

Basin Study Work Group
Friday, November 1, 2013, 9AM - 12PM, Deschutes County DeArmond Room
Meeting Notes

ATTENDING

Mike Britton, North Unit Irrigation District	Elmer McDaniels, Tumalo Irrigation District
Suzanne Butterfield, Swalley Irrigation District	Lisa Morgan, City of Prineville
Kate Fitzpatrick, Deschutes River Conservancy	Kimberly Priestley, WaterWatch
Kyle Gorman, Oregon Water Resources Department	Mark Reinecke, Bryant, Lovlien and Jarvis (Avion)
Jason Gritzner, Deschutes National Forest	Ken Rieck, Tumalo Irrigation District
Tod Heisler, Deschutes River Conservancy	Betty Roppe, City of Prineville
Ryan Houston, Upper Deschutes Watershed Council	Marc Thalacker, Three Sisters Irrigation District
Steve Johnson, Central Oregon Irrigation District	Mike Tripp, Trout Unlimited
Mike Kasberger, Ochoco Irrigation District	Alan Unger, Deschutes County
Danielle MacBain, GSI	

Also present were:

- Bea Armstrong, Deschutes River Conservancy (Director of Development and Communication)
- Joy Cooper, GSI (intern)
- Brett Golden, Deschutes River Conservancy (notetaker)
- Mary Orton, The Mary Orton Company, LLC (facilitator)
- Kirsten Rudenstam, Deschutes River Conservancy (intern)

AGENDA

The group used the following agenda as a guide during their meeting:

1. Welcome
2. Check-in
3. Overview and approval of agenda
4. Letter of Interest to Bureau of Reclamation
5. Subgroups: Structure
6. Subgroups: Workplan and Deliverables
7. Subgroups: Chairs and Members
8. Next Steps
9. Meeting Evaluation

WELCOME

Suzanne convened the meeting and welcomed everyone. She introduced the facilitator, Mary Orton, to the group. Mary described her work and her experience as a mediator and facilitator.

CHECK-IN

Mary invited the member to check-in: say their name and affiliation, and share their best hopes for the Basin Study Work Group.

- That people can see beyond their singular focus and see the big picture, find common ground, and the grant is accepted.
- A successful grant and synchronized multiple efforts into one effort with the Basin Study.
- Projects in the basin that are more than just cream; projects with which people have to give a little to get a little.
- Everyone works collaboratively to reach a conclusion about what's best for the basin. We recognize that we all have to give a little to reap a lot. Open up communication where we all work together and understand each other's needs.
- A successful basin study with factual scientific data that we can agree on.
- A successful study that is implementable and implemented.

- Agreement on data, looking beyond the grant to a study that meets all needs, meet stream flow needs in context of municipal and agricultural needs.
- Enhanced understanding of the ecological considerations, how flows and ecological systems fit together, enhanced understanding that will help us know how much water is enough and come to agreement.
- We reach a new level of trust with which we can achieve anything together.
- We make this the best basin study in the west: it takes care of all stakeholder needs in a manner that we can actually implement.
- We get a good study and move on to implementation for instream and water users.
- I'm impressed with this collaborative approach, and hope it is a start of a long-lasting collaborative approach in the basin.
- Everyone looks out for each other as we explore these possibilities. We are not shy about exploring possibilities and being creative.
- We come up with practical approaches that we can implement in our lifetimes.
- A study that is financeable, that lays out the path to get there.
- We continue to develop a vision for seeing restoration through, and we don't get mired in Washington politics.
- Solutions abound – we create trust so we can meet all goals.
- A successful grant that brings us accurate data to carry out successful projects that meet everyone's needs.
- BSWG becomes a model for collaboration. DWA evolves as a result of the process to be a bigger tent, and we address climate change in a responsible manner.
- We build trust and have one process that we're all comfortable with.
- That we all work together collaboratively to meet future and existing needs of all the parties in the basin.

OVERVIEW AND APPROVAL OF AGENDA

Mary highlighted that her role was to focus on process, so the group members could focus on substance. She noted that she's being paid by DRC but works for the entire group. She asked participants to let her know if they don't like how the meeting is going.

Tod invited other participants to join in investing in Mary Orton's services. He noted that the DRC is paying for Mary's services from funds raised for the Deschutes Water Planning Initiative. Granters supporting this work include the Bureau of Reclamation's Cooperative Watershed Management Program, the Bellavista Foundation, the Oregon Community Foundation, and the National Fish and Wildlife Foundation Wells Fargo Community and Environment Grant Program.

