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SEWAGE TREATMENT FACILITY IN SISTERS, OREGON

JUNE 2, 1999.—Ordered to be printed

Filed under authority of the order of the Senate of May 27, 1999

Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, submitted the following

REPORT

[To accompany S. 416]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 416) to direct the Secretary of Agriculture to convey to the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility, having considered the same, reports favorably thereon with amendments and recommends that the bill, as amended, do pass.

The amendments are as follows:

1. On page 2, line 18, delete the words “Not later than 1 year” and insert the following: “As soon as practicable and upon completion of any documents or analysis required by any environmental law, but not later than 180 days”.

2. On page 2, strike lines 23 through 25 and insert the following: “conveyance, an amount of land that is not more than is reasonably necessary for a sewage treatment facility and for the disposal of treated effluent consistent with subsection (c).

“(b) LAND DESCRIPTION.—The amount of land conveyed under subsection (a) shall be not less than 160 acres and not more than 240 acres from within the following—”

3. On page 3, strike line 17 through 23.

4. On page 3, line 24, strike “(e)” and insert “(d)”.

5. On page 4, strike line 10 and all that follows through page 5, line 16.

PURPOSE OF THE MEASURE

The purpose of S. 416, as ordered reported, is to direct the Secretary of Agriculture to convey a parcel of land at no cost to the town of Sisters, Oregon. The land conveyed will be used to build a sewage treatment facility.

BACKGROUND AND NEED

Sisters, Oregon, has had ongoing concerns about a possible outbreak of infectious diseases and groundwater contamination from failed and leaking septic systems. Currently, all of the homes and businesses in the city limits must use septic systems. During the summer months, in order to accommodate tourists who often recreate on the surrounding Federal lands, the city must place approximately sixty portable toilets throughout the town.

While the city has put together a financing package of approximately 7 million dollars to address this problem, this does not include funds for land acquisition. Additional funds to acquire the land for the treatment facility and for the disposition of the treated wastewater are beyond the residents' ability to pay. Currently, the Forest Service maintains eleven separate septic systems in the city to serve their existing administrative buildings and will benefit directly from the treatment facility.

Sisters is literally surrounded by land managed by the Forest Service. After examining numerous other non-federal sites in or near the city, it was determined that this parcel is large enough, and has the proper soil conditions for, disposing of the treated wastewater. S. 416 calls for the Secretary of Agriculture to convey between 160 and 240 acres of land for the facilities at no cost to the town of Sisters. The legislation also stipulates that, at the option of the United States, the land would revert to the Forest Service upon termination of the specified uses.

LEGISLATIVE HISTORY

S. 416 was introduced by Senators Smith and Wyden on February 11, 1999. A hearing on S. 416 was held before the Subcommittee on Forests and Public Land Management on April 28, 1999. At the business meeting on May 19, 1999, the Committee on Energy and Natural Resources ordered S. 416, as amended, favorably reported.

COMMITTEE RECOMMENDATIONS AND TABULATION OF VOTES

The Committee on Energy and Natural Resources, in open business session on May 19, 1999, by a voice vote of a quorum present, recommends that the Senate pass S. 416, if amended as described herein.

COMMITTEE AMENDMENTS

During the consideration of S. 416, the Committee adopted amendments. The amendments served three primary purposes: (1) to require that the conveyance be completed within 180 days after the completion of the required environmental analysis and documents; (2) to clarify the amount of the land conveyed should be not

more than is reasonably necessary for the sewage treatment facility; and (3) to strike section 3 of the bill.

SECTION-BY-SECTION ANALYSIS

Section 1 contains findings.

Section 2 (a) directs that the Secretary of Agriculture, upon completion of documents or analysis required by any environmental law, to convey to Sisters, Oregon, a parcel of land that is not more than is reasonably necessary for a sewage treatment facility and for the disposal of treated effluent. The committee understands that the environmental analysis and documentation is almost completed. Subsection (b) describes the land to be conveyed. Subsection (c) requires the city to conduct a public process before deciding exactly how the effluent will be disposed. Subsection (d) states that if the land conveyed is no longer used for sewage treatment and disposal, at the option of the Federal Government, the land reverts to the Federal Government.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of the cost of this measure has been provided by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 28, 1999.

Hon. FRANK H. MURKOWSKI,
*Chairman, Committee on Energy and Natural Resources,
U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 416, a bill to direct the Secretary of Agriculture to convey to the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Victoria Heid Hall (for federal costs), and Marjorie Miller (for the impact on state and local governments).

Sincerely,

BARRY B. ANDERSON
(for Dan L. Crippen, *Director*).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 416—A bill to direct the Secretary of Agriculture to convey to the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility

S. 416 would direct the Forest Service to convey to the city of Sisters, Oregon, between 160 and 240 acres of federal land, but not more than is necessary for the city to construct a sewage treatment facility. The bill provides that the land be conveyed at no cost to the city other than the cost of preparing any documents required. According to the Forest Service, under current law the agency is likely to sell about 240 acres to the city of Sisters at fair market

value. Based on a preliminary appraisal of the land, the city would pay the Forest Service between \$480,000 and \$720,000 for the conveyance. Because S. 416 would provide for the conveyance at no cost to the city, CBO estimates that enacting the bill would result in foregone offsetting receipts, and thus an increase in outlays of roughly \$600,000 in fiscal year 2000. Consequently pay-as-you-go procedures would apply.

