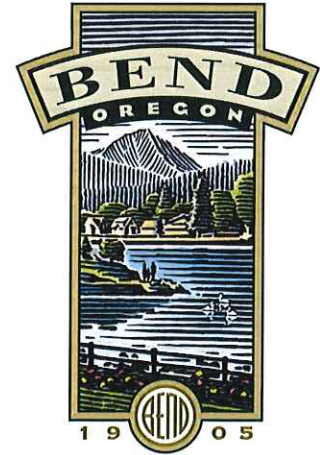


May 8, 2015

Members of the Joint Committee on Ways and Means
Subcommittee on Capitol Construction
Oregon State Legislature
Salem, Oregon 97301

RE: Support for OWRD Grant/Loan Programs in HB 5005



Dear Co-Chairs Read and Girod and Subcommittee Members:

710 NW WALL STREET
PO BOX 431
BEND, OR 97701
[541] 388-5505 TEL
[541] 385-6676 FAX
BENDOREGON.GOV

The City of Bend strongly supports funding for the Oregon Water Resources Department as proposed in the Governor's Recommended Budget. The City of Bend is required to provide an adequate, reliable, safe and cost effective water supply for its residents and visitors. Water management in Central Oregon is, however, a complex endeavor:

- Surface water in the Deschutes Basin is generally not available for new use;
- Since 2002, new groundwater use can only occur with "mitigation" approved by the Oregon Water Resources Department;
- Water supply imbalances exist between agricultural use, instream resources, and the need for potable water supply; and
- Several stream reaches are in need of restoration.

JIM CLINTON
Mayor

SALLY RUSSELL
Mayor Pro Tem

VICTOR CHUDOWSKY
City Councilor

DOUG KNIGHT
City Councilor

NATHAN BODDIE
City Councilor

CASEY ROATS
City Councilor

BARB CAMPBELL
City Councilor

ERIC KING
City Manager

As a result, the City depends on the Water Resources Department being fully staffed so that the City can complete necessary water rights transactions. And State investment provides critical financial support for the planning, evaluation, and implementation of water supply development which is important for both economic development (for the City and statewide) and environmental sustainability.

In particular, we would urge your support for the following Policy Option Packages:

- **Package #115** includes \$750,000 in lottery bonds for grants to help communities develop place-based integrated water resources plans.
- **Package #106** would add an additional \$2 million in lottery bonds for SB 1069 (2008) feasibility study grants.
- **Package #113** recapitalizes the Water Supply Development Account and the Water Supply Fund.
- **Package #120** recapitalizes the Water Development Loan Fund using \$30 million in dedicated general obligation bonds.

Thank you for this opportunity to express the City of Bend's support for the Oregon Water Resources Department's proposed budget for the 2015-2017 biennium.

Sincerely,

A handwritten signature in blue ink, appearing to be "Eric King", is written over the "Sincerely," text.

Eric King, City Manager