



# Item E: Proposed Rulemaking for Division 601

## Best Practices for Community Engagement around Water Projects

Action Item

March 13, 2025



**Charlotte R.Whitefield, *Community Engagement Coordinator;***

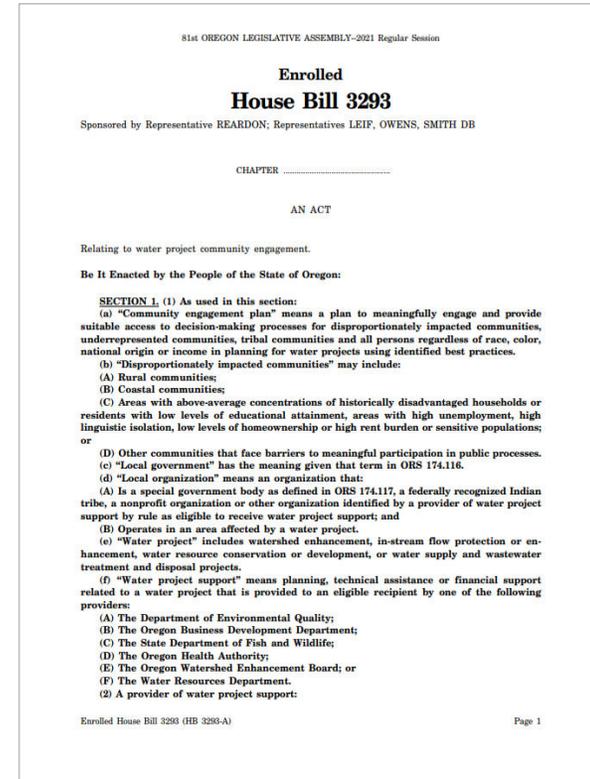
**Margo Mashkovskaya, *Rules Coordinator;* Adair Muth, *Grants Manager***

# Presentation Overview

- ORS 541.551
- Proposed Rulemaking: OAR 601
- Public Notice Process and Filings
- Implementation
- Alternatives and Director's Recommendation

# ORS 541.551

- Requires agencies to:
  - Develop community engagement best practices for water projects
  - Adopt rules recognizing best practices
- Allows agencies to:
  - Make water project support available to develop and implement community engagement plans
- Requires that supported community engagement plans use agencies' best practices



