

Oregon Water Resources Department
Water Conservation, Reuse and Storage Grant Program
Evaluation for September 2, 2008 Applications

APPLICANT:	Sunriver Environmental LLC / Deschutes County		
STUDY TYPE:	Reuse		
APPLICATION NO.:	GR0011 09		
STUDY NAME:	South County Area Reuse Project		
BASIN:	Deschutes	WRD DISTRICT:	11
WRD FUNDS REQUESTED:	\$127,298	TOTAL COST:	\$254,595

APPLICATION DESCRIPTION:

Sunriver irrigates one golf course and some landscape features with groundwater and it also provides water and sewer service to two adjacent destination resorts that irrigate golf courses using groundwater. The groundwater and surface water in the area are hydrologically connected, and the Deschutes River does not always meet instream flow needs and water quality standards for dissolved oxygen, pH, and chlorophyll a.

The planning study would investigate the feasibility of reusing treated sewage as recycled water. Water replaced by the use of recycled water will be made available for other development in the Upper Deschutes River Basin. This primary goal develops new sources of reclaimed water to replace groundwater that is currently used. A secondary goal is to replace inadequate septic systems in a portion of LaPine that are contributing to groundwater contamination. These goals would be accomplished by extending sewers from Sunriver into South Deschutes County to replace inadequate septic systems.

Water replaced by the use of recycled water will be made available for other developments in the Upper Deschutes River Basin. If 880 houses could be connected to the Sunriver sewerage facility, enough recycled water would be available to supply the demands of a golf course, about 260 acre-feet. The associated project, if implemented, could reduce return flows by replacing septic systems. The applicant indicates that the potential improvement in water quality should offset the reduction in flows.

APPLICATION REVIEW TEAM EVALUATION:

The Application Review Team found the applicant had experience in water reuse project management and that there were potential water quality benefits through the replacement of inadequate septic systems in South Deschutes County and through the treatment of residential wastewater to the Sunriver wastewater treatment facilities. The team found that there was local support for the study.

The team recognized that this was primarily a groundwater water quality and sewerage study, and not a study to resolve water supply issues. This area of the Deschutes Basin has sufficient water to meet its existing water right demands. However, due to the interconnectivity with the middle and lower Deschutes Basin and potential interference with the State Scenic Waterway, no new water rights are being issued without mitigation. The application has an interest in making new water available "that could be applied to a higher or better use," but no specific demand was indicated.

The team felt that given the limited funding associated with the Water Conservation, Reuse and Storage Grant Program, and the severe water quantity problems facing the state, that other applications should be funded prior to this application.

The study is a priority for funding under SB 1069 because it is identified on the Department's statewide water assessment and inventory of potential conservation opportunities. The study could begin on January 1, 2009 and be completed by April 1, 2010.

Application Review Team Funding Recommendation: Do Not Fund.

COMMENTS:

Letters of support for this application were received from Representative Gene Whisnant (two letters); a joint letter from Deschutes County Commissioners Dennis R. Luke, Chair, Tammy Baney, Vice Chair, and Michael M. Daly, Commissioner; David B. Ogden, President of Special Road District #1, Deschutes County; Carl Jansen, Senior Commissioner, Spring River Road District and President, Upper Deschutes River Coalition (included with this letter was a petition signed by 31 residents of the Sunriver area supportive of the feasibility study); and residents Mike Fox, Norm Brookhart, Jim Murphy, and Ron Hoffman.

These letters indicate that there is strong support for a feasibility study to evaluate the potential for treating sewage from more than 1,000 households south of the Sunriver Resort. Currently, the sewage generated by homeowners goes into septic tanks and drain-fields and there is a concern that these septic systems may ultimately contaminate the local, shallow groundwater aquifer with nitrate, which may exceed drinking water standards. Deschutes County has adopted a "local rule" that requires the septic systems to be upgraded, and "system enhancements" are required by DEQ. The estimated costs for nitrate reduction unit upgrades for each septic system are \$10,000 plus an annual maintenance fee of \$500. Although there are vacant residential lots in the Upper Deschutes Basin, there is not existing water available for development. Collecting, treating and reusing the effluent water could free up water that would then become available to new developments.

A letter in opposition was received from Merlyn Webster. Mr. Webster indicated that the current use of the proposed expansion lands was intended and approved to support only Sunriver and no other communities. He is opposed to any "design creep" and states that the grant should not be awarded unless the applicants plan to relocate the operation closer to the new customers.

RECOMMENDATION:

Do Not Fund.