



## MEMORANDUM

**TO:** Oregon Water Resources Commission

**FROM:** Danielle Gonzalez, Policy Manager  
Lisa Snyder, Administrative Services Division Administrator  
Bryn Hudson, Legislative Coordinator

**SUBJECT:** Agenda Item A, May 31, 2022  
Water Resources Commission Meeting

### 2023 Legislative Concept and Budget Development

#### I. Introduction

This report provides an update on the 2023 budget and legislative development progress. The Department is seeking Commission input on the proposed budget policy option packages and legislative concepts.

#### II. 2023 Budget and Legislation Development Schedule and Outreach

Proposals for legislation were due to the Department of Administrative Services (DAS) on April 15 for the 2023 Legislative Session. If the Governor's Office approves moving forward, DAS must submit the requests to Legislative Counsel for drafting by June 1. The language for placeholders may be submitted to DAS through June 3, with DAS submitting approved requests to Legislative Counsel by July 8.

Budget policy option package (POP) titles and prioritizations are due to DAS in early June so that the final POP funding amounts can be submitted by the June 30 deadline. The final agency request budget document is due to the DAS Chief Financial Office by August 1, 2022.

The Department met with interested parties on January 27, March 22, April 27, and May 17, 2022 to discuss the proposals for the 2023 Legislative Session. The first meeting was publicized by a press release to increase awareness and participation in the process. An additional meeting will be held in June. The meeting recordings and materials are posted on the Department's website at [www.oregon.gov/owrd/programs/policylawandrules/LegislativeAndBudget](http://www.oregon.gov/owrd/programs/policylawandrules/LegislativeAndBudget).

The Department held a special workshop on May 10 to obtain initial broader feedback on the planning legislative concept as well as related budget proposals. A meeting of interested parties will be scheduled this summer to further discuss and refine the planning legislative concept. Parties interested in the split-season leasing legislative concept have also met and will meet again in June.

The Department anticipates discussions on the legislative concepts will be ongoing even after the June 3 filing deadline. The Department also met with interested individuals from the Environmental Equity Committee of the Racial Justice Council and partners in the Oregon Water Futures project to better understand the needs of under-represented and under-resourced communities. The Department also invited all nine Oregon Tribes to engage in formal consultation, if desired. No requests for formal consultation were received; however, the Department met with staff and the lobbyist for the Confederated Tribes of the Umatilla Indian Reservation. Department staff also met with the conveners of the place-based planning groups to obtain input on budget and legislative concepts, as well as attended other meetings that staff were invited to by stakeholder groups.

Although the Department engaged in broader outreach and engagement than it has in prior years, the Department recognizes that it needs to continue to expand its outreach methods and engagement in future years. The Department is committed to continuous improvement in this arena and is soliciting feedback on its process in the interest of improving its processes in the future.

### **III. Legislative Concepts**

Attachment 1 provides a summary of the four Department Legislative Concepts (LCs) for the 2023 session. These proposals will change over time with additional discussion:

1. **Transfers of Stored Water:** The Department received funding during the 2021 session to facilitate a work group to develop a solution and criteria pertaining to the transfers of the location and point diversion of storage rights. This concept will serve as a bill vehicle for any potential solutions that may be developed by the work group. The intent is not to pursue the bill in its current form, but rather for it to be amended. Draft LC language is in Attachment 2.
2. **Department Fees:** The Department received funding during the 2021 session to facilitate a workgroup to develop more sustainable, long-term funding mechanisms to support the Department's fee-based programs. This concept will serve as a bill vehicle for any potential solutions that may be developed by the work group. The intent is not to pursue the bill in its current form, but rather for it to be amended. Draft LC language is in Attachment 3.
3. **Split Season Leasing:** This program allows a water right holder to apply to be able to use water under an existing right during part of the season, and then lease the water right instream during the other part of the season. This program will sunset in 2024. In addition to making the program permanent, the Department is proposing to eliminate the ten-year cap on the total number of years a water right can be approved for leasing under this program. Draft LC language is in Attachment 4. The Department anticipates further conversations with interested parties on this concept.
4. **Water Planning:** The Department's authority to provide funding for place-based planning sunsets July 1, 2023. In addition to codifying that authority, the Department would like to expand the types of planning efforts it is able to fund. Draft LC language is included in Attachment 5.

The Department anticipates further conversations with interested parties on this concept. Department staff will brief the Commission on feedback received to date. Note the Department is still evaluating comments received to date in order to determine how to modify the current proposal.

#### **IV. Budget Policy Option Packages**

Attachment 6 provides an overview of potential 2023 budget proposals, referred to as Policy Option Packages (POPs). Attachment 7 provides more detailed descriptions. Note these proposals are still being modified and continue to be drafts. These draft POP proposals have been grouped into tiers based on Department priorities and interested party feedback. Note while the Department does need to numerically rank POPs, the Department considers all of these POPs to be important, even those in the lowest tier. Factors considered in evaluating, modifying, and prioritizing POPs included the feasibility of completing proposals, feasibility of moving proposals forward, alignment with the Strategic Plan and the Integrated Water Resources Strategy, prior investments, recruitment potential, foundational needs for the agency, interested party input, other state agency input, and management input. Ongoing activities were generally ranked higher than starting new activities. These proposals and the tiered prioritization will continue to be modified based on Commission and public input and are not considered final.

#### **V. Commission Input**

Today, the Department would like to obtain input from the Commission:

1. Are there any gaps in authorities we should be considering under the water planning and/or split season leasing legislative concepts? Is the planning proposal too broad?
2. Are there any refinements or concerns the Department should consider in its future work on the legislative concepts?
3. Are there any issues you consider in critical need of funding during the 2023-2025 biennium which are not included in the budget policy option packages?
4. Would you modify the POP prioritization presented to the Commission? If so, how? What budget policy option packages are your highest priority? What budget policy option packages are your lowest priorities? Are there any policy option packages you would remove?

#### **VI. Conclusion**

The Department will continue to work to refine and modify budget and legislative concept proposals for the 2023 Legislative Session over the coming months. Staff will continue to update the Commission as that work progresses.

#### **Attachments:**

1. Legislative Concept Summaries
2. DRAFT Legislative Concept Language: Transfers of Stored Water

3. DRAFT Legislative Concept Language: Department Fees
4. DRAFT Legislative Concept Language: Split Season Leasing
5. DRAFT Legislative Concept Language: Water Planning (*Note: The Department is still analyzing feedback and has yet to modify the proposal.*)
6. DRAFT Budget Policy Option Packages Short-Summary with Draft Tiered Prioritization
7. DRAFT Budget Policy Option Packages Narratives

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# 2023 Legislative Concept Summaries

## Transfers of Stored Water

In 2021, ORS 540.510 and 540.520 ([HB 3103](#)) clarified that the Department has the authority to approve transfers for the character of use identified on a stored water right. The legislation also directed the Department to engage a professional facilitator to work with stakeholders on a path forward for providing the authority and criteria associated with transferring the point of diversion and location of storage right. Without the ability to change primary storage rights in this manner, water right holders will not be able to manage water as necessary to meet emerging needs, opportunities, or challenges.

This bill is a placeholder intended to serve as a bill vehicle for an amendment in the event that a solution is identified by the workgroup. The placeholder proposes the Department study the laws related to transfers and changes to the location and point of diversion of water storage rights, with findings and recommendations submitted to an interim legislative committee no later than September 15, 2025. The intent is not to pursue the bill in its current form, but rather for it to be amended.

## Supporting Department Fee-Based Programs

For decades, the many services provided by the Department, such as water right transaction processing, well construction and compliance, dam safety, and staff in other programs have been supported by a combination of fees and General Fund. As administrative costs continue to rise, the Department's ability to pay for staff and other expenses is reduced unless fees are increased in an amount that corresponds to the cost increases. The legislature authorized funding for a workgroup to explore mechanisms that may provide more sustainable, long-term funding strategies to support its fee-based programs.

In 2021, the Department received \$3 million from the American Rescue Plan Act to support fee-based programs during 2021-23 and to provide facilitation for a workgroup to evaluate and identify potential funding mechanisms.

This bill is a placeholder intended to serve as a bill vehicle for an amendment in the event that a solution is identified by the workgroup. The placeholder proposes the Department study the laws related to alternative strategies for funding programs currently supported by fees, with findings and recommendations submitted to an interim legislative committee no later than September 15, 2025. The intent is not to pursue the bill in its current form, but rather for it to be amended.

## Split Season Leasing

A special type of instream lease, a Split Season Instream Lease, allows a water right holder to apply to be able to use water under an existing right during part of the season, and then lease the water right instream during the other part of the season. This can be a good tool in cases where the water right holder does not want to fallow land for the entire season. For example, if water under the right was applied to the land from April through June, the landowner could get a cutting of hay, and then lease the water right instream from July through September when streamflows are most critical for fish.

Participation in the program requires consultation with the Watermaster, installation of a measurement device, and reporting on instream and out of stream measurements.

Currently, water rights can only be leased under this program in total for 10 years. The program will also sunset January 2, 2024. The uncertainty over the program' continuation is problematic for long-term planning for landowners and restoration projects.

**This concept repeals the January 2, 2024 sunset date and eliminates the ten-year cap on the total number of years a water right can be approved for leasing under this program.**

## Water Planning

The Department's authority to provide grants for place-based planning sunsets July 1, 2023 (see ORS 536.220). The Department would like to continue its authority to provide financial assistance that helps communities understand water resources and water challenges, and then develop strategies or solutions to sustainably meet instream and out of stream water needs. Currently, this funding is limited to place-based planning, and does not allow for more flexible planning work, such as pre-planning situational assessments, small communities developing Water System Master Plans or Water Management and Conservation Plans, community capacity building, drought contingency planning, and plan implementation coordination.

The Department is proposing the creation of a new fund, the Water Planning Fund, through which it would provide water planning grants to eligible entities in order to help equip them to plan and prepare for their water future. The purpose of the fund is to provide financial assistance that helps communities understand water resources and water challenges, and then develop strategies or solutions to sustainably meet water needs. The Department has received feedback from interested parties and evaluating modifications to the proposal for continued discussion.

## Contact

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LC XX -

**THIS LC WILL CONTINUE TO BE A PLACEHOLDER FOR A POTENTIAL SOLUTION**

**Relating to changes to a water right that authorizes the storage of water.**

**SECTION 1. (1) The Water Resources Department shall conduct a study of laws related to water right transfers and changes to the location and point of diversion of a water right that authorizes the storage of water.**

**(2) The department shall submit its findings and recommendations for legislation to an interim committee of the Legislative Assembly no later than September 15, 2024.**

**SECTION 2. This 2023 Act takes effect on the 91st day after the date on which the 2023 regular session of the Legislative Assembly adjourns sine die.**

**SECTION 3. Section 1 of this 2021 Act is repealed on January 2, 2025.**

LC XX -

**THIS LC WILL CONTINUE TO BE A PLACEHOLDER FOR A POTENTIAL SOLUTION**

**Relating to Water Resources Department fees.**

**SECTION 1. (1) The Water Resources Department shall conduct a study of laws related to alternative strategies for funding programs currently supported by fees.**

**(2) The department shall submit its findings and recommendations for legislation to an interim committee of the Legislative Assembly no later than September 15, 2024.**

**SECTION 2. This 2023 Act takes effect on the 91st day after the date on which the 2023 regular session of the Legislative Assembly adjourns sine die.**

**SECTION 3. Section 1 of this 2021 Act is repealed on January 2, 2025.**



LC XX -

**Relating to the leasing of water rights for split use.**

**Section 1: Amend 537.348 Purchase, lease or gift of water right for conversion to in-stream water right; priority dates; split use:** (1) Any person may purchase or lease all or a portion of an existing water right or accept a gift of all or a portion of an existing water right for conversion to an in-stream water right. Any water right converted to an in-stream water right under this section shall retain the priority date of the water right purchased, leased or received as a gift. At the request of the person the Water Resources Commission shall issue a new certificate for the in-stream water right showing the original priority date of the purchased, gifted or leased water right. Except as provided in subsections (2) to (6) of this section, a person who transfers a water right by purchase, lease or gift under this subsection shall comply with the requirements for the transfer of a water right under ORS 540.505 to 540.585.

