



Statement of Tom Davis*, Upper Deschutes River Steward for the Native Fish Society To LCDC Regarding Destination Resorts – Prineville, October 15, 2008

Summary and Presentation

Our most prized and vulnerable icons – Oregon's native salmon, trout and steelhead, particularly in the badly abused Upper Deschutes watershed, experience the most serious destination resort problems. The good news is that over \$300 million is being invested, or planned, for anadromous and resident fish reintroduction and restoration in the Upper Deschutes. But if we continue with our ill-conceived notion of jobs and money from destination resorts much of this investment will be lost. By definition destination resorts bring the impacts of urbanization to our most sensitive and valuable places, i.e. our most prized destinations. The "good sense" answer is no. Oregon must recognize that destination resorts are a high-risk type of urban sprawl, which is as damaging today as when Governor Tom McCall led the effort to eliminate sprawl in the '70's.

The problems include 1) no protection of Oregon's special places for fish, such as the Metolius Watershed and stream-lake system; 2) inadequate protection of water quality from land uses; 3) ineffective soil disturbance controls; 4) depletion of groundwater and surface water; and 5) elimination of riparian cover.

1. We must protect our **special places**, or Critical Areas of State Concern, for fish. For example the entire Metolius Watershed and impact zone should be designated as a Critical Area of State Concern under ORS 197, and not open to destination resorts or similar development.
2. Enforceable, statewide **water quality** requirements directed at land practices and urban/suburban development are essential. Fish threatened or affected by nonpoint sources such as urban/suburban stormwater or onsite wastewater systems must be protected. The US EPA recently stated, "*regulatory programs in Oregon do not adequately protect water quality and associated beneficial uses (e.g., salmonid spawning and rearing, public water supply).*"

There are 14,905 miles of Oregon streams listed by DEQ for violating one or more pollutant standards. Over 1000 miles are in the upper Deschutes, including many miles that will be affected by destination resorts. Most of the problems originate from nonpoint sources, i.e. land development, uses and management practices. DEQ needs LCDC help in getting the water quality job done. This cooperative approach should include statewide enforceable requirements by DEQ and LCDC.

3. Oregon needs effective protection of **fish spawning and rearing habitat** through statewide controls on construction and all soil disturbances to prevent damage to eggs and alevins from eroded sediment.
4. Oregon's **groundwater aquifers** and **flows in all stream** reaches must be protected from additional losses. Destination resorts are major problems for stream flow.
5. The protection and restoration of **riparian cover** along streams is essential.

The Metolius Watershed and impact zone should be immediately exempted from destination resort development; then designated with other watersheds and streams important to salmonids, as Critical Areas of State Concern. The study recommended by DLCD staff should be implemented. Destination resort applications should be held pending completion of the study. The destination resort law should be repealed. Destination resorts are small, sprawl-type cities. If they are essential they should be within the urban growth boundary of an incorporated, accountable city, preferably one that already exists. More on the five topics above follow.

Additional Background

1. **Areas of state concern** - ORS 197.040(g) states in regard to the duties of the Land Conservation and Development Commission (LCDC): "*(g) Review and recommend to the Legislative Assembly the designation of areas of critical state concern;*" It does not appear that the LCDC has designated any areas of state concern under ORS 197.040(g) since the '70's. Agricultural land, forestland, Willamette River Greenway, ocean resources and estuaries were all recognized as areas of "state concern", and provided with goals and administrative rules. But our fish, rivers and other water resources have been sorely neglected by LCDC and other state agencies in providing adequate protection for salmon, trout and steelhead from inappropriate development such as destination resorts.

Oregon's salmonids are declining in many areas, and much of the decline is caused by land developments with little accountability that have been poorly located, designed or maintained. At a minimum the special waters and watersheds that provide our last, best nurseries for these exceptional fish should be off-limits for more abuse. The Metolius is an excellent example of a watershed and its waters that need such protection.

2. **Water Quality** - Water temperatures in excess of salmonid requirements and Oregon standards occur during certain periods in over 1000 miles of streams in the upper Deschutes. Statewide there are 1,117 water bodies (streams or lakes) on DEQ's 2004/2006-303(d) list for not meeting one or more Oregon pollutant standards. There are 14,905 miles listed statewide for violating one or more pollutant standards.

