



THEODORE R. KULONGOSKI
Governor

June 22, 2007

The Honorable Diane Rosenbaum, Chair
House Rules Committee
State Capitol, H-380
Salem, OR 97301

Re: Senate Bill 30 and Destination Resorts in the Metolius River Basin

Dear Representative Rosenbaum:

Senate Bill 30-B, now before your committee, addresses a critical issue related to the protection and preservation of one of Oregon's natural treasures, the Metolius River basin.

The Metolius is a federally-designated wild and scenic river and a state-designated scenic waterway. Its headwaters, where the river bursts from the ground, are a wonder of nature. The river basin is one of our state's most pristine places.

I believe the Metolius basin is a special place that deserves special protection.

Also, I believe Jefferson County's "re-mapping" to allow the county to evaluate particular proposals to site destination resorts in the Metolius Basin should be assessed on the basis of its compliance with the legal standards and procedures set forth in state and local law. I understand there are several challenges to the county's decision now before the Land Use Board of Appeals. I support following the established processes for resolving those challenges as they relate to land use decisions. For this reason, I do not support Senate Bill 30.

However, I remain greatly concerned about the future of the Metolius. I salute Senator Ben Westlund and Senator Betsy Johnson, as sponsors and supporters of Senate Bill 30, for raising this issue. They are true champions for the preservation of the Metolius.

Further, I share the senators' concerns about the impact of large-scale destination resorts on this unique state treasure. Their concerns are timely and appropriate.

Already, an initial application for water rights filed by one of the destination resort developers suggests a project whose scope may not be compatible with preservation of the Metolius as we know it today. That application seeks an annual average of 2.5 million gallons of

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water per day from ten wells to serve a projected population of 9,000. There are also reports of two golf courses envisioned for that project. These residences and golf courses would comprise a development several times the size of Sunriver.

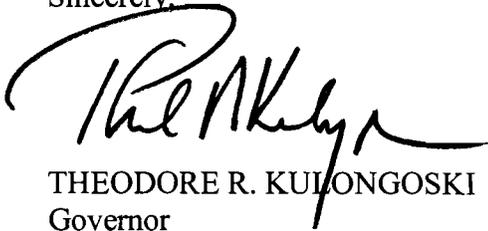
The land use decisions related to the siting of destination resorts in the Metolius Basin will not be the final word on development in that area, nor are they designed to be. The state and the county must also address issues related to the size and scope of specific development projects and their impact on groundwater supplies, surface water flows, water quality and fish and wildlife habitat in the river and its basin. These issues will require further study and assessment to determine the size and scope of development that is consistent with the preservation of the Metolius as a state treasure.

To those ends, I am taking the following actions.

1. I am asking the Oregon Department of Water Resources (ODWR) to examine whether existing laws are adequate to ensure that any new destination resort development in or near the Metolius basin will result in no reduction in stream flows in the Metolius River.
2. I am asking the Oregon Department of Fish and Wildlife (ODFW) to undertake a similar evaluation of whether existing laws are adequate to ensure that new destination resorts in or near the basin avoid any adverse effect on fish or wildlife resources, particularly threatened or endangered species. The Metolius is designated as spawning and rearing habitat for bull trout.
3. Finally, the Oregon Department of Environmental Quality (DEQ) is nearing completion of its Total Maximum Daily Load (TMDL) for the Lower Deschutes sub-basin. As with OWRD and ODFW, I am asking DEQ to evaluate whether its existing laws are adequate to protect the outstanding resource represented by the Metolius.

If the agencies advise me that additional laws are necessary or desirable to achieve these objectives, I will work with the legislature to develop those legislative changes so that we protect the natural treasure of the Metolius basin for generations to come.

Sincerely,



THEODORE R. KULONOSKI
Governor

TRK:tn:jyk
c: Senator Betsy Johnson
Senator Ben Westlund
Speaker Jeff Merkley