(2) Subject to subsections (3) to (6) of this section, any person who has an existing water right may lease all or a portion of the existing water right for use as an in-stream water right for a specified period without the loss of the original priority date. During the term of the lease, the use of the water right as an in-stream water right shall be considered a beneficial use. The term of the lease may not exceed five years. There is no limitation on the number of times that the lease may be renewed. ~~However, the total period for which a water right may be leased for split use as described in subsection (3) of this section may not exceed 10 years regardless of the number of leases or renewals of leases issued for the water right.~~

(3) A lease of all or a portion of an existing water right for use as an in-stream water right under subsection (2) of this section may allow the split use of the water between the existing water right and the in-stream water right during the same calendar year, provided:

(a) The uses of the existing water right and the in-stream water right are not concurrent; and

(b) The holders of the water rights measure and report to the Water Resources Department the use of the existing water right and the in-stream water right.

(4) A person who has an existing water right and wishes to lease the water right as described in subsection (2) of this section must file a request and obtain department approval of the lease. Upon receipt of the request, the department shall provide notice of the request by inclusion in the weekly notice published by the department. Any allegation of injury must be delivered to the department no later than 21 days after publication of the request in the weekly notice.

(5) After publishing notice of a request made under subsection (2) of this section and allowing time for the delivery of allegations of injury, the department shall issue an order approving the request if the department finds that the leasing of the water right for in-stream use can be effected without injury to other existing water rights or can be conditioned to prevent injury to other existing water rights. If the lease is for the split use of water between the existing water right and the in-stream water right during the same calendar year, the conditions imposed in the order approving the request must include, but need not be limited to, compliance with subsection (3) of this section.

(6) The department at any time may revoke or modify an order issued for a lease under subsection (2) of this section if the department determines that the use of the water right for in-stream use under the lease has resulted in or may result in injury to an existing water right. [1987 c.859 §9; 2001 c.205 §§1,2; 2013 c.165 §1]

**Section 2: Sections 2, 3 and 5(2), chapter 165, Oregon Laws 2013 are repealed January 1, 2024.**

For Reference: Chapter 165, Oregon Laws 2013:

[https://www.oregonlegislature.gov/bills\\_laws/lawsstatutes/2013orLaw0165.pdf](https://www.oregonlegislature.gov/bills_laws/lawsstatutes/2013orLaw0165.pdf)

## Relating to a water planning fund.

**SECTION 1.** Sections 2 and 3 of this 2021 Act are added to and made a part of ORS 536.220

**SECTION 2.** The Water Planning Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Water Planning Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Water Resources Department for the purpose of carrying out the program purposes described in section 3 of this 2023 Act. The fund shall consist of any moneys designated for deposit in the fund or for carrying out the program purposes, including but not limited to appropriations or other provisions of moneys by the Legislative Assembly and public or private moneys from gifts, grants or donations. The purpose of this fund is to establish a means for state government to support water planning.

### **SECTION 3.**

(1) Moneys in the Water Planning Fund may be disbursed under authority of the Water Resources Director to fund eligible planning efforts that: (a) increase understanding of water resources and challenges; (b) develop strategies or solutions to increase water resiliency to sustainably meet water needs, or (c) coordinate implementation of strategies or solutions.

(2) The Department may issue grants consistent with subsection (1) to provide financial assistance for eligible planning efforts as specified in subsection 5:

- (a) To persons as defined in ORS 536.007, Indian tribes as defined in ORS 391.802, and nonprofit organizations;
- (b) As cost-sharing with other programs that support water planning;
- (c) For costs of administering grants; and
- (d) To enter into contracts or agreements as provided in subsection 3.

(3) The Department may provide technical assistance and information to, and enter into contracts or agreements with, a person or an Indian tribe to provide data development, technical assistance, and other support consistent with subsection (1). *[Should the Department include ODA, ODFW, and ODEQ?]*

(4) Financial assistance provided under subsection (2) of this section may not exceed 75 percent of the costs of an eligible planning effort.

(5) Eligible planning efforts include:

- (a) Pre-planning situational assessments;
- (b) Water system or water conservation and management planning;
- (c) Drought contingency planning;
- (d) Place-based integrated water resources planning that addresses water quantity, quality, and ecosystem needs;
- (e) Community capacity building to facilitate participation in current or future planning through education, outreach, and financial support, including to environmental justice communities as defined in ORS 182.535\*
- (f) Implementation coordination of state-recognized place-based integrated water resource plans;
- (g) Placeholder: Should there be other types of planning?*

(6) Place-based integrated water resource plan described in subsection (5) of this section must:

- (a) Be developed in collaboration with a balanced representation of interests;
- (b) Balance current and future in-stream and out-of-stream needs;

- (c) Include the development of actions that are consistent with the existing state laws concerning the water resources of this state and state water resources policy;
- (d) Facilitate implementation of local solutions;
- (e) Be developed utilizing an open and transparent process that fosters public participation; and
- (f) Be developed in partnership with the Department and other state agencies as defined in rule.
- (g) Strive to integrate solutions to cost-effectively achieve multiple benefits.
- (h) Follow the guiding principles of the state integrated water resources strategy.

(7) The Department shall consider state-recognized plans funded under this section in each update of the integrated state water resources strategy as required under ORS 536.220.

- (8) The Water Resources Commission may adopt rules to implement this section, including rules that:
- (a) Further define expenditures allowable under this fund for a purpose described in this section.
  - (b) Prioritize the issuance of the funding for a purpose described in subsection (5) of this section.
  - (c) Establish requirements for engagement of environmental justice communities as defined in ORS 182.535.
  - (d) Define the criteria and process for state-recognition of a place-based integrated water resources plan.

\* ORS 182.535 as amended by [HB 4077](#) in 2022): *“Environmental justice community” includes communities of color, communities experiencing lower incomes, communities experiencing health inequities, tribal communities, rural communities, remote communities, coastal communities, communities with limited infrastructure and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including seniors, youth and persons with disabilities.*

# Oregon Water Resources Department Policy Option Packages – DRAFT

Oregon Water Resources Department Policy Option Packages – DRAFT

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## POP A - Adapt to Climate Change and Drought

### **IWRS RECOMMENDED ACTIONS**

5.A Support continued basin-scale climate change research efforts, 5.B Assist with climate change adaptation & resiliency strategies, 5.5A Plan and prepare for drought resiliency, 8.C Promote Community Education and Training Opportunities, 10.A Improve water-use efficiency and water conservation, 10.B Improve Access to Built Storage, 11.D Protect and restore instream habitat and habitat access for fish and wildlife, 13.C Invest in Local or Regional Water-Planning Efforts

### **Issue Statement**

(1) With drought being more widespread, severe, and occurring more frequently in Oregon, we need to prepare Oregonians for a changing water future involving water scarcity. A more proactive and adaptive management approach to drought is needed that provides more tools to address water scarcity impacts and provide a more secure water future.

(2) The Department generally relies on 3rd parties to promote streamflow restoration efforts and does not have staff capacity to focus on program and policy improvements and innovation, nor does it have resources to more proactively promote streamflow restoration activities. This limits the Department's effectiveness in instream flow restoration.

(3) Water conservation is one tool to help stretch water supplies in an uncertain water future; however, the agency has few programs or tools to promote and increase awareness about the need for water conservation or actions that can be taken to conserve water, including use of the Allocations of the Conserved Water program.

(4) Smaller water systems often lack the capacity to dedicate staff for long-term planning or emergency planning, which increases their vulnerability to drought and water scarcity. This can impact underserved and underrepresented populations, rural, and BIPOC communities.

(5) Storage can be a critical component to adapting to water scarcity. Aquifer Recharge and Aquifer Storage and Recovery projects are tools that can help improve groundwater levels and storage, which can benefit water users and in some cases springs and streamflows. Oregon can do more to facilitate use of this tool and ensure timely processing of these applications.

(6) Oregon needs to evaluate impacts to basins as climate warms and mountains get less snow. Specifically, we need to understand how this will impact the amount of recharge to aquifer systems, as well as the changes in the amount and timing of runoff.

### **Proposal**

(1) Add a Climate and Drought Coordinator that would focus on drought response coordination among the various state and federal agencies, as well as focus on implementing and moving forward more long-term strategies for a changing water future and an era of water scarcity. This position would help advance policy and technical efforts pertaining to drought resiliency, mitigation, and adaptation, including recommendations of the 2016 Drought Task Force, actions in the IWRS, Hazard Mitigation Plan, and Climate Adaptation Framework.

(2) Add an instream water coordinator that would focus on improving the agencies program for water users seeking to provide water for instream purposes as well as more proactively working to develop



relationships with water users, state agencies, streamflow restoration groups, water user groups, and rural and BIPOC communities to partner and promote streamflow restoration opportunities and state and federal funding opportunities. The position could also seek to negotiate special option agreements under the agency drought statutes.

(3) Add a water conservation coordinator that would be responsible for working with cities, districts, industry, agriculture, and others to promote water conservation, promote agency programs such as the Allocation of Conserved Water Program, seek federal and state resources for water conservation projects, improve Oregon policies and incentive programs regarding water conservation, and conduct public outreach campaigns.

(4) Small water system specialist - This position would identify potentially vulnerable water systems and work with these systems to improve their resiliency to climate change, water scarcity and drought. This could include helping identify funding and planning opportunities, identifying water solutions that comply within water law, and coordinating with other relevant agencies to help navigate water challenges.

(5) 1 GW Hydrogeologist and 1 NRS 4 ASR/AR coordinator - These positions would ensure more timely processing of ASR/AR projects, coordinate with other agencies; promote AR/ASR; develop an assessment of other states AR/ASR programs and funding; develop an assessment of Oregon's existing program; and implement recommendations to advance and increase the use of AR/ASR in the state.

#### **Resources Needed**

~\$2 million; 6 FTE

- 1 OPA 4 - Climate and Drought Coordinator (~\$285k);
- 1 NRS 4 - Instream Coordinator (~\$265k)
- 1 NRS 4 - Small Water Systems Specialist (~\$265k)
- 1 NRS 4 - Water Conservation Coordinator (~\$265k)
- 1 GW NRS 4 - Hydrogeologist (~\$300k);
- 1 NRS 4 ASR/AR Storage Coordinator (~\$265k)
- \$200k Funding for water conservation campaigns and messaging

## POP B - Improving Water Management

### **IWRS RECOMMENDED ACTIONS**

10.F Provide an adequate presence in the field

#### **Issue Statement**

Statewide water scarcity, drought and climate change are stressing an over-appropriated surface water system, and groundwater issues are increasing. Additional field staff are needed to address calls for water, complaints, and more complex water management challenges to prepare Oregon for water scarcity. Additionally, a reclass of remaining Watermasters from NRS 3 to NRS 4 is needed to address equity issues.

