dams.
246	Babits	These are low head dams with no storage capacity, and are for diversion purposes
251	Sherry Thomas	Resident of Cascadia, testifies in opposition to HCR 3.
279	George Dern	Resident of Calapooia River area, testifies in opposition to HCR 3. Feels state government should encourage distribution of its impending population growth by offering incentives to industry to locate in the frontier counties on the Eastside. A study to encourage distribution of Oregon's wealth and population would be more beneficial than the restudy of water projects on the Westside.
306	Chair Messerle	Comments that the bill was expanded to include study of possible sites in other parts of the state.
308	Norma Jean Burger	Resident of Cascadia, testifies in opposition to HCR 3.
358	Burger	Continues testimony.
366	Bill Goodpasture	Resident of Vida, testifies in opposition to HCR 3. Refers to testimony submitted earlier in hearing. (EXHIBIT D)
TAPE 62, B		
003	Goodpasture	Continues testimony.
033	Rep. Harper	Asks that witness stay focused on the bill
034	Goodpasture	Continues testimony.
035	Rep. Harper	Asks again that witness stay focused on the bill.
036	Chair Messerle Goodpasture	Discussion regarding the public hearing process.
052	Chair Messerle Burger	Discussion regarding rural Oregon.
061	Chair Messerle	Closes public hearing on HCR 3.
HB 3523 PUBLIC HEARING		
061	Chair Messerle	Opens public hearing on HB 3523.
065	Martha Pagel	Director, Water Resources Department (WRD), submits and reviews testimony in support of HB 3523. (EXHIBIT J)

066	Pagel	Submits -1 amendments to HB 3523. (EXHIBIT K)
115	Pagel	Continues review.
142	Rep. Bowman	Asks for comments on the change of the language to indicate "any person."
150	Pagel	It is a broad term, but it can include homeowner groups, watershed councils and other groups not covered under "any agency." The commission doesn't have to commence rule-making because someone made a request. The rule-making process can be accomplished within a reasonable time period, hard to estimate how much work this will generate, but the commission is willing to try.
168	Rep. Bowman	Asks what the agency would do after the filing of a request for the reservation of water.
171	Pagel	Would send notice to the local government and watershed council and request their comments. Would also schedule the matter for consideration at the commission meeting, including public notice. There would be opportunity for public comment.
177	Rep. Bowman	Asks if that would be done for every request for a reservation.
179	Pagel	Yes.
180	Rep. Jenson	Asks if there is an appeal process for "any person" if the commission does not initiate rule-making.
184	Pagel	Do not expect an appeal for a decision not to initiate rule-making. Rule-making is a discretionary function of the commission, and they can choose not to, without triggering judicial review of decision. Will double check and confirm this for the committee.
190	Rep. Kruse	Asks if these requests need to be part of the basin plan.
195	Pagel	The rule to create the reservation would be an amendment to the basin plan.
205	Rep. Kruse	Asks if there would be local input into this.
210	Pagel	Yes. But the question of whether or not the term "any person" is too broad is one that may need to be addressed.
216	Pagel	Continues review.
240	Kip Lombard	Representing Oregon Water Resources Congress (OWRC), testifies on HB 3523. Rule-making proceedings would be less intimidating. It was originally thought that the reservations would have to be developed through the contested case proceeding under the Administrative Procedures Act. Worked through the Legislature to change the law to make, at least the pending applications, a rule-making proceeding.
290	Lombard	Has reviewed the amendments. Understands the concerns of Rep. Bowman regarding the potential burden on the agency. While any person can make a request, the request is for a multi-purpose storage for future economic development. Cannot imagine too many individuals making that kind of request. By the definitions in the bill, there are inherent

		limitations.
329	Rep. Jenson	Comments.
338	Rep. Kruse	Comments on the process.
350	Chair Messerle	Submits testimony received from Oregon Department of Fish and Wildlife. (EXHIBIT L)
354	Ves Garner	Water Resources Specialist, Department of Agriculture. The Department of Agriculture has been the state agency focusing on the reservation of water for future economic development. There have been 15 requests for about 4 million acre feet, some of which have been adopted. There were concerns, but the task force came to consensus. The key to this proposal is the involvement of local governments, local watershed councils, and anyone else who has an interest in future water needs. Through the hearings held throughout the Columbia Basin, in order to be successful in conveying the message of need and feasibility, more people need to be involved. If the local governments were not in favor of a particular proposal, it is almost ensured that it will not go forward to the commission. The Department of Agriculture supports HB 3523.
398	Chair Messerle	Asks if there is enough being done this session to get the state to the point of storage.
TAPE 63, A		
006	Garner	Not sure. As a water resources specialist, look at where future needs lie, and how to fulfill those future needs. A short term solution to some of the state's water quality problems, may be environmentally acceptable storage. HCR 3 moves toward this. Cannot speak for the Department regarding HCR 3. Served on the Governor's Water Storage Task Force, and came to the conclusion, that from a state policy point of view, we need to keep storage opportunities in mind as a solution to water quality and water quantity issues. The long-term solution will be land management practices. Need to find viable ways to store water in those areas where it is needed.
048	Chair Messerle	Asks if planning ahead for 30 to 50 years in the future is the best way to proceed.
051	Garner	Agrees. In 1993, looking toward the year 2035, it was projected that there would be a need for 762,000 acre feet of storage in the Willamette Valley.
060	Rep. Corcoran	Comments that this is a social issue that will need to be dealt with far into the future. Agrees that the area will grow. There are clearly independent variables that will affect where the state will need to go with regards to water storage. "Show me the money." The state can't even deal with classroom sizes, children at risk, or Head Start. It is a great idea, but it is ideological. If people had had an analysis of what it would have cost to implement Ballot Measure 11, it might not have passed. It is good from a public policy point of view, but there needs to be a mechanism attached for funding. Asks how one would consider the funding of a project the

		size of a dam.
084	Garner	The intent of HCR 3 is not to build a dam, or even the Cascadia or Holley Dams, but to potentially use them as examples of the size and magnitude of the study that should be considered for future flood control and water supply needs. The end result of such a study may point out that those won't be the sites. But maybe high up in some obscure basin, a 20,000 acre foot reservoir can serve some long term supply needs and some flood control. Then maybe another and another, and cumulatively, they will have a significant impact. If through this Resolution, and through help from the federal government, the funds will be made available to study this, maybe something will get done.
108	Chair Messerle	Closes public hearing on HB 3325.
109	Chair Messerle	Adjourns meeting at 5:08 p.m.

Submitted By, Reviewed By,

Rebecca M. Scott, Pat Zwick,

Administrative Support Policy Analyst

EXHIBIT SUMMARY

A - HCR 3, -1 Amendments dated 4/10/97, Staff, 2 pp.

B - HCR 3, Written Testimony, Kathryn Harrison, 1 p.

C - HCR 3, Written Testimony, Rintha Renoud, 2 pp.

D - HCR 3, Written Testimony, Vernie Jo Johnson, 2 pp.

E - HCR 3, Written Testimony, Kevin Burger, 30 pp.

F - HCR 3, Written Testimony, Don Schlies, 2 pp.

G - HCR 3, Written Testimony, Janel Nilsen, 5 pp.

H - HCR 3, Written Testimony, Don Nilsen, 7 pp.

I - HCR 3, Written Testimony, Dave Babits, 4 pp.

J - HB 3523, Written Testimony, Martha Pagel, 30 pp.

K - HB 3523, -1 Amendments dated 4/10/97, Martha Pagel, 2 pp.

L - HB 3523, Written Testimony, Jill Zarnowitz, 1 p.