

Water Resources Department

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MEMORANDUM

TO: Water Resources Commission

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SUBJECT: Agenda Item F, June 14, 2024

Water Resources Commission

Deschutes Basin Workplan Update

I. Introduction

This informational report provides an update on the implementation of the OWRD Deschutes Basin Workplan.

II. Integrated Water Resources Strategy Recommended Action

- 1.B Improve Water Resource Data Collection and Monitoring
- 1.C Coordinate Inter-Agency Data Collection, Processing, and Use in Decision-Making
- 2.B Improve Water-Use Measurement and Reporting
- 5.B Assist with Climate Change Adaptation and Resiliency Strategies

III. Background

With the creation of two senior water advisor positions (formerly basin coordinators) OWRD developed agency workplans focused on the Deschutes and Willamette Basins. In February 2023, the Water Resources Commission received the draft 2023-2026 Deschutes workplan, which includes ten agency-led projects aimed at advancing complex water management challenges. These projects were identified through a basin situational assessment. A key project within the workplan relates to modernizing water management accounting, which will be highlighted at the Commission meeting. A copy of the workplan is included as Attachment 1.

IV. Discussion

Workplan implementation is underway. Six projects were initiated in 2023, with significant milestones met on each project. Summaries of each project initiated are in Table 1.

Table 1: OWRD Deschutes Basin Workplan Project Status 2023-2024

Project	Purpose	Status
Increasing Agency &	Increase coordination between OWRD, state	Project
Tribal Coordination in	and federal agencies, and Tribes on water	complete.
the Deschutes Basin	management topics.	Operational
		coordination in
		progress.
Coordinating Intersections	Ensure the operation of the existing	Project
between Groundwater	Deschutes Basin Groundwater Mitigation	complete,
Rulemaking & Deschutes	Program is considered when revising OWRD	coordination
Basin Groundwater	groundwater allocation rules.	ongoing
Mitigation Program		through
		rulemaking.
Modernizing Water	Increase the agency's ability to track OWRD	Phases 1 & 2
Movement Tracking &	and non-OWRD water transactions and water	complete.
Accounting	conservation project outcomes effectively	
	and transparently. This is a pilot project	
	focused on the Deschutes Basin with a focus	
	on Watermaster District 11.	
Deschutes Basin	Evaluate and potentially update the existing	Phase 1
Groundwater Mitigation	Deschutes Basin Groundwater Mitigation	Complete,
Program Updates	Program to ensure relevance and alignment	Phase 2 in
	with OWRD mission.	progress.
Piloting Integrated Water	Increase OWRD's ability to support water	Phase 1
Conservation Strategies	conservation priorities by providing basin-	Complete,
	focused pathways for water conservation	Phase 2 in
	project implementation. This is a pilot project	progress.
	focused on the Deschutes Basin.	
Place Based Planning	Support integrated water resources planning	Phase 1 in
Support for the Deschutes	and implementation efforts.	progress.
Basin Water Collaborative		

The presentation to the Commission will focus on project updates on the Modernizing Water Movement Tracking & Accounting effort. This project resolves longstanding challenges with water transaction accounting and interested party communications in Watermaster District 11.

V. Conclusion

Department staff will continue to implement workplan projects collaboratively across the agency and with external partners. Project outcomes have direct impacts for increasing Department success in water management, communications, and operations.

WRC Agenda Item F June 14, 2024 Page 3

Attachments

1. Advancing Water Resource Priorities in the Deschutes River Basin: Situational Assessment & Draft 2023-2026 Workplan

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Advancing Complex Water Resource Priorities in the Deschutes River Basin:

Situational Assessment & Draft 2023-2026 Workplan





2023-2026 DRAFT DESCHUTES BASIN WORKPLAN

OREGON WATER RESOURCES DEPARTMENT

ADVANCING WATER RESOURCE PRIORITIES IN THE DESCHUTES RIVER BASIN:

SITUATIONAL ASSESSMENT & DRAFT 2023-2026 WORKPLAN

2023-2026 OWRD DRAFT DESCHUTES BASIN WORKPLAN

OREGON WATER RESOURCES DEPARTMENT



Advancing Water Resource Priorities in the Deschutes River Basin: Situational Assessment & Draft 2023-2026 Workplan

Contents

Executive Summary	4
Introduction: A Forward-Looking Approach	
Basin Situational Assessment	
Assessment Overview	5
Assessment Process	6
Stakeholders Interviewed	
Interview Questions	
Summary of Interview Feedback	
Project Prioritization & Scoping	
2023-2026 Deschutes Basin Workplan	8
Project List	<u>c</u>
Project Timelines	
Next Steps	13
Appendix A: Organization Participation in Assessment	
Appendix B: Summary of Interview Feedback by Category	
TABLE 1: 2023-2026 Draft OWRD Deschutes Workplan Project List	10
TABLE 2: Deschutes 2023-2026 Draft Workplan Project seguencing	12

Executive Summary

Oregon Water Resources Department was authorized two new Complex Basin Coordinator (Natural Resource Specialist 5) positions in the 2021-2023 biennium budget by the Oregon State Legislature. These positions were developed to provide dedicated capacity within the Director's Office on complex water management issues in the Willamette and Deschutes River Basins. New staff were charged with developing a basin specific agency workplan for the next 3-5 years that details how and when OWRD will spend staff time and resources to advance complex issue resolution.