The dam safety program currently has one permanent PE2 position. Reclassing an existing PE1 to a PE2 position is needed to ensure an adequate level of senior staff for training and mentoring junior level staff. This strategy, having a mix of PE1 and PE2 positions, is used by other state agencies with engineering programs and is anticipated to help with recruitment, retention, and succession planning.

#### **Proposal**

Propose to increase the number of watermasters and assistant watermasters in strategic basins across the state; add 1 PEM for the Klamath-Lake County region; and reclass NRS 3 watermasters to NRS 4; reclass 1 PE 1 Dam safety engineer to PE2.

#### **Resources Needed**

~\$5million; 17 FTE

- 12 NRS 2 - Assistant Watermasters: Vale, Canyon City, Burns, Enterprise, Santiam basin, Eugene, Bend (Crooked), Klamath Falls (Klamath & Lake), Pendleton (2), The Dalles, Medford (~\$255k each)
- 4 NRS 4 - Watermaster Districts: Santiam, Upper Klamath, Lost River, Umpqua/coast (~\$300k each)
- 1 PEM E Region Manager Region 6 = Klamath + Lake (~\$305k)
- Re-class 17 NRS 3 watermasters to NRS 4 (~\$425k)
- Reclass of one PE1 to PE2 for Dam safety (~\$40k)

**IWRS RECOMMENDED ACTIONS**

7.A Develop and Upgrade Water and Wastewater Infrastructure, 7.C Ensure public safety/dam safety

**Issue Statement**

No inventory of all levees currently exists, except for levees certified under a US Army Corps of Engineers program. Inventorying and inspecting levees are needed to protect public safety and infrastructure. Inspections include a field assessment of any safety deficiencies that pose a risk to people or property. Currently there is no inventory of levees that fall into this category, but the Department is aware that they exist.

**Proposal**

Provide funding for one engineer to identify, inventory, and inspect levees that pose a risk to people or property and are not under a Corps of Engineers program.

**Resources Needed**

~\$345k; 1 FTE

- 1 PE 2 - Levee Engineer (~\$345k)

## POP C - Studying Springs in the Deschutes Basin

### **IWRS RECOMMENDED ACTIONS**

3.A Determine flows needed (quality & quantity) to support instream needs, 5.B Assist with Climate Change Adaptation and Resiliency Strategies

#### **Issue Statement**

Decreases in spring discharge in the Deschutes Basin have been generally observed over time and the Department has received comments from members of the public and other state agencies regarding concerns about springs and the need for data to understand the magnitude and causes of diminished spring flows. It is not clear to what degree reduced spring discharge can be attributed to various factors such as drought, groundwater pumping under both permitted and exempt uses, climate change, piping and lining of earthen canals, and regime changes to reservoir management to meet the Oregon spotted frog Habitat Conservation Plan. Springs with high ecological value that support resilient habitat in the face of climate change could be critical to many species in the Deschutes basin. Important springs have not been systematically identified or studied to understand the source and volume of water needed to maintain these habitats. The study will also provide the Department information for its periodic review and report on the Deschutes Basin groundwater study area as outlined in ORS 540.155.

#### **Proposal**

Propose a study to address the following goals: 1) identify high-value ecological springs, 2) understand the sources and fluxes of water of high-value springs, and 3) understand the magnitude and causes of impacts on these sources and springs. Existing staff and a new NRS 3 Basin Study Hydrologist would engage ODFW, ODEQ, and stakeholders to identify springs in the Deschutes Basin by performing an inventory of springs including habitat and ecological values in the context of water supplies in the basin. OWRD staff would use existing water resources data when available and may, when able, use existing hydrogeologic models to address the study goals. For those high-value springs, some additional modeling exercises in partnership with the USGS may be needed to understand the magnitude and causes of impact on the springs.

#### **Resources Needed**

~\$240k; 1 FTE

- 1 NRS 3 - Basin Study Hydrologist (~\$240k)

Funding to partner with USGS on spring studies and revise/revisit/operationalize the Deschutes GW model - (Note: Oregon USGS is over-committed on their cost match funds.)

## POP D- Facilitating Collaboration and Data to Improve Understanding of Lake Abert Challenges

### **IWRS RECOMMENDED ACTIONS**

1.B Improve water resource data collection & monitoring, 5.B Assist with Climate Change Adaptation and Resiliency Strategies

#### **Issue Statement**

Lake Abert is a significant ecological system in Oregon, an internationally recognized migration staging habitat for shorebirds with 3.25 million shorebird use days annually. In addition, it is also part of the larger ecological system associated with the Chewaucan River, with the remaining portions of the Chewaucan Marshes and associated flood irrigated meadows providing spring migration and nesting habitat for waterfowl and shorebirds. The Chewaucan Marshes also support significant irrigated agriculture within the Lake Abert basin. The area is part of the ancestral land for many of Oregon's federally recognized tribes, and important cultural resources are present within the Chewaucan drainage and areas surrounding Lake Abert.

Observed and estimated minimum water levels in Lake Abert have declined over the last 60 years, along with declines in average precipitation, increased temperatures, increased evaporation and transpiration, and some increase in diversions.

#### **Proposal**

This package requires further discussion and refinement and will be modified based on whether there are items the Department can pay for this biennium, as well as based upon discussion with interested stakeholders (both state and local) and interested tribes. More engagement is needed on this front; however, proposals are outlined here due to budget deadlines.

The resources described here include additional data collection that would provide critical datasets for building and calibrating a model to be used for management purposes. Data collection to develop time series of lake levels and other hydrologic information requires several years of record, in addition to resources and costs associated with equipment, travel, and data management, processing, and analysis.

#### **Resources Needed**

Potential funding proposals could include some or all of the following: These proposals will likely be reduced based on discussions with interested stakeholders.

Data that WRD and ODFW believe would be beneficial to pursue next (pending further conversations)

- Support for Agrimet station and a SNOTEL station (could also be included in other POPs)
- LiDAR flights of Lake Abert to develop lake rating
- Funding for 3 pairs of observation wells (have funding through 2024 to support obs well work, otherwise would need more funds)
- Funding for 5 stream gages - the addition of a gage at the Narrows, at Narrows ditch, near the mouth of Willow Creek, near the mouth of Crooked Creek, and if possible, a gage at the mouth of the Chewaucan (some of these may be USGS, some may be OWRD)
- One additional assistant watermaster (~\$250k) to collect the data, maintain gages, and conduct seasonal measurements of springs and seeps,
- Funding for contract to develop a water balance

Previous proposal likely to be funded this biennium without additional \$\$

- The addition of a gage on Lake Abert, which includes lake levels, water temperature, conductivity and salinity (likely covered under existing dollars)

Previous proposals that Department is considering not pursuing at this time:

- Increase water measurement in the area (Other tools may be better)
- Funding for engagement with tribes, local stakeholders, and statewide interests (more work is needed to determine if there is interest, and if necessary, other POPS could contribute to this work such as the complex issues).
- Decision support tool (don't have the right data yet and is not the right time)

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## POP E - Increase Data Accuracy and Data Entry to Improve Data Availability

### **IWRS RECOMMENDED ACTIONS**

1.C Coordinate inter-agency data collection, processing, and use in decision-making, 6.B Improve state agency coordination,

#### **Issue Statement**

The Department Data Technicians are responsible for entering data into the Department's databases as well as checking data entered for accuracy and cleaning up data entry errors. The Department has a long list of data entry and cleanup needs.

For example, points of diversions are not mapped to the accuracy needed for efforts like SB 1602 (2020) related to the Oregon Forest Practices Act and other efforts where water right data are important for understanding the impacts of water management changes.

As another example, older well logs contain valuable construction, location, and water level information that has not been entered into the well log database. This data could be used to help inform agency water management decisions and could also be used by landowners and others when making land use decisions. Well location data is often available on historic paper well report forms, but unavailable or not sufficiently accurate in the database. Independent audits of the data have identified significant deficiencies and that this results in the agency not having a comprehensive statewide dataset of water wells; In a 2015 report by Portland State's Center for Spatial Analysis and Research, only 35% of our Water Well Logs were not missing critical location data, and it was decided OWRD data could not be used to produce an accurate statewide dataset of private water wells. Additionally, one well may have many reports, water level measurements, groundwater studies, water rights, or water quality assessments associated with it; however, many do not have a unique identifier to link the data together to the specific well.

#### **Proposal**

While other POPs are focused on development of new data applications and ways of presenting information, this proposal is more focused on data entry and data cleanup.

This package proposed to start the process of cleaning up data. Hire data techs to review and enter legacy Well Report data into well report information system. Have assistant watermasters verify points of diversions, and well log location data in the field. Review well reports and other data for the linkages that tie the data sets together. This package does propose some database changes requiring a limited duration application developer that would work to assign a unique physical location identifier so future well reports, groundwater studies, water level measurements, DEQ water quality assessments, water rights, well pump tests, and others can use a common identifier for a well.

#### **Resources Needed**

~\$2.1 million GF; 9 FTE

- 2 LD NRS 2 - Assistant Watermasters (~\$255k each)
- 1 PERM PEM C (IP 28X) Data Section Supervisor Depends on Staffing Gains (~\$285k)
- 2 LD ISS2 - Data Technicians (~\$200k each)
- 3 PERM ISS2 – Data Technicians (~\$200k each)
- Reclass 1 WRDT2 to ISS3 (~20k)
- Reclass 4 WRDT1 to ISS2 (~\$15k each, ~\$60k)
- 1 LD ISS6 - Application Developer (~\$265k)

## POP G - Updating and Maintaining Surface Water Availability Model

### **IWRS RECOMMENDED ACTIONS**

1.B Improve water resource data collection & monitoring, 5.B Assist with Climate Change Adaptation and Resiliency Strategies, 13.B Fund water resources management activities at state agencies

#### **Issue Statement**

An updated statewide water availability model is needed for determining future water allocation and planning, particularly in the face of changing climate and runoff. The base period we currently use (1958 to 1987) to determine surface water availability does not reflect surface water conditions on the ground today, and so may not accurately reflect the impact of additional allocation on today's communities, water users, and ecosystems. It also may not reflect the impacts of additional groundwater allocation on surface water supplies. In order to do this work, we need to address the following problems:

- (1) Inadequate staff to complete required technical work and outreach. Updating the WARS model is a significant undertaking, and OWRD does not have adequate staff to complete the work.
- (2) Insufficient natural flow gages. We have gaps in our streamgage network needed to better quantify natural streamflow - the basis for the water availability calculation. OWRD will likely not have enough staff and/or funds to operate these gages or process associated data, nor adequate base budget funding to maintain our current gage network.
- (3) Need to modernize analysis, tools, and inputs to improve accuracy and automation. The computer programs and software used to develop the model are obsolete and, in some cases, cannot be repaired, requiring us to re-develop and rebuild those tools. Additionally, the methods and data used in the development of input data sets from the 1990s have been improved on since that time.
- (4) Need to incorporate public input. Surface water availability impacts water users across the state, and it will be important to understand and consider that impact as the project proceeds. OWRD does not have adequate staff to support outreach around this important project.

