



State of Oregon Department of Environmental Quality

Waldo and Crater Lakes Outstanding Resource Waters Advisory Committee #2 Materials

Contact: Debra Sturdevant

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Waldo and Crater Lakes ORW Rulemaking

Advisory Committee Meeting 2 Agenda

June 16, 2020; 1 p.m.-3:30 pm
Web meeting using Microsoft Teams

[Join Microsoft Teams Meeting](#)

+1 971-319-4991 United States, Portland (Toll)
Conference ID: 328 604 348#



State of Oregon
Department of
Environmental
Quality

Water Quality Standards

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restoring, maintaining and
enhancing the quality of
Oregon's air, land and
water.*

Time Topic

1:00 p.m.	Log in and MS Teams logistics
1:10 p.m.	Introductions; Meeting ground rules; Agenda review
1:30 p.m.	Discussion and input: draft rule language
2:10 p.m.	Discussion and input: draft fiscal impact statement
2:30 p.m.	Rulemaking process and schedule
2:45 p.m.	Next steps
3:00 p.m.	Adjourn meeting

Materials available for review before the meeting: (by June 8 or 9)

1. Meeting agenda
2. Draft Fiscal Impact Statement
3. Draft rule language

These materials are available on the rulemaking web site: [Waldo ORW Rulemaking](#)

Meeting Objectives:

1. Members have the opportunity to ask follow up questions from the first meeting.
2. Draft rule language is presented and members provide input. Members understand when and how to provide further input after the meeting.
3. A draft fiscal impact statement is presented and members provide input. Members understand when and how to provide further input after the meeting.
4. Members understand the rulemaking process and timeline.

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Discussion Draft

Draft Rule Amendment Options - Excerpts

340-041-0004

Antidegradation

(8) Outstanding Resource Waters Policy. Where existing high quality waters constitute an outstanding State or national resource such as those waters designated as extraordinary resource waters, or as critical habitat areas, the existing water quality and water quality values must be maintained and protected, and classified as "Outstanding Resource Waters of Oregon."

(a) The commission may specially designate high quality water bodies to be classified as Outstanding Resource Waters in order to protect the water quality parameters that affect ecological integrity of critical habitat or special water quality values that are vital to the unique character of those water bodies. The department will develop a screening process and establish a list of nominated water bodies for Outstanding Resource Waters designation in the Biennial Water Quality Status Assessment Report (305(b) Report). The priority water bodies for nomination include:

- (A) Those in State and National Parks;
- (B) National Wild and Scenic Rivers;
- (C) State Scenic Waterways;
- (D) Those in State and National Wildlife Refuges; and
- (E) Those in federally designated wilderness areas.

(b) The department will bring to the commission a list of water bodies that are proposed for designation as Outstanding Resource Waters at the time of each triennial Water Quality Standards Review; and

(c) When designating Outstanding Resource Waters, the commission may establish the water quality values to be protected and provide a process for determining what activities are allowed that would not affect the outstanding resource values. After the designation, the commission may not allow activities that may lower water quality below the level established except on a short term basis to respond to public health and welfare emergencies, or to obtain long-term water quality improvements.

(d) The following are Outstanding Resource Waters of Oregon: ~~The North Fork Smith River and its tributaries and associated wetlands, South Coast Basin. See OAR 340-041-0305(4).~~

[A\) The North Fork Smith River and its tributaries and associated wetlands, South Coast Basin. See OAR 340-041-0305\(4\).](#)

B) Waldo Lake and its associated wetlands, Willamette Basin. See OAR 340-041-0345(7)

C) Crater Lake, Klamath Basin. See OAR 340-041-0185(6)

340-041-0345

Basin-Specific Criteria (Willamette): Water Quality Standards and Policies for this Basin

OPTION 1 (language proposed in the petition):

(7) Outstanding Resource Waters of Oregon (ORWs)

(a) Waldo Lake and associated wetlands.

(b) The current high water quality, exceptional ecological values, and existing and designated uses of the ORWs identified in this rule (“these waters”) shall be maintained and protected except as altered by natural causes.

(c) No new NPDES discharge or expansion of an existing discharge to these waters shall be allowed.

(d) No new NPDES discharge or expansion of an existing discharge to waters upstream of or tributary to these waters shall be allowed if such discharge would significantly degrade the water quality within these waters.

