



OREGON WATER UTILITY COUNCIL
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Report from Oregon Water Utility Council

2017 PNWS-AWWA Spring Trustees Report

Chair: Suzanne DeLorenzo, Clackamas River Water
Vice-Chair: Sara Petrocine, City of Portland
Sec/Treasurer: Karen Kelley, City of Albany
Past Chair: Kim Swan, Clackamas River Water Providers
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The Oregon Water Utility Council continues to monitor legislation, regulations, and court actions that could impact the water industry, giving members the ability to help shape these kinds of issues. In addition, it provides its members with the ability to network with other water utilities of all sizes. The legislative activities are closely coordinated with policies of the AWWA when applicable.

Review of Activities and Accomplishments

Willamette Basin Reallocation Study

The Willamette Basin Review Study (Study) continues to move forward since it was reinitiated in 2013 with two major components. As part of the first component, the USACE initiated a small-scale reallocation study that resulted in a Surplus Water Letter Report in June 2014, which could provide access to 437 acre-feet of stored water for municipal and industrial (M&I) use in the upper basin (Creswell and Cottage Grove Reservoirs). This process was valuable to municipal water providers because it established a single system-wide cost for stored water for M&I use, and provided a framework for identifying data needs. State and local stakeholders could successfully fund the 50 percent non-federal cost share portion of the small-scale reallocation study.

The second component of the Study is completion of the full-scale reallocation feasibility study (reallocation study), which will allow for Congressional action on the reallocation of water in the Willamette Basin projects (13 reservoirs storing up to 1.64 million acre-feet of water). The reallocation study is underway and the USACE, cost share partners and stakeholders are actively engaged in developing information and conducting analyses. Technical working groups have been formed, water demand and hydrology analyses are being conducted and quarterly stakeholder meetings are being held. Agreement has been reached on an array of alternatives and the criteria for evaluating and comparing the alternatives. Further the objectives of the reallocation have been determined to be consistent with USACE authorities and priorities.

It is anticipated that the reallocation study will cost approximately \$3 million (\$1.5 million state/federal). Securing the federal funding for FY 18 is critical to the successful completion of the study and future reallocation and OWUC will continue to be an advocate for this project.



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AWWA Fly In

OWUC sent representatives to Washington DC in March to attend the AWWA Fly In. The main issues emphasized were the Willamette Basin Project Reallocation Study, Water Infrastructure Finance and Innovation Act, SRF Funding, and maintaining tax exempt status on municipal bonds.

Municipal Extensions Fix

OWUC worked closely with the League of Oregon Cities and the Special Districts Association of Oregon on legislation to fix the municipal water rights extension issue that arose from a 2013 Oregon Supreme Court decision. After unsuccessful attempts to achieve the fix in the 2015 State Legislative Session, SB 1584 would have defined the undeveloped portion of a water rights permit.

The bill, as introduced, proposed to legislatively set the date for municipal extensions at the December 11, 2013 date of the court ruling. An amended version, SB 1584-A, moved the date to 2010. WaterWatch was intensely opposed to both bills. The bill received a hearing and work session but ran up against the end of session deadline and failed to advance.

The issue, which affects the already-developed water of several municipalities across the state, remained unresolved. Talks regarding the bill resumed with the start of Fall legislative days on September 20, 2016. Two bills were introduced that are the same as previously introduced- SB 466 and HB 2099.

A hearing was held in early March for HB 2099 before House Way & Means Committee. There are two amendments to the bill: 1) A technical fix to close the loophole on needing to do a WMCP; and 2) Rep Johnson (Hood River) sponsored an amendment to grandfather municipalities if construction was already started. OWUC and lobbyists from LOC and SDAO are still tracking and actively involved in the process as the legislative session continues.

Integrated Water Resources Strategy

OWUC is currently working on submitting comments on the 2017 public review draft of Oregon's Integrated Water Resources Strategy.

HB 3202

OWUC Chair delivered oral testimony in opposition of HB 3202. The bill proposed a change that could potentially eliminate the current threshold if more than two inches of pavement needs to be resurfaced. Most work performed by a water utility in the distribution system requires opening the right-of-way and resurfacing at more than two inches. Section 1, subsection 6(a) of HB 3203 essentially implied that any public improvement performed on water lines, mains, and even some meters, could be subject to the requirements of the bill and least-cost analysis.

HB 3337

OWUC submitted written testimony in opposition to HB 3337. HB 3337 would eliminate minimum education, experience and examination requirements required to become a Landscape Construction Professional in Oregon at a time when legal requirements, emerging technology and best management practices are changing rapidly.