



**MEMORANDUM**

**TO:** Oregon Water Resources Commission

**FROM:** Racquel Rancier, Policy Manager  
Lisa Snyder, Administrative Services Division Administrator

**SUBJECT:** Agenda Item C, May 1, 2020  
Water Resources Commission Meeting

**Legislative and Budget Update**

**I. Introduction**

This report provides an overview of the 2020 Legislative Session and efforts underway to prepare for the 2021 Legislative Session, including budget packages and legislative concept proposals. Commissioners will be asked to provide input on 2021 proposals during this agenda item.

**II. 2020 Legislative Session**

Oregon's Legislative Assembly convened in Salem on February 3 for the 2020 Legislative Session, with a Constitutional *Sine Die* date of March 8, 2020. Much of the session was marked by a lack of quorum on the floor to pass legislation. As a result, in total, three bills were passed during the session – none containing provisions related to the Department's activities.

Senate Bill 1537, which was particularly important for the Department's dam safety work, was one of the bills that died. Components of SB 1537, the Governor's resiliency legislation, were included in the end of session budget bill. If the bill had passed, funding would have provided \$2 million for dam safety efforts. The Department will continue to carry this request forward in its 2021-23 Agency Request Budget.

Since the end of session budget bills did not pass, none of the Department's funding requests were approved. All had been included in the end of session budget bill. These requests included the Water Vision Business Case.

*Water Vision Business Case:* In August of 2019, the state formally launched Phase I of Oregon's 100-Year Water Vision, seeking to advance recommendations of the statewide Integrated Water Resources Strategy. The intent of the Water Vision was to raise awareness and catalyze action to

address Oregon's pressing and critical need to invest in water resources, particularly natural and built infrastructure. Phase I findings can be found here:

[www.oregon.gov/oweb/resources/OregonWaterVision/Pages/outreach-summary.aspx](http://www.oregon.gov/oweb/resources/OregonWaterVision/Pages/outreach-summary.aspx).

To move the Water Vision work forward, three agencies submitted budget requests. The Department requested funding in the amount of \$200,000 to contract for a business case study to assess the economic value that the use of water provides in Oregon. As the Governor had [communicated in a letter to legislators](#), the next phase of the Water Vision would only move forward if sufficient resources were provided to sustain the effort. Since those resources were not received, the effort is not moving forward at this time. Agencies and the Governor's office are assessing next steps for 2021, but no decisions have been made in light of COVID-19.

*State Data Center Services Request:* The Department requested \$125,000 in general fund to migrate network and server infrastructure and resources to the State Data Center Services. Work has already begun on this effort; therefore, the Department will need to cover this work administratively within its own budget.

### **III. 2021 Budget and Legislative Concept Development**

Over the past few months, the Department has met with stakeholders to begin discussions about proposals for the 2021 Legislative Session. Additional meetings will be held in May.

Proposals for legislative concepts were due to the Department of Administrative Services (DAS) on April 17 for the 2021 Legislative Session. Placeholder information may be submitted to DAS through June 5. All Department legislative concepts were filed as placeholders, as staff resources were diverted to work on matters related to COVID-19. Some stakeholders have also faced significant challenges in addressing matters related to COVID-19. Summaries of legislative concepts are included in Attachment 1. The agency will continue work on concepts; however, some proposals may not move forward depending on staff and stakeholder priorities and input.

DAS's official kickoff of development of the 2021-2023 Biennium Budget was held in March. The Department anticipates freezing budget package numbers in late May for internal pricing, and the final budget document is due July 31.

During the February Commission meeting, staff shared the Department's initial brainstorming of budget packages. Since then, the Department has continued to refine those proposals based on feedback from stakeholders, the Commission and staff. In addition, given that the economic forecast was much different in February than it is today due to COVID-19, the Department has sought to reduce requests that it is proposing. While the number of requests has been reduced, the Department's requests communicate the need and resource constraints to the Legislature as recommended by the 2016 Secretary of State's Audit. Attachment 2 provides an overview of the current 2021 draft of budget proposals. These proposals will change over time with additional feedback and refinement. In addition, given the significant impacts of COVID-19 on the

economy statewide, there is significant uncertainty over the viability of budget packages. Pending further direction, the Department is continuing work on budget packages while being mindful that they might not move forward.