The new central Oregon complex basin coordinator conducted an initial situational assessment in 2022 to help the agency and partners gain greater awareness of water management challenges facing the Deschutes Basin. Interviews were held with OWRD staff, Tribal staff, state, and federal agencies, and diverse stakeholders to inform project development and prioritization. Staff used the results of this input to coordinate internal resources and create a basin workplan that describes priority OWRD projects and initiatives to be implemented over the next 3 years and beyond.

The Deschutes Basin workplan includes strategic sequencing of projects that work to advance and resolve complex water management challenges faced in the basin. While it provides a three-year roadmap for agency involvement in the basin, a key focus is on aligning project priorities with existing staff resources for 2023. Workplan actions complement existing services provided throughout the Deschutes Basin. OWRD will initiate project work in early 2023 to identify clear solutions and work toward pathways to implementation. This work is integrated into OWRD's implementation of the 2017 Integrated Water Resources Strategy.

The OWRD Deschutes Basin workplan project list can be found in Table 1. Staff will continue to engage Tribal and agency staff along with basin stakeholders to inform project implementation and adaptive management of the basin workplan.

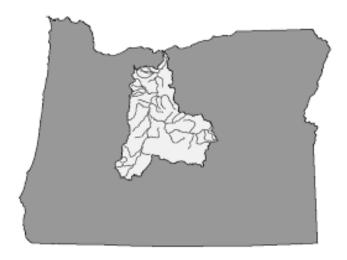


Figure 1: Deschutes River Basin location within the State of Oregon.

Introduction: A Forward-Looking Approach

As Oregon's groundwater and surface water resources become fully appropriated, the State of Oregon is seeing an increased need to help communities resolve complex water management issues. These issues often involve water uses to meet a variety of needs, including economic development, community growth, agriculture, recreation, and fish and wildlife. In many basins, water management is becoming more challenging with the need to address new demands, drought conditions and limited supplies, resolve tribal water rights claims, shore up underserved community's water systems, and the listing of species under the Endangered Species Act.

The Oregon Water Resources Department has sought to be forward looking and inclusive in water management and planning efforts across the state. The Department believes that collaborative solutions yield better outcomes than litigation; however, these efforts often require significant investments of time from Department staff. In resolving these issues, the Department has sought strategic increases to staff capacity in order to collaboratively work toward identifying and implementing water management solutions. As discussions progress, it is necessary for the Department to assess what projects to work on and develop a workplan managed by a senior staff person to keep the agency's internal team organized and productive, and effectively communicate progress to external parties.

The Department seeks working within basins to coordinate and support work to find creative solutions that are amenable to all interests, while also clearly identifying proposals that are beyond the Department's existing authorities or resource capacity. As such, it requested, and the Legislature authorized two positions starting in the 2021-23 biennium to work on complex basin issues, particularly focusing on the Willamette and Deschutes Basins. These new positions, hired in 2022, are focused in the northwest and central regions of the state and have taken on the initial task of conducting situational assessments to inform Department workplans focused on the Willamette and Deschutes River Basins.

Basin Situational Assessment

Assessment Overview

Complex basin coordinators utilized situational assessments to inform the development of basin focused agency workplans for the Deschutes and Willamette basins. The assessments helped the agency gain a greater awareness of the water management challenges facing each basin and to inform development of a workplan to coordinate internal resources to resolve challenges as feasible.

Interviews were held with OWRD staff, Tribal staff, agency staff and stakeholders to hear diverse perspectives on challenges throughout the Deschutes Basin. Discussions with stakeholders were vital to this approach and the contributions of those who participated is greatly appreciated. Staff then utilized information gathered to identify and prioritize projects. The final products from this effort are (1) this assessment summary report, and (2) a draft OWRD Deschutes Basin Workplan, depicting projects that will be prioritized by OWRD in 2023-2026 (Table 1).

