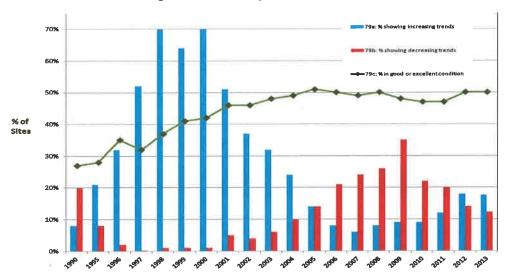
## 2015-2017 Governor's Budget for a Healthy Environment & Strong Rural Economy

Initiative #2: Clean Water Partnership

## **Oregon Water Quality Status and Trends**



**Problem:** Although Oregon's water quality improved steadily through 2005, since that time trends have flattened out and some areas of the state still have significant problems. Population increases and climate change will make it harder to attain further improvements in water quality that support fishing and swimming in all of our rivers and streams.

**Solutions:** Document water quality and trends, identify areas for directed conservation investment, and coordinate and direct existing federal and state conservation funding to areas that provide the greatest water quality and watershed health improvements. Expand water quality trading to avoid costly investment in water and wastewater treatment systems by creating markets for conservation improvements in Oregon's watersheds. Update existing water quality programs on forest and farm lands, and work to achieve healthy fisheries.

- ❖ Directed Conservation The Tools. New monitoring methods can tell us what practices provide the greatest clean water improvements. The 2013-15 budget invested in development of new monitoring tools, but additional work remains. The 2015-17 Governor's Budget makes a coordinated investment through DEQ, ODA, DOGAMI, OWRD, OWEB, and ODF.
  - Issue an Executive Order to provide clear guidance and expectations for this effort, and to give landowners and other regulators a clear vision of where the state is headed.
  - o Continue acquisition of LIDAR data to provide accurate baseline for prioritizing investments.
  - o Invest in completion of modeling tools for temperature and nutrients.
  - o Invest in IT infrastructure for sharing of data among agencies, and with the public.
- ❖ Directed Conservation The Investments. The Natural Resources Conservation Service invests about \$40 million per year in Oregon, largely to pay farmers and woodland owners for conservation practices. The Oregon Watershed Enhancement Board invests nearly \$70 million each biennium on watershed restoration projects and the associated capacity and monitoring to implement and evaluate those investments. Other investors include ODFW, ODA, private foundations and other partners. This initiative builds on the existing Conservation Effectiveness Partnership among NRCS, OWEB, DEQ, ODA and partnerships among other agencies so conservation dollars go where they are most needed and most effective. Aligning these investments is particularly important in basins without major municipalities, and few opportunities for water quality trading.
  - o Update Conservation Effectiveness Partnership Agreement.
  - o Work with farm and forest landowners and local community groups to design and implement voluntary water quality and riparian projects, leading to measurable conservation improvements.
  - o Align OWEB, NRCS, Farm Service Agency and other funding, focusing initially in the Upper Willamette and Klamath basins.
- Water Quality Trading. In the Tualatin, McKenzie and Bear Creek watersheds, municipalities avoid costly wastewater or drinking water treatment facilities by instead investing in programs that pay land managers to change their practices in ways documented to achieve equivalent or better water quality improvements. This initiative builds on those successes.

- Work to expand water quality trading by creating markets for conservation improvements, focusing on the southern Willamette and Klamath basins during 2015-17.
- o Acquire LIDAR data for southern Willamette and Klamath basins; complete nutrient quantification tools.
- o Complete water quality trading rulemaking by the Environmental Quality Commission.
- o Begin work with downstream NPDES permit holders to identify potential avoided costs.
- o Develop on-the-ground capacity to work with landowners.
- Updating Water Quality Programs. Oregon is a leader in its Forest Practices Act and Agricultural Water Quality Management Programs for water quality on forest and farmlands. However, it has been some time since these programs have seen significant updates.
  - ODF and the Board of Forestry are completing important updates to forest practice measures to assure that forest practices do not contribute significantly to water quality problems.
  - ODA will be asked to update its program during 2015-17 to clarify prohibited conditions in riparian areas, and better integrate its program with incentive-based tools to address legacy conditions.

Governor's Balanced Budget: 2015-17 Investments in Clean Water Partnerships					
Agency Package	Package Description	Funding	Positions	Funding Source	Related Bil #
DEQ - 121	Water Quality Assessment – Develop a water quality data management system; analyze and interpret data to develop and report water quality assessments. This information is necessary to produce transparent, reproducible assessments of Oregon's waters to inform the public and support decision-making.	491,435	3	GF	205
DEQ 126	Reducing Nonpoint Source Pollution - Restores two positions, creates two new positions to help public agencies, local organizations and individuals reduce nonpoint source pollution through planning and implementing clean water projects.	684,429	4	GF	205
DEQ - 128	Quantifying Conservation Outcomes - Supports DEQ's participation in cross-agency development of new tools to quantify trends in watershed health and water quality. Information will be available to watershed partners and the public and used to identify priorities for federal and state conservation funding. Includes \$250,000 for the Institute for Natural Resources to develop a data management portal and \$300,000 for contracts to develop a credit registry and quantification tools.	1,863,021	6	GF	205
OWRD - 110	Monitoring Coordinator for Efficient Data Sharing and Management — Capacity for WRD to coordinate on collaborative water quantity and quality monitoring, fill data gaps, and improve how information is gathered, processed and shared.	211,067	1	GF	205
DOGAMI - 101	LIDAR Data Acquisition – LIDAR data is used to identify priority water quality and watershed restoration areas.	500,000	0	GF	205
ODF - 153	Water Quality, Forest Roads, Forest Practices Act Effectiveness – Provide Forest Practices Act support and monitoring to ensure rules and best management practices are implemented to effectively protect water quality and natural resources.	933,894	3	GF	205
ODA - 310	Agricultural Water Quality – Expand ODA's ability to obtain, review, analyze and summarize landscape data available in the public domain to prioritize agency resources for improving water quality and restoring watersheds.	1,583,528	3	GF	205
OWEB – 110	Program Enhancement – a portion of this package is dedicated to measure and report on ecological, economic and social outcomes at the landscape level in coordination with other state and federal agencies, and other granting organizations	386,980	2	LF	205

**Total Investment for Clean Water Partnership:** 

\$6,654,354