



# 2023-2025 Budget Presentation

Joint Committee on Ways and Means  
Subcommittee on Natural Resources



**Presented by: Doug Woodcock, Acting Director**



# Budget Presentation Overview

- Agency Overview
- History of Oregon Water Law
- Agency Structure and Governance
- Agency Programs and Key Performance Measures
- Agency 2023-2025 Priorities & Modernization
- Budget Drivers
- Budget and Policy Option Packages
- 15% Budget Reductions

## Overview

- Mission
- Goals
  - Integrated Water Resources Strategy
  - Strategic Plan
- Historical Perspective
  - Water Law



# Agency Mission and Goals

## Mission

- To serve the public by practicing and promoting responsible water management

## Goals

- Restore and protect streamflow to ensure the sustainability of Oregon's ecosystem, economy, and quality of life
- Directly address Oregon's water supply needs

# Key Responsibilities

## Oregon's Water Quantity Agency

- Collecting, analyzing, and providing water quantity data
  - Protecting public safety
  - Distributing water under the system of prior appropriation
  - Providing planning, technical assistance, and funding to address water supply needs
  - Processing water rights transactions
- 
- *No federal counterpart*



# Who We Serve



# Historical Perspective

- Common Law Doctrine
- 1909 Water Code

Below: Notice of water appropriation from 1878.