# ORS 541.551: Key Definition

## Disproportionately Impacted Communities

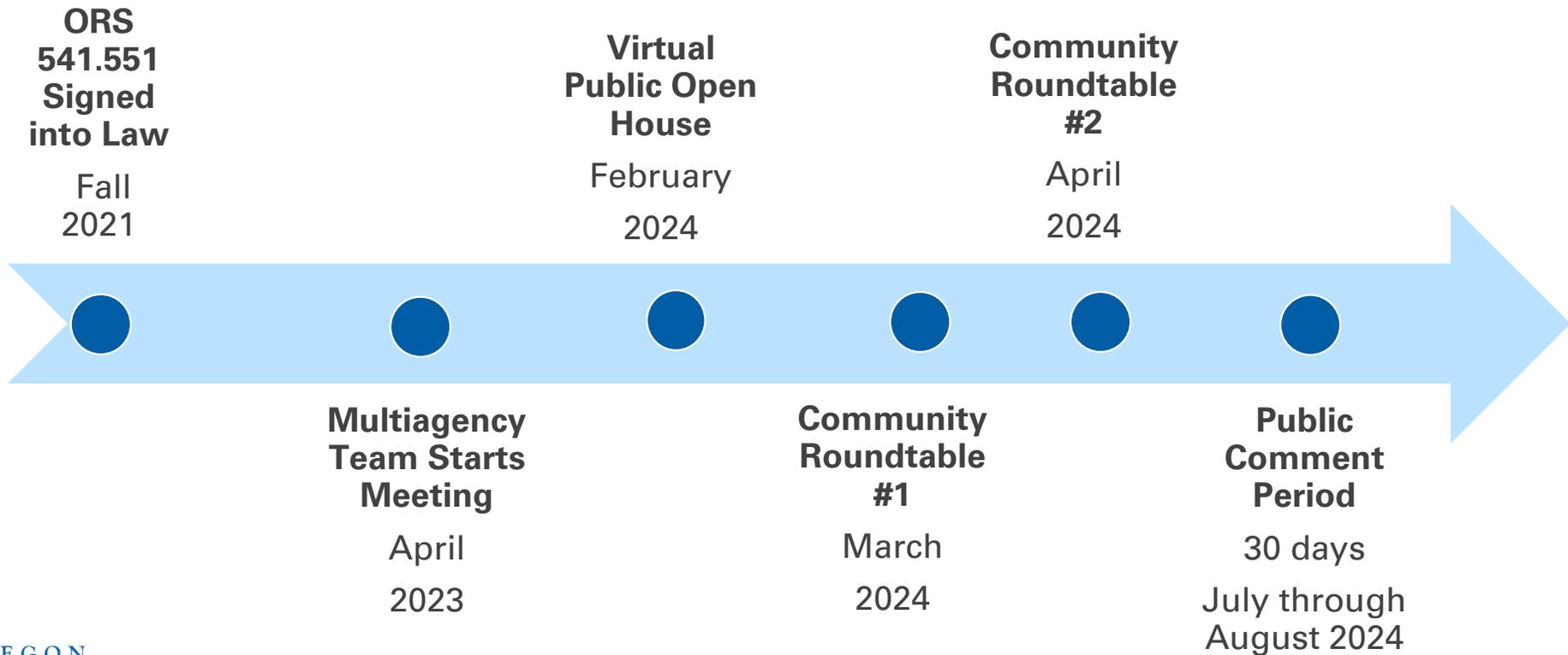
- Rural communities
- Coastal communities
- Areas with:
  - Above-average concentrations of historically disadvantaged households
  - Low levels of educational attainment
  - High unemployment
  - High linguistic isolation
  - Low levels of homeownership
  - High rent burden or sensitive populations
- Other communities that face barriers to meaningful participation in public processes
- Communities of color
- Tribal communities

# ORS 541.551: Vision Statement

“Through the collaborative development of Best Practices in Community Engagement, the named agencies aim to promote meaningful inclusion of disproportionately impacted communities in decisions related to the identification, planning, and implementation of water projects.”



# ORS 541.551: Development of Best Practices



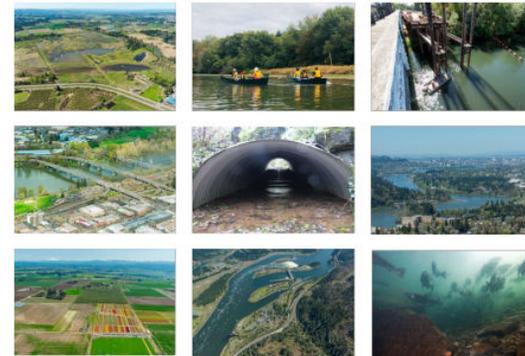
# ORS 541.551: Guidance Document

September 2024 – Agencies adopted document

How Best Practices are used will change over time depending on:

- Water projects' size and scope
- Needs and desired outcomes of impacted communities

## **10 BEST PRACTICES** *in Community Engagement around Water Projects*



A Resource for Local Organizations and Local Governments for developing and implementing Community Engagement Plans for water projects.

# ORS 541.551: Implementation

- No funding was allocated by ORS 541.551 for implementation of rule
- Each agency taking different approach to recognizing best practices
- OWRD internally incorporating best practices into Community Engagement Foundations staff guidance documents
- OWRD aims to implement best practices using existing funding programs through proposed rulemaking Division 601



# Rulemaking Process



# Proposed Rules: Division 601

- Purpose (-0100)
- Definitions (-0200)
- Funding for Community Engagement Plans (-0300)
- Best Practices of Water Projects for use in Community Engagement Plans (-0400)
- Application Requirements and Evaluation of Community Engagement Plans (-0005)
- Public Notice (-0600)
- Funding Agreement and Reporting on Community Engagement Plans (-0700)

# Proposed Rules: Division 601

## Purpose (-0100)

“OAR 690-601-0100 to OAR 690-601-0700 establishes rules to invite and support meaningful involvement of disproportionately impacted communities in the development, implementation, or both, of community engagement plans for water projects eligible to be supported by authorized Oregon Water Resources Department grants and loans.”

