



UTILITY DEPARTMENT

April 13, 2017

Senator Frederick, Co-Chair
Representative Witt, Co-Chair
Joint Committee on Ways and Means – Subcommittee on Natural
Resources
900 Court Street NE, Room H 178
Salem, OR 97301

**Subject: City of Bend Utility Department Support for SB 5542 – Oregon
Water Resources Department Budget**

Dear Co-Chairs Frederick and Witt:

Water is critical for the economy, the environment and public health and safety in Oregon. The City of Bend has the immense responsibility of delivering safe and reliable drinking water, water for fire protection, as well as water for economic development in one of the fastest growing regions of the country. At 83,000 population and growing, Bend also has a new OSU Campus coming to life, a flourishing craft beer industry with over 26 breweries and distilleries to date, a regional health industry, and a strong tourism industry. With all this growth and demand for water, we must constantly manage our current water supply and infrastructure, plan for new supply and make new capital investments, finance these investments, and plan for a long-term sustainable water future – in collaboration with – our customers, businesses and all our other Deschutes basin partners who depend on our regional water supplies.

The City of Bend Utility Department has been proud to participate with the State in many past and current water management processes and planning efforts. The creation of the Deschutes Groundwater Mitigation Program; the participation in the creation of the OWRD's first ever Integrated Water Resources Strategy; and the development of a comprehensive basin study funded by OWRD and the Bureau of Reclamation, just to name a few.

We are proud of our collaborative approach toward water management in our basin and anticipate that Bend will continue to invest in award-winning conservation programs and state-of-the-art water management systems.

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But we need a consistently funded partner at the Oregon Water Resources Department to help us fulfill our mission.

Key OWRD Funding Issues for Bend:

- Water Rights require successful transactions completed at OWRD. From initial permit issuance, to certification of a water right, OWRD needs full funding for its core services, especially those around water permit and transfer transactions. This is a critical need. There is no “NEW” water to allocate in our basin, and since 2005 all new groundwater permits requires mitigation. This means all new water rights will be complicated and require transfers of existing water rights, along with large scale conservation projects. Cities need certainty of water supply to justify financing and bonding of complicated and expensive water rights and related water infrastructure projects and meet our legal obligations related to meeting the needs of growth. Effective water right transactional processing is the very foundation of those water supply plans. **(OWRD Budget Package 100)**
- Increased funding and continued flexibility around the existing Water Supply Feasibility Funds (“1069 funds”) and increased investment in the relatively new Water Supply Project Fund (839 funds). These funds will be critical to leverage scarce local and state funds, with necessary federal investments to meet what we anticipate in the Deschutes Basin to be over \$1 billion in necessary funds for long-term water infrastructure and water supply security in the coming years. This includes water projects that will meet both instream and out-of-stream uses. **(OWRD Budget Packages 104, 109, 110)**
- Fund increased capacity to complete critical stream flow measurements to enhance decision making and create a specific position, a “field conservation coordinator”, which will be better positioned to build capacity, create ongoing relationships, explain complicated water right details, provide technical assistance and communicate consistently around water management and conservation ahead of drought crisis events. **(OWRD Package 105)**

In closing we support a fully functioning OWRD and need continued investment in an agency that provides the core service we need each and every day. Thank you for the opportunity to testify today and please let me know if we can provide any additional information in the future.

Sincerely



Patrick Griffiths
Water Resources Manager, City of Bend