Mary disclosed that she worked for two years with American Rivers and that work led her to her role as a neutral. She asked participants to let her or Suzanne know if they have any concerns.

Mary described how she will run the meeting, the process, and the mechanism to determine consensus. She handed out green, yellow, and red cards, and asked for members to raise the green card if they fully agree with a proposal, a yellow card if they can live with a proposal, and a red card if they couldn't live with a proposal. The group agreed to use the cards.

Suzanne noted that she's sent out invoices to DWA members, primarily to cover GSI's contract.

Mary reviewed the agenda, which focused on the Basin Study grant - letter of interest, proposal, subgroup workplan and deliverables, subgroup chairs and members. The group agreed to the agenda as distributed.

LETTER OF INTEREST TO BUREAU OF RECLAMATION

Suzanne noted that the Letter of Interest (LOI), the required first step toward applying for a Basin Study grant from Reclamation, was due January 9, 2014. She referred attendees to the agenda attachment, which listed the requirements for the LOI.

Danielle noted that GSI would prepare the LOI for the BSWG. She reviewed a table that compared 2010 letter of interest contents with proposed contents of the 2014 LOI (see Attachment). The group discussed the proposal.

Program Eligibility

The proposal was that the DBBC would be the applicant on behalf of the Basin Study Work Group, and the letter would include a list of all of the BSWG participants. Steve clarified that the State is supportive and committed, and supports DBBC as the applicant. He also clarified that it is the intent of the DBBC to work on behalf of the BSWG throughout the study.

The group discussed the idea that decisions will be made by consensus with BSWG and DBBC will reflect those decisions. They also discussed how to handle impasse. Mary discussed the tools that other groups have used to move past an impasse and the challenges of having those tools. The group agreed to park this issue for later discussion.

A question arose about whether Reclamation or the BSWG would choose the contractor to complete the Basin Study. The group agreed to park this issue for later discussion.

Consensus: The group reached consensus (all green cards) that the DBBC would be the applicant on behalf of the Basin Study Work Group, and the letter would include a list of all of the BSWG participants.

Geographic Focus

The 2010 letter said the geographic focus was the Deschutes Basin including surface water and groundwater upstream from the confluence of the Deschutes, Crooked, and Metolius rivers.

A member raised this issue of including the headwaters in the focus. There was discussion about whether Whychus Creek and Crooked River should be involved, and whether the stakeholders in those basins wanted to be included. Mike Kasberger said he does not have any problems with the geographic focus in the Letter of Interest but noted he needs approval from his Board of Directors to participate in the Study. Several members noted that the Crooked River would be important to include. Others said that regardless of whether the stakeholders agreed, the Crooked and Whychus should be included.

A member commented that additional outreach may be needed to ensure that stakeholders know the basics of the Basin Study. A fact sheet would be helpful.

Action Item: Kate agreed to draft a fact sheet and Steve agreed to work with her on it.

Consensus: The group reached consensus (all green cards) that the Basin Study's geographic focus would be the Deschutes Basin including surface water and groundwater upstream from the confluence of the Deschutes, Crooked & Metolius rivers, and including all headwaters.

Water Supply Challenges

Issues raised in the discussion of water supply challenges included:

- Water quality issues such as nitrates in the Little Deschutes River area and Prineville may affect supply.
- The Oregon spotted frog and critical habitat need to be added.
- The group might highlight that differences instream demand and supply is the major disparity.
- Language should say "demand" rather than "growing demand."

Consensus: The group reached consensus (all green cards) to maintain the 2010 letter language with the addition of water quality, OR spotted frog listing and critical habitat, a comment that the biggest disparity relates to instream water rights, and the change from "growing demand" to "demand."

Risks to Water Supply

Issues raised in the discussion of risks to water supply included:

- Need to look at the impacts of climate change on all water uses and users.
- Groundwater and surface water will both be affected by climate change.

Consensus: The group reached consensus (all green cards) to maintain the 2010 letter language with the addition of climate change effects on groundwater and on aquatic and other species.

General Scope of Study

Discussion on the general scope of study included:

- Because Reclamation scores applications based on whether the study can be completed within two years, we should identify that we already have a large body of studies completed in this basin.
- Should industrial users be separated from municipal? The group parked this issue for future discussion.

Consensus: The group reached consensus (all green cards) to maintain the 2010 letter language with the addition of a description (list of studies) of the large body of work already completed.