(e) No activities shall be allowed that would degrade the existing water quality and ecological characteristics and values of these waters.

OPTION 2: Use the option chosen for Crater Lake, except for (f). See below.

340-041-0185

Basin-Specific Criteria (Klamath): Water Quality Standards and Policies for this Basin

OPTION 1:

(6) Outstanding Resource Waters of Oregon (ORWs)

(a) Crater Lake.

(b) The current high water quality, exceptional ecological values, and existing and designated uses of Crater Lake shall be maintained and protected except as altered by natural causes.

(c) No new NPDES discharge or expansion of an existing NPDES discharge to Crater Lake shall be allowed.

(d) No new NPDES discharge or expansion of an existing NPDES discharge to waters upstream of or tributary to Crater Lake shall be allowed if such discharge would significantly degrade the water quality within the lake.

(e) No new activities or expansion of existing activities shall be allowed if the new or expanded activity ~~that~~ would degrade the existing water quality and ecological characteristics and values of Crater Lake, except on a short term basis to respond to public health and welfare emergencies, or to obtain long-term water quality improvements.

(f) The Environmental Quality Commission acknowledges the mandate of Crater Lake National Park to also manage the park for the purpose of providing public access and enjoyment.

OPTION 2:

(6) Outstanding Resource Waters of Oregon (ORWs)

(a) Crater Lake.

(b) The current high water quality, exceptional ecological values, and existing and designated uses of Crater Lake shall be maintained and protected except as altered by natural causes.

(c) No new NPDES discharge or expansion of an existing NPDES discharge to Crater Lake shall be allowed.

(d) No new NPDES discharge or expansion of an existing NPDES discharge to waters upstream of or tributary to Crater Lake shall be allowed if such discharge would ~~significantly~~ degrade the water quality within the lake.

(e) Activities in and on Crater Lake and in the watershed shall be managed to protect and maintain the existing water quality and ecological characteristics of Crater Lake, except on a short term basis to respond to public health and welfare emergencies, or to obtain long-term water quality improvements.

(f) The Environmental Quality Commission acknowledges the mandate of Crater Lake National Park to also manage the park for the purpose of providing public access and enjoyment.



State of Oregon Department of Environmental Quality

Waldo Lake and Crater Lake Outstanding Resource Water Rules Draft Fiscal Impact Statement

Fee Analysis

This rulemaking does not involve fees.

Statement of fiscal and economic impact

Fiscal and Economic Impact

Waldo Lake

DEQ expects that the proposed rules, by protecting the current water quality in Waldo Lake, are likely to have no negative fiscal impact to agencies, businesses, or the public. While adopting the proposed rules is unlikely to significantly change the number of visitors to Waldo Lake, it may support already existing revenue associated with recreation and tourism. The Willamette National Forest Land and Resource Management Plan has defined recreation objectives for Waldo Lake. Waldo Lake is an extremely popular destination for recreation in the region. There are an estimated 44,725 visitors to the Waldo Lake area per year. Most of Waldo Lake's shoreline has dispersed recreation that is semi-primitive and non-motorized. Waldo Lake's three developed campgrounds (North Waldo, Islet, and Shadow Bay) which have over 200 developed sites, are usually open starting in June or July. Typically the campgrounds are full in August and September. An estimated 29,725 overnight campers use these three campgrounds each year.

Waldo Lake is partially surrounded by forest designated as wilderness area. This means no logging, development, agricultural activity, or grazing will be allowed in the foreseeable future. Wilderness area designation prohibits commercial enterprises, road development, and using motorized vehicles or motorboats. Motorized boats are currently prohibited on Waldo Lake.

Management goals under the USDA Forest Service's management plan for Waldo Lake include conserving the lake's unique geographical, topographical, biological, and ecological processes. The U.S. Forest Service objectives and plans for Waldo Lake management are consistent with the proposed Outstanding Resource Water designation. The proposed rules are not expected to reduce regional revenue and may positively affect revenue if the number of people recreating in the area increases after rulemaking.

Crater Lake

DEQ expects that the proposed rules would have no negative fiscal impact on the economy of the region surrounding Crater Lake National Park. Given the lake is in a national park, the Outstanding Resource Water designation is not expected to increase the number of visitors to the park or have a negative impact on tourism revenue in the region. Rather, the designation would support income from recreational users and visitors by helping to protect the primary feature of the park, Crater Lake.

