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MEMORANDUM

| TO: | Water Resources Commission |
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| FROM: | Brenda Bateman, Senior Policy Coordinator and Alyssa Mucken, IWRS Policy Coordinator |
| SUBJECT: | Agenda Item A, September 29, 2011 Water Resources Commission Meeting |

Integrated Water Resources Strategy Update and Discussion

I. Introduction

During this agenda item, Commission members will receive a briefing from the Integrated Water Resources Strategy (IWRS) Project Team, and will have an opportunity to discuss and provide input on specific public policy issues. This is an informational item only.

Topics for this session include:

- Results from the July 19, 2011 Policy Advisory Group Meeting
- Update on input provided on the June 2011 Draft Recommended Actions
- Next steps toward implementation
- Highlighting draft recommended actions under Bulletin #9 "Funding" and Bulletin #10 "Place-Based Approaches."

This agenda item also features guest speaker, Niki Iverson, Water Resources Manager for the City of Hillsboro and the Joint Water Commission (JWC). The JWC has focused on taking a regional approach to water resource planning, and Ms. Iverson will share a number of successes and observations in these areas.

II. Results from the July 19, 2011 Policy Advisory Group Meeting

The Project Team released "Draft Recommended Actions on June 23, 2011, organized in a set of 12 bulletins. Each bulletin had a set of very specific actions, prefaced by background materials and statistics, drawn largely from the issue papers, which developed at the beginning of the project. Each set of bulletins also featured related links and resources, so that readers could seek additional information on each topic.

The Policy Advisory Group enjoyed strong participation and turn-out in July, similar to past meetings. With more than 30 attendees in the audience, including federal agencies, stakeholders and partners, the members engaged in a day-long discussion of the draft recommended actions (dated June 23, 2011), which are found in Attachment 1.

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The discussion was very productive. PAG members provided several comments and suggestions for each recommended action, indicating a "thumbs up" on most of the high-level recommended actions, with the caveat that staff reflect the group's comments and suggestions in the next draft. The group also reserved the right to show support on some of the subsequent details, but generally approved of the high-level actions. Topics that were somewhat "new" to the Policy Advisory Group, as the group had not previously discussed them in depth, were actions under Bulletin 9 (Funding), Bulletin 10 (Place-Based Approaches), Bulletin 11 (Water Management), and Bulletin 12 (Ecosystem Health and Public Health). The group will consider these four topics (and related actions) and bring them to a vote during their next meeting, scheduled for Tuesday, November 8, 2011.

III. Update on Input Provided on the June 23, 2011 Draft Recommended Actions

The comment period pertaining to the draft recommended actions ran from June 23 through August 31, 2011. In addition to the discussion held by the Policy Advisory Group on July 19, the Project Team received a significant amount of public input. Some came from the PAG members as individuals, but comments also came from professional water organizations, such as the Oak Lodge Water District, and others came from membership associations, such as the Northwest Sportfishing Industry Association. In all, the Project Team received comments from more than 50 individuals and organizations. (See the full set of comments in Attachment 2).

The Project Team engaged in an active outreach effort to elicit these comments This included meeting with stakeholders throughout the summer. Workshops conducted since the release of the draft recommended actions have included the Board of the Oregon Water Resources Congress, the quarterly Natural Resources Cluster meeting of the Legislative Commission on Indian Affairs (Oregon's nine federally recognized tribes comprise this group), the annual meeting of the Oregon Planning Institute, and more. To encourage public comment, the Project Team invited participation through its electronic mailing list and contacted the same local papers who advertised the IWRS Open House events in 2010. (See the announcement from The Capital Press in Attachment 3 for an example.) The Project Team further placed notices in membership newsletters (e.g., the League of Oregon Cities' summer newsletter) inviting participation.

