

Committee on Resources

Subcommittee on Forests & Forest Health

Testimony

SENATE BILL-416 TESTIMONY BY MAYOR STEVEN WILSON

CITY OF SISTERS REQUEST FOR CONVEYANCE OF USFS LANDS

FOR CONSTRUCTION OF A MUNICIPAL SEWERAGE PLANT

My name is Steven Wilson, Mayor of the City of Sisters. On behalf of the residents of Sisters, Oregon I appreciate the opportunity to testify before the Forest Sub Committee regarding Senate Bill 416. This bill would convey the lands necessary for our city to address the critical need of adequate wastewater disposal.

COMMUNITY BACKGROUND Sisters, Oregon is a small Central Oregon town of 850 people, lying at the base of the Cascade Mountains. In early days Sisters economy was based on logging. With the decline in logging the economy was trouble. In the early "70's" the development of a large destination resort 10 miles west of the City helped businesses realize that the City could survive if a tourist based economy was developed, thus Sisters became known as an "1880's Western Frontier town".

Although the western theme helped the economy, the City is still considered the 4th Most distressed City in the State. The residents are 62% low to moderate income, and a large number of them retired. Many of the homes in the City are remnants of the old logging days, with inadequate heating and plumbing. Under DEQ requirements, it is virtually impossible to develop affordable housing, retirement homes or assisted living homes when the land requirement for septic systems is so great.

THE NEED FOR A MUNICIPAL SEWER SYSTEM has become a critical priority for the residents of the community and outweighs the need for any other infrastructure in the City. The septic tanks in many parts of the City have reached their average life of twenty years, and therefore the failure rate increases yearly (Exhibit A). The nitrate level in the ground water has increased over the past 4 years. Lack of a sewer system has limited any economic development within the community. It is difficult to site large businesses with the current drainfield requirements, as a result few family wage jobs have been created in Sisters. Because of the City's close proximity, there is an increased contamination threat to Squaw Creek. Sisters economy is tourist based, as many as 10,000 people visit the City in a single weekend. There is a current and immediate health threat by surfacing effluent, i.e. maggot infestation in yards. There is a potential economic disaster to the community from disease (hepatitis) breakout (Exhibits B-F).

COMMUNITY COMMITMENT TO CONSTRUCT THE SEWER SYSTEM.

Even though the City is 62% low to moderate income, the residents voted to support a \$7,000,000 bond by a 67% margin. One outstanding example of the commitment is an eighty year old lady, who lives on a \$600 per month Social Security check voted to approve the sewer, because she recognized the need.

ACQUIRING THE SITE FOR THE PROPOSED TREATMENT FACILITY.

The process of identifying an appropriate site for the sewer system treatment has been complicated by the fact that the City is surrounded by public land. Siting requirements for the treatment facility, i.e. wind patterns, topography, existing developments further complicate this process. The City has investigated every possible site in the area and has determined that the S 1/2 of Section 9 is the best site for the system, and least imposing to the community. This site (Section 9) also has the additional benefit of having excellent

soil characteristics for effluent dispersal (Exhibits G, H).

NEGOTIATIONS WITH USFS AND ENVIRONMENTAL GROUPS TO ACQUIRE SITE AND MITIGATE RESOURCE LOSS. The City originally approached the USFS with the request for a Special Use Permit to site the treatment facility on Forest Service land. The City was told that the USFS was no longer issuing Special Use Permits for this type of facility. At the direction of the Sisters District/USFS, the City participated in a 6 month process (beginning May 1998) to explore creative ways for the City to acquire Section 9 in trade for additional water rights in Squaw Creek. This unconventional idea was a result of the District's high priority of restoring stream flows in the Squaw Creek Watershed. This process entailed numerous meetings with various environmental groups to discuss various options. When it became apparent this process would require Congressional action, the District USFS abandoned this idea and informed the City they would have to trade or purchase the land in accordance to the Townsite Act. The City disagrees with USFS opinion that the land should be purchased at fair market value, therefore the City contacted Senator's Smith and Wyden to request their help with the acquisition of the land (Exhibit 1).

FINANCIAL GAIN TO USFS FROM CONSTRUCTION OF A SEWER SYSTEM.

The City of Sisters believes it would be inappropriate to pay fair market value for a parcel of land that creates significant financial benefit to the Forest Service. This would be at the expense of the 62% low to moderate income residents of Sisters. The USFS currently owns eighty (80) acres of land within the Sisters City Limits (Exhibit J). This is sixteen (16) percent of the total inventory of developable lands within the city. The value of this land will increase substantially with the construction of a municipal sewer system. Appraisal estimates suggest this land will increase in value to upwards of fifty thousand dollars (\$50,000) per acre, if served by sewer. While it is true the USFS would not realize this appreciation unless it decided to move the current compound to another location, it is the City's understanding that there have been preliminary discussions within the District to move the compound outside of the city limits.

Even if the USFS maintains its current location, they will receive the benefit of a longterm solution for their own effluent disposal. In addition to the District offices, there are 13 buildings that provide living quarters to USFS employees. Each building has an individual septic field that must be maintained, and replaced at taxpayer expense. The construction of the sewer will eliminate this expense.

Is it appropriate for one public agency to charge fair market value to another public entity when addressing issues of basic health and economic need? The City of Sisters believes these issues should be a priority of both USFS and the City.

DISPOSAL OF USFS LANDS FOR SQUAW CREEK RESTORATION. Based on discussions within the community, environmental groups and the USFS, the restoration of Squaw Creek has been identified as one of the areas highest priorities. The liquidation of a small portion of USFS in town holdings would provide the resources to accomplish this goal. If the environmental community and the USFS do not feel this is an appropriate solution, this portion of the bill should be deleted.

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