Commissioners will have the opportunity to provide staff with feedback on the budget proposals and legislative concepts during the meeting, including thoughts on prioritization of budget proposals.

#### **IV. Conclusion**

The Department is continuing to refine budget and legislation proposals for the 2021 legislative session, while also continuing to adjust and be mindful of the uncertainties and challenges created by COVID-19. In addition to feedback from the Commission, staff will modify its proposals with input from stakeholders.

Attachments:

1. 2021 Potential Legislative Concepts
2. 2021 Potential Budget Proposals

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## Potential 2021 LC Topics

**Water Resources Department 2021 Legislative Concept Proposals as of 4/21/2020****Proposals are Subject to Change**Changes to Rights to Store Water – “Transfers of Stored Water”

*Background:* A water right is necessary to use or store water in Oregon. Rights to use water specify the place where the water is used, the type of use of the water, and the point that the water is diverted from a water source, such as a stream, reservoir, or well. If there is a desire to change one of these three components of a water use right, one must apply for a “transfer.” Similarly, rights to store water specify the location of the reservoir, the location of the dam (if applicable), the point where water is diverted (if applicable), and the purpose/use for which the water is stored. The Water Resources Department has long debated about its authority to make changes to storage rights. In light of a lack of clarity in its existing laws, prior to 2018, the Department had occasionally allowed changes in the location of reservoirs and, more commonly, processed changes in the purpose of use. Recent proposals to change the location of stored water resulted in the Department taking a closer look at its authorities. In 2018, the Department of Justice issued a memo determining that, with some exceptions, the statutes do not provide the Water Resources Department with the authority to allow changes to storage rights. Without the ability to change the type of use of stored water, water right holders will not be able to manage water as necessary to meet emerging needs, opportunities, or challenges.

*Status of Proposal:* This is a placeholder for further work with stakeholders. Currently there is no consensus on a solution and the Department does not anticipate having capacity to work on this issue until later in the year. A solution would provide the Department with clear authority to allow for changes in a primary storage right.

Update Hydroelectric Fee Structure

*Background:* Annual fees for hydroelectric projects were first established in 1911 and last updated in statute in 1999. The annual fees are necessary to ensure that current staffing levels, activities and funding are appropriate to fulfill the objectives of the hydroelectric programs of the Oregon Department of Environmental Quality, Oregon Department of Fish and Wildlife, and the Oregon Water Resources Department. Currently, the hydroelectric fee structure is complicated and creates disparities between projects, and significant fee increases once a project is relicensed. Partner agencies are expecting shortfalls that will result in them not being able to maintain current service levels.

More specifically:

1. Projects Greater than 100 theoretical horsepower (THP): Existing annual fees are calculated at \$0.28/THP for projects that have not been relicensed and at \$0.605/THP for the year 2020 for relicensed projects. Projects paying \$0.28/THP have not had a fee increase in 21 years. Fees for relicensed projects are increased based on the Gross Domestic Product – Implicit Price Deflator. As a result, there is a growing gap between the fee for projects that have not been relicensed and the fee that is paid after a project goes through relicensing.
2. Projects less than 100 THP: In place since 1999, minimum fees for projects that have not been relicensed are \$15, while the minimum fee for relicensed projects is \$50.
3. Fee Review Panel for Relicensed Projects: A panel reviews the fees for relicensed projects once every 8 years and may recommend the Director alter the fee schedule. The panel has no oversight on fees for projects that have not been relicensed, which can only be changed through legislation.

*Status of Proposal:* Department staff intend to reach out to hydroelectric stakeholders in May to discuss the current hydroelectric fee structure to obtain input on how to proceed. The Department is proposing to simplify and equalize the fees paid by hydroelectric projects, while maintaining current service levels at OWRD, ODFW and DEQ. The current proposal under consideration includes:

1. Making the fee for new and relicensed projects the same. The fee would be more than the current \$0.28/THP and less than the current \$0.605/THP.
2. Raising the \$15 minimum fee to \$50.
3. Removing the requirement to hold a fee review panel, as fees would be reviewed and increased by the legislature.

