



## Harney Groundwater Rules Advisory Committee: Discussion Groups

Meeting #3 Hybrid in person & Zoom

Monday, September 17, 2024 from 8:30-11:30 AM (PT)

### Meeting Summary

Meeting Zoom Recording Link: [https://media.pdx.edu/media/t/1\\_z9bsbzyf](https://media.pdx.edu/media/t/1_z9bsbzyf)

#### **I. Attendees:**

Andrew Beers (Burns Paiute Tribe), Barbara Cannady (Burns Times Herald), Barbra Howard, Bobby Cochran (Oregon Consensus), Breanno O'Connor (Harney SWCD), Brenda Smith (High Desert Partnership), Bryant Kuechle (Langdon Group), Curt Blackburn, Cade Tiller (OWRD), Chad Karges (High Desert Partnership), Christopher Hall (Water League), Colby Marshall, Dally Swindlehurst (OWRD), Darrick Boschman (OWRD), Dawson Quinton (Harney Economic Development), Debbie Gouveia, Harmony Burrigh (High Desert Partnership), Holly Mondo (GSI Water Solutions), Fred Flippence (Harney Electric), Jake Blackburn, Jason Spriet (OWRD), Jess Wenick (Malheur National Wildlife Refuge), Ken Bierly, Kristen Shelman (Harney County Court), John Rowell, Karen Moon (Harney County Watershed Council), Lorissa Singhose, Mark Buckley (EcoNorthwest), Mark Owens, Peggy Browne (Oregon Trail Electric), Roger Sheeley (OSU Agricultural Research Station), Sheen Miltenberger (Department of State Lands), Steve Rickman (Burns Electric), Travis Singhose

#### **II. Action items**

- Distribute meeting summary, slides, and meeting recording (Oregon Consensus)
- Define some optional scopes for an economic analysis to bring back to OWRD, the RAC, and discussion groups (Oregon Consensus and HDP, starting with better understanding OSU's Bill Jaeger's work)
- Explore funding opportunities for expert economic support (OWRD, Rep. Owens)

#### **III. Summary**

##### **3.1. Introductions**

Bobby Cochran from Oregon Consensus opened the meeting and asked participants to introduce themselves. Harmony Burrigh, Brenda Smith, and Chad Karges representing High Desert Partnership introduced themselves as part of the Oregon Consensus-led facilitation team for the Discussion groups. The discussion group participants then introduced themselves.

### 3.2. Presentation from OWRD on fiscal impact statement sideboards

Kelly Mainz from OWRD presented on the state rules and statutes governing fiscal impact statements. [Slides are here.](#)

### 3.3. Discussion of hopes and expectations for the fiscal and economic analysis

Most of the discussion group participants expressed expectations that the fiscal and economic analysis:

- Was done by an economist, that was independent of any particular point of view, familiar with agricultural and rural economies, and hired by the State;
- Looked broadly at categories of fiscal impact, recognizing the interconnections of the economy to the environment and a rural community’s resilience and quality of life;
- Wasn’t just qualitative but looked at robust measures using local data wherever possible; and
- Could inform the rulemaking process in a way that simultaneously A) protects health and safety, and B) minimizes significant adverse impacts to small businesses.

Participants asked Kelly at OWRD to try and help further define “significant adverse impacts” if possible. Many participants were interested in getting as much of this analysis together as soon as possible so it’s available when also looking at model scenario outputs.

### 3.4. Discussion of the categories of fiscal impact

A lot of the impacts are connected to the acreage of high value farmland currently irrigated. What is that acreage by subarea? And what were the estimates of acre feet of water used in each subarea in 2018?

**Table 1. Categories of fiscal impact**

Theme	Categories of fiscal impact (and some ways of measuring)
Agricultural (hay and livestock) economy	Hay production (acres, volume, value) Cattle feed prices Stock water access Irrigator income/livelihood (farm net income; May be different for smaller folks with less than 10 pivots than for larger with 20-80 pivots; and may be different for surface water irrigators than groundwater irrigators) <sup>1</sup> Not just revenue, but profit and profit margins over time Agriculture support revenue (equipment and parts, pumps/wells, fuel, seed, fertilizer, pest control, professional services, insurance, distribution/trucking) <sup>2</sup>

<sup>1</sup> Where are the threshold or tipping points where profit margins turn negative, for long enough, where the economy breaks down?

<sup>2</sup> What is the relationship between hay and livestock production volume and how that trickles down through the supply businesses?

	<p>Change in prices from support/supply businesses</p> <p>Change in number of Ag jobs and Ag job opportunities (51% of jobs in county are private and half of those are directly in Ag)</p> <p>Debt loads</p> <p>Alternative revenue (CREP, EQIP, and other sources)</p>
Environmental	<p>Overall ecological health</p> <p>Fallow fields and loss of bird and wildlife habitat<sup>3</sup></p> <p>Shift in wildlife populations</p> <p>Loss of groundwater dependent ecosystems<sup>4</sup> (decreased discharge from springs)</p> <p>Stream flows</p> <p>Change in carbon sequestration</p> <p>Non-hunting and fishing recreation and tourism (uncertain how linked this actually is to groundwater levels, and unclear how important it is to the county economy)</p> <p>Hunting and fishing</p>
Interconnected economy	<p>Population and demographic change<sup>5</sup></p> <p>Change in land values</p> <p>Ability to sell property (foreclosure rates)</p> <p>Business revenues (grocery, stores, veterinary, downtown, concrete/gravel, contractors)</p> <p>Business expenditures</p> <p>Business attraction (certainty, risk, housing, workforce, childcare, schools, infrastructure, communications availability)</p> <p>Business retention (Local small business numbers and viability)</p> <p>Impacts to small rural economies near and far from Harney</p> <p>Multiplier effects<sup>6</sup></p> <p>Change in number of jobs and job opportunities</p> <p>Change in wages</p> <p>Impacts to state, regional, and national supply chains (e.g., the regional dairy industry)</p>
Community Health, Wellbeing, and Services	<p>Change in assessed value of land<sup>7</sup></p> <p>Tax revenue (and tax base)</p> <p>Public service levels (what are the revenue thresholds that change services in hospitals, EMS, urban renewal, roads, business and economic development, library, etc.)</p> <p>Public sector job numbers</p> <p>School (student population)</p> <p>Childcare availability</p> <p>Ability to fund infrastructure</p> <p>Utility services (prices and viability)</p> <p>Cost of electricity</p>

<sup>3</sup> Look at Intermountain West Joint Venture

<sup>4</sup> Intrinsic values and other nonmarket valuation.

<sup>5</sup> Look at Ford Family Foundation’s Oregon by the numbers. <https://www.tfff.org/oregon-numbers/>.

<sup>6</sup> Talk to Stan Foster

<sup>7</sup> The county assessor regularly surveys land values and could provide data on projected changes.

	Level of active community participation and cohesion Change in social aspects (change in crime rates; domestic violence incidents) Mental health (change in demand for services <sup>8</sup> ; suicide incidents)
Quality of life	Livability of Harney County Domestic well water availability (# affected domestic well users <sup>9, 10</sup> ; treatment systems installed)
Future Generations	Opportunities for future generations (staying and thriving) Fair distribution of lost revenue and impacts
Thinking about these impacts now and into the future	

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<sup>8</sup> Symmetry care provides most services. Stories are also powerful.

<sup>9</sup> Applicants to well remediation funds for OWRD statewide and Harney-specific funds. And since some of these funds are income restricted, a way to get at total affected domestic well users. Stories.

<sup>10</sup> OSU survey of well users