

Written Testimony in favor of HB2813

My Name is Steven Graeper and I am President of the Rhododendron Water Association (RWA). We are a small water system with 365 service connections serving a population of just over 1000 residents with an annual gross revenue of just under \$165,000. We are located on the western flanks of Mount Hood and our source water is Henry Creek, a surface water stream flowing through a 2.8 square mile watershed.

I am in support of HB2813 because affordable funding for protections that ensure safe, secure and clean drinking water should be available to **ALL** water systems. With the changing climate and increased population encroachment, **ensuring safe and secure drinking water by protecting their watersheds should not be solely the responsibility of individual water systems to finance.** Case in point...

Most of the RWA watershed is located within Mt. Hood National Forest, however there are two privately held parcels totaling just shy of 230 acres through which our source water, Henry Creek, flows.

In April of 2021, I learned that 150 acres of that privately held timber land was slated to be harvested. This concerned me a great deal because I was aware of what took place in the Corbett watershed in 2017 when, fully a legal harvest, contributed to the loss of one of Corbett's source water streams.

The prescribed Oregon Forest practices Riparian Area Buffer Zones, in place at the time, were not enough to adequately protect that source water stream. After seeing the impact a harvest had on Corbett's watershed, which is very similar to ours, I immediately got to work figuring out how I could protect the sole source of water for the residents of Rhododendron.

With assistance from Sustainable Northwest, and attorneys at Schwabe Williamson and Wyatt, in May of 2021 the Rhododendron Water Association was finally able to negotiate, with the private land owner, an Equitable Servitude that adequately protected our source water stream from the potential impacts of harvesting. However, the purchase of that Equitable Servitude did not come without a tremendous cost to our water association.

The purchase of that Equitable Servitude cost RWA \$175,000. After funding the purchase price through a high interest rate "bridge" loan, we were eventually able to secure emergency funding in February 2022 through the states Drinking Water Revolving loan fund. However, the amount they financed was only \$100,000. That left \$75,000 that Rhododendron Water had to pay from Capital Improvement reserves.

With an annual revenue of only \$165,000, all of which is budgeted for maintaining the existing infrastructure, having to pay that \$75,000, in addition to servicing the states \$100,000 loan, placed a substantial financial hardship on our association. That hardship is now preventing us from accomplishing any of our planned Capital Improvement goals because we no longer have the funds available to do so.

HB2813 would provide to systems, like ours, the opportunity and strategic tools for funding long-term water security. **We should not have had to pay \$175,000 to protect our source water.** Fortunately, we were able to secure protections, but it was accomplished without any up-front assistance from the state. Only after we secured adequate protection did the state step up to partially loan us the funds for those protections.

With the help of HB2813 similar water systems, throughout the state, would benefit and be able to protect their watersheds and continue to provide safe, secure, and clean drinking water.

Thank you.