## Potential 2021 LC Topics

**Water Resources Department 2021 Legislative Concept Proposals as of 4/21/2020****Proposals are Subject to Change**Irrigation District Pilot Project

*Background:* In 2003, the Legislative Assembly authorized a pilot project allowing three irrigation districts to make annual place of use changes to water rights within their legal boundaries without making application to the Water Resources Department for a temporary transfer.

Between the 2003 and 2007 legislative sessions, only a small number of transfers were completed and there was insufficient data to assess the pilot. The program was extended in 2007, providing an additional two years for the three districts to test the approach. After showing some success, in 2009, the program was extended to June 30, 2016 and expanded to include 15 districts. In 2015, Senate Bill 267 made some adjustments to the program, extended the sunset to January 2, 2022, and required a report to the Legislature by January 31, 2021.

The pilot project is intended to provide increased flexibility for irrigation districts to temporarily change the place of use of water rights without reducing protections for existing water users. To temporarily change the place of use of water rights under the pilot program, districts are required to satisfy standard water right transfer criteria and maintain records. This includes ensuring that there is no injury to other water rights or an expansion of the authorized irrigated acres.

*Status of Proposal:* Current information shows the pilot program is providing the districts with more management flexibility, while also ensuring that other water users are protected. The Department is recommending continuation of the pilot program to further assess its implementation. The Department proposes to extend the program to January 2, 2030.

Extending Well Construction Continuing Education

*Background:* Improper well construction or abandonment can lead to groundwater contamination and waste. Therefore, persons who construct, alter, convert or abandon a well are required to obtain a Well Constructor's License to ensure that they have the necessary equipment, knowledge, and experience.

In 2001, the Oregon Legislature passed legislation requiring well constructors to complete continuing education credits in order to renew licenses after June 2005. In 2007, the Legislature extended the sunset on the program to January 2, 2014. The program was extended again in 2014 to January 2, 2022.

Under the program, continuing education courses are approved by the Well Constructor Continuing Education Committee, which is composed of three well drillers and one member of the regulatory community. In order to satisfy the continuing education requirement to renew a license, the well constructor is required to provide proof of completion of 14 continuing education credits every two years. At least two continuing education credits must include courses pertaining to groundwater and well construction laws. Examples of other course topics include drilling, groundwater hydrology, well construction and abandonment, safety, first aide, CPR, and hazardous materials. Credits may be obtained through clinics, schools, professional organizations, seminars, or lectures. A broad selection of courses are also available online. Requiring well constructors to complete continuing education courses helps well constructors maintain and advance their skills in order to properly construct, alter, maintain, abandon, and convert wells, which helps to protect the groundwater resource and well-owners.

*Status of Proposal:* The Department proposes to extend the program to January 2, 2030, including the requirement that well constructors complete continuing education credits for license renewal. Initial feedback from some stakeholders was that the make-up of the continuing education committee should have broader representation. The Department intends to discuss this further with stakeholders and is assessing whether other changes are needed. This concept may be folded into the proposal below.

## Potential 2021 LC Topics

**Water Resources Department 2021 Legislative Concept Proposals as of 4/21/2020****Proposals are Subject to Change**Protecting Groundwater Resources by Improving the Well Construction Program

*Problem:* The 2016 Secretary of State Audit identified a need for the Department to “enhance its well regulation efforts, including driller licensing and education, and inspections of new, abandoned, and known wells,” stating that “Limited well inspections and drilling requirements jeopardize groundwater quality.” Oregon's 2017 Integrated Water Resources Strategy (actions 7.A, 11.E, and 12.A) also calls for protections of groundwater through the well construction program and identifies the need for updates. In 2018, the Department and Oregon Ground Water Association began initial discussions on changes to the program. In response to legislation introduced during the 2019 session, the Department developed an informational handout which is included at the end of this document, containing some of the Department’s initial ideas for improvements.