A December 14, 2005 letter from the U.S. Environmental Protection Agency (EPA) to ODFW on the Coastal Coho Plan (CCP); and letters from DEQ and ODFW in 2007 to Governor Kulongoski regarding the sufficiency of Oregon's programs for protecting the world-class Metolius River from destination resorts; surfaced Oregon's water quality problems. The EPA letter summarizes the insufficiencies for Oregon's water quality programs.

"... continued implementation of the existing regulatory framework in Oregon does not adequately address widespread water quality problems and will not meet the goals in the CCP"... "there is a significant body of science demonstrating that regulatory programs in Oregon do not adequately protect water quality and associated beneficial uses (e.g., salmonid spawning and rearing, public water supply)."

ODFW had this to say about groundwater discharges and the impact on surface water quality in the Metolius.

"If the development relies on septic systems there would likely be an impact to groundwater quality which in turn could affect surface water quality through groundwater discharge to surface water".

DEQ's November 2, 2007 letter to the Governor about the Metolius stated the following.

"Subsurface discharge to shallow soils or land application to the surface of soils may be allowed. Even with substantial removal of nutrients and other constituents from this wastewater prior to discharge, small amounts of nutrients may reach the Metolius River or its tributaries through runoff or seepage to groundwater that flows into the Metolius. The river is sensitive to nutrients, and small increases in nutrients could result in some degradation of water quality, such as decreased dissolved oxygen, increased aquatic plant growth, and changes in pH, among others."

For post construction the letter continues, *"In general, DEQ does not have a regulatory framework for controlling stormwater from these developments once they are constructed. Local governments may exercise control".* Stormwater runoff has a devastating effect on salmonids as Washington is finding out. Washington is far ahead of Oregon in dealing with urban/suburban stormwater quality problems.

http://seattletimes.nwsources.com/html/localnews/2004405985_growth_stormwater20m0.html

In closing, DEQ makes an accurate and candid statement:

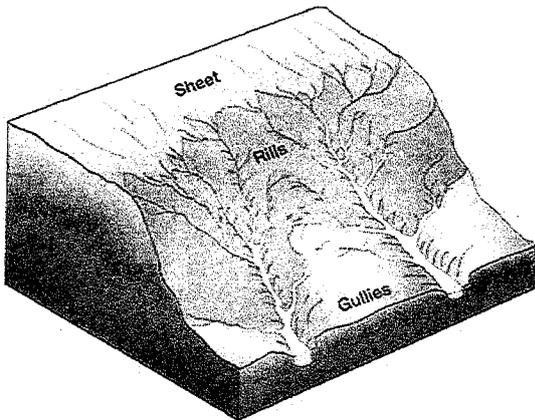
"... there are significant sources of pollutants that are comparatively uncontrolled, and the potential effects of these discharges, along with potential decreases in instream flow from development could have a measurable impact on an outstanding water such as the Metolius River. Because DEQ does not have a regulatory

framework for stormwater management after construction, we believe these developments could pose a significant risk to water quality."

For 35 years the fish related goals of the Federal Clean Water Act have not been met because the nonpoint provisions related to land development, uses and management practices have not been adequately implemented.

Real money is at stake here. For example, Whychus Creek is one of the prime destinations for the steelhead reintroduced to the Deschutes system above the Pelton – Round Butte complex at a high cost. The 18° C Oregon temperature standard was consistently met at only two of the Creek's monitoring stations in July 2007. Steelhead spawning is believed to require 13° C water temperature and all stations failed to meet that criterion during the likely spawning season through May at the 20 cfs low flow target.

- 3. Construction and soil disturbance controls** – Regarding construction and land disturbances DEQ states that its permits require *"practices and control technologies"* but that these *"do not always result in complete control."* Erosion, or the detachment of disturbed soil by water, is followed by the transport (routing) of the eroded soil through the watershed, sometimes over very long time periods. Erosion has three basic components, mass (e.g. landslides), channel and surface/sheet. The first two are easily observed, but surface erosion, which usually begins with raindrop splash or water flow, is difficult to see and understand. The resulting rivulets, rills and gullies are more easily observed.

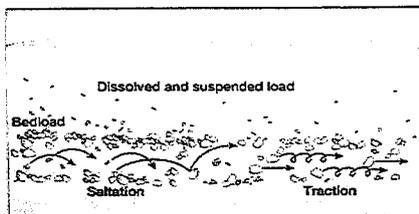


Surface or Sheet Erosion

A January 20, 2008 article in "The Oregonian" (quotes below) summarized the property damage aspect of the mass erosion problem, but stream sedimentation damage from such erosion is also usually severe.