S. 416 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. State and local governments might incur some costs as a result of the bill's enactment, but these costs would be voluntary. The city of Sisters, Oregon, would benefit from enactment of this legislation because it would receive land at a negligible cost for construction of a sewage treatment facility.

The CBO staff contacts are Victoria Heid Hall (for federal costs), and Marjorie Miller (for the impact on state and local governments). This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 416. The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 416, as ordered reported.

EXECUTIVE COMMUNICATIONS

On April 16, 1999, the Committee on Energy and Natural Resources requested legislative reports from the Department of Agriculture and the Office of Management and Budget setting forth Executive agency recommendations on S. 416. These reports had not been received at the time the report on S. 416 was filed. When the reports became available, the Chairman will request that they be printed in the Congressional Record for the advice of the Senate. The testimony provided by the United States Forest Service at the Subcommittee hearing follows:

STATEMENT OF JACK CRAVEN, DIRECTOR OF LANDS, FOREST SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. Chairman and members of the subcommittee, thank you for the opportunity to be here today to present the Administration's views concerning S. 416, a bill to convey to the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility.

While the Administration supports making federal lands available in certain circumstances for public purposes, such as wastewater treatment facilities, the Administration opposes this bill as it is written. However, the Admin-

istration will work with you to amend this bill to allow the Townsite Act purchase process currently underway to proceed, allow for the deposit of the sale receipts under the Sisk Act authority, and provide an alternative method for accomplishing necessary watershed improvements on Squaw Creek.

We have three general concerns with S. 416. First, authority already exists to make land available to the city of Sisters under the Townsite Act. Second, the bill would direct the conveyance of National Forest lands to the city of Sisters without compensation to the United States for the fair market value of the lands conveyed. Third, we cannot support the provision in the bill requiring the sale of at least 6 acres of National Forest land to generate funds for improving the long-term condition of the watershed of Squaw Creek, a tributary of the Deschutes River, and for improvements to the Sisters Ranger District administrative site.

I would like to address each of these points in more detail.

First, statutory authority already exists for conveyance of land to the city of Sisters, Oregon.

Deschutes National Forest Supervisors have had periodic discussions with elected officials in Sisters for over 10 years regarding the potential for a land exchange or conveyance for the purposes of a wastewater treatment facility. In January, 1999, Sisters initiated the formal process for land acquisition by submitting an application for 240 acres under the authority of the Townsite Act. In a letter dated March 10, 1999, Regional Forester Robert Williams indicated that he would elevate the priority of this project in order to expedite the request. The Deschutes National Forest team currently plans to have the Environmental Assessment completed for public review in mid-May, with a decision by July. All deed transfer paperwork is being done on a concurrent track. This conveyance should be allowed to proceed administratively under the Townsite Act. If legislation is needed, then we would support an amendment to direct completion of the Townsite Act process.

Second, S. 416 would convey the property to Sisters at no cost, other than for preparation of documents required by environmental law in connection with the conveyance.

Current law requires payment of fair market value for any public lands exchanged or conveyed to ensure a fair return to the American taxpayers. The Administration believes the requirement for fair market value reflects sound principles of public policy. As stated previously, we support completion of this sale under the Townsite Act which requires purchase at fair market value based on the appraised value of the land, and does not require new legislation, and an amendment to S. 416 to allow for the deposit of the receipts from the sale into a special account established under Public Law 90-171 commonly known as the Sisk Act.

Our third concern with S. 416 is that it provides for the sale of at least 6 acres of National Forest land to generate funds for improving the long-term condition of the watershed of Squaw Creek, a tributary of the Deschutes River.

The Administration does not support the sale of National Forest System lands as an appropriate mechanism for funding needed watershed improvements on Squaw Creek. The Administration, through the Forest Service, would prefer to work with the city of Sisters and other interested parties to assist community leaders to prepare and develop a proposal for funding through programs such as NRCS' Environmental Quality Incentives Program or the Section 319 Clean Water Act Non-Point Source Management Program. For example, the Forest Service has completed a watershed analysis for this watershed, and has the necessary background information needed to proceed with this approach. Participation in this grant program does not require legislation, and we recommend amending this bill to remove the watershed improvement proposal.

Mr. Chairman, while the Administration supports the general objective of making Federal lands available for public purposes, such as wastewater treatment facilities, the Administration opposes S. 416 as written. However, the Administration remains open to discussions with the Subcommittee regarding an amendment that would provide for fair market return to the American public, allow for the deposit of the sale receipts under Sisk Act authority, remove the provision for the sale of land to generate funds for watershed improvements on Squaw Creek.

This concludes my statement. I would be happy to answer any questions you and Members of the Subcommittee might have.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the bill S. 416, as ordered reported.