

**SEAL ROCK WATER DISTRICT  
MINUTES OF THE  
Special Board Meeting  
August 2, 2016**

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7 Call Special

8 Board Meeting: Board President John Garcia called the special board meeting to order at 4:00 p.m.,  
9 Tuesday, August 2, 2016.

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11 Present: John Garcia, Board President; Sandra Mies-Grantham, Secretary; John Filbert, Member;  
12 Rob Mills, Member.  
13 Staff: Adam Denlinger, General Manager; Joy S King, Office Manager. See sign in sheet  
14 for public attendance.

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16 Excused Absences: Glen Morris

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18 Announcements: None

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20 Public Comments: None

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22 Discussion and  
23 Information Item:  
24 SRWD/OWRD Proposed

25 Final Order Application No. S-88124:

26 District staff provided the following documents to commissioners at the start of the  
27 meeting noting that the Proposed Final Order dated June 21, 2016 was provided to the  
28 Board at the July regular Board meeting on July 14, 2016:

29 Proposed Final Order S-88124

30 Letter from OR WaterWatch dated July 28, 2016

31 Letter from Jordan Ramis PC dated August 1, 2016

32 Letter from OR WaterWatch dated August 2, 2016

33 District staff provided a brief background regarding the District's pending Water Right  
34 application for use on Beaver Creek. It was discussed that the District submitted an  
35 application for water rights on Beaver Creek to the Oregon Water Resources Department  
36 (OWRD) on August 26, 2015. This application is known as Seal Rock Water Right  
37 Application No. S-88124. The application has gone through review by OWRD, before  
38 being reviewed by Oregon Department of Fish and Wildlife (ODF&W), Oregon  
39 Department of Environmental Quality (DEQ), and the State Water Master for our area. It  
40 was discussed that comments from these agencies along with comments from local  
41 biologist/stakeholders, to include the Mid Coast Watershed Council (MCWC), ODF&W,  
42 and Wetlands Conservancy was included in the Proposed Final Order as self-imposed  
43 conditions. The District received a Proposed Final Order (PFO) from OWRD with its  
44 findings of fact on June 21, 2016, with self-imposed conditions. (See attached PFO). At  
45 that time the District received written comments from Oregon WaterWatch to OWRD  
46 expressing concern for the protection of the resource submitted on October 15, 2015. It  
47 was discussed that the PFO is currently in the required 45-day public review period which  
48 will end August 5, 2016. As of today there is no pending opposition except what has been  
49 received from WaterWatch. The District's Attorney, Steven Shropshire received a letter  
50 dated July 28, 2016 from WaterWatch providing additional conditions. The letter outlined  
51 some additional conditions they would like included in the PFO. (See attached letter dated  
52 July 28, 2016). Steven Shropshire worked with Adam Denlinger, General Manager and  
53 Adam Sussman, GSI Water Solutions in drafting a letter in response to the letter received  
54 from WaterWatch. The response letter is dated August 1, 2016. It contains clarification of  
55 proposed conditions and outlines the District's proposals for consideration by  
56 WaterWatch. (See attached letter). WaterWatch responded with a letter dated August 2,  
57 2016 in which they accepted some of the proposals provided by SRWD, and included  
58 additional conditions on the District's water rights on the Siletz River under permit 40277,  
59 and the District's Certificated Water Rights on Henderson Creek (C32199) and Hill Creek  
60 (C21390) (See attached letter). The GM requested direction from the Board on how the  
61 Board would like staff to proceed. Discussion ensued. The Board has been discussing for  
62 several years the importance of establishing resilient source of water to meet the District's

63 needs. It was discussed that water rights on the Siletz River, Henderson Creek, and Hill  
64 Creek were included in a previous source water study with Beaver Creek being the most  
65 reliable source of water. The discussion included the importance of resolving a settlement  
66 regarding proposed conditions in an effort to avoid a protest to allow the District to apply  
67 for funding. The District is scheduled to meet with representatives from USDA-RD later in  
68 the month to discuss a funding application for future improvements which includes funding  
69 the construction of an intake on Beaver Creek and water treatment facility on District  
70 owned property at the Makai Tank location. Commissioners discussed the urgent need to  
71 develop a source water facility as soon as possible due to the risk and vulnerability of  
72 existing systems connecting the District to the City of Toledo. Commissioners discussed  
73 the need to continue to work with consultants and authorize the GM to negotiate a  
74 settlement with WaterWatch consistent with the documentation provided at this meeting.

75 Decision Item:

76 SRWD/OWRD Proposed

77 Final Order Application No. S-88124 settlement agreement with OR WaterWatch:

78 Commissioner John Filbert motioned to authorize the General Manager to continue to  
79 negotiate a settlement consistent with conditions identified in the WaterWatch letter dated  
80 August 2, 2016 and to work toward an agreement on conditions of the Water Rights on  
81 the Siletz River and the Certificated Water Rights on Henderson Creek and Hill Creek.  
82 Commissioner Rob Mills seconded the motion. Motion carried 4-0, noting the prearranged  
83 absence of Commissioner Morris.

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85 GM will report by email to the board whatever the outcome of the negotiation. There was a  
86 discussion that if any of the board members choose to reply by email, to please reply to  
87 the GM alone and not to reply to all to avoid violating public meeting law.

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93 Executive Session: None

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95 Next Board Meeting: August 11, 2016 at 4:00 p.m. Regular Board Meeting.

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97 Adjournment: Motioned by Rob Mills to adjourn the meeting. Garcia adjourned the meeting at 5:00 p.m.

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Approved by Secretary

\_\_\_\_\_ Date