"State geologists predicted the landslide that crushed homes and severed U.S. 30 west of Clatskanie, but the state shelved the information partly because of concerns it would interfere with land development."

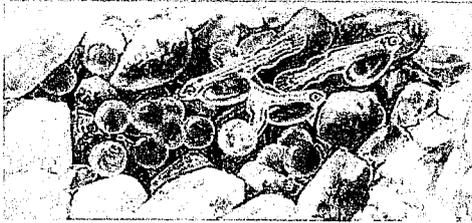
All types of accelerated, or human-caused, erosion cause the spawning gravel impacts from sediment. Primarily "bedload" movement of sediment causes the damage. It's difficult to see, monitor or fit within an elementary, water quality "regulatory framework", but it is a major threat to healthy salmonid populations. The water may be very clear while bedload damage is occurring. Bedload movement is represented below.



Bedload

NFS Testimony to DLCD – Prineville, 10/15/08

Salmonid eggs and alevins are in the gravel for two to eight months, depending on the species and stream conditions. The graphic below is taken from a USF&WS publication and shows the dependence of alevins and eggs on stable gravel with many interstices. Sediment destroys such "nursery" conditions.



Alevins and eggs in spawning gravel

- 4. Groundwater aquifers and flows in all stream reaches** - In OWRD's letter to the Governor regarding the providing of adequate protection against flow depletion for the Metolius, three options were described. Two would have provided the needed protection against the Metolius springs and river flows being depleted from groundwater pumping at the proposed destination resorts. OWRD rejected all three. It's obvious that LCDC, in conjunction with OWRD, should have enforceable requirements that protect all reaches of our streams from groundwater withdrawals that deplete streamflow.
- 5. Riparian cover** – There are thousands of stream miles in Oregon that are in violation of Oregon water quality standards. The loss of riparian cover that results in stream temperature increases is the reason for much of the problem. New land development should be required to preserve the existing riparian cover along streams and lakes, and restore the riparian cover that has been lost on the property.

Tom Davis*, PE
Native Fish Society

Volunteer River Steward
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***Related Experience** - 35 years experience as an Environmental/Water Resources Engineer - 20 years as a consultant with consulting firms; 15 years in staff positions with local, state, federal and regional agencies. Now retired. MSCE degree Water Resources Engineering – University of Idaho, 1967 (Thesis - surface water – groundwater relationships); Registered Civil and Environmental Engineer in Oregon; 30-year Oregon resident.

- Soil disturbance, erosion, stream-sedimentation and forest practices, projects for DEQ, US EPA, Pacific Northwest Regional Council, the City of Ashland, Oregon and the Flathead 208 Council.
- Seven stormwater management plans for five Willamette Valley local jurisdictions including Salem and Portland.
- Project manager of numerous stormwater and flood control designs; and the combined sewer overflow study of the Columbia Slough; as the Stormwater Design Section Supervisor and Environmental Planning Division Manager for the Portland Bureau of Environmental Services ('83 to '89).
- Project Manager for studies and policy actions regarding on-site wastewater systems, nitrate, groundwater and surface water at Boise, Idaho and Washoe County, Nevada
- Management of the engineering facilities and cost analyses subconsultant team for three Portland Metro Area Urban Growth Boundary studies (Metro and City of Hillsboro).
- Staff manager for the Idaho Water Resources Board of statewide studies by three Idaho agencies of streamflow needs for a) fish, b) recreation and c) water quality in all major Idaho Rivers.
- Consultant and staff management of flood plain hydrology-hydraulic studies in Oregon, Washington and Idaho.
- Watershed, forest management and erosion analysis of the Ashland Municipal Watershed as a consultant to the City of Ashland, Oregon.
- Water availability evaluation of four potential water sources (Columbia, Clackamas, Willamette and Trask Rivers) as the Project Manager for a consultant project for the Portland Water Bureau.
- Idaho Coordinator of Federal-State Wild & Scenic Rivers Studies – 1970 – 1975.
- Construction management and inspection at a large federal water project in Montana.
- Consultant and staff manager of numerous municipal drinking water and wastewater planning studies in Oregon, Idaho and Nevada.