# Proposed Rules: Division 601

## Definitions (-0200) *(select examples)*

### **Meaningful Involvement**

- Members of disproportionately impacted communities have appropriate opportunities to participate in and impact outcomes of water projects that will likely affect their communities' environment, economy, or health

### **Best Practices**

- Include goals, approaches, and strategies used in development and implementation of community engagement plan to increase meaningful involvement of disproportionately impacted communities in decisions related to identification, scoping, design, or implementation of water project

# Proposed Rules: Division 601

## Definitions (-0200) *(select examples)*

### **Community Engagement Plan Applicant**

- Local governments or local organizations that apply for funding
- For water project eligible to be support Feasibility Study Grants (FSG) or Water Project Grants and Loans (WPGL)

### **Community Engagement Plan Grantee**

- Local governments or local organizations that receive funding by FSG or WPGL

### **Water Project**

- Projects eligible for funding by grants or loans through FSG or WPGL

# Proposed Rules: Division 601

## Funding for Community Engagement Plans (-0300)

- Provide funding for community engagement through FSG or WPGI
- Funding for community engagement contingent on funding source
- Funds for inviting and supporting meaningful involvement of disproportionately impacted communities in identification, scoping, design, or implementation of water projects
- Community engagement grantees shall follow:
  - All laws and guidelines for these programs
  - All applicable laws and guidelines for reimbursable costs and activities

# Proposed Rules: Division 601

## Best Practices of Water Projects for use in Community Engagement Plans (-0400)

- Lists 10 best practices from guidance document
- Outlines components required in community engagement plan, including framework for how communities will be engaged in water projects
  - Framework to be outlined in project proposals
  - Must include attainable and measurable ways to track engagement to ensure meaningful engagement

# Proposed Rules: Division 601

## Application Requirements and Evaluation of Community Engagement Plans (-0500)

- Applicants:
  - Shall comply with all FSG or WPGL application requirements
  - May propose **not** to incorporate one or more best practices in engagement plans but must justify **why** and may provide an alternative best practice
- Plans will be evaluated based on:
  - FSG or WPGL criteria
  - Additional criteria outlined in Division 601 including impact of water project on communities, budget, and applicant's qualifications

# Proposed Rules: Division 601

## Public Notice (-0600)

Department shall denote applications with community engagement plan components for a water project during public notice processes for FSG and WPGL



### Public Comment Opportunity - Water Project Grants and Loans and Irrigation Modernization Funding

The Oregon Water Resources Department (OWRD) invites written public comment on applications received for the second 2024 cycle of [Water Project Grants and Loans Funding and Irrigation Modernization Funding](#). OWRD received seven complete Water Project Grants and Loans grant applications requesting a total of \$9,279,591 in funding. OWRD received one complete application for Irrigation Modernization Funding requesting \$907,290.

A multi-agency Technical Review Team (TRT) will consider public comments submitted in their evaluation of applications. The TRT will evaluate applications and make a funding recommendation to the Water Resource Commission. OWRD will post the TRT funding recommendation for an additional public comment period in the fall. The tentative date for the Commission to make its funding decision is December 12-13, 2024.

- View [summaries of the project applications](#).
- View the 2024 applications received by visiting the [Funding Cycle History page](#).

**Written comments on the applications will be accepted until 5 p.m. on September 23, 2024.**

**Please submit comments to:** [OWRD.Grants@water.oregon.gov](mailto:OWRD.Grants@water.oregon.gov) or Grant Coordinator, 725 Summer Street NE, Suite A, Salem, OR 97301.

