Thank you for the opportunity to facilitate the Deschutes Water Planning Initiative Meeting co-hosted by the Deschutes Water Alliance and the Deschutes River Conservancy on Thursday, January 31, 2013. This summary provides a brief overview of the meeting.

**Meeting Purpose:** The purpose of the meeting was to provide a forum for stakeholders in the Deschutes Water Planning Initiative to gain a deeper understanding of the issues in the Upper Deschutes, learn and better understand the needs of different perspectives, examine potential opportunities to respond to identified problems and needs, and to discuss potential next steps.

**Meeting overview:**
Approximately 60 people attended, including representatives from the following:
- Irrigation Districts: Arnold, Central Oregon, Lone Pine, North Unit, Ochoco, Swalley, Three Sisters, Tumalo
- Municipal water providers: Bend, Redmond, Prineville, Avion Water Company
- Counties: Deschutes
- State: Governor’s Office; Depts. of Water Resources, Fish & Wildlife, Parks & Recreation
- Non-profits: Deschutes River Conservancy, Water Watch, Trout Unlimited
- Deschutes Soil and Water Conservation District
- Individuals representing diverse interests (recreation/outfitters, neighborhoods, water interests, fisheries, hydropower)
- National laboratories: Pacific Northwest and Oak Ridge National Laboratories
- Consultants and a researcher

Both Alan Unger, the Deschutes Water Alliance chair, and Julie Keil, the Deschutes River Conservancy chair, provided introductory comments and background. I then briefly summarized a number of themes developed from interviews with ~25 stakeholders prior to the meeting.

**Key themes from stakeholder interviews:**
- Deschutes Basin stakeholders have produced very significant accomplishments over the last twenty+ years. Examples include restoring stream flow in the middle Deschutes; re-introduction of summer steelhead; and improvements in stream flow in Wychus Creek.
- The Deschutes Basin is widely recognized as a model for collaboration and problem solving, both regionally and nationwide. Basin stakeholders would like to continue working collaboratively to find solutions to increasingly complex issues.
- This reputation for collaboration has helped the Basin leverage resources, including approximately $36 million in federal, state and local funds. Local stakeholders have also invested their own time and money. Collaboration can also help lead to future funding.

1 A contractor for DOE was present.
Stakeholders also raised a number of concerns. For example, changes and modifications to existing systems have had unintended consequences. The legal and regulatory system is becoming more complex and expensive to address; meeting the mandates of the Endangered Species Act, the Clean Water Act, and other state and federal laws is difficult and becoming more so. At the same time, climate change increases the level of uncertainty and unpredictability. According to some, the level of trust needed to have difficult conversations about complex subjects has eroded.

However, each and every stakeholder I spoke with was looking forward to having a discussion and seeking to better understand each other’s perspectives in order to find a way to move forward productively. I heard a wide-spread recognition that addressing the needs of irrigated agriculture, municipal water supply, and instream flows is critical in the Deschutes Basin, and for the upper Deschutes, and doing so in a collaborative manner very critical for the future.

After I reviewed these themes and established ground rules for the day, David Newton provided a brief overview of the Deschutes Water Planning Initiative and how it relates to the broader Basin planning. For a copy of his report, including methodology, results and potential next steps, please see [add link to report].

During the next portion of the meeting, stakeholders then provided an example of a problem or issue of concern. These were captured on flip charts and are summarized below.

Stakeholder identified problems or issues of concern:

- Underlying questions:
  - How do we meet the needs of agriculture, environment, and municipalities?
  - How do we meet the community needs in an integrated fashion, including the community’s spiritual needs?
  - Are mutual uses compatible?
  - How do we think outside the box?
  - Is our image of the river accurate?
  - How do we address the requirements of prior appropriation?
  - How do we address history/inertia?

- Concerns related to predictability of supply
  - Climate change
  - Drought, dry years (impact to meet various needs, ability to fill reservoirs)
  - Flooding (upper Deschutes in the summer, below Bend in the spring)
  - Certainty of supply (i.e., NUID, others)

- Concerns related to various perspectives:
  - Agriculture:
    - Irrigation districts feel like they have a target on them
    - How do we create a conducive atmosphere for sustainable agriculture?
    - How do districts with mixed jurisdictional/water supply issues address needs / concerns (i.e., Lone Pine)
    - Unintended consequences of water conservation (i.e., impact to juniors)
    - Ag./municipal interface (impact on encroachments/assessments, etc.)
Instream flows:
- What is the target for instream flows?
  - Moving target; different areas; different foci (fish, other critters)
  - Different timing (winter, summer)
- Need to meet instream flows (funding, recreation, balance cost?)
- Is there acceptance of the instream need/flows?
- Flow in the upper Deschutes (meeting ag needs + meeting winter flows)
- Water quantity/quality (TMDL)

New municipal supplies
- 20 yr. supply required by law; uncertainty makes future planning difficult
- Mitigation not available in particular zones of impact
- Cost of mitigation

Recreation needs (boating, fishing, etc.)