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Tom Davis - Native Fish Society

LEDC Statement 10/13/08
plus Attachments

Statement
To LADDC - 10/15/08
in Prineville
Regarding destination resorts
by
Tom Davis
Native Fish Society
Plus attachments on CD

**Testimony Before the
House Ag. & Natural Resources Committee**

Destination Resorts

*Presented by: Jim Kean, Co-Manager, The Metolian
October 15, 2008*

My name is Jim Kean and I am the co-manager of the Metolian outdoor community with Shane Lundgren. First of all, I would like to thank the agency and the committee for convening this hearing. The topics we are discussing here are timely and warranted.

We would like to express our support for changing how development, in particular destination resorts, works in Oregon. When we look back at the 20th century, we will see a society that was developed with the following themes and assumptions:

- 1) Cheap energy.
- 2) Unlimited water.
- 3) Development that introduces man made pollutants into the environment
- 4) Natural resources are free to be used in any way for almost any use without consideration of true cost.
- 5) The government will pay for upkeep of natural resources.
- 6) A majority of land is set aside for human use and flora and fauna are excluded and cordoned-off into scenic but sterile landscapes.

Over the past twenty years, we have seen the rise of destination resorts based on these assumptions of cheap energy and unlimited water.

- 1) Located in Central Oregon and designed around a golf lifestyle.
- 2) All improvements and investments were assumed to occur on the specific property.
- 3) They contributed to the county tax base.
- 4) They did not contribute to the upkeep of the local environment.
- 5) Workers lived offsite.

The Metolian is an exciting new approach to this type of development and a potential template for these developments. Why are we different?

- 1) The second largest industry in the western U.S. is outdoor recreation – particularly hiking, biking and camping. Yet it is poorly serviced by existing infrastructure and available hospitality options.
- 2) We will provide a community built to attract ecotourists and low impact outdoor recreationalists. This consumer group represents a well-heeled group that is supportive of sustainable principals.

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a unique outdoor community

- 3) We will be built around sustainable principles onsite that allow for net zero use of water and carbon as well as restoring a ravaged site using state of the art development approaches.
- 4) We will be deliberately smaller in density as well as footprints of built environment.
- 5) We plan to coordinate with the Forest Service to minimize perimeter fire danger as well as to serve as a base camp for fire fighting efforts during fire season.
- 6) We will have a more diverse community that supports stable revenue and jobs year round with summer and winter sports.
- 7) We will have stable financial support of environmental rehab of the entire basin supported by yearly fees from the Metolian. This would cover everything from soil repair, trash pickup, thinning, riparian repair, funding cleanups and conservation programs in camp Sherman, wildlife bridges, the list goes on.
- 8) Lastly, we will provide social justice for employees by providing high value living wage jobs that include affordable housing options.

The 20th century has left the Metolius basin a mess and in need of restoration. Yet for the past twenty years, the Forest Service has seen its budget cut with an increasing percentage going to fire fighting. Given the current economy we need to plan to assume more and more of the burden locally. However, this will not come from the state and local governments as they have their own budgetary strains. The answer is public/private partnerships.

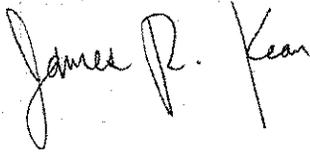
With the Metolian outdoor community as a stable base of financial support – restoration would proceed. In addition, it would solve the problem of providing quality well managed outdoor experiences to a growing population looking to hike, mountain bike, rock climb, snow shoe, ski, etc. It would provide local, high quality jobs focused on sustainable industries. Lastly, it would provide the economic rationale to promote small focused ecoresorts throughout the state and not just in certain counties.

Another aspect we would urge the committee to consider is what will provide for sustainable development but also attract new investment to the state. Potential investors in new projects are not opposed to high standards, rather high quality groups welcome them as they keep out groups and projects of lower quality. However, once high standards are set, the governing bodies need to maintain a fair and orderly manner of approving new projects. Investors need certainty and will go where it is available. Setting high standards without providing for a clear and fair process of approval drives up costs and discourages potential investors.

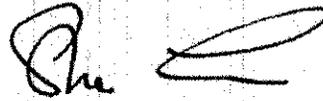
We are proud that we have consistently raised the subject of sustainable development in the dialogue. Three years ago it was not part of the discussion when projects and environmental issues came up. Now it is and it is something that should be encouraged as it can become a competitive industry for Oregon.