Assessment Process

The assessment was designed and conducted by OWRD using the following steps:

- 1. Host internal discussions with staff working across diverse disciplines.
- 2. Review existing plans or studies to situate the work and understand existing issues and established basin priorities.
- 3. Interview Tribal staff, partner agency staff, and basin stakeholders engaged in Deschutes Basin Water Collaborative to learn what issues, questions, priorities may be for basin. Seek out others that may be interested in engaging.
- 4. Using (1) through (3), prioritize actions and create a draft work plan to address priorities with recommendations for discussion and commitment from agency leadership.
- 5. Share draft workplan with Deschutes Basin partners and stakeholders.
- 6. Implement agency workplan, continue to monitor emerging needs, and revaluate as needed.

Assessment steps 1-3 were conducted from July-September 2022. Steps 4-7 occurred October 2022 – January 2023. This timeline was designed for an initial assessment on a large and complex basin, and while it allowed for robust discussions with interested stakeholders, the agency intends to continue work to stay apprised of challenges and emerging issues over time.

There were several assumptions built into the assessment process. The Deschutes situational assessment was intended to be an initial assessment and likely not represent a comprehensive summary of every complex water issue facing the entirety of the basin, but provide a valuable glance at existing and known future issues. Further, the sheer size and complexity of the Deschutes River Basin makes it challenging to reach all interested parties. Efforts were made to include as many interviews as possible while maintaining a feasible scope and balanced set of perspectives. The Department acknowledged early in this process that not all issues or projects can be a priority for OWRD implementation in the next 3-5 years. The assessment sought to identify priorities and projects that are feasible to manage amongst other priorities in the state. Finally, the agency's intent was to identify work that can be completed or coordinated by the newly established complex basin coordinator, although some issues or projects identified may be better suited for staff experts in other sections or divisions within the agency.

Stakeholders Interviewed

Stakeholders were identified for participation in the assessment from one or more of the following categories:

- Partners involved with the Deschutes Basin Water Collaborative
- Irrigation District managers active within the basin
- Local governments and municipal drinking water providers within the basin
- Conservation interests active within the basin

The Deschutes Basin Water Collaborative represents diverse interests who have agreed to work together to address known challenges locally within the three pillars of water management. Organizations from the Collaborative were targeted for stakeholder interviews and additional organizations were identified during the interview process. OWRD also reached out to irrigation district managers and city and county staff to include comprehensive water management perspectives and spatial coverage of the basin. There was concerted effort

7

to gather diverse perspectives within large organizations, for example, reaching out to various levels of county governments throughout the basin. Discussing water management challenges with county planning leaders, public works directors, and elected officials helped provide a range of operational perspectives on similar topics. Overall, 46 entities were invited to participate in an interview, with 36 accepting the invitation or 78 percent. Stakeholder engagement provided a collective view of ongoing and anticipated water resources challenges in the Deschutes Basin. A list of organizations interviewed can be found in Appendix A.

OWRD also met with and interviewed staff of the Confederated Tribes of Warm Springs to inform the assessment. OWRD sent a formal consultation letter to all nine Oregon Tribes offering the opportunity for consultation, although no requests for formal consultation were received. OWRD honors and respects the government-to-government relationship with Oregon Tribes and will continue to engage with interested Tribes and their staff on work in the basin.

Interview Questions

Each interview was conducted in a consistent manner to ensure targeted feedback was provided. Questions posed in each interview are as follows:

- 1. **Challenges**: In the Deschutes River Basin, what complex water management challenges are of greatest concern to you?
- 2. **Setting Priorities**: Which of those basin challenges do you think should be a priority for OWRD to address over the next three to five years?
- 3. The Department's Role: What role(s) would you like to see OWRD play in these issues or challenges?
- 4. **Collaboration**: What role(s) are you interested in playing to implement actions?
- 5. Information: How would you like to receive information on progress?

Summary of Interview Feedback

Feedback provided through the interview process informed all subsequent steps of basin workplan development, so this early step was critical to capture the diverse perspectives on water management topics. While interviewees typically shared specific areas of focus, there were common threads identified through the series of conversations. Internal interviews with OWRD staff confirmed alignment with external perspectives shared. There were also ideas introduced that shed light on new or unknown challenges. Both common and novel ideas were compiled into potential project categories for agency evaluation. Project categories represent the overall challenges identified through the assessment process. The project categories depict multiple specific interview comments and sometimes varying perspectives on what associated actions or projects are recommended to resolve those challenges. Project categories, along with interview feedback summarizing the predominant actions heard, are depicted in Appendix B.

Project Prioritization & Scoping

OWRD evaluated and prioritized potential projects for inclusion in a basin workplan using the compilation of projects categories identified through the interview process. The evaluation was done by considering a range of factors, including a project's significance for achieving the agency's goals and objectives, along with any near-

team statutory or rule deadlines for carrying out a project. The complexity of a given project (e.g., associated risks, uncertainty, dependencies, and internal and external drivers) was also considered when evaluating potential projects.