#### **Proposal**

Over the course of 6 years, we propose to update the statewide water availability model in order to deliver accurate and up-to-date seasonal/monthly water budgets for basins throughout the state. We propose to hire a program and project management team to coordinate research and technical activities for the project and to research and develop refined estimates of water availability. In partnership with our IS team, the WARS group would develop computer programs and models to perform hydrologic analyses to evaluate existing and future uses of surface water and groundwater. The team will integrate best available data from existing/ongoing efforts (streamflow and groundwater data collection, water use, ET/OpenET, basin recharge/PRMS) into an updated modeling tool to estimate components (demands, streamflow, recharge) needed for allocation. Using these more modern data sets and analytical methods will improve the accuracy and automation of the model allowing for easier updates in the future. We will also be able to perform these analyses in locations where water availability was previously undefined.

We need to bolster our streamgage network in order to do this work. We will do this by installing 10 additional streamgages to monitor natural streamflow and refurbishing failing transmitters in about 60 gages across the state. We are also requesting additional field staff to operate the additional gages.

#### **Resources Needed**

**~\$2.12 million; 7 FTE**

- 1 Information Specialist 7 (~\$285k)



- 1 NRS 4 Research Hydrologist (\$265k)
- 1 NRS 4 Hydrologist (Data Scientist) (\$265k)
- 1 NRS 4 Research Hydrogeologist (\$300k)
- 1 PEM D Assistant Surface Water Manager (\$280k)
- 2 NRS 2 - Assistant Watermasters (~\$255k each) to support operation of streamgages
- \$10K for PRISM data
- One-time funding of \$200k for new natural flow stream gages, and to replace failing transmitters across ~60 gages

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## **IWRS RECOMMENDED ACTIONS**

1.B Improve water resource data collection & monitoring, 5.B Assist with Climate Change Adaptation and Resiliency Strategies, 9.C Partner with federal agencies, tribes, and neighboring states in long-term water resources management, 13.B Fund water resources management activities at state agencies

### **Issue Statement**

Multiple new and existing Federal water supply monitoring programs require match from state partners for the program to be able to meet shared needs. Monitoring precipitation onto and evapotranspiration from farms, mountains, cities, and forests requires broad networks and models that capture different conditions across the state, but these networks are expensive to operate on a small scale. Partnerships with the Federal government on these critical water supply data sets will allow Oregon to provide data critical for water planning and management.

Evapotranspiration data is a critical water data gap in the state. Equal access to ET data can enable more effective planning and management of water resources, supporting current and future statewide and regional processes. Solutions to water supply issues that rely on publicly available, consistent, widespread accounting of water use like CREP or water accounting platforms will not be possible without programmatic funding for OpenET. Currently, the OpenET consortium is seeking permanent programmatic funding through Federal and State programs to ensure the data remain publicly available. Oregon providing this cost match would bolster Federal requests for cost share, though Federal support is not yet established. Data from OpenET can be used to support a number of other budget topics, including Basin and Complex Issue Coordination, Current Water Use Estimates and Future Water Demand Forecasts, Drought, Harney CREP, Walla Walla Water Management, Water Availability, Water Rights Characterization Tool and Report.

The Agrimet program provides data fundamental to assessing water use at a local and state-wide scale. Along with helping to calibrate weather data used statewide tools like drought forecasts, OpenET, and Water Availability Reporting, it supports farmers regarding irrigation scheduling and management, and can help document trends in weather required for federal aid (e.g., drought). The current Agrimet network gaps prevent state, federal, private, and non-profit partners from providing these various supports, and running stations on our own is cost prohibitive. If Oregon wants to expand our Agrimet program, we will need ongoing financial support to help operate these stations in collaboration with local partners, and additional dollars to support Federal staff.

The SNOTEL program is used to track snow characteristics across the state, though the network is insufficient to track water supplies in basins where it is most needed.

### **Proposal**

1) \$475k per biennium ongoing cost match for licensure to serve up publicly available and accessible raster and field scale summaries of consumptive use from irrigated agriculture and associated field attributes (e.g., irrigation status), support ground truthing of consumptive use data through analysis or measurement/monitoring of weather or ET data, work in partnership with OWRD and stakeholders to identify and address needs and concerns related to OpenET, co-investigate related technical issues, electronic storage and development of data, and scoping, designing, and delivering engagement with the public. May also request dollars to complete work under HB 2018 that was delayed due to contracting issues (on target to be 80% complete by June 2023).

2) OWRD has funds (ARPA) that can be used to establish 10-20 Agrimet stations (\$11k per station) across the state, but not ongoing dollars (\$1,200 per station per year) to help maintain these stations, nor dollars to fund the additional BOR staff needed to maintain the network. A consortium of state and federal partners (USDA, would like to work with Agrimet (Bureau of Reclamation's Water Conservation Field Services Program (WCFSP)) to expand their network to include 30-50 additional sites over the next 5 years. Agrimet is interested, but they would require one to two permanent, full-time technicians ( to support this expansion of the network. The state can support this position by supplying a position to cooperate with BOR – a common setup in other State Climatology offices across the US.

3) NRCS Oregon has approximately 5 sites they are working to add to the state network. State match dollars can accelerate the expansion of the network and potentially allow the additional sites to be added to the system (pending issues such as FS or BLM permits, etc.). WRD proposed to use match dollars to work with NRCS and water users in basins of interest to establish stations in those areas.

#### **Resources Needed**

~\$1.08 million; 1 FTE

- OpenET contract for biennia (\$475k)
- Google contract/storage (\$72k)
- If needed, request funds to complete work identified under HB 2018 not completed within the biennium (estimate \$200k)
- 1 NRS 2 Hydrologic Technician - Funding for technician to work in partnership with the Statewide Climatologist office (\$255k)
- Half of operating dollars for 20 Agrimet stations - increase in base budget (\$24k)
- Match for 5 SNOTEL sites (\$50k)

## **IWRS RECOMMENDED ACTIONS**

**Package supports foundational staff that support the work of other staff working on IWRS recommendations across the agency.**

### **Issue Statement**

Information Technology, has become more complicated over the last 1-2 decades. OWRD has not kept up and has fallen behind through a lack of IT Investment. The agency now finds itself unable to meet the demands of present-day technological needs which hinders all agency operations as we fall behind our peers at the municipal, county and federal levels.

### **Proposal**

This package would include a number of investments needed to support expanded use of IT resources and the analysis and planning of modernization efforts, including following appropriate procedures through DAS such as development of business cases for projects, and increased oversight requirements around strategic planning and information security. This will resource the agency for the immediate analysis and strategic planning that is needed to prepare focused modernization efforts in future budget cycles. This package also includes management support as IT staffing and complexity levels have exceeded a manageable threshold for one manager.

### **Resources Needed**

~\$1.63 million; 5 FTE

- 1 PERM PEM D (IP 31X) Application Development Manager/Deputy CIO (must have) (~\$320k)
- 1 PERM ISS8 System Architect (~\$305k)
- 1 LD ISS5 Application Developer (~\$250k)
- 1 PERM ISS3 helpdesk (makes LD perm, ~\$220k)
- 1 Perm ISS6 IT Project Manager (~\$265k)
- Reclass ISS6 Systems Administrator to ISS7 Systems Administrator (~\$20k)
- \$250,000.00 contract dollars.

**IWRS RECOMMENDED ACTIONS**

**Package supports foundational staff that support the work of other staff working on IWRS recommendations across the agency.**

**Issue Statement**

Increased investments in water have increased the complexity and workload of fiscal staff. Accounting staff are monitoring and reporting on thirty different appropriations and 281 different program cost accounts (PCA's) in the 2021-23 biennium as compared to eight different appropriations and 131 different PCA's in the 2013-15 biennium. More customers are turning toward paying for services using electronic means which means more reconciling of complex electronic reports, batches and ledgers.

**Proposal**

This package proposes to make permanent an existing limited duration Accountant 1. Making this position permanent would enable the agency to be more timely with fiscal transaction processing and allow the fiscal team to be more accurate and timely with financial reporting. Not making this position permanent means that the additional workload would fall to higher level staff members who already have a full workload and would mean slower processing times for reimbursement to staff and payments to our vendors.

**Resources Needed**

~\$210k; 1 FTE

- 1 Accountant 1

**IWRS RECOMMENDED ACTIONS/KPM**

**Internal audit function is required based on size and makeup of the agency budget. Agency size and budget supports work on IWRS recommendations across the agency.**

**Issue Statement**

The Department met the criteria in 1(c) of Oregon Administrative Rule 125-700-0125 as of Fiscal Year 2016, requiring an internal auditing function (ORS 184.360). The Department received a waiver for fiscal years 2015 through 2021, while exploring options for meeting this requirement.

**Proposal**

After the new rules have been implemented, should DAS determine that the Department still meets the requirements for an internal audit function, the Department proposes to add a full time Internal Auditor 3 to be able to be in compliance with the new rules. Initial discussions with another agency regarding the sharing of this position are being explored but are not yet represented in this pricing.

**Resources Needed**

~\$290k; 1 FTE

- 1 Internal Auditor 3

POP L - Providing Quality Service through Employee Development and Retention and Implementing Project and Portfolio Management (Combined POP L and POP N)

### **IWRS RECOMMENDED ACTIONS/KPM**

**13.B** Fund water resources management activities at state agencies. **Also supports implementation of all OWRD related IWRS actions by contributing to the successful execution of projects and retention of staff.**

#### **Issue Statement**

L - WRD needs to continue to develop and promote a workplace culture where staff thrive and have the skills to provide quality service to the public. It is often more effective to invest in and retain staff than to hire and train new staff, due to the costs associated with hiring, training and lost productivity. The agency has had limited resources to invest in staff training or development and has had limited resources to invest in developing managers and emerging managers so that they have the tools necessary to effectively retain staff.

N - As part of the agencies 2019-2024 Strategic plan and in part due to the 2016 Secretary of State Audit, the Department recognized that often it had too many projects and not enough resources to complete those projects. For a long time, in an attempt to meet the needs of a variety of interests, the agency was in the habit of attempting to take on more and more projects without prioritizing its workloads. The result being many staff being overworked, projects taking longer due to staff being spread too thin, and some projects being unsuccessful because of the limited time for staff to work on projects. Upon developing its Strategic Plan, the Department has an interest in implementing project and portfolio management into its work across the agency. With increased agency strategic initiatives, it has become only more evident that the Department needs to invest in project and portfolio management in order to successfully manage and carry out the multitude of new projects, in addition to completing old projects.

#### **Proposal**

L- This package includes funding for: (1) paying for required training for staff that hold professional registrations requiring continuing education credits, (2) paying for trainings to further grow and develop staff, and (3) paying for a management and coaching consultant that can help managers understand best practices and retain staff in order to provide quality service to the public.

N – This package also includes 1 OPA 3 position would be responsible for integrating project and portfolio management across the agency. This position would be responsible training staff on how to implement project management best practices, how to use project management software, and provide advice and guidance on how to manage projects. This position would develop guidance and protocols to institute a consistent approach to project management across the agency, and ultimately managing the agency's project portfolio to ensure transparency and accountability by developing consistent and clear means for communicating out project statuses for the entire portfolio, providing timely and accurate information, and regular updates. In addition, in managing the portfolio, this position would support management in implementing portfolio management, including project prioritization and ensuring priorities and criteria are clearly communicated internally and externally. A Project Manager 3 would also be hired as the agency project manager expert to help manage high profile projects and ensure timely completion, while also providing expert consultation with other staff in the agency that are managing projects.