Lastly, we would like to offer to help with our viewpoints and expertise should the State need our assistance. Please feel free to call upon us at any time.

Best regards,

Handwritten signature of James P. Kean in cursive script.

Jim Kean
Co-Manager

Handwritten signature of Shane Lundgren in cursive script.

Shane Lundgren
Co-Manager

The Economic Value of Trail Networks

Over the last 30 years, the western states have transitioned economically from an economy based mainly on extraction of such resources as timber harvesting and mining to a situation where our common natural resources have higher value when used for low impact recreational activities. To support and encourage this very positive form of economic activity, state and local governments need to invest in outdoor recreational infrastructure, such as multiuse trails, as well as encourage the development of hospitality infrastructure like outdoor oriented resorts that supports this type of activity.

Recent surveys have shown that one of three people from the West Coast identify themselves as mountain bikers, hikers, backpackers, trail runners, and climbers and regularly engage in these activities. Moreover, from an economic development standpoint the people engaging in these activities are generally well-educated and have above average disposable income. Lastly, as a constituency, they are motivated to support intelligent environmental policies that promote low impact access as well as long-term management and renewal of key natural areas.

Surveys consistently find that hiking is one of the most highly popular forms of outdoor recreation activities. The broad appeal of hiking comes from its combination of several pursuits – an interest in scenery, wildlife, solitude, and discovery – all in a low-impact form of healthy recreation that is highly accessible. A 2006 study done by the Outdoor Industry Association highlighted the following findings:

- In 2005, one in three Americans went hiking, making the activity one of their top three favorites forms of outdoor pursuits.
- Hiking and backpacking remain the second most popular form of activity on outdoor-centered vacations.
- Even more significant, almost half of Westerners took off for a hike at some point during the year.
- For the majority of participants hiking is repeat activity; the average Western hiker went out 11 times during a year.

A key aspect related to quality of life in the Pacific Northwest is the ability to readily access spectacular natural settings. This has been one of the attractions bringing new residents to the region. As well, the Pacific Northwest is a Mecca for outdoor tourism from out of state visitors.

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A key amenity attracting both residents as well as visitors is the presence of a well-developed trail system. As well such a trail system aids in the management of human traffic into nature and mitigates the potential damage too much activity might cause. Lastly, people who participate in outdoor activities are generally more likely to be strong supporters of our Forest Service and various federal lands and advocates for effective environmental management and policies.

A critical question facing policymakers has been that of trying to answer what value for their community will be generated by making an investment in trails and trail systems as well as providing for ongoing maintenance? It is an important question to answer as the alternative to preserving an area for low-impact recreational use often means giving up the area to neglect, or opening it up to motorized recreation. It is also a difficult question to answer as the indicators of positive economic activity arising from well constructed and maintained trail networks are often not readily apparent or attributable to the actual investment in a trail network. This sometimes makes asking for appropriations from taxpayers difficult. Policy makers have also been faced with the question of whether to fund rebuilding trails that have deteriorated due to neglect, overuse, or natural processes. Given the complexities, some policymakers may prefer to preserve a region without the added expense of maintaining public access.

Advocates for low impact recreational use and public access to public lands must be armed with a repertoire of facts supporting recreation's benefit to local economies.

With that in mind, here are the facts as presented in two studies done by the Outdoor Industry Foundation in 2006:

- Nationally, overall low-impact outdoor recreation, which includes bicycling, camping, fishing, hunting, paddling, skiing, snowshoeing, climbing, hiking, backpacking, and wildlife viewing, contributed \$730 billion to the U.S. economy in 2005.
- The industry also supported 6.5 million jobs, generated \$88 billion in annual state and national tax revenue, sold \$289 billion worth of gear and services, and made up 1 in 12 dollars circulating in the economy. This put it second only to the telecom industry as far as economic impact.
- Regionally, outdoor enthusiasts on the Pacific Coast contributed more than any other region -- nearly \$81.7 billion.

- In addition, they supported 762,247 jobs, spent \$46 million in trip expenditures, and contributed over \$9 billion in taxes. Trail-related activities generate 716,000 jobs and \$11.2 billion in tax revenue.
- In Oregon, trail related activities from both residents as well as visitors annually generate approximately \$3.1 billion in total economic activity, \$1.78 billion in wages and business earnings, and just over 41,000 jobs.

These figures point out the significance of the outdoor industry and support investment in trails and support systems for the outdoor industry.