*Status of Proposal:* The Department had intended to begin a workgroup in early 2020 to formulate a proposal. Due to the workload demands of the 2020 session, staff vacancies, and the COVID-19 pandemic, the Department is seeking to begin this work in May.

OWRD Fees – Water Rights Transactions and Dam Safety

*Problem:* The Department’s current fee schedule supports staff involved in the processing of water rights. It also supports staff and engineering contracts in the Dam Safety Section. In 2009, the legislature restructured many of the Department’s fees and since then the Department has brought forward modifications to the water right transactions fee schedule every four years, based on projected cost increases with a 50/50 split between fees and general fund. The fee schedule was last modified in 2017, and dam safety fees were added to the four-year schedule. Current projections anticipate a shortfall for the 2019-2021 biennium with positions being left vacant. Based on data from the Department of Administrative Services, the Department projects costs to increase by 17.39 percent for the 2021-2025 fee schedule. Without a fee increase, the Department anticipates that it will have to decrease water right processing staff. With the reductions in staff, it will take longer to process water right transactions as backlogs build, causing farmers, water providers, and others to wait longer to receive decisions on water supply proposals. This will also reduce the Department’s performance on Key Performance Measures #9, 10, 11, and 14, which measure the quality of customer service and timeliness of processing.

*Status of Proposal:* This LC would retain current staffing levels through 2025 for water right processing and dam safety by increasing fees by approximately 17.39 percent averaged over the four-year period. The legislation would be effective July 1, 2021 – the start of the fiscal year. The Department is also proposing to add a fee for transfer applications that want to make a change for more than one well for parity with how fees are calculated for new water right applications. This proposal is consistent with IWRS recommended action 13.B to fund water resources management activities at state agencies.

Stakeholders have raised initial concerns about fee increases in light of economic uncertainty brought on by COVID-19. The Department anticipates ongoing conversations with stakeholders into the 2021 legislative session to assess the situation as it unfolds.

*DRAFT 4/23/20: This list is subject to change with further refinement and may be modified in light of economic changes and uncertainty due to COVID-19. Packages were informed by the Integrated Water Resources Strategy and the Department’s Strategic Plan. Packages will be modified and refined; this draft is for the purposes of discussion and feedback. Positions are priced at 21 months (0.88 FTE) unless stated otherwise. All costs are General Fund unless stated otherwise. Packages have not been prioritized and are in no particular order.*