IV. Next Steps toward Implementation

<u>Notification</u>. The first iteration of the Integrated Water Resources Strategy is scheduled to come before the Water Resources Commission in June 2012 for adoption. Before that can occur, House Bill 3369 requires the Commission to give notice to the Environmental Quality Commission, the Board of Agriculture, and the Oregon Fish and Wildlife Commission. The Water Resources Commission already has reached out to the above Boards and Commissions, meeting with them early in the process to describe goals, objectives, and the process moving forward. Having received strong support during the early stages, both staff members and commissioners have committed to returning near the completion of the process for another faceto-face discussion. This approach has been strongly supported by members of the Policy WRC Agenda Item A September 29, 2011 Page 3

Advisory Group, who noted in their last meeting that seeking and receiving a statement of "endorsement" from the other boards and commissions would provide the Strategy a strong foundation for the implementation phase. The agency directors plan to verbally present the IWRS to the Board of Agriculture, the Environmental Quality Commission, and the Fish and Wildlife Commission early in 2012 to seek their endorsement. The Chair of the Water Resources Commission may wish to join in these presentations. The agency directors plan to send letters and materials to the other boards and commissions that are currently represented by the IWRS Agency Advisory Group. These letters will include an offer to appear in person before the board or commission if members are interested.

<u>Draft Integrated Water Resources Strategy</u>. Public comments submitted over the summer, input from workshops, and feedback from the Policy Advisory Group and Water Resources Commission will be reflected in the draft Integrated Water Resources Strategy. The draft IWRS will have a similar tone, format, and level of detail as the June 23 version, but the text will be more fully developed in the areas of funding (#9), place-based approaches (#10), water management (#11), and ecological health and public health (#12).

This draft, scheduled for release by December 31, 2011, is the draft that will be circulated to Boards and Commissions for consideration.

<u>Further Developing the Details</u>. Much of the operational details related to recommended actions will be developed during the course of preparations for the 2013 Legislative Session. Agencies must submit their initial legislative concepts to the Department of Administrative Services (DAS) during Spring 2012 and must submit their initial budget requests to DAS during Summer 2012. Cost figures, staffing estimates, and other workplan details will reside in these documents.

V. Highlighting Recommended Actions #9 (Funding) and #10 (Place-Based Approaches)

The funding topic (#9) remains a critical one, as the natural resource agencies continue to lose ground, when it comes to percentage of the General Fund. The recommendations included in the Strategy will be many, and at full implementation could be quite expensive. They potentially include a mixture of "re-building" important programs that have been de-funded, as well as establishing programs in emerging issue areas. The Project Team will likely put forward a diverse portfolio of funding ideas for the Policy Advisory Group to discuss and vote on. Many of those ideas come from the work of the Water Resources Commission's Revenue Enhancement Subcommittee, the topic of the next agenda item.

Another topic that remains of high interest is Place-Based Approaches (#10). While this topic includes items as varied as the Columbia River Treaty (a transboundary issue), it also takes a closer look at intra-state approaches. Public comments have highlighted the need for local communities to take a more regional (sub-basin) approach to planning for their water needs. This may involve several municipalities banding together to manage their water and wastewater infrastructure; it could involve irrigators and environmental groups partnering on water resource projects; or it could involve a new look at the use of stormwater and wastewater resources.

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IWRS discussions to date have strongly indicated that the state should be doing more to encourage communities to develop strategies to meet their water needs.

This afternoon, Niki Iverson, Water Resources Manager for the City of Hillsboro and the Joint Water Commission, will share some of the JWC's experiences in regional approaches. The opportunities for these regional discussions have been many, as JWC has recently developed a regional Water Management and Conservation Plan on behalf of its members across Washington County. JWC members are also considering water supply expansions at sites across the region, and their members have strong water conservation and efficiency programs in place as well.

Conclusion

With less than a year until adoption of Oregon's Integrated Water Resources Strategy, much work remains, in terms of developing content and outreach. However, much of the detail has been crafted and strongly supported by the Policy Advisory Group and the public. Recommended Actions are shaping up in 12 water-related areas, and the members of the Agency Advisory Group (17 state partners) and the Federal Liaison Group (10 federal agencies) have provided much of the technical details in IWRS-related documents.

Some of the primary content is still in development. We have many good examples to draw upon from Oregon communities, particularly when it comes to local strategies for meeting future water needs.

Attachment 1: June 23, 2011 Draft Recommended ActionsAttachment 2: Public Comments on June 23, 2011 Draft Recommended ActionsAttachment 3: Sample Announcement from *The Capital Press*

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