For the Deschutes Basin, OWRD selected nine priority projects identified from the interview process for further scoping and inclusion in the workplan. These projects represent the suite of highly significant, urgent and/or complex projects identified. They also represent consideration of existing staff capacity to fully engage in the early stages of project implementation. A 3-year workplan was developed to balance existing project priorities with future uncertainty. A 5-year workplan was not deemed feasible to develop given high levels of uncertainty in future funding cycles and emerging workloads.

Projects recommended (unranked) for further scoping and workplan inclusion:

- 1. Piloting Integrated Water Conservation Strategies in the Deschutes Basin
- 2. Deschutes Basin Groundwater Mitigation Program Updates
- Coordinating Intersections between Groundwater Rulemaking & Deschutes Basin Groundwater Mitigation Program
- 4. Place-Based Planning Support for the Deschutes Basin Water Collaborative
- 5. Modernizing Water Movement Tracking & Accounting in the Deschutes Basin
- 6. Increasing Agency & Tribal Coordination in the Deschutes Basin
- 7. Exploring Opportunities to Advance Crooked River Water Management Challenges
- 8. Supporting Water Rights Processing Improvements
- 9. Increasing OWRD Water Project Funding Accessibility and Sustainability

There were also projects that were not recommended for additional scoping and inclusion in the 3-year agency workplan. These projects were either low urgency compared to other efforts, the agency was identified to have a minimal role in ability to manage or oversee the project, the project was of low significance to OWRD's mission, or existing staff capacity could not accommodate project advancement.

The following projects were not recommended for additional scoping at this time.

- Increasing Integration and Funding of Deschutes Basin Water Monitoring Actions
- Managing Solutions to Increase Ecosystem Health of the Deschutes Basin
- Increasing Community Awareness and Knowledge of Groundwater Development
- Managing Water Resource Focused Land Use Planning Considerations
- Increasing Opportunities for Community Education and Water Resources Related Trainings
- Increase Pathways to Regional Coordination on Water Resource Related Topics

Staff will continue to engage as feasible, though not aim to manage specific projects on these topics in the next 3 years. Many of these topic areas are captured through existing staff coordination within the basin.

2023-2026 Deschutes Basin Workplan

The Deschutes Basin workplan includes strategic sequencing of projects aimed at advancing and collaboratively resolving complex water management challenges in the basin. While it gives a 3-year roadmap for agency involvement in the basin, a focus on 2023 is detailed to align project priorities with available staff resources and plan for future needs. This effort is integrated into implementation of the 2017 OWRD Integrated Water Resources Strategy.

The 3-year workplan is a demonstration of progress aligning stakeholder and Department priorities and resources. It poises the Department to constructively engage with Tribal partners, state and federal agencies, local governments, and diverse stakeholders to implement priority actions across the Deschutes Basin. The workplan also provides increased transparency to the public on agency priorities for staff engagement.

Project List

The 2023-2026 project list is described in table 1. While seven of the nine workplan projects are anticipated to begin in 2023, projects are phased, and many are planned to take several years to complete in full.

Table 1: 2023-2026 Draft OWRD Deschutes Workplan Project List	<u> </u>
Project Information ¹	Anticipated Outcomes: 2023 - 2026
Name: Coordinating Intersections between	• 2023:
Groundwater Rulemaking & Deschutes Basin	 Internal OWRD coordination on rulemaking updates.
Groundwater Mitigation Program	 Stakeholder engagement at key project
Purpose: Ensure the operation of the existing Deschutes	benchmarks.
Basin Groundwater Mitigation Program (DBGWMP) is	 2024: N/A, planned to complete in 2023
considered when revising OWRD groundwater	
allocation rules.	
Estimated Start: 2023 – Q1	
Name: Modernizing Water Movement Tracking &	2023: OWRD led needs assessment and scoping of
Accounting	product development tasks and resources.
Purpose: Increase the agency's ability to track OWRD	• 2024 & beyond: Development of modernized tools to
and non-OWRD water transactions and water	account for water transactions and project outcomes in
conservation project outcomes effectively and	transparent ways.
transparently. This is a pilot project focused on the	
Deschutes Basin with a focus on Watermaster District	
11.	
Estimated Start: 2023 – Q1	
Name: Increasing Agency & Tribal Coordination in the	2023: Increased communication and coordination
Deschutes Basin	between OWRD and Tribes, and relevant state, and
Purpose: Increase coordination between OWRD, state	federal agencies on Deschutes related water
and federal agencies, and Tribes on water management	management topics.
topics.	 2024 & beyond: Continued communication and
Estimated Start: 2023 – Q1	coordination between agencies and Tribes to advance
	Deschutes related water management topics.
Name: Place Based Planning Support for the Deschutes	 2023: Agency support in drafting the Upper Deschutes
Basin Water Collaborative	Place Based Water Resource Management Plan.
Purpose: Support integrated water resources planning	 2024 & beyond: Agency support of plan
and implementation efforts.	implementation efforts.
Estimated Start: 2023 – Q1	
Name: Deschutes Basin Groundwater Mitigation	 2023: Programmatic operational challenges with
Program Updates	existing program resolved.
Purpose: Evaluate and potentially update the existing	• 2024: OWRD led evaluation of existing program and
Deschutes Basin Groundwater Mitigation Program to	opportunities for refinement.
ensure relevance and alignment with OWRD mission.	 2024 & beyond: Potential actions to update the
Estimated Start: 2023 – Q2	program in rule and statute.
Name: Piloting Integrated Water Conservation	 2023: OWRD led needs assessment summarizing water
Strategies	conservation pathways compared to defined needs in
Purpose: Increase OWRD's ability to support water	basin.
conservation priorities by providing basin-focused	 2024 & beyond: Scoping and potential implementation
pathways for water conservation project	of pathways as determined by 2023 work.
implementation. This is a pilot project focused on the	
Deschutes Basin.	
Estimated Start: 2023 – Q3	