**For more information, please contact:**

**Adair Muth | 971-301-0718 | [OWRD.Grants@water.oregon.gov](mailto:OWRD.Grants@water.oregon.gov)**

# Proposed Rules: Division 601

## Funding Agreement and Reporting on Community Engagement Plans (-0700)

### Grantees shall:

- Comply with all grant and reporting requirements of FSG or WPGL
- Submit progress and final reports that include:
  - Use of best practices
  - Communities' involvement in water project
  - Feedback received from community and how it was addressed

### Department may:

- Impose other community engagement plan specific conditions
- Terminate, reduce, or delay funding if Community Engagement Plan Grantee fails to comply with any provision of subsections

# Rulemaking Process



# Tribal Engagement

## Before and During Rulemaking Process:

- Invited informal and formal engagement and provided updates via Staff-to-Staff Cultural Resources Cluster and Natural Resources Workgroup
- Sent Government-to-Government letters/emails inviting coordination and consultation on development of the draft best practices, rules, and solicitation for RAC membership
- Distributed the notice of proposed rulemaking and an email on the public comment extension

# Tribal Comments Summary

<b>Comment Themes</b>	<b>Response</b>
Concern relating to financial burden for participating in engagement process	Rule allows compensation of disproportionately impacted communities, including Tribes, when funding exists  Compensation details will be outlined in future guidance documents
Request for engagement during development of community engagement framework	Framework development guidelines to be drafted in guidance  Department will continue Tribal engagement on guidance documents

# Public Comment Summary

Comment Themes	Response
Public notice and comment period be explicitly included in rule language	Section 690-601-0600 has been added
Rules are restrictive because they only allow project developers as eligible grantees	Applicants do not need to be a water project developer to be eligible for funding, but they do need to be local governments or organizations, as authorized by ORS 541.511
Clarification on the application process and related requirements	Rule language has been added to clarify that community engagement plan funding requests are a component of the grant application materials for FSG or WPGL and not a separate application process

# Public Comment Summary

<b>Comment Themes</b>	<b>Response</b>
Further guidance and clarification needed on criteria to be used to evaluate community engagement plans	Section 690-601-0500 (3) has been updated to include “relevant” evaluation criteria  Relevant evaluation criteria will be identified in grant specific reference materials
Concerns that a community engagement plan must be part of a larger funding request for the entire water project rather than a standalone funding request	Community engagement plans are not required to be part of larger funding requests for FSG or WPGL  Community engagement plans must be associated with and focused on an eligible study or water supply project which meets all funding requirements for FSG or WPGL including match requirements

# Fiscal Impact

- Not expected to have significant fiscal impact on Department beyond ongoing expenditure of grant funds for water project community engagement plans in communities across Oregon and additional cost of departmental support for these grantees
- May have positive economic impact within Oregon communities as funds may be used to compensate disproportionately impacted communities' participation in water project community engagement development and implementation

# Racial Equity Impacts

- Aims to increase meaningful involvement of disproportionately impacted communities by supporting development and implementation of community engagement plans for water projects
- Includes provisions for tribal engagement in water projects, recognizing federally recognized Tribes as “eligible applicants” and “participants” within community engagement plans
- Includes specific best practices aimed at including engagement with Federally Recognized Tribes

# Implementation - Feasibility Study Grants

**Funding to evaluate feasibility of a water conservation, reuse, or storage project**

## Timeline:

- Spring/summer 2025 – Develop guidance documents
- Fall 2025 – Announce funding cycle
- Spring 2026 – Grant applications due



**Conservation**



**Reuse**



**Storage**

## Commission Action: Alternatives

1. Adopt final proposed rules as modified by the Department following public comment (Attachment 8)
2. Adopt final proposed rules as modified by the Commission
3. Not adopt final proposed rules and request the Department to further evaluate the issues

# Commission Action: Director's Recommendation

- 1. Adopt final proposed rules as modified by the Department following public comment (Attachment 8)**
2. Adopt final proposed rules as modified by the Commission
3. Not adopt final proposed rules and request the Department to further evaluate the issues

OREGON



WATER RESOURCES  
DEPARTMENT

# Thank you!

**Charlotte R. Whitefield, Margo  
Mashkovskaya, & Adair Muth**

 [Oregon.gov/owrd](https://Oregon.gov/owrd)

 [@OregonGovWRD](https://www.youtube.com/@OregonGovWRD)

 [Linkedin.com/company/owrd](https://www.linkedin.com/company/owrd)