**Resources Needed**

~\$805k; 2 FTE

- 1 Project Manager 3 (~\$285k)
- 1 OPA 3 - Project and Portfolio Integration Coordinator (~\$270k)
- Estimated at ~\$250k for employee development

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## **IWRS RECOMMENDED ACTIONS**

**Package supports foundational staff that support the work of other staff working on IWRS recommendations across the agency.**

### **Issue Statement**

The Department needs to digitize enormous amounts of paper files and records to improve access for staff and the public. We also need to determine to what extent we can streamline work related to fulfilling requests for emails for public records. We are close to capacity for filing space. Scanning and then eliminating paper files would improve internal and external access to well logs, water right and transfer applications. This would allow faster processing and provide better access of information to public.

In addition, the agency has seen the number of public records requests increase each year over the past 5 years from approximately ~140 in 2017 to approximately ~290 in 2021. Requests for emails in particular have proven to be complicated and time consuming to fulfill. This work is no longer part time work, especially in light of more recent laws seeking agencies to pursue timely responses to public records requests.

### **Proposal**

Propose obtaining \$100,000 to hire temporary staff to organize and prepare files for scanning. Current staff could then work with the Records Officer to determine workflows for the electronic files. A portion of that funding would also be used to hire a contractor to scan a mix of water right files that have received a certificate and transfers that have received a final order and certificate so that staff can assess the best path forward for providing electronic access to files for both staff not in the office and for the public. This initial work would help us create some much-needed space and allow us to find out how much additional money is needed to complete the rest of certificated water right and transfer files, as well as other files.

In addition, this proposal also includes one public records request coordinator to focusing on fulfilling public records requests and working with the Records Officer to modernize the agency's public records request practices, and ensuring the agency is providing quality service to Oregonians seeking records.

### **Resources Needed**

~\$315k; 1 FTE

- \$100k for contractor to scan records
- 1 OPA 1 - Public Records Request Coordinator (~\$215k)

## POP O - Increasing Public Engagement through Communications

### **IWRS RECOMMENDED ACTIONS/KPM**

8.C Promote Community Education and Training Opportunities, 5.5A Plan and prepare for drought resiliency, 10.F Provide an Adequate Presence in the Field (via improve the ability for field staff to conduct education and outreach within their districts), 10.G Strengthen Oregon's Water Quantity and Water Quality Permitting Programs (via develop outreach materials and follow-up procedures to help water users understand the application process and permit, transfer, or extension requirements).

#### **Issue Statement**

WRD is in the process of formulating a communications program and has a limited budget for these efforts. Communications has become increasingly important as the public is increasingly interested in agency activities, the Department is seeking to strengthen its public engagement and outreach efforts, drought conditions continue, and the need for increased education to help people understand the law. With the increased use of social media and texting, the public is seeking more ways to engage with government agencies and expect information to be graphically interesting utilizing different mediums. Given the complexity of water issues, building this capacity is increasingly important in order to serve the public and ensure an engaged and informed public.

#### **Proposal**

This proposal includes the addition of a communications professional to focus on increasing the Department's use of social media, video, newsletters, and graphics to reach, educate, and engage more Oregonians. This also includes a budget for professional staff development; contracts for graphic design, printing, public service ad buys, video production; and subscriptions and online tools.

#### **Resources Needed**

~\$775k; 1 FTE

- 1 Public Affairs Specialist 3 (~\$275k)
- \$500k professional development, contracts, subscriptions, and online tools

**IWRS RECOMMENDED ACTIONS/KPM**

8.B Provide Education and Training for Oregon's Next Generation of Water Experts, 8.C Promote Community Education and Training Opportunities, 9.A Continue to Undertake Place-Based Integrated Water Resources Planning. IWRS Guiding principle.

**Issue Statement**

To advance racial equity and environmental justice, the agency needs staff dedicated to this work to build relationships with BIPOC and rural communities and other underrepresented or under resourced groups. This work requires a long-term effort to build trust and collaboration and cannot be accomplished in one biennium.

The Department received \$1.5 million equitable water access and indigenous water resiliency in the 2021 budget. Without having a program already setup or dedicated staffing in place to expend these dollars, it is likely that the agency will need to seek to re-appropriate at least a portion of these funds in 2023.

**Proposal**

The agency proposes to invest in community capacity building through implementation of HB 3293, as well as through investments in planning (see proposed LC). The agency also proposes to fund two positions that would be responsible for leading the agency's efforts in advancing environmental and racial justice and diversity, equity and inclusion, as well as increasing the agency's capacity to reach underrepresented and underserved groups, including BIPOC and rural communities. Although both positions would work together to achieve the agencies goals, one position is anticipated to be focused more on creating a creating an inclusive and belonging workplace culture and environment by partnering with other sections of the agency to: (1) Implement actions to foster an inclusive and belonging workplace culture and environment; (2) Assist in development of mentorship, coaching, trainings and professional development opportunities to diversify leadership pipeline and for agency succession planning; (3) Develop programs to increase interest in water as a career for students; (4) Develop and provide DEI trainings to align agency to standardized and inclusive processes; (6) support the agency's Diversity, Equity and Inclusion Team; and (7) undertake other efforts and strategies to lead and advise the agency in this work.

The second position will be focused more outwardly, to (1) increase underrepresented and underserved groups understanding of water issues in Oregon and how to engage in water policy issues (2) develop a policy for implementing stipends to increase capacity for participation, (3) build relationships with community based organizations and help the Department support the work of CBO's to bridge informational gaps, (4) help other staff in the agency to frame conversations in a way that is approachable and inclusive and to provide increased access for people to participate; (5) build relationships and understanding of people's values and language to better incorporate into agency programs; (6) work with partners and community based organizations to identify shared goals and support community capacity building; and (7) help the agency better understand the water needs of underserved and under resourced communities, including BIPOC and rural communities, and to better incorporate their interests into agency programs and policies. Provide consistent funding for staff across the agency to obtain training and participate in activities that increase understanding of the history,

principles, and best practices pertaining to diversity, equity, and inclusion and racial and environmental justice. In addition, the Department is seeking to hire a consultant to undertake a DEI assessment and to provide guidance and expertise to the agency. The assessment would explore the agency's current culture to understand what is working, and what could be different. Data collected will help to establish goals, objectives and a baseline for DEI initiatives. This work could also (1) Investigate and identify opportunities to address historic inequities and implement environmental justice best practices within current programs; (2) Identify actions that would increase transparency, inclusion and equitable practices; (3) Identify explicit actions center racial justice and build capacity across the Department; (4) Identify ways to operationalize equity into each part of the agency to create meaningful, intentional and inclusive processes and create change.

### **Resources Needed**

~\$1.04 million; 2 FTE

- 1 Program Analyst 4 (~\$275k)
- 1 Program Analyst 3 (~\$260k)
- \$500,000 for training and consultants, funding for stipends, childcare, food, translation, transcription, and honoraria, Additional funding to partner with CBOs

## POP Q - Providing Policy Support to Advance Agency Program Modernization and Solutions to Water Challenges

### **IWRS RECOMMENDED ACTIONS/KPM**

#### 5.B Assist with Climate Change Adaptation and Resiliency Strategies,

##### **Issue Statement**

WRD has a long rulemaking backlog with limited staff support to work on rulemakings. This has led to rulemaking delays. Further, as the Department sees an increased interest in conducting basin specific rulemakings and implementing basin specific policies from collaborative planning efforts, and due to increased water scarcity, the Department needs the policy staff capacity to successfully conduct this work.

Examples of the agency challenges include: Groundwater policy has been at the forefront of many Oregonian's minds in recent years as new data reveals challenging groundwater conditions. A significant portion of the agencies policy work is surrounding groundwater policy. Groundwater policy also greatly affects BIPOC and rural Oregonians and the Department needs to have increased community outreach ensure that Oregonians affected by these decisions are involved. Similarly, there is an interest increasing the efficiency of the agencies water rights services division programs; however, there is limited staff capacity to work on process improvements and policy development. Finally, many basins are seeking basin specific solutions; however, the Department does not have policy staff capacity to conduct the work necessary to implement policy changes.

##### **Proposal**

When combined with the agency's other policy staff, the Department with three additional water policy staff would have a policy analyst focused on the work of each division of the agency which would be responsible for interfacing with program staff and external stakeholders and the public to advance policy development. These positions would be responsible for ensuring that persons and communities likely to be affected by policy, legislative, or rulemaking changes are involved in the process, including BIPOC and rural Oregonians. These positions would seek to ensure that changes to agency programs and practices are conducted in a transparent manner.

##### **Resources Needed**

~\$815k GF; 3 FTE

- 1 OPA 4 –Water Policy Analyst (~\$285k)
- 2 OPA 3 - Water Policy Analysts (~\$265k each)

**IWRS RECOMMENDED ACTIONS/KPM**

9.C Partner with Federal Agencies, Tribes, and Neighboring States in Long-Term Water Resources Management

**Issue Statement**

Government to Government coordination has traditionally been a portion of a position's work at the agency and the Department has not had sufficient staff resources to fully engage in this work and to help address the water needs and challenges of tribes in Oregon.

Further, OWRD has been negotiating with the Confederated Tribes of the Umatilla Indian Reservation (CTUIR), and federal government to determine the scope and attributes of rights to water of the CTUIR who may have a federal reserved water right claim (as defined in ORS 539.300, et seq.) Negotiations are ongoing with the CTUIR and federal government related to the settlement of federal reserved water rights the CTUIR may have in the Umatilla Basin. ORS 539.330 outlines the statutory requirements of the Department to conduct outreach in the basin once the settlement agreement has been filed with the circuit court. There are other engagement needs to facilitate communication and coordination between water users and other stakeholders as these negotiations continue and up to submittal of the settlement to the court.

**Proposal**

The Department proposes to add one position for Government to Government coordination as well as to support and develop relationships with tribes to engage in tribal water issues and to engage tribes in the work of the agency. In addition, this position would provide staff support for engagement on more complex tribal issues, such as the CTUIR federal reserved rights negotiations. The agency is asking for facilitation funding for CTUIR negotiations in its facilitation POP. This position would provide the staff support for this work.

**Resources Needed**

~\$285k GF; 1 FTE

- 1 NRS 5 - Tribal Liaison Specialist (~\$285k)

POP T - Moving to Solutions through Basin and Complex Issue Coordination and Expert Facilitation (Combined POP S and POP T)

**IWRS RECOMMENDED ACTIONS/KPM**

5.B Assist with Climate Change Adaptation and Resiliency Strategies, 9.C Partner with Federal Agencies, Tribes, and Neighboring States in Long-Term Water Resources Management

**Issue Statement**

T - Water management is increasing complex with increasing water demands and decreasing or shifting supply expected in the future as a result of climate change or other factors. Staff resources are needed to work with basin interests to pursue solutions to water supply challenges and address an uncertain water future. Resources are specifically needed in the Southwest Region, North Central Region, East Region and Klamath/Lake Abert/Summer & Goose Lake Basin.

In addition, a recent Supreme Court Decision (Mississippi vs Tennessee) recently pronounced that states should move to achieve “equitable apportionment” of groundwater where aquifers cross state boundaries.

WRD has long benefitted from having a Special Assistant to the Director who is a highly experienced senior-level water professional that can provide expert guidance and representation on the most complex and controversial water issues. This position, however, has been unbudgeted.

S - Additionally, the Department see an increased need for utilizing contracted expert professional facilitators. To date WRD has received ad-hoc funding for particular projects; WRD does not have funding for facilitation in its base budget. This limits the Department's ability to be strategic about use of facilitation funds and to bring expert facilitators in to help design and run effective stakeholder and public meetings and processes.