¹ Projects are listed in order of anticipated project start. All timelines are estimates and may change as projects are fully scoped and implementation is underway.

Project Information ¹ (continued)	Anticipated Outcomes: 2023 – 2026 (continued)
Name: Exploring Opportunities to Advance Crooked River Water Management Challenges Purpose: Identify and implement opportunities for additional coordinated water management activities in the Crooked River. Estimated Start: 2023 – Q4	 2023: Initiation of OWRD led analyses to identify and prioritize water management and coordination actions in the Crooked River Watermaster District 24. 2024 & beyond: Potential scoping and implementation of actions identified by 2023 work.
Name: Supporting Water Rights Processing Improvements ² Purpose: Increase capacity to implement internally identified actions to improve OWRD Water Rights processing. Estimated Start: 2024-Q1	 2023: N/A 2024: Support assessment of current OWRD actions to increase water rights processing performance. 2024 & beyond: Potential scoping and implementation of actions identified by 2024 work.
Name: Increasing OWRD Water Project Funding Accessibility and Sustainability ² Purpose: Increase accessibility of existing funding sources and ensure OWRD funding processes are coordinated with project planning and implementation timeline needs. Estimated Start: 2024-Q1	 2023: N/A 2024: Support assessment of current OWRD actions to increase accessibility and availability of water-related project funding in Oregon. 2024 & beyond: Potential scoping and implementation of actions identified by 2024 work.

¹ Projects are listed in order of anticipated project start. All timelines are estimates and may change as projects are fully scoped and implementation is underway.

² Projects are intended to be implemented at the statewide scale though are informed by basin assessment interview feedback.

Advancing Water Resource Priorities in the Deschutes River Basin: Situational Assessment & Draft 2023-2026 Workplan

Project Timelines

Sequenced project timelines were created to identify when the agency can and should act on each project identified in the workplan. It should be noted that projects are additive to current and projected staff workloads and additional prioritization between existing staff work priorities may be needed in 2023. Sequencing represents the current understanding of project implementation feasibility given existing workloads and agency priorities.

The sequencing of projects and resources needed to complete scoped project phases are summarized in Table 2. Sequencing is based on the following factors:

- If the project is new or continuing
- Interdependencies with other projects or existing work priorities
- Capacity of staff team and project manager to fulfill identified roles at the capacity needed

Table 2: Deschutes 2023-2026 Draft Workplan Project Sequencing and Timing Estimates: Subject to Revision

Tuble 2. Descriutes 2023-2026 Draft Workplan Projec	coeque	riening	arra rri	mig Es			Sche					
Burland		20			ESUII			uuie		20		
Project	2023			2024				2025				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Coordinating Intersections between Groundwater												
Rulemaking & Deschutes Basin Groundwater												
Mitigation Program												
Modernizing Water Movement Tracking &												
Accounting in the Deschutes Basin												
Increasing Agency & Tribal Coordination in the											(or	going)
Deschutes Basin											(01	going)
Place Based Planning Support for the Deschutes											(or	going)
Basin Water Collaborative											(0.1	8011187
Deschutes Basin Groundwater Mitigation Program											(or	going)
Updates											(0.1	808/
Piloting Integrated Water Conservation Strategies												
Thomas integrated water conservation strategies												
Exploring Opportunities to Advance Crooked River												(on-
Water Management Challenges												going)
Supporting Water Rights Processing						(on	-going)					
Improvements						116)	506)					
Increasing OWRD Water Project Funding							(on	-going)				
Accessibility and Sustainability							,,,,,	,b)				

Grey boxes in table 2 represent the anticipated time periods that active work on project tasks and outcomes will occur. Gaps in time or latter sequencing compared to other projects does not equate to inactivity by the Department but represents a period when no basin workplan project outcomes are expected or occur. Gaps in expected project outcome timelines indicate a prioritization of agency resources and internal sequencing of efforts. For instance, there may be a stakeholder group that is initiated early in a project that could keep meeting at an appropriate frequency between project phases to build relationships and/or communicate relevant updates and information. While many of the projects identified are expected to continue past 2025, all projects are phased to build upon previous work and have multiple sets of deliverables.