Topic/IWRS	Issue Description	Estimated Total Costs	Notes
<p>Willamette Basin Reallocation Pre-Implementation</p> <p><i>IWRS Action 9.B, 10.B</i></p>	<p>This package involves work to prepare for implementation of the reallocation of reservoir water for municipal/industrial, agricultural irrigation, and fish and wildlife purposes. The Army Corps of Engineers continues to proceed with the Willamette Reallocation work. The Oregon Water Resources Department and Oregon Department of Fish will need to engage in a multi-year effort that will require several staff positions to coordinate basin activities, facilitate meetings, provide technical analyses, develop instream flow targets, manage contested case processes for minimum perennial flow conversions, and shepherd any necessary law changes. The agencies will also need to undertake a significant stakeholder engagement and outreach program, so that the public is kept apprised and has input on changes in reservoir and streamflow management in the basin.</p>	<p>Contract Funds – \$150k                      Staff Costs – \$410k                      Total Costs - \$560k</p> <p>One NRS5 Basin Coordinator                      One OPA 3</p>	
<p>Resolving Complex Basin Water Issues – Deschutes and other basins</p> <p><i>IWRS Action 9.B, 9.C, 13.C</i></p>	<p>As Oregon’s groundwater and surface water resources become fully appropriated, the State is seeing an increased need to help communities resolve complex water management issues in basins across the state, including the Deschutes, Harney, and Walla Walla basins. In resolving these issues, the Department frequently needs to coordinate data requests from individuals working to identify water management solutions; ensure all interested parties, elected officials and the public are continuously updated on meetings and efforts; and respond to requests to clarify the Department’s statutes, rules, and policies. The Deschutes basin in particular has signaled an interest in having the Department work to resolve water challenges. This package includes one position that will work with parties involved in complex water management issues in the Deschutes basin, as well as other basins, to assist in developing solutions. In addition to staff, package includes \$300k in contract dollars for consultants and facilitators.</p>	<p>Contract Funds – \$300k                      Staff Costs – \$210k                      Total Costs - \$510k</p> <p>One NRS 5 Complex Basin Issues Coordinator</p>	
<p>Support for Harney Basin Groundwater and Conservation Reserve Enhancement Program</p> <p><i>IWRS Actions 2.B, 10.A, 10.D, 11.E, 13.B</i></p>	<p>One position to support implementation of various groundwater management projects in the Harney Basin. Specifically, this position would support implementation of a Conservation Reserve Enhancement Program (CREP) for groundwater irrigated lands in the area. This position will monitor and estimate groundwater use using various remote sensing and field methods, and collect groundwater levels, in order to assess the effectiveness of a CREP program, as well as other potential future groundwater management activities in the region. This position will support actions taken by the watermaster to monitor compliance with groundwater reduction programs. This package also contains \$500k in state cost-match for the program.</p>	<p>Cost Match Funds (S&amp;S) – \$500k                      Staff Costs – \$200k                      Total Costs - \$700k</p> <p>One NRS 3</p>	
<p>Dam Safety - Protecting public safety by evaluating dams for safety deficiencies and identifying funding options</p>	<p>All high-hazard and significant hazard dams should have a full risk assessment conducted to determine vulnerability to floods, earthquakes, internal erosion, landslides, structural deterioration, and debris. While some dams have had partial assessments, no dam has had a full risk assessment in several decades, as the Department has not had resources to do these assessments. As we have seen significant failures and safety incidents in other states and, as we continue to experience safety incidents annually at dams in Oregon, the Department is increasingly concerned about the lack of information on dams here in Oregon. This package would improve our understanding of dams in the state and their vulnerabilities by:</p>	<p>Contract Funds – \$1.4m                      Staff Costs – \$600k                      Total Costs – \$2.0m</p> <p>Two Engineers                      \$ 1 million contract for analyses</p>	