Estimated Total Cost

The group considered a proposal to include an estimated total cost of \$1.5 million for two-year study, with \$750,000 in cash match through SB1069 funds. Discussion included:

- We should highlight that funds will come from the State of Oregon, not necessarily SB1069.
- We might want to highlight local in-kind and cash investments.
- We can also fundraise for additional investments.

Consensus: The group reached consensus (all green cards) to maintain the 2010 letter language with the change from "SB1069 funds" to the "State of Oregon funds," and a comment that the group anticipates significant local in-kind contributions as well as additional fundraising.

Level of Stakeholder Interest

The GSI proposal was that all BSWG members be listed as stakeholders.

- The group discussed the list of stakeholders and whether members of each umbrella group (e.g., DWA and COCO) should be added individually.
- There might be two different groups – the Basin Study Work Group and a larger group of stakeholders.
- It is unclear who is a core stakeholder and who is an interested participant.
- Including the broadest group possible in the "stakeholder interest" category in the letter of interest might be appropriate.
- UDWC would like to participate but does not need to be in the core group if there is also an extended group.
- The broader public will have multiple opportunities to participate through the Public Involvement Plan.
- We can always add people after the letter of interest is submitted.
- Other local groups – fisherman, tourism, tourism businesses – will also need a place to participate.
- Other additions suggested included
 - OWEB
 - Water for Life
 - Upper Deschutes Watershed Council
 - EDCO and other business groups
 - Visit Bend and other tourism groups and firms
 - UDRC
 - Flyfishing shops
 - Sunriver Anglers, Central Oregon Flyfishers, and other angler groups
 - Crooked River Watershed Council
 - Water for Life

The group discussed the definition of stakeholders, and that the core group might be BSWG members, then a larger group of stakeholders that could be listed in this section of the LOI, and then an even broader group would participate through the Public Involvement Plan.

Action Item: Kate will draft a matrix of Basin Study Work Group members, interested stakeholders, and PIP participants for discussion at the next meeting. She was requested to include the broadest possible list for discussion.

Potential Cost Share Partners

The group agreed that they had discussed this issue under Estimated Total Cost.

Action Item: Danielle said she would research how Reclamation defines Cost Share Partner.

SUBGROUPS: STRUCTURE, WORKPLANS AND DELIVERABLES, AND MEMBERSHIP

Suzanne noted that the next three agenda items would be addressed together, and that the subgroups will be helping with the next stage of the Basin Study, the proposal. The proposal will be developed if the LOI is accepted by Reclamation.

Kate reviewed a new handout that had been developed for these agenda items. It showed work that needs to be done for the Basin Study proposal, related to each criterion Reclamation uses to judge the proposals. It also proposed subgroups by reach (Deschutes River, Crooked, and Whychus) and also use (Groundwater, Instream).

Betty asked Kate to add the Crooked River Watershed Council and Crook County to the Crooked River Subgroup.

Kate discussed proposal selection criteria and where we may or may not need additional information from the subgroups (see document). The group discussed the proposal.

- Any subgroup meeting should be noticed and open to all BSWG members.
- Subgroups should be mindful when they request additional studies that we will only have \$750,000 and the study must be completed within two years.
- We can raise additional funds to support studies that might not fall under Reclamation's study plan, so we should not constrain our initial thinking.
- Subgroups will make recommendations to the BSWG, which will formulate the proposal.
- Need more clarity on the deliverables from the subgroups.
- Subgroups can contact Mary or Kate if they want facilitation and mediation services.
- The Crooked River Subgroup requested Mary's help.
- The subgroups should agree on their deliverables as a first step.
- Subgroups can identify additional deliverables besides what is in the table.

Kate agreed to serve as "supreme coordinator" of the subgroups and help them meet their objectives. Suzanne asked for volunteers to lead the various subgroups:

- Marc Thalacker agreed to lead the Whychus Subgroup.
- Betty Roppe agreed to lead the Crooked Subgroup.
- Suzanne will call the first Deschutes Subgroup meeting.
- Ryan will lead the Instream Subgroup.
- Betty will talk to Mark Reinecke about leading the Groundwater Subgroup.

Subgroups were encouraged to get to work promptly.

NEXT STEPS

Action Items

Action items were reviewed.

Parking Lot

The parking lot was noted but not reviewed, due to lack of time:

- Who chooses the contractor if the Basin Study is funded?
- Discuss what to do if there is impasse and consensus cannot be reached.