Advancing Water Resource Priorities in the Deschutes River Basin: Situational Assessment & Draft 2023-2026 Workplan

Next Steps

OWRD will implement and adaptively manage the agency's Deschutes Basin 23-26 Workplan. The workplan may be refined to account for potential challenges or new agency priorities that may arise. Updates on progress will be communicated on a regular basis with partners, stakeholders, and the public.

Department staff will continue to seek feedback with interested parties throughout the basin as the workplan is implemented. There are many opportunities to engage in the projects identified in the workplan. Specific project engagement opportunities, such as stakeholder committees, will be communicated by staff as workplan implementation is initiated in early 2023.

Appendix A: Organization Participation in Assessment

Staff from the following organizations participated in assessment interviews:

Confederated Tribes of Warm Springs

Oregon Department of Environmental Quality

Oregon Department of Fish & Wildlife

Oregon Watershed Enhancement Board

Oregon Department of Agriculture

U.S. Fish and Wildlife Service

U.S. Forest Service

Arnold Irrigation District

Central Oregon Irrigation District

La Pine Cooperative Irrigation District

Lone Pine Irrigation District

North Unit Irrigation District

Ochoco Irrigation District

Swalley Irrigation District

Tumalo Irrigation District

Central Oregon Cities Organization

Crook County Commission

Deschutes County Commission

Jefferson County Commission

Jefferson County Planning Department

Crook County Planning Department

Deschutes County Planning Department

Avion Water Company

City of Bend Public Works Department

City of La Pine Public Works Department

City of Prineville Public Works Department

City of Redmond Public Works Department

City of Sisters Public Works Department

Portland General Electric

Deschutes River Conservancy

Central Oregon LandWatch

Sierra Club (Juniper Group)

Trout Unlimited - Deschutes Redband Chapter

Upper Deschutes Watershed Council

WaterWatch of Oregon

Citizens actively engaged in the Deschutes Basin Water

Collaborative

Organizations that did not respond to invitations to

engage in this assessment:

Trout Unlimited - State

Sunriver Anglers

Coalition for the Deschutes

Oregon Land And Water Alliance

Oregon Natural Desert Association

City of Madras Public Works Department

Jefferson County Commission

Three Sisters Irrigation District

U.S. Bureau of Reclamation

Oregon Tribes through invitation for consultation

Appendix B: Summary of Interview Feedback by Category

Interview feedback does not represent the views of any one entity that participated in an interview, nor the position of the Oregon Water Resources Department. Items listed summarize the comments shared though are not exhaustive of each individual interview. Feedback provided informed the prioritization of agency workplan projects and may also be incorporated into project scoping and implementation as feasible.

Project Categories	Interview Feedback
Integrated Water	- Basin needs integrated water conservation strategies supported financially and
Conservation Strategies	through policy from state and federal partners.
	- Incentives are a key component to implementing new or existing tools.
	- Movement of water can be perfected in the Deschutes and state/federal partners
	can help provide framework for local entities to follow.
	- Strategies should be enforceable and keep water instream in perpetuity.
	- Mechanisms to realize flow targets are needed. There are challenges with existing
	mechanisms. Legal protection is desired out of any new mechanisms.
	- Prioritization strategies are needed for how instream goals are met in drought
	years.
	- Desire for state guidance on prioritization of how instream goals are met in
	drought years.
	- Efficiency standards and/or drought standards could be utilized.
	- Beneficial use designations are an important component of any new or integrated
	strategies.
	- Possible updates to beneficial use designations could include transfer of location
	with same use.
	- Flexibility is desired in the ability to move water between entities. New/novel
	ideas should be on the table as they could have a big impact.
	- Perceived fear of losing water rights is leading to unnecessary use and lack of
	innovation.
	- Culture shifts to new ideas take time, though collaborative leadership can
	expedite the process.
	- Leadership from state is needed to be proactive about regulatory needs, drought
	planning. Allocation of Consorved Water (ACW) is shallonging to payigate while working to
	 Allocation of Conserved Water (ACW) is challenging to navigate while working to meet Habitat Conservation Plan requirements.
	- Difficult to interpret how organizations are utilizing the ACW. Transparency and
	accountability are needed from the state on how organizations are utilizing ACW
	and direct outcomes.
	- ACW needs to be applied in the Deschutes and reductions to certificates are
	needed.
	 Measurement of on-farm upgrades is difficult and there are no programs in place
	to support this outcome focused work.
	- Reliance on infrastructure upgrades may be limiting as land uses change.
	- On-farm efficiency projects need incentives and greater focus on outcomes.
	- Conservation project outcomes need to be memorialized and enforceable.
	- Duty changes are difficult to work through at state level. Permanent solutions to
	split duty challenges are sought.
	- Strategies should be forward looking and not lock the basin into aged
	infrastructure or singular solutions.