One of the national park's major goals is to provide and encourage visitor access. The park's southern entrance station at Mazama Village is 76 miles from Medford and 56 miles from Klamath Falls. In summer, the park can also be reached on the north side. In 2019, there were 704,512 recreation visitors to the park and the park is considered a leading attraction in Southern Oregon and contributes a significant amount of revenue to the regional economy.

Overall tourism contributes \$200 million annually to Klamath County. This is 1.8% of Oregon's tourism economy. This value has increased by more than 100% compared to 10 years ago. According to the National Park Service, Crater Lake National Park contributes \$81 million annually to surrounding communities in Klamath County, Central Oregon, the Upper Rogue Valley, the Lower Rogue Valley, and the Willamette Valley. With Crater Lake National Park generating about \$32 million of Klamath Counties' total \$200 million in overall in-bound tourism, the park accounts for about 16% of tourism in Klamath County.

There are three commercial services within and around the park, known as concessions. These include Crater Lake Hospitality (providing lodging, scenic tours, retail operations, food service), Crater Lake Trolley (a shuttle company providing scenic and sightseeing tours), and Xanterra Parks and Resorts (providing retail, lodging, auto, gas and service stations). In the 2016 fiscal year, revenue from concessions was \$13,413,607. In addition, there were 54,223 overnight stays within or around the park in 2019.

The National Park Service's Crater Lake management plan is consistent with the proposed rules for the designation. The Crater Lake monitoring program has goals that are in alignment with the rulemaking. Specifically, the monitoring program investigates potential short- and long-term changes to lake water quality. If any changes are found, the program proceeds with mitigation recommendations. Crater Lake has been the object of scientific studies since the 1800s and it is the most studied caldera lake in the world. This research has contributed to an internationally recognized long-term body of scientific knowledge. Crater Lake National Park has had an environmental monitoring program running continuously since 1983. Research has been conducted by biologists at Crater Lake and by university and government scientists. The proposed rules would likely lead to indirect economic benefits associated with research activities (i.e. grants to researchers, travel to the area for research, etc.). DEQ is unable to quantify these specific benefits with available information.

Statement of Cost of Compliance

There is no expected cost of compliance with the rules because there are no current activities around Waldo Lake or in Crater Lake National Park that do not currently comply with the rules. The U.S. Forest Service and National Park Service are already managing these lakes in a manner that is consistent with meeting the proposed protection policies.

State and Federal agencies

DEQ

There are no expected direct impacts to the DEQ. The rules prevent wastewater discharges and any activities that would degrade the water quality of Waldo Lake and Crater Lake and their associated wetlands from their current condition. Therefore, there should be no need to develop permits, 401 certifications, or TMDLs for these waterbodies attributable to these rules.

U.S. Forest Service and National Park Service

DEQ does not expect any direct fiscal impacts to the Willamette National Forest or to Crater Lake National Park because the current management goals for Waldo Lake and Crater Lake are consistent with the proposed designation. Therefore, there are no expected economic costs for new management plan implementation or costs associated with personnel hours as a result of the proposed rules.

Local governments

Direct Impacts

DEQ does not expect a direct fiscal impact to local governments as a result of this rule.

Indirect Impacts

DEQ does not expect an indirect fiscal impact to local governments as a result of this rule. Rather, the rule is expected to support revenue related to recreation and tourism.

Public

Direct Impacts

DEQ does not expect a direct fiscal impact to the public as a result of this rule.

Indirect Impacts

DEQ does not expect indirect fiscal impacts to the public as a result of this rule.

Large businesses - businesses with more than 50 employees

Direct Impacts

DEQ does not anticipate fiscal impacts to any large businesses as a result of the rule.

Indirect Impacts

DEQ does not anticipate indirect impacts to any large businesses as a result of the rule.

Small businesses – businesses with 50 or fewer employees

Direct Impacts

DEQ does not expect that the proposed rule would directly impact small businesses.

