

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
JULY 23 2009

MEMBERS PRESENT:

Lon Kellstrom Mayor
Bill Merrill Councilor President
Sharlene Weed Councilor
Pat Thompson Councilor
Jerry Bogart Councilor

STAFF PRESENT:

Eileen Stein City Manager
Brad Grimm Public Works Director
Lisa Young Finance Director
Eric Porter Comm. Dev. Director
Kathy Nelson City Recorder

GUESTS:

Adam Sussman GSI Water Solutions

The meeting was called to order by Mayor Kellstrom at 6:00 p.m.

A. Overview of Water Policy and Water Rights Issues

Adam Sussman, water rights consultant for the City, provided a brief work history stating he began by working for the Oregon Department of Water Resources (ODWR) for over 13 years, worked as a consultant for CH2M Hill for a brief period and has been with GSI water Solutions ever since.

Mr. Sussman stated that in Oregon water belongs to the public and if an entity wants to use surface or ground water the entity must go through the process of obtaining a water right. He stated the process to obtain a water right includes the application, permit and finally the certificate of the water right. He explained that the permits have timelines associated with them and only after the water right permit has been fully exercised can the water right certificate be issued. He stated that after a certificate is obtained it can be transferred.

Mr. Sussman discussed the value of water rights stressing that most surface water is unavailable for new appropriation. He stated that additionally most groundwater is in a hydraulic connection with restricted surface water. He stated it is important for the City to protect and maximize what it already has as it is expensive to secure new water sources. **Mr. Sussman** stated the regulatory climate for water rights is changing and water rights are becoming harder to obtain.

Mr. Sussman stated that Sisters is required to have a Water Rights Master Plan and has contracted with GSI Water Solutions to create the plan on the City's water rights information. He stated that after developing a "to do" list the City also needs to make certain it is meeting regulatory requirements. He stated it is important to develop a strategic plan for maximizing and securing water rights and securing a long term water supply for Sisters citizens

Mr. Sussman provided a summary of the City's water rights stating it holds two groundwater rights, several surface water permits/certificates and over 150 acres of certificated water rights on the Lazy Z for irrigation use. He spoke on the City's authorized groundwater use stating that the

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
JULY 23 2009

City holds a certificate for Well #1, a permit for Well #2 and is working to get a limited license for Well #3. He stated the City is currently pursuing a limited license for Well #3, development of a partial perfection water right for Well #2 and a transfer of some of those water rights to a new ground water application for Well #3. He stated that will provide 3.31 million gallons of water a day. He confirmed that by 2015 the City will require additional water rights in order to meet the projected needs of the City.

Mr. Sussman stated that because the Deschutes Basin has scenic waterways, instream water rights, legislation regarding the water ways and a mitigation program administered by the State, without litigation, new groundwater use in the study area is prohibited. He described the State's mitigation program and stated that mitigation typically requires the retirement of surface water irrigation rights. He stated that GSI Water Solutions is in the process of developing a strategy for the City to secure its present and future water rights.

Mr. Sussman stated that previously the Deschutes River Conservancy (DRC) held some concerns regarding the City's past practices for obtaining water rights and suggested instead the City should be working to collaborate with DRC to the benefit of the City, the DRC and Whychus Creek.

Manager Stein stated the Deschutes Water Alliance (DWA) is a water management group that has formed to work together on regional water management needs. She stated the group is currently circulating a draft memorandum of understanding (MOU) with the hope that Sisters will be interested in participating. She stated that topics such as the endangered species act (ESA) risk assessment, clean water act, land use planning and mitigation will be discussed on a regional level.

Mr. Sussman reported the Water Rights Master Plan is almost complete and that it will need to continue to be monitored and the City needs to consider basin-wide opportunities for partnership.

B. City Manager Update

Due to lack of time there was no City Manager update.

The meeting was adjourned at 6:58 p.m.

Respectfully submitted,

Kathy Nelson, City Recorder

Lon Kellstrom, Mayor