<p><i>IWRS Action 5.5C &amp; 7C</i></p>	<p>(1) Hiring two engineers to conduct assessments on dams to determine seismic, flood, internal erosion, and other safety risks, which will help to prioritize dams for repair and funding, as well as for further analysis.</p> <p>(2) Developing an Oregon specific flood methodology for evaluating risks to dams, given new information about climate and extreme rainfall events in the Pacific Northwest.</p> <p>(3) Contracting out for engineering analyses on dams that have been identified to be at risk of failure to determine specific actions to address the risk, or dams that have had some initial evaluations that have identified a need for more detailed engineering analysis.</p> <p>(4) A work group would help to identify approaches to prioritizing the repair of dams or other safety actions, as well as evaluating and making recommendations on funding mechanisms.</p>	<p>\$400,000 for flood methodology One NRS3 LD for Work Group</p>	
<p>Investing in Information Technology to Increase Staff Efficiency and Data Accessibility</p> <p><i>IWRS Actions 1.B, 1.C, 2.B</i></p>	<p>WRD's 2019-24 Strategic Plan identified modernization as a key agency priority. Conversations with staff, the Commission and stakeholders identified many suggestions for improvement of the agency's data systems and information technology. Data is foundational for decisions made by the agency as well as water users and the public on everything from allocation, to distribution, planning, and water-use measurement and reporting. Functional and accessible data systems are essential to improving our efficiency and serving the public. For example, field staff need tools to reduce the time associated with collecting and entering data, and to make it more accessible while they are in the field. Reporters of water use data would benefit from a more user-friendly database, while improvements could lead to efficiency for staff tasked with conducting quality control. Queries of the Department's data for use by agency staff, or planning purposes is often not accessible without agency information technology staff or other staff collecting, processing, distilling, and then interpreting the data. This package requests resources necessary to support the State and Oregonians in their efforts to plan for and manage water in support of Oregon's communities, ecosystems, and economy. More specifically these resources will allow the Department to be able to assess and document business needs, analyze current data relationships, create technical and business documentation for project proposals, normalize data schemas for the agency, modernize our data entry capabilities and monitor the health of current and future databases. These will be critical for the agency to support disaster recovery, information security, and expanded data sharing. This package will also support a migration from our agency data center to the combined state data center where we can leverage improved system performance, monitoring, and security on a larger scale than we could otherwise achieve on our own.</p>	<p>Services &amp; Supplies - \$225k Staff Costs – \$420k Total Costs - \$645k</p> <p>One ISS6 – Systems Analyst One ISS7 – Database Administrator Data Center Services (SDC) Costs</p>	
<p>Addressing Legal Expenses to Reduce Impacts on Agency Services</p> <p><i>IWRS Action 13.B</i></p>	<p>In recent years, the Water Resources Department has experienced a rise in Department of Justice (DOJ) costs. Between July 2011 and June 2013, four new cases were filed. In contrast, 13 new cases were filed between July 2013 and June 2015, while an additional 27 new cases were filed between July 2015 and June 2017. Between July 2017 and June 2018, 13 new cases were filed. Eight new cases were filed between July 2018 and December 2019. It can take several years for litigation to be resolved, meaning that increases in new filings can have longer-term effects on the Department's budget. The projected shortfall for the 2019- 21 biennium is \$801,980 as of March 2020 projections. There is a need to adjust the Department's budget given the sustained increased costs that have continued to exceed the Department's base budget. This package proposes to address the increased Department of Justice costs through an additional allocation of \$1 million in General Fund to prevent impacts to agency services.</p>	<p>S&amp;S - \$1m Total Costs - \$1m</p>	



<p>Maintaining water right transaction services</p> <p><i>IWRS Action 13.B</i></p>	<p>This package will contain fee revenues if a legislative concept moves forward on water right transactions and dam safety fees. Refer to legislative concepts.</p>		
<p>Prepare for natural hazards, improve public information capacity and ensure public services are provided during a disaster.</p> <p><i>IWRS Recommended Actions 5.A, 5.B, 5.5A, 5.5B, 7.C, 8.C,</i></p>	<p>This POP proposes one additional staff, a Resiliency and Outreach Coordinator, who would provide coordination, planning and outreach on earthquakes, drought, floods, climate change, and dam failures to better prepare for these risks, protect public safety, and improve the resiliency of our water resources. This position would both help respond during events as well work to prepare Oregonians for these hazards that threaten our water future by:</p> <p>(1) During the 2020 COVID-19 pandemic, the Department realized that its Continuity of Operations Plan requires significant updating, and regular training for staff. This POP would develop, implement, test, train staff, and execute the plan for the Department per Statewide Policy 107-001-010.</p> <p>(2) Currently, the Department is not prepared to communicate to the media or public should a dam failure arise or in a drought emergency. The position would assist in preparing for emergencies at dams, including conducting exercises, planning for, and coordinating responses to potential dam failures, as well as improving the Department’s ability to keep the public informed both during drought emergencies and dam safety incidents. The position would increase the Department’s ability to conduct outreach to the public and respond to media inquiries.</p> <p>(3) Currently, staff are pulled off of other duties to coordinate with other agencies on Natural Hazards Mitigation Plan updates, work associated with the Climate Adaptation Framework, and other inter-agency efforts that promote resiliency to natural hazards and climate change. These planning efforts are often critical foundations to accessing other resources, such as federal dollars, to respond to natural hazards. This package will help Oregon communities be more prepared for natural hazards, such as droughts, engage in other planning efforts, and assist with implementation of the Governor’s Climate Executive Order.</p>	<p>Staff Costs – \$220k Total Costs - \$220k</p> <p>One NRS 4 Resiliency and Public Information Coordinator</p>	
<p>Water Management in the Field</p> <p><i>IWRS Actions 1.B, 2.B, 10.F, 13.B</i></p>	<p>The Field Services Division (FSD), composed primarily of watermasters, assistant watermasters, hydrotechs, and well inspectors, is unable to provide timely complaint response, find and address illegal uses, and collect the necessary surface water and groundwater data to allow for science-based water management and regulation. Field positions also provide technical assistance and outreach to water users on permit reporting and measurement requirements. It is difficult to attract qualified candidates for vacant positions in some geographic areas of the state or in basins with significant complexity. This package requests resources to continue the modernization of the FSD, started in 2019, furthering implementation of actions recommended in the 2016 Secretary of State Audit.</p> <p>The first phase of the modernization administratively created a new assistant watermaster position, moved one watermaster district, and changed boundaries of several other watermaster districts using current resources. This was the extent to which improvements could be made without additional resources. Some watermaster positions require a reclassification due to job duties related to water management complexity, program size, and an increased job responsibility. This package will enhance the FSD capacity with 5 NRS 4 watermaster positions, which will free up 5 NRS 3 watermaster positions. The 5 NRS 3 watermaster positions will be downgraded to assistant watermasters resulting in additional field capacity in each region to assist with complaints, measurement, data collection, and regulation and</p>	<p>Contract Costs – 0 Staff Costs - \$1.28m Total Costs - \$1.28m</p> <p>Five NRS4 Watermasters One PEME Deputy Division Administrator</p>	