Indirect Impacts

The proposed rules may provide indirect benefits to businesses relying on revenue from recreational users and tourists in the area. Businesses may include: local hotels, gas stations, restaurants, campgrounds, grocery stores, camping supply stores, recreation related stores, and others that benefit from tourism and recreation. DEQ is unable to quantify such impacts with available information but personal communication with the advisory committee indicates that the rules may support benefits associated with recreation. This includes at least six small businesses located near Waldo Lake, specifically in the Crescent Lake area, Gilchrist, and Crescent. The businesses include a sporting goods store center, a tavern, two restaurants, a grocery store, and a gas station. Local businesses that offer lodging and overnight accommodations are also expected to benefit.

No small businesses are located within Crater Lake National Park. The advisory committee verified this. Therefore, there are no impacts expected to small businesses within Crater Lake National Park. However, there are a number of small businesses in the region supported by visitors to the park. In addition, groups that research the cultural and natural resources of Waldo Lake and Crater Lake are expected to indirectly benefit from the proposed rules.

1. Estimated number of small businesses and types of businesses and industries with small businesses subject to proposed rule.

The proposed rule would not subject any small businesses operating in either area to meet new requirements.

2. Projected reporting, recordkeeping and other administrative activities, including costs of professional services, required for small businesses to comply with the proposed rule.

No additional activities are required to comply with the proposed rules.

3. Projected equipment, supplies, labor and increased administration required for small businesses to comply with the proposed rule.

No additional resources are required for compliance with the proposed rules.

4. Describe how DEQ involved small businesses in developing the proposed rules.

DEQ does not expect that the proposed rules will impose any costs on any small businesses. Lynda Kamerrer, president of the Oakridge and Westfir Chamber of Commerce, provided information on small businesses in Waldo Lake area. Jim Chadderdon, executive director of Discover Klamath, provided names of small businesses that may benefit from sustained or increased tourism in the area of Waldo Lake as a result of the proposed rule. These small businesses include: Odell Sportsman Center, Manley's, The Café, Gilchrist Grocer and Deli, Mohawk Restaurant, and Crescent Shell. In addition, DEQ believes that businesses associated with lodging and accommodation may also benefit from increased tourism.

DEQ did not identify any small businesses within Crater Lake National Park because there are none. However, there are a number of small businesses in the region supported by visitors to the park.

Documents relied on for fiscal and economic impact

Document title	Document location
U.S. Forest Service, Willamette National Forest. 2007. Decision notice and finding of no significant impact managing recreation use on Waldo Lake environmental assessment. Forest Plan Amendment No. 47.	Waldo Lake Environmental Assessment
U.S. Forest Service, Pacific Northwest Region. 1990. Land and resource management plan: Willamette National Forest.	Land and Resource Management Plan: Willamette National Forest
National Park Service, U.S. Department of the Interior. 2015. Foundation Document Crater Lake National Park Oregon	Crater Lake National Park Foundation Document
National Park Service. 2017. Commercial Services Program 2016 AFR Revenues.	Crater Lake Concession Revenue

Document title	Document location
National Park Service. 2020. NPS Visitor use statistics.	Crater Lake Visitor Use Statistics

Advisory committee fiscal review

DEQ appointed an advisory committee.

As ORS 183.33 requires, DEQ asked for the committee’s recommendations on:

- Whether the proposed rules would have a fiscal impact,
- The extent of the impact, and
- Whether the proposed rules would have a significant adverse impact on small businesses; if so, then how DEQ can comply with ORS 183.540 reduce that impact.

The committee reviewed the draft fiscal and economic impact statement and its findings are stated in the approved minutes dated **DATE**.

The committee **Enter specifics about the committee’s fiscal impact review**. The committee determined the proposed rules would/would not have a significant adverse impact on small businesses in Oregon.

Housing cost

As ORS 183.534 requires, DEQ evaluated whether the proposed rules would have an effect on the development cost of a 6,000-square-foot parcel and construction of a 1,200-square-foot detached, single-family dwelling on that parcel.

DEQ determined the proposed rules would have no effect on development costs. Waldo and Crater lakes are currently on federal lands managed by the U.S. Forest Service and the National Park Service, respectively. Residential and business development is not underway and is not a goal of the management plans for either lake. In addition, the proposed rules are not expected to significantly impact development in the surrounding areas. Visitation to the lakes is primarily driven by the recreation, natural beauty and research opportunities that currently exist.