**Proposal**

T - 1) 3 Permanent NRS 5s - one for each: Southwest Region, North Central Region, East Region and Klamath/Lake Abert/Summer & Goose Lake Basin. These positions would coordinate on complex issues in order to help see progress on solutions to those issues. These positions would complement the work of the existing positions focusing on the Northwest Region and Central Oregon. Staff will engage this work through an equity lens and work to ensure that underrepresented and under-served populations are included in these coordination efforts.

3) This package includes one PEM F Special Assistant to the Director that would work on an represent the agency on the most complex and controversial water issues.

S - Creating a budget line item in the Department's base budget to contract for facilitation and public engagement process expertise that will allow the Department to be more strategic in its efforts to address not only complex basin issues, but also complex policy issues. Examples of work the Department may need facilitation funding for:

(1) Facilitation funding for select basins: Increase facilitation funding for use in priority basins across the state (this is \$50K per year per region).

(2) OWRD has been negotiating with the Confederated Tribes of the Umatilla Indian Reservation (CTUIR), and federal government to determine the scope and attributes of rights to water of the CTUIR

who may have a federal reserved water right claim (as defined in ORS 539.300, et seq.) Negotiations are ongoing with the CTUIR and federal government related to the settlement of federal reserved water rights the CTUIR may have in the Umatilla Basin. ORS 539.330 outlines the statutory requirements of the Department to conduct outreach in the basin once the settlement agreement has been filed with the circuit court. There are other engagement needs to facilitate communication and coordination between water users and other stakeholders as these negotiations continue and up to submittal of the settlement to the court.

(3) Regional Water Mgmt/Planning Workgroup Oregon Consensus facilitation (if continues)

(4) Facilitation funding for bi-state issues with other states

(5) Other policy and complex issues as they arise (recent examples include transfers of storage, fee workgroup, rulemakings such as Division 10, 54, and 77)

**Resources Needed**

~\$2.69m; 4 FTE

- 3 NRS 5 - Basin Coordinators (~\$285k each)
- 1 PEM F Special Assistant to the Director (~\$330k)
- \$1.5 million facilitation dollars (\$750k/year)



POP U - Funding and support for investments in feasibility studies, water projects, and wells

## **IWRS RECOMMENDED ACTIONS/KPM**

5.B Assist with Climate Change Adaptation and Resiliency Strategies, 10.E Continue the Water Resources Development Program, 13.D Invest in Feasibility Studies for Water Resources Projects, 13.E Invest in Implementation of Water Resources Projects

### **Issue Statement**

Oregon has significant need for investment in water infrastructure, that is in need of update, replacement, or new construction to address water needs today. Provide funding to water supply solutions and the necessary resources to facilitate those investments including Feasibility Study Grants, Water Projects Grants and Loans, Water Well Repair, Replacement and Abandonment Fund. Address need for grant database.

### **Proposal**

Request additional funding to be awarded as grants for the following programs:

- \$20M - WPGL (SB 839) - Lottery Revenue Bonds
- \$2M - FSG (SB 1069) - Lottery Revenue Bonds
- \$4M - WARRF (HB 2145) - General Fund
- \$200K - Harney Well Remediation Fund (HB 3092) - General Fund

As additional funding programs have been added to the Department's purview (e.g., two new domestic well funds) additional staff are needed to provide timely service to our customers:

- 1 FTE NRS 4 Well Fund Coordinator (permanent) – Make current limited duration position permanent to operate the Water Well Abandonment Repair and Replacement Fund (HB 2145) and oversee Stage 2 full roll out of program and operate Harney Domestic Well Remediation Fund (HB 3092); given persistent drought conditions we see demand for these programs increasing

### **Resources Needed**

~\$28 million; 1 FTE

- \$20M - WPGL (SB 839) - Lottery Revenue Bonds
- \$2M - FSG (SB 1069) - Lottery Revenue Bonds
- \$4M - WARRF (HB 2145) - General Fund
- \$200K - Harney Well Remediation Fund (HB 3092) - General Fund
- 1 NRS 4 - Well Fund Coordinator (~\$265k)
- Cost of Issuance/Debt Service (~\$1.5m)

POP V - State Match for Harney Conservation Reserve Enhancement Program (CREP)

**IWRS RECOMMENDED ACTIONS/KPM**

10.D Reach Environmental Outcomes with Non Regulatory Alternatives

**Issue Statement**

Rapid development of groundwater in the Harney Basin has resulted in over-allocation of groundwater, and groundwater levels are declining, in one area as much as 10 feet per year. A reduction in groundwater use is needed to reduce the rate of groundwater declines in some parts of the basin. OWRD is supporting options for voluntary reductions in groundwater use by working with the USDA to develop a Conservation Reserve Enhancement Program (CREP) to pay to retire groundwater use.

**Proposal**

The State will need ongoing support to cover 20% of the costs to match federal funding for voluntary and permanent retirement of groundwater rights in the Harney Basin to slow the rate of groundwater level declines. Participation in the program is voluntary and is intended to incentivize a reduction in groundwater use. Participating landowners will enter into a 15-year contract with both the state and the federal program as well as permanently cancel the portion of their groundwater right for the enrolled acres.

**Resources Needed**

~\$500k GF federal cost match

## POP W - Investing in the Integrated Water Resources Strategy and Facilitating Interagency Work and Coordination

### **IWRS RECOMMENDED ACTIONS/KPM**

6.B Improve State Agency Coordination, 9.B. Coordinate Implementation of Existing Natural Resource Plans, 13.A Fund development and implementation of Oregon's IWRS

#### **Issue Statement**

The Integrated Water Resources Strategy is a multi-agency document that outlines recommended actions to meet our instream and out-of-stream needs now and into the future. However, the program has suffered from a lack of resources, which limits its effectiveness. This lack of resources has limited our ability to track progress on implementation of the IWRS recommended actions, monitor emerging issues to identify gaps for future updates, and implement updates.

Further, given that water is such an important resource with many agencies involved with and impacted its management and our water future, agencies formed a Water Core Team to focus on executing the work of the IWRS, Oregon Water Vision, and to facilitate interagency work and coordination. That team continues to meet and has determined that staffing is necessary in order to facilitate meetings of the team and interim subgroup meetings, develop and coordinate work products, and provide other team support.

#### **Proposal**

The Department needs a full-time permanent position in this role in order to effectively carry out the IWRS and ensure coordination and integration among the participating state, federal, and local agencies as well as non-governmental organizations. The Department received a limited duration position in the 2021 session; however, this is ongoing work and not limited to one biennium. Therefore, the Department is seeking to make this position permanent. In addition, the Department believes that this program would be more effective if the Department launched a website to better report out on progress on recommended actions and to make the information more dynamic and accessible. This position would facilitate and coordinate state agencies working on water issues, including for actions such as the IWRS updates and implementation, as well as for the Water Core Team agencies.

#### **Resources Needed**

~\$375k GF; 1 FTE

- Program Analyst 4 – Integrated Water Resources Strategy Coordinator (~\$275k)
- \$100k for ongoing website, communication, publications, and contracts.

POP ZA – Providing Financial Assistance and Accessible Foundational Data for Water Planning and Coordination of Plan Implementation (Combined POP ZA and POP ZC)

### **IWRS RECOMMENDED ACTIONS/KPM**

5.B Assist with Climate Change Adaptation and Resiliency Strategies, 9.B. Coordinate Implementation of Existing Natural Resource Plans, 9.A Continue to Undertake Place-Based Integrated Water Resources Planning, 13.C Invest in Local or Regional Water-Planning Efforts

#### **Issue Statement**

ZA - Provide financial assistance that helps communities understand water resources and water challenges, and then develop strategies or solutions to sustainably meet instream and out of stream water needs. Different types of planning would be eligible under the program including pre-planning situational assessments, small communities developing Water System Master Plans or Water Management and Conservation Plans, drought contingency planning, integrated water resources planning, and implementation coordination. Planning funding would also include funding for community capacity building to facilitate participation in planning through education and outreach, including representation of communities that are underrepresented and/or under resourced such as BIPOC and rural communities.

ZC – In addition, communities doing water planning and pursuing solutions need access to water data and information and have called for improved access to Department data. These data and tools provide inputs for the state's water data platform ensuring that project meets community needs.

- We do not have readily accessible estimates of water use or water demand forecasts at the basin or regional planning scale; this makes it extremely difficult to plan and prepare for a secure water future. Current data sets are not in useable formats for communities, or are incomplete (e.g., instream demands).
- Current water right databases deliver data about individual water rights – summarizing this information at basin scales necessary for planning and access by the public requires interpretation from the Department. That interpretation requires extensive time. This data and analysis were the technical assistance most frequently requested from OWRD by the planning groups, and we see it as critical to future planning.
- Finally, the Water Use Reporting database requires multiple modifications and additions in order to support public access to the Department's Water Use data. These modifications require significant time from IS staff.

#### **Proposal**

ZA - To be paired with Legislative Concept on Planning. This package would provide funding to support various types of planning in Oregon. One NRS 4 Planning Coordinator (permanent) to work with the existing Planning Coordinator to launch and operate the program. These positions would also develop guidance and assist groups with water planning.

\$1.5 million for multi-purpose planning grant fund and to support grants for water planning around the state.

\$500K grant funds to support places finishing up development of a place-based integrated water resources plan (Harney) and places in need of coordination funding to support implementation of a state recognized place-based integrated water resources plans (Upper Grande Ronde, Lower John Day,

Mid-Coast, and Deschutes are all expected to be in this place by July 2023). This is \$50K/year per place. Cash match of at least 25% will be a requirement of state-supported planning so \$50,000 a year is not intended to cover all of the planning costs.

1 FTE NRS 2 Grant Support Specialist (permanent) - Add one new position to provide grant administration support (e.g., process requests for funds, provide other support to grantees) for this and other funding opportunities.

ZC - Request additional staff resources tasked with developing a multitude of water supply analysis and tools would dramatically increase accessibility to the data and information necessary for Oregonians to plan for their water future. The staff proposed would allow for the development of many tools as well as regular updates and maintenance of those tools. The resources would support products by statute, as well as products that would equip communities to plan and prepare for their water future such as: develop current and future water demand forecasts for each basin at HUC-8 Scale; develop current and future summaries of agricultural, municipal, and instream demands based on currently available data (e.g., WMCPs supplying peak daily diversion data, Statewide ET providing ag water use data); identify where current data is insufficient and strategies for addresses that deficiency; develop a web-based tool, closely linked and reliant on our existing databases, that summarizes water rights by HUC-8, HUC-10, or other standard spatial area would be useful so that planning groups can have a good understanding of what water has been allocated in their area;

2 IS 5 programmers – develop technical tools and analysis to support water supply data access; 1 IS 6 senior programmer – oversee work team and work closely with Departments staff, stakeholders, and interested Oregon communities on scoping of products and maintenance plans; 1 NRS 3 hydrologist – develop related hydrologic analysis and work closely with other agency staff on water supply data analysis; Funding: \$50,000 to develop project scopes with input from stakeholders and communities across Oregon as well as for the production of materials, such as outreach materials to raise awareness of the new tools.