	 Fallowing fields, split rate lease systems could have big impact and should be considered.
	- Balancing organizational needs with instream focused project outcomes is
	needed.
	 Juniper mitigation could be a useful tool that is non-regulatory to help instream flows.
	- Open ET is a good tool/resource that could be used in prioritization of projects.
Deschutes Groundwater	- Need certainty for cities to plan and provide for water security needs. Current
Mitigation Program –	program does not allow for this and should be updated.
Updates	- Financial planning (for future mitigation needs) and operational costs for cities
	needs to be considered with potential program updates.
	- Perceived fear that process to create credits is disappearing. Need certainty that
	established processes will remain.
	- Cap is a perceived arbitrary number.
	- Program is close to allocation cap and perceived pressure to raise cap to support
	growth is an issue. Any modifications need to be properly evaluated and existing
	programmatic issues need to be addressed before looking to change the program itself.
	 Desire to get a facilitator that is a subject matter expert to navigate process with OWRD and other stakeholders.
	- Legislative sunset needs to be resolved so that program continues beyond 2029.
	- Cities need to understand state operating framework in advance so that additional
	opportunities can be evaluated (built storage) if necessary.
	- Population growth in central Oregon currently relies on groundwater to support
	future growth.
	- Desire for loosened restrictions on types of mitigation credits used.
	- Regional regulatory organizations need to be coordinated with so that entities can
	carry out any new processes as implemented by OWRD.
	- Desire more external coordination, data transparency, and evaluation of existing
	program.
	- Data and transparency are needed to inform potential decisions on the program's
	extension and modifications.
	- A focus should be on how the program is being used now, not future updates.
State Funding Accessibility	- Match for Natural Resources Conservation Service funding is difficult to acquire
and Sustainability for Water	and get allocated. Need permanent solutions to leverage federal funding
Projects	opportunities.
	- Cap on resources available to support projects and focus on shovel ready
	opportunities can limit progress.
	- Long term certainty for state match needed on large, long-term projects. 5-10 year
	structured proposals desired.
	 Lesson burden to apply and go through review cycles if federal or other state funding obtained.
	- State match program timing does not match project timing needs.
	- Desire to have one funding program and not several small ones at the state level.
Modernizing Water	- Entities see OWRD role as being involved in monitoring flows, monitoring
Movement & Accounting	accounts, confirming accounts are where they should be so entities do not need to
Systems & Increasing	independently self-monitor.
Transparency	- Desire to increase transparency on water management decision making and
	outcomes of those decisions.
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	- Tracking conserved water is desired to measure outcomes of projects and
	decisions.
	- State can help entities communicate outcomes of conservation projects if tracked and data is publicly accessible.
	- Accounting for different "types" of water is necessary to avoid undue regulation.
	- Re-design accounting database to include live flow and storage.
	- Modernize watermaster accounting systems and make them more transparent to
	reduce reliance on watermaster reporting.
Deschutes Groundwater	- Desire to ensure that the existing Deschutes groundwater mitigation program is
Mitigation Program –	still operational under new statewide rule updates.
Intersections – OWRD	- Perceived unconfined aquifer in Deschutes and desire to have allocation rules that
Groundwater Allocation	represent local geography.
Project	 Perceived fear around statewide groundwater allocation rulemaking and impacts to Deschutes.
	- Sustainably managing the groundwater resource needs to be defined.
	- Exempt well interaction with groundwater declines should be better understood.
Crooked River Water	- Desire to have water rights for Prineville Reservoir releases should finalized.
Management	- Upper Crooked River could be candidate for a Serious Water Management
	Problem Area (SWMPA) evaluation/determination. Perceived that upper basin
	should be closed from further SW appropriation.
	- Regulation of water rights, private diversions, upper basin tributaries all need
	attention and prioritization from the state.
	- Problems and solutions are unique to the Crooked River and are different from
	mainstem Deschutes.
	- Accounting and metering are key solutions that should be prioritized.
Deschutes Basin Water	- Integrated plan should be umbrella approach that encompasses priorities of all
Collaborative - Place Based	involved and be a reference to off-shooting efforts to help obtain funding.
Planning Efforts	- Plan should clarify mis-information, establish roles in implementation.
	- Successful planning requires the right organizations to be present and commit to
	plan outcomes.
	 Goals of all water management perspectives are important to making the plan useful and meaningful.
	- Desire to have OWRD in a role to supply information and inform decision making.
	- Desire to include Crooked River basin in plan.
	- Basin as a whole needs to be managed together in plan, not broken out into Upper
	Deschutes, Crooked River, etc. State should encourage diverse set of solutions in
	plan beyond what is already being implemented in the basin.
	- Slow the "hard" conversations down so that outcomes align with original
	objectives.
	 Product generation is needed to move beyond just talking about the issues and working toward resolving them.
	 Progress is slower than intended though displays of success occur through implementation of projects.
	- Use the planning effort to pilot efforts and sequence implementation addressing
	"low hanging fruit" first.
OWRD Water Right	- Drought related operational challenges exist – users need faster review timelines
Transactions and Processing	for drought permits and transfers.
	- Flexibility is needed to move water between districts quickly.
	- Processing time for applications and amendments is lengthy and not transparent.