- Agree on consensus decision-making and how it works.
- Possibility of separating industrial from municipal water needs.

Next Meeting

Based on the Doodle poll results, the next meeting will be 8 am to 11 am on December 12, 2013. Kate will send out a meeting invitation via Outlook. The agenda will include:

- Discussion on consensus and impasse
- Finalize the Letter of Interest
 - Stakeholder matrix
- Update on communication with Reclamation (standing agenda item)
- Report from subgroups (standing agenda item)
- Report on state funding (standing agenda item)

RECLAMATION UPDATE

Suzanne noted that she would coordinate with Reclamation as chair of the BSWG, and GSI would assist as part of their scope of work. She asked if she should request a meeting with Reclamation in December with subset of BSWG representing agriculture, municipal, and instream interests, to keep them informed on the process, and there was general agreement that that would be a good idea.

MEETING EVALUATION

Members were requested to fill out a meeting evaluation that invited them to provide one piece of feedback about what they liked about the meeting, indicated below with a plus symbol (+), and one piece of feedback about what they would like to change for the next meeting, indicated with a delta symbol (Δ). Below are the results of this exercise. Each check mark (✓) indicates that someone endorsed a previously mentioned item.

+	Δ
+ Attendance was fantastic.	Δ Facilitator keep us as focused as possible – which you did.
+ People’s openness.	Δ Pace given agenda.
+ Good communication.	Δ Keep focus on deliverables for LOI and application.
+ Might have seemed slow but it is important to gain comfort and trust.	Δ Keep parking lot for study items and issues.
+ That it is facilitated! Makes a world of difference.	Δ Be faster to put items in the parking lot. It would make it more efficient.
+ Being facilitated, staying on task, walking away with clear understanding, feeling of moving forward.	Δ In interest of efficiency, avoid revisiting issues covered in similar meetings.
+ Organization, structure, decisions based on group consensus.	Δ Make a note about cell phones and texting during the meeting.
+ Well-run – thanks!	Δ Add coffee. ✓
+ Well-organized dialogue.	Δ Margaritas.
+ Getting through the agenda.	Δ (Nothing noted.)
+ Attention to detail.	Δ Nothing. ✓✓
+ Good kick-off.	
+ Good process – very inclusive.	
+ Not too long.	
+ (Nothing noted.)	

The meeting was adjourned.

Attachment: 2014 Letter of Interest: Content

Program Requirements	2010 Letter of Interest (LOI) Content	Proposed Content to <i>Add</i> to 2014 LOI	Proposed Content to <i>Eliminate</i> from 2014 LOI
Program Eligibility	Deschutes Water Alliance (DWA) as applicant	Deschutes Basin Board of Control (DBBC) to be applicant on behalf of the BSWG (list of members)	DWA as applicant
Geographic Focus	Deschutes Basin (OR), surface water and groundwater upstream from the confluence of the Deschutes, Crooked & Metolius rivers	<i>To be discussed</i>	<i>To be discussed</i>
Water Supply Challenges Leading to Imbalance of Supply & Demand	Hydraulic connectivity between SW and GW limits new GW appropriations; growing demand for instream, urban and agricultural uses; and recent reintroduction of federally listed fish species	<i>To be discussed</i>	<i>To be discussed</i>
Risks to Water Supply from Changes in Usual Patterns	Anticipate that climate change will increase inter-annual variation on the Deschutes river, leading to earlier and higher peak flows and lower base flows in snowmelt driven tributaries	<i>To be discussed</i>	<i>To be discussed</i>
General Scope of Study	Update existing demand studies (AG, MU & ENV) with existing supplies; evaluate changes in water supply and demand assoc. w/climate change; identify and evaluate options for meeting future water demands	<i>To be discussed</i>	<i>To be discussed</i>
Estimated Total Cost of Study, Including Cost-Share Estimate	\$400,000 for 2 year study; \$200,000 WaterSMART, \$200,00 in-kind (DWA)	\$1.5M for 2 year study; \$750,000 match through SB 839 funds	DWA in-kind language
Level of Stakeholder Interest in Study	All irrigation districts, cities, counties, relevant state agencies, CTWS and DRC	Stakeholders from agriculture, municipalities and the environment are represented in the Basin Study Work Group (BSWG), they include: DWA, DBBC, COCO, Avion, ODFW, WW, TU, USFS, OWRD, DRC, CTWS	
Potential Cost-Share Partners	In-kind from DWA participants	Add SB 839/OWRD match amount	In-kind language