### **Resources Needed**

\$3.54 million; 6 FTE

- 1 NRS 4 - Planning Coordinator (~\$265k)
- 1 NRS2 - Grant Support (~\$220k)
- 2 LD ISS5 Programmers (~\$250k each)
- 1 Permanent ISS6 Senior Programmer (~\$265k)
- 1 NRS 3 - Hydrologist (~\$240k)
- \$50k for outreach
- \$1.5 million for planning
- \$500K total grant funds to support 4 original places (\$50K a year per place) and Deschutes

POP ZB - Continuing CRUST II

**IWRS RECOMMENDED ACTIONS/KPM**

**Issue Statement**

This effort received a one-time funding allocation in 21-23 of \$500K that will potentially need to continue into the 2023-2025 biennium.

**Proposal**

Possible \$500k for continuing the Columbia River Umatilla Solutions Task Force (CRUST) phase II work funded in the 21-23 biennia.

**Resources Needed**

~\$500k GF

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POP ZD - Paying for ODFW fish related expertise and Addressing Revenue Shortfalls (Combined POP ZD and POP ZE)

### **IWRS RECOMMENDED ACTIONS/KPM**

10.G Strengthen Oregon's Water Quantity and Water Quality Permitting Programs, 13.B Fund Water Resources Management Activities at State Agencies

#### **Issue Statement**

ZD - Fish persistence reviews are still pending and will take years to complete unless made a priority. ODFW has a backlog of Fish Persistence reviews. ODFW estimates that one position, once hired, could complete the fish persistence backlog work in 23-25.

WRD is required to pay for funding for ODFW work on fee-based programs via HB 3315 (2015) but has not been provided funding for existing payments, nor has the OWRD received funding to pay for fish persistence reviews. OWRD currently pays ODFW approximately \$230,000 per biennium, which is paid for from salary savings (vacancies etc.) to provide fish related expertise to OWRD. Prioritizing fish persistence reviews so that municipal use permits can receive decisions on their requests for extensions of time, will increase these costs and needed savings.

ZE - Over the last several biennia, inflationary increases have not kept up with personal services increases for the six partially other funded positions in the budget that provide support for the Scenic Waterways program. The Department has been using vacancy savings to cover the costs that are above the contracted amount for Scenic Waterway funds, which the Department receives from OPRD.

#### **Proposal**

ZD - This funding would be to pay for costs incurred by WRD for ODFW fish related expertise as part of the water rights and extensions processes to complete reviews as well as the backlogged fish persistence work. The Department is seeking \$230,000 in its base budget for ongoing costs and an additional ~\$239,772 for the 23-25 biennium for fish persistence work.

ZE - This funding proposal will backfill the six existing split funded positions with general fund in the amount above the existing contracted amount with the Oregon Parks and Recreation Department for Scenic Waterway work. These positions are currently funded with a blend of Scenic Waterway funds and with general fund. As of the 2021-23 Current Service Level, position costs attributable to the Scenic Waterways work were budgeted at \$380,688. This figure does not include steps and cost of living increases over the course of the 2021-23 or the 23-25 biennium which are estimated to be an additional \$75k. The current contract for Scenic Waterways work is \$206,934. This action would provide full funding for the existing positions in base budget and would allow the Department to better align the Scenic Waterway work with the available funding. Not funding this request would continue current practices of using vacancy savings to fund the shortfall resulting in some vacant general fund positions remaining vacant for longer periods of time.

#### **Resources Needed**

\$720k GF

- \$250k GF backfill for positions funded in part by OPRD contract
- \$470k GF for fish persistence work and ongoing costs to pay ODFW

## POP ZF - Reducing the Water Rights Processing Backlog

### **IWRS RECOMMENDED ACTIONS/KPM**

10.G Strengthen Oregon's Water Quantity and Water Quality Permitting Programs, 13.B Fund Water Resources Management Activities at State Agencies

#### **Issue Statement**

OWRD is not able to process water right transaction applications, including protested applications, at an acceptable pace due to limited staff resources. Additional staff are needed to reduce the backlog in WR transaction programs, including for protested applications.

In addition, given the complex processes that take place over a long period of time, there are many opportunities for problems to arise on the path to developing and accomplishing full beneficial use of water under a water use permit or transferred right that can prevent issuance of a water right certificate. It is often necessary for WRSD staff to spend a significant amount of time with the holder of a permit or transferred right outlining options to correct the problem(s) and get things back on track. Staff time spent having to resolve these issues that could have been avoided only exacerbates OWRD's difficulties with processing applications at an acceptable pace. Having a full-time position that could focus on educating new permit holders and inchoate transfer holders on the importance of complying with conditions, understanding what they mean and require, and following through with filing all necessary paperwork (i.e., extensions, assignments, CBUs, permit amendments, transfer reversions, etc.) could help improve the experience for applicants and reduce overall processing times.

#### **Proposal**

This proposal would allow the Water Right and Transfer sections to continue to reduce processing times and allow continued progress on the protest backlog.

This proposal also includes the hiring of one position, which would be responsible for providing outreach to applicants with recently approved permits or transfer orders to educate them about what the terms and conditions of their approval mean. This work would reduce the amount of staff time and resources spent with holders of a permit or transferred right working to resolve otherwise avoidable problems. The position would conduct research as necessary to explain specific requirements set forth in the approved permit or transfer order that must be satisfied, many in a timely manner, in for an applicant to successfully "prove up" their water use under the approved permit or inchoate transfer order. The goal would be to proactively engage applicants, so they know exactly what needs to happen, and by when, to "perfect" their water use in the most efficient manner possible. The Water Right Services Division is hopeful that processing timelines in Water Rights, Transfers and Certificates will start to improve in the second half of the 21-23 biennium. The ARPA related funding is expected to be fully spent by January 1, 2024. 18 months of funding is needed to extend the limited duration staffing in the Water Rights and Transfer Sections = 4 x NRS2 (caseworkers, ~\$165k each, ~\$660k GF) and 1 OS1 (support, ~\$125k GF) for the remaining 18 months of the '23-25 biennium. (We do not anticipate that additional funding will be needed in the certificate section.) The Protest Backlog Reduction project is funded by general fund dollars which is expected to run out at the end of the 21-23 biennium. 2 x OPA3s (~\$265k each, ~\$530k GF) are needed for 24 months to continue progress on the protest backlog.

One NRS 1 position (permanent, ~\$200k GF) to research terms and conditions of approved permits and inchoate transfers, and then actively engage and educate applicants.



**Resources Needed**

~\$1.52m; 8 FTE; 4 LD

- 4 NRS 2 LD – Water Rights Caseworkers (0.75 FTE, ~\$165k each)
- 1 OS 1 – Support Staff (0.75 FTE, ~\$125k)
- 2 OPA 3 – Protest Specialists (~\$265k each)
- 1 NRS 1 - research terms and conditions of approved permits and inchoate transfers, and then actively engage and educate applicants (~\$200k)

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POP ZG – American Rescue Plan Act Carryover  
**IWRS RECOMMENDED ACTIONS/KPM**

**Issue Statement**

Some funds authorized to the Department during the 2021 legislative session through the American Rescue Plan Act will need to be carried over to the next biennium

**Proposal**

Carry over ARPA funds for projects previously authorized.

**Resources Needed**

TBD; estimated ~\$10 million

DRAFT

**2023-2025 OWRD DRAFT POPS (discussion purposes only)**

**Department of Water Resources Draft 2023-2025 Policy Option Packages**

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Ref Letter and Title	Proposal - What do we propose to accomplish/do? Costs are for one biennium.
<b>DRAFT Tier 1 (Costs are for one biennium)</b>	
<b>J</b> - Ensuring Fiscal Responsibility and Timely Accounting	This package will make an existing limited duration Accountant 1 position permanent. Funding this permanent position enables improved fiscal transaction processing timeliness and provides better support for accurate and timely financial reporting. <b>(\$210k GF; 1 FTE)</b>
<b>V</b> - State Match for Harney Conservation Reserve Enhancement Program (CREP)	The State needs ongoing support to cover 20% of the costs required to match federal funding for voluntary and permanent retirement of groundwater rights in the Harney Basin, which slows the rate of groundwater level declines. Landowners will enter into a 15-year contract with both the state and the federal program. <b>(~\$500k GF federal cost match)</b>
<b>W</b> - Investing in the Integrated Water Resources Strategy and Facilitating Interagency Work and Coordination	Proposes to make permanent a LD position. The Integrated Water Resources Strategy is a multi-agency document that outlines recommended actions to meet our instream and out-of-stream needs now and into the future. Lack of resources has limited our ability to track progress on implementation of the IWRS recommended actions, monitor emerging issues to identify gaps for future updates, and implement actions. Further, agencies formed a Water Core Team to focus on executing the work of the IWRS, Oregon Water Vision, and to facilitate interagency work and coordination. That team has determined that staffing is necessary in order to facilitate meetings of the team and interim subgroup meetings, develop and coordinate work products, and provide other team support. <b>(~\$375k GF; 1 FTE and \$100k for website, publications, communications)</b>
<b>ZD</b> - Paying for ODFW fish related expertise and Addressing Revenue Shortfalls (Combined ZD and ZE)	This funding pays for costs incurred by the Department for ODFW fish-related expertise as part of the water rights and extensions processes to complete reviews as well as the backlogged fish persistence work. The Department is seeking \$230,000 in its base budget for ongoing costs and an additional ~\$239,772 for the 23-25 biennium for fish persistence work. In addition, contract dollars from Oregon Parks and Recreation Department for work on State Scenic Waterway funding has not kept pace with staff costs. This funding proposal will backfill the six existing partially funded positions with General Fund, making each of those positions whole budgetarily. <b>(~\$720k; \$470k for fish persistence work and ongoing costs and \$225k backfill GF)</b>
<b>DRAFT Tier 2 (Costs are for one biennium)</b>	
<b>I</b> - Investing in Information Technology Modernization and Strategic Plan	Investments are needed in IT to support the expanded use of IT resources and the analysis and planning of modernization efforts. This includes increased oversight requirements around strategic planning and information security, analysis and strategic planning that is needed to prepare focused modernization efforts in future budget cycle, and management support to for IT staff. <b>(~\$1.63 million; 5 FTE and \$250k contracting)</b>
<b>H</b> – Federal Match - Open ET, Agrimet, and SNOTEL	This package includes biennial cost match required for OpenET, funding for 10-20 Agrimet stations, and five SNOTEL sites. <b>(~\$1.08 million; 1 FTE and \$475k OpenET contract; \$24k Agrimet; \$50k SNOTEL)</b>
<b>M</b> - Increasing Document Accessibility and Staff Efficiency	This proposal includes \$200,000 to hire a contractor to scan various water rights and transfer files. This package also includes one public records request coordinator to focus on fulfilling public records requests, modernize the agency's public records request practices, and ensure the agency is providing quality service to Oregonians seeking records. <b>(~\$315k GF; 1 FTE and \$100k contractor to scan records)</b>