	 Pending applications have little interactive information on progress and feedback. Desire for more information on application progress and potential information
	needed to aid in review.
	- Lack of transparency causes ripple effects for planning of organizations and cities.
	 Instream leases and transfers limited by existing rules do not provide the flexibility needed in the basin.
	- District to district transfers are important to facilitate water movement in the
	basin.
	 Desire to have state dedicate resources to permit condition regulation, basic enforcement of water rights, monitoring average gauge flows
	- Desire to resolve instream water right protests in basin.
OWRD Coordination with	- Inter-agency coordination desired on application reviews even when not legally
Agencies & Tribes	required.
	- Perception that state agencies are not always on the same page. Coordination is
	needed to ensure alignment on direction forward in the basin and clear guidance for users.
	 Coordination on planning, funding program alignment, prioritization of studies and legislation coordination would be beneficial to the basin.
	- Data coordination on monitoring between organizations and state/federal
	agencies and tribes would benefit the basin.
	- Top-down approach could be utilized to see better coordinated results in upper
	basin. Include forest health in discussions as example.
Managing Improvements to	- Spring chinook and steelhead populations in Whychus and Crooked Rivers should
Ecosystem Health	be focus. Water quality and quantity are topics to focus projects on.
Leosystem meanti	- Reintroduction goals should be met but are marred by water quality, flow, habitat
	suitability. Desire to focus on these issues.
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	- Health of populations through VSP parameters should be of focus.
	 Instream needs should be well defined and need to be goals of the watershed at large.
	- HCP alone does not restore ecosystem health and state can lead integration of
	actions to benefit whole ecosystem.
Groundwater Development	- Exempt well development and impacts to the aquifer should be better understood
Knowledge	to inform future decision making.
	- High intensity development relying on groundwater has perceived unknown
	impact on aquifer and is a topic that should be better understood by the
	community.
	- Areas such as Powell Butte, Juniper Canyon experiencing high rural residential
	growth with wells as primary water source. Desire to better understand growth
	trends and reliance on groundwater.
OWRD Coordination on	- Desire to inform OWRD of land use planning applications and decisions, though
Land Use Planning	unsure at times who to contact.
	- Desire to increase coordination and communication between local governments
	and state on land use planning updates.
	 Comprehensive plan updates are underway and there is desire to coordinate input from state.
	- Desire to plan basin wide for "next drought" to lessen impact on farmers and
	residents.
	- Water availability should inform strategic planning efforts to ensure long term
	reliability of water once developed.

Advancing Water Resource Priorities in the Deschutes River Basin: Situational Assessment & Draft 2023-2026 Workplan

Integration of Water	- Water monitoring in the Crooked River desired and could include flow and quality.
Monitoring Efforts	- Infrastructure upgrades, on-farm efficiencies, tech upgrades need to be monitored
	to help tell story of what is accomplished and how to adaptively manage in future.
	- Desire for measurement on new well installations in basin.
Opportunities for	- Look for opportunities to educate and share information across basin and not just
Community Education	in "hot spots".
	- Streamflow and drought planning, drought impacts, context of impacts, new data,
	etc. could be better communicated to increase community understanding.
	- Perception that community does not understand ESA and HCP – leadership
	needed to explain and put context to these tools as part of basin management.
OWRD General	- Currently little coordination between local governments which could be improved
Coordination within the	upon for strategic planning in the future at the basin scale.
Region	- OWRD should be involved (if not already) on regional solutions team.
	- Landowner involvement is lacking unless regulatory component exists. With
	increasing water challenges, leaders need to find ways to get more landowners
	involved proactively in developing solutions.