Hydroelectric

Legal/Regulatory Problems:
- Complex regulatory environment
  - Used to be a simpler regulatory environment
  - Scale of questions
  - Cost of compliance

Limits due to state/federal water law & policy
- Appurtenancy requirement
- Other

Mitigation rules/obligations
- Need clarity about governance for the water bank

- The Endangered Species & Clean Water Acts
- Congressionally authorized uses for particular reservoirs (Wickiup, Crane Prairie)
- Land use allowance of building in the flood plain
- Encroachments on rights of way

Financial
- Need for infrastructure improvements, additional storage
- Cost to understand, meet regulations
- Impacts of recession/funding
- Economic analysis (value of river/fish/jobs/recreation/lifestyle)
- Economic benefit of tourism (winter flows)
- Disconnect between funding and need (i.e., EQIP funding for on farm programs)
- Funding for institutional capacity (DWA)
- Funding for planning

Process questions/concerns:
- Communications
  - To constituents (i.e., elected official to voter)
Between constituents (i.e., between citizens of different towns)

Basic assumptions need to be explained; water issues are complex, hard to explain; translation needed

- Scientific uncertainty (Minimum needs? Functionality?)
- Incremental approach
- Durable/inclusive decision making
- Lack of trust (tech/human)
- Siloed processes (.1 AF decisions) → how do we deal things on a grander scale?
- Mission statements
- Questions about how to address particular needs
- Difference in authority/power (for example, irrigation districts control their canals/laterals, but have no power over on farm activities. Different programs do exist to leverage on farm activities, but funding is limited).

Discussion of Agricultural, Instream and Municipal Needs and Goals

After the discussion of potential problems and concerns, the stakeholders spent a significant amount of time reviewing water management concerns from different perspectives, including agricultural, instream and municipal. For example, representatives from each of the irrigation districts provided an overview of their districts, as well as their concerns and goals. This was followed by a discussion of the instream water rights on the upper Deschutes and its tributaries, along with an overview of the instream flow needs for the upper river from several different perspectives. Finally, the municipal water providers reviewed their obligations and needs, along with the challenges they are currently facing. Throughout this discussion, meeting stakeholders had the opportunity to ask questions and engage in a dialogue to seek better understanding of each other’s perspectives.

David Newton’s draft report (dated January 24, 2013) captures much of this information; additional information learned during the discussion will be provided to Mr. Newton for inclusion in the final report.

Brainstorming Potential Solutions

Following the discussion of needs and goal for each sector, stakeholders brainstormed a number of solutions to the identified problems, needs, and goals. A list of these ideas is below. Please note that these were discussed as ideas only; stakeholders present at the meeting did not fully discuss these ideas or commit in any way to do any of them. During this discussion, however, stakeholders did all agree that working together in a collaborative manner was very important.

- Alternative infrastructure solutions
  - Off channel storage
  - Storage on Tumalo Creek
  - Utilize ground water/ aquifer storage and recovery (ASR)

- Operational opportunities
  - Treat 3 reservoirs as one (model to see what results)
  - Alter/dismiss 1938 agreement between irrigation districts
  - Drought management planning/flexible tool
  - Create a virtual reservoir of conserved water
  - Move water around temporarily (free from appurtenancy restrictions)
- Example—Walla Walla’s Flow for Flexibility (suspend prior appropriation; flexibility to manage themselves in return for meeting instream flows)
  - Insurance policy program for NUID if they bear risk

- Education:
  - Develop a central document detailing what accomplishments, what the issues are, where the Basin is going
  - Work on developing information that is understandable by someone not familiar with water issues (i.e., help explain the complexity)

- Coordination/cooperation/funding
  - Determine scale of planning
  - Oregon Solutions
  - Increase functionality of DWA (remainder of $ to go to DWA ($13k))
  - Leverage this effort to get $ from the state (e.g., Umatilla)
  - Private foundation/matching grants/local funding
  - Comp. financial plan (with local grants, private interests, public resources)
  - Basin wide property tax for water
  - Reclamation basin study grant (ask state for match; sent letters; DWA capacity, SB 1069 $) or get a basin study further down the line to help (seal and implement)
  - State fund capacity planning
  - Incentives for on-farm conservation (reducing barriers)

Potential Next Steps:
The conversation about potential ideas and opportunities then led to a conversation about potential next steps. Stakeholders present at the meeting had less time than ideal to fully discuss the next steps, so the next steps listed below represent a number of potential opportunities, but not a commitment from the meeting participants.

- Hydro/basin scale workshop Friday, Feb. 1, 2013
- Further discussion Feb. 5th (DWA/DRC program meeting)
- Develop education/clear communication to broader community
- Convene DWA to talk about sending a letter to the state
- Develop steps between brainstorm & action
- Create a task force—not contemplating planning funding], but could still influence thinking
- Continued DRC funding of planning process
- Adjust governance?
- DRC to fund DWA staff (authority?)

Note: On February 5, 2013, the Deschutes Water Alliance and the Deschutes River Conservancy held a joint project committee meeting and discussed potential next steps, including development of a task force of both groups, plus additional representation of the non-governmental entities, to further explore how to proceed. These discussions are on-going.