	<p>distribution. The cost-savings from the downgrades will be used to fund the reclassification of three NRS 3 watermasters up to NRS 4. No new watermaster districts will be created as a result of these changes. One Deputy Division Administrator is proposed as the FSD lacks adequate management resources to support both staff and management, project work in complex basins, and staff training to ensure consistent interpretation and implementation of laws around Oregon.</p>		
<p>Supporting water supply planning, studies, and projects.  <i>IWRS Actions 9.A, 10.E, 13.C, 13.D, 13.E</i></p>	<p>Makes permanent a full-time planning coordinator position that has been critical to supporting the planning groups and will continue to be needed as they develop a plan and shift to implementation. The position will also implement any recommendations of the evaluation of place-based water planning and the larger assessment underway to determine how best the Department can support water planning. Proposes \$500k in Lottery Revenue Bond proceeds for feasibility study projects. Requests \$20m in Lottery Revenue Bond proceeds to recapitalize the Water Project Grants and Loans program.</p>	<p>Staff Costs – \$230k GF Lottery Revenue Bond Proceeds - \$20.5m Total Costs - \$20.73m  One NRS 4 Planning Coordinator</p>	
<p>Well Construction  <i>IWRS Actions 7.A, 11.E, and 12.A</i></p>	<p>Placeholder for work on LC to modernize the well construction program. Institute approach to do a comprehensive review of well log reports and increase ability to inspect wells to address well construction deficiencies timelier. Consider potential funding for a program that would assist with the repair or replacement of commingling wells, or well abandonments to protect the groundwater resource.</p>	<p>Repair Funds - \$100k Staff Costs – \$610k Total Costs – \$710k  Two NRS2 GF Well Log Reviewers. One NRS3 Well Specialist \$100k for initial capitalization of well repair replacement, abandonments, seals</p>	
<p>Foundational Data for Groundwater Basin Studies and Sustainable Groundwater Management  <i>IWRS Actions 1.A, 1.B, 2.A, 2.B</i></p>	<p>Essential components of a groundwater basin study include collection and analysis of groundwater level data, geologic mapping, aquifer characterization, and development of a groundwater budget. This package continues work to further the state’s understanding of groundwater resources by investing in foundational data inputs for groundwater basin studies and Department decision making.</p> <p>Development of a groundwater budget and collection of baseline groundwater data are critical for the Department to understand whether a basin is overallocated and identify where groundwater studies need to be prioritized. This package develops a groundwater budget for each basin in Oregon and expands baseline water level and water use data collection. This will shorten the timeframe for completion of future basin studies by two or more years, allow for prioritization of the basins, and prevent further overallocation. Specifically, this package includes:</p> <p>(1) Enter into a cooperative, cost-match agreement with the USGS to produce and publish a groundwater budget for all major hydrologic basins in Oregon. The resulting data and report will include modern water budgets for each basin.</p> <p>(2) A key part of each basin’s water budget is the consumptive uses of surface and groundwater. Contract for a peer-reviewed statewide consumptive water use report summarizing historical irrigation water use for all irrigated fields and open water evaporation estimates for all major reservoirs for the period from 1984 – 2019. This information will be used to</p>	<p>Contract Funds – \$600k Staff Costs - \$ 1.3m Total Costs - \$1.9m  Statewide ET project: \$300,000 for one biennium  Basin recharge study: \$300,000 per biennium for three biennia (assuming USGS cost share)  One PEM D Asst. GW Section Manager</p>	