**2023-2025 OWRD DRAFT POPS (discussion purposes only)**

<p><b>U</b> - Funding and support for investments in feasibility studies, water projects, and wells</p>	<p>Request additional funding to be awarded as grants to the Department's programs. As additional funding programs have been added to the Department's purview (e.g., two new domestic well funds) one additional position is needed to provide timely service to our customers. Additional funds have been included one time for grant database development and ongoing for maintenance.  <b>(~\$28 million; 1 FTE)</b></p> <ul style="list-style-type: none"> <li>• \$20M – Water Projects Grant and Loans (Lottery)</li> <li>• \$2M – Feasibility Study Grants (Lottery)</li> <li>• \$4M – Water Well Abandonment, Repair and Replacement Fund (GF)</li> <li>• \$200k - Harney Well Remediation</li> </ul>
<p><b>ZG</b> - American Rescue Plan Act Carry Over</p>	<p>Some funds authorized to the Department during the 2021 legislative session through the American Rescue Plan Act will need to be carried over to the next biennium.  <b>(TBD; estimated ~\$10 million)</b></p>
<p><b>DRAFT Tier 3</b></p>	
<p><b>L</b> - Providing Quality Service through Employee Development and Retention and Implementing Project and Portfolio Management (Combined POPS L and N)</p>	<p>This package includes funding for: (1) required training for staff that hold professional registrations requiring continuing education credits, (2) trainings to further grow and develop staff, (3) a management and coaching consultant that can help managers understand best practices and retain staff in order to provide quality service to the public, and (4) project and portfolio management team to integrate project and portfolio management across the agency, train staff on project management best practices, develop a consistent approach to project management across the agency, and ultimately manage the agency's project portfolio.  <b>(~\$805k; 2 FTE and ~\$250k for employee development)</b></p>
<p><b>P</b> - Centering Equity in Agency Programs, Policies, and Processes</p>	<p>The agency proposes to fund two positions that are responsible for leading the agency's efforts in advancing environmental and racial justice and diversity, equity and inclusion, as well as increasing the agency's capacity to reach underrepresented and underserved people, including Black, indigenous, and people of color, and rural communities.  <b>(~\$1.04 million; 2 FTE and \$500,000 for training and consultants, funding for stipends, childcare, food, translation, transcription, and honoraria, Additional funding to partner with CBOs?)</b></p>
<p><b>R</b> - Supporting Improved Government to Government Coordination and Tribal Water Solutions</p>	<p>The Department proposes to add one position for government-to-government coordination as well as supporting and developing relationships with tribes to engage in tribal water issues and to engage tribes in the work of the agency. In addition, this position provides staff support for engagement on more complex tribal issues, such as the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) federal reserved rights negotiations. The agency is asking for facilitation funding for CTUIR negotiations in its complex issues POP. This position provides the staff support for that work.  <b>(~\$285k GF; 1 FTE)</b></p>
<p><b>ZB</b> - Continuing CRUST II</p>	<p>This \$500k proposal is for continuing the Columbia River Umatilla Solutions Task Force (CRUST) phase II work funded in the 21-23 biennia.  <b>(~\$500k GF)</b></p>

**2023-2025 OWRD DRAFT POPS (discussion purposes only)**

<p><b>K - Driving Performance Improvement and Accountability through Internal Audits</b></p>	<p>If the Department of Administrative Services (DAS) determines that the Department still meets the requirements for an internal audit function, this package creates one a full time Internal Auditor 3 to keep the Department in compliance with state requirements. Initial discussions with another agency regarding the sharing of this position are being explored but are not yet represented in this pricing.  <b>(\$290k GF; 1 FTE)</b></p>
<p><b>DRAFT Tier 4</b></p>	
<p><b>T - Moving to Solutions through Basin and Complex Issue Coordination and Expert Facilitation (Combined POPS T and S)</b></p>	<p>This package invests in three complex basin coordinators. These positions will coordinate on complex issues in order to help see progress on solutions to those issues and will be responsible for coordinating with internal staff, other agencies, and stakeholders to represent Oregon in conversations around the groundwater and surface water resources that are shared with other states. This package includes one PEM F Special Assistant to the Director that would work on an represent the agency on the most complex and controversial water issues. This proposal creates a budget line item in the Department's base budget to contract for facilitation and public engagement process expertise. This will allow the Department to be more strategic in its efforts to address not only complex basin issues, but also complex policy issues.  <b>(~\$2.69 million; 4 FTE and \$1.5 million for facilitation and public engagement contracts)</b></p>
<p><b>ZF - Reducing the Water Rights Processing Backlog</b></p>	<p>This proposal allows the Water Right and Transfer sections to keep reducing processing times and allows continued progress on the protest backlog. Extends seven limited duration staff. This proposal also includes the hiring of one position, which will be responsible for providing outreach to applicants with recently approved permits or transfer orders to educate them about what the terms and conditions of their approval mean in order to reduce water right processing inefficiencies later down the line.  <b>(~\$1.52m; 8 FTE; 4 LD)</b></p>
<p><b>A - Adapt to Climate Change and Drought</b></p>	<p>This package proposes six new positions that focus on climate change and drought response, mitigation and adaptation, improving the agency's instream programs, working with cities, districts, and others to promote water conservation, identifying potentially vulnerable water systems and working with the systems to improve their resiliency to water scarcity and drought, and Artificial Storage and Recovery/Artificial Recharge projects.  <b>(~\$2 million; 6 FTE)</b></p>
<p><b>Q - Providing Policy Support to Advance Agency Program Modernization &amp; Solutions to Water Challenges</b></p>	<p>The proposed addition of three water policy staff positions will allow the Department to have a dedicated policy professional assigned to each division of the agency (except the Administrative Services Division). This allows for more specialized focus on division-specific issues, programs and projects. These positions will be responsible for interfacing with program staff and external stakeholders and the public to advance policy development.  <b>(~\$815k GF; 3 FTE)</b></p>

**2023-2025 OWRD DRAFT POPS (discussion purposes only)**

<p><b>ZA</b> – Providing Financial Assistance and Accessible Foundational Data for Water Planning and Coordination of Plan Implementation (Combined POPS ZA and ZC)</p>	<p>To be paired with Legislative Concept on Planning. This package would provide funding to support various types of planning in Oregon. The package includes one additional Planning Coordinator (permanent) who will work with the existing Planning Coordinator to launch and operate the program, and one new position to provide grant administration support. These positions will also develop guidance and assist groups with water planning. The package includes \$1.5 million for multi-purpose planning grant fund and to support grants for water planning around the state and \$500K grant funds to support places finishing up development of a place-based integrated water resources plan (Harney) and places in need of coordination funding to support implementation of a state recognized place-based integrated water resources plans.</p> <p>This package requests additional staff resources who will be tasked with developing water supply analysis and tools to support future planning efforts. This will dramatically increase accessibility to the data and information necessary for Oregonians to plan for their water future.</p> <p><b>(~\$3.54 million; 6 FTE; 1.5 million for planning; \$500k for PBP support; \$50k for outreach)</b></p>
<p><b>DRAFT Tier 5</b></p>	
<p><b>G</b> - Updating and Maintaining Surface Water Availability Model</p>	<p>With this package, the Department will update the statewide water availability model over a six-year period to deliver accurate and up-to-date seasonal/monthly water budgets for basins throughout the state. In order to do so, the Department will hire a program and project management team to coordinate research and technical activities for the project and refine estimates of water availability and develop modeling tools to estimate components needed for allocation. This proposal includes an increase in base budget for streamgage operations to maintain current network, plus additional field and hydrographics staff to operate and process the associated data.</p> <p><b>(~ \$2.12 million; 7 FTE and \$200k replacement and new stream gages and \$10k PRISMA data)</b></p>
<p><b>B</b> - Improving Water Management</p>	<p>This proposal increases the number of watermasters and assistant watermasters in strategic basins across the state; one additional Principal Executive Manager (PEM) for the Klamath-Lake County region; and reclass NRS 3 watermasters to NRS 4.</p> <p><b>(~\$5 million; 17 FTE)</b></p>
<p><b>O</b> - Increasing Public Engagement through Communications</p>	<p>This proposal includes the addition of a communications professional to focus on increasing the Department's use of digital communications (e.g. social media, video, newsletters, and graphics) to reach, educate, and engage Oregonians. This proposal also includes a budget for professional staff development; contracts for graphic design, printing, public service ad buys, video production; and subscriptions and online tools.</p> <p><b>(~ \$775k; 1 FTE and \$500k professional development, contracts, subscriptions, and online tools)</b></p>
<p><b>DRAFT Tier 6</b></p>	
<p><b>BA</b> - Assessing Levees</p>	<p>This package provides funding for one engineer to identify, inventory, and inspect levees that pose a risk to people or property and are not under a Corps of Engineers program and reclassifies one Professional Engineer 1 (PE 1) Dam safety engineer to PE 2.</p> <p><b>(\$345k; 1 FTE)</b></p>

**2023-2025 OWRD DRAFT POPS (discussion purposes only)**

<p><b>D - Facilitating Collaboration and Data to Improve Understanding of Lake Abert Challenges</b></p>	<p>This package requires further discussion and refinement and will be modified based on whether there are items the Department can pay for this biennium, as well as based upon discussion with interested stakeholders (both state and local) and interested tribes. More engagement is needed on this front; however, proposals are outlined here due to budget deadlines. The resources described here include additional data collection that provides critical datasets for building and calibrating models to be used for management purposes.</p> <p><b>DRAFT IDEAS:</b> (1) Funding for 3 pairs of observation wells; (2) funding for 5 stream gages; (3) assistant watermaster (~\$250k each, ~\$500k total) to collect the data, maintain gages, and conduct seasonal measurements of springs and seeps, (4) develop a water balance (5) support for Agrimet stations and a SNOTEL station (6) LiDAR flights of Lake Abert to develop a lake rating</p>
<p><b>C - Studying Springs in Deschutes Basin</b></p>	<p>This package provides funds for existing staff and a new Natural Resource Specialist 3 (NRS 3) Basin Study Hydrologist to engage Oregon Department of Fish &amp; Wildlife (ODFW), Oregon Department of Environmental Quality (DEQ), and stakeholders to identify springs around the Deschutes Groundwater Study Area. The study will complete an inventory of the springs including habitat and ecological values in the context of water supplies in the basin. For high-value springs, additional modeling exercises in partnership with the U.S. Geological Survey (USGS) may be needed to understand the impact of additional development on the springs.</p> <p><b>(\$240k; 1 FTE)</b> Funding to partner with USGS on spring studies and revise/revisit/operationalize the Deschutes groundwater model.</p>
<p><b>E - Increase Data Accuracy and Data Entry to Improve Data Availability</b></p>	<p>Funding for this package will allow the Department to start the process of cleaning up data, including points of diversion and water right data for SB 1602 (2020) related to the Oregon Forest Practices Act. In addition, data technicians will review and enter legacy Well Report data into the well report information system and assign a unique physical location identifier so future well reports, groundwater studies, water level measurements, DEQ water quality assessments, water rights, well pump tests, and others can use a common identifier for a well. Assistant watermasters will verify points of diversions, and well log location data.</p> <p><b>(~\$2.1 million GF; 9 FTE)</b></p>
<p><b>POPs No Longer Being Pursued</b></p>	
<p><b>F - Updating Klamath Scenic Waterway &amp; general scenic waterway work</b></p>	<p>With this package, the Klamath River streamflows will be investigated to determine the natural flow and appropriate replacement scenic waterway numbers for flow recommendations to the Commission. In developing those recommendations, the Department will contract with consultants with expertise in fisheries and recreation.</p> <p><b>(\$TBD contract dollars)</b></p>
<p><b>X - Regional Water Planning and Management</b></p>	<p>This proposal will fund continued OWRD staff support (one NRS 4 Regional Planning Coordinator (limited duration)) if it is determined that the Regional Water Planning and Management work group could benefit from additional time to develop its recommendations.</p> <p><b>(\$260k GF; 1 FTE LD)</b></p>
<p><b>Z - Basin Specific Implementation Funds</b></p>	<p>This proposal is included for discussion purposes as some areas have expressed a desire for project implementation funding. The Department is looking for feedback on whether programs should go through existing funding channels or whether separate funding should be put forward.</p>