	<p>update the statewide crop evapotranspiration (ET) and net irrigation water requirement (NIWR) estimates for the climate period 1979 – present.</p> <p>(3) Additional staff that will prepare basins in Oregon for basin studies by establishing a comprehensive groundwater level monitoring network, and improving groundwater use estimates.</p>	<p>One NRS 4 hydrologist (baseflow specialist)</p> <p>Two NRS 3 hydrogeologists</p> <p>Three NRS 2 field hydrogeologists</p>	
<p>Critical contracting and fiscal foundational administrative support</p> <p>IWRS Action 13.B</p>	<p>The Department’s budget has almost quadrupled since the 2009-11 biennium without an increase to the fiscal staff who handle the daily financial work. This package proposes to address critical administrative foundational needs of the agency by adding a position to assist with budget development and execution, contracting, and procurement, and accounting activities associated with the tracking and monitoring of increased investments in our programs as well as increased statewide reporting and tracking required by the Department of Administrative Services.</p>	<p>Staff Costs – \$565k</p> <p>Total Costs - \$565k</p> <p>One Fiscal Analyst 3</p> <p>One Accountant 1</p> <p>One Procurement and Contract Specialist 3</p>	
<p>Ensuring Internal Audit Compliance</p>	<p>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. This is proposed as a shared position with another state agency.</p>	<p>Staff Costs – \$215k</p> <p>Total: \$108k GF / \$108K OF</p> <p>Includes Internal Auditor 3.</p>	
<p>Improve Public Records Accessibility, Storage, and Retention</p> <p>IWRS Action 13.B</p>	<p>The Department’s records storage and retention needs comprehensive modernization. The Department has boxes of old files that need to be evaluated based on the Department’s records retention schedule and scanned into an electronic records system in a manner that is searchable and easily accessed for public records requests. This package would develop, implement and maintain an agency wide records program and ensure compliance with public records retention law. The position would update agency special retention schedules and input records into the electronic system to reduce storage space and increase ability to access records.</p>	<p>Staff Costs – \$180k</p> <p>Total Costs - \$180k</p> <p>One OPA 1 – Records Retention Coordinator</p>	
<p>Maintain a safe and healthy environment for staff</p> <p>IWRS Action 13.B</p>	<p>The Department does not currently have a staff person dedicated to training or safety and wellness and is assessing the feasibility of a shared services arrangement versus a position. This package proposes to add a Training and Safety Specialist position or contract shared service dollars to assist with developing, implementing and maintaining a comprehensive training and development program for managers and staff and support statewide initiatives. This position would also be dedicated to helping implement an agency safety program in order to comply with ORS 654.010, the Governor’s EO on Employee Wellness, and Oregon OSHA regulations. The position would conduct site analyses of all worksites, hazard identification and mitigation, and employee training.</p>	<p>Contract Funds – \$50-75k</p> <p>-or-</p> <p>Staff Costs – \$180k</p>	
<p>Maintaining Hydroelectric Services</p> <p>IWRS Action 13.B</p>	<p>This package will contain fee revenues if a legislative concept moves forward on hydroelectric fees. Refer to legislative concepts.</p>		