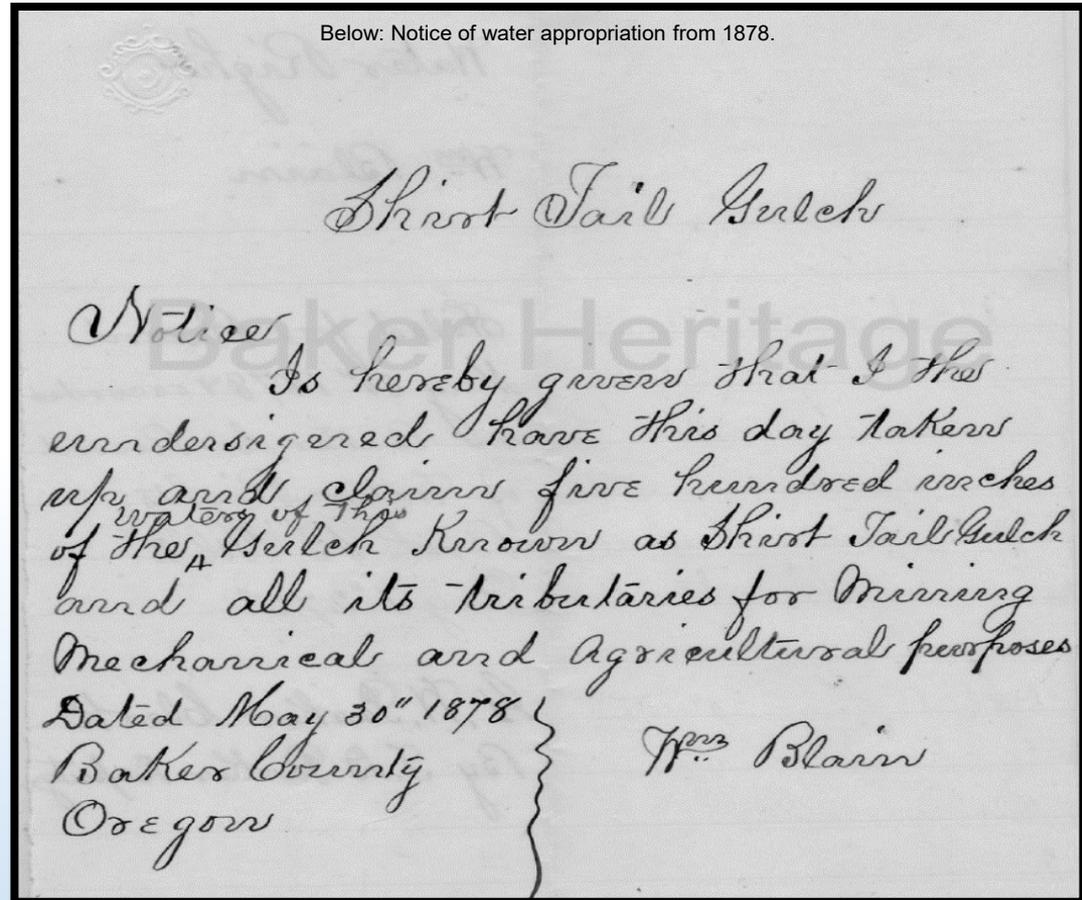
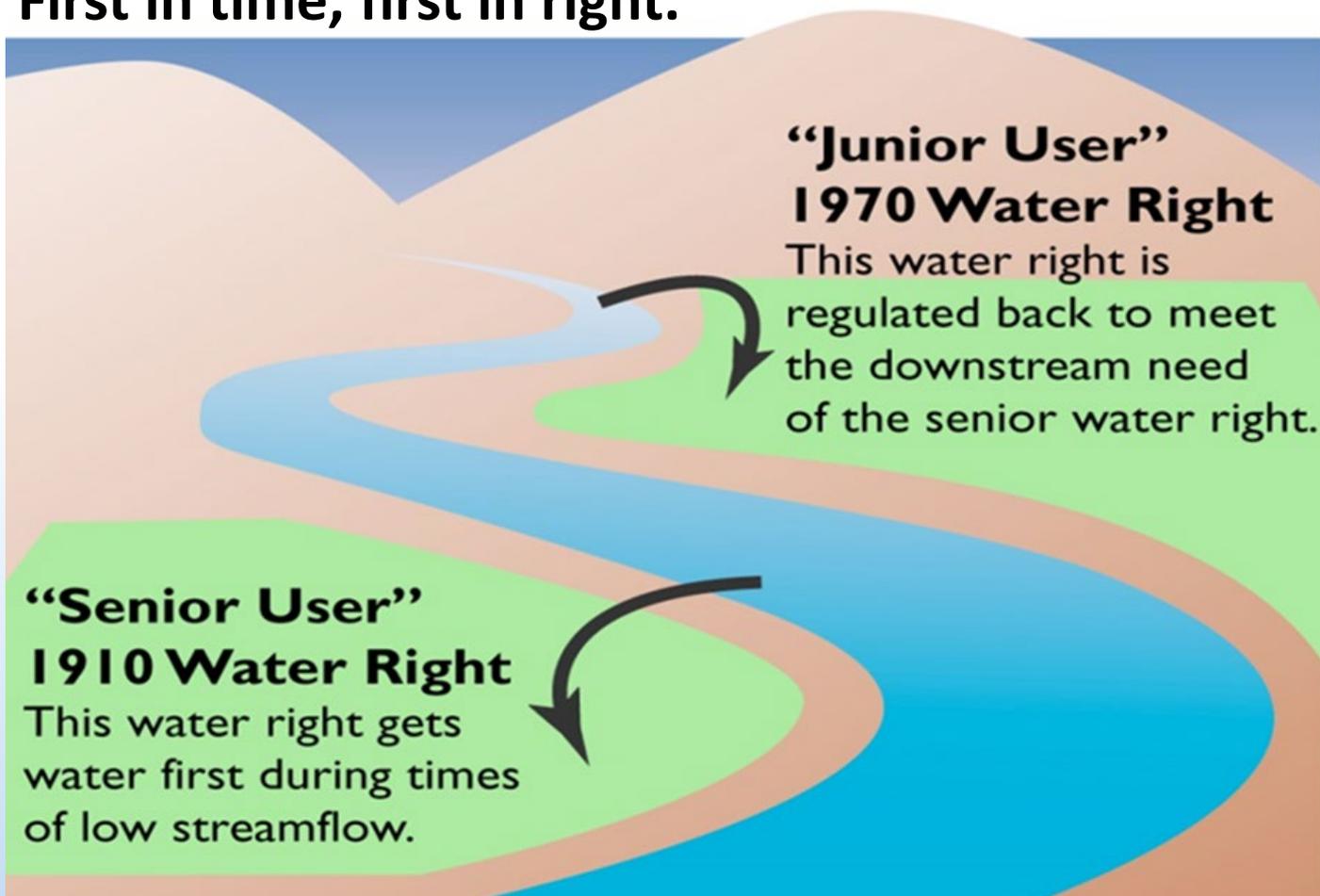


Image Courtesy of Baker Heritage Museum. William Blain, Shirrtail Gulch, May 30, 1878. G. W. Parker, clerk, by I. D. Parker, deputy. [www.bakerheritagemuseum.com](http://www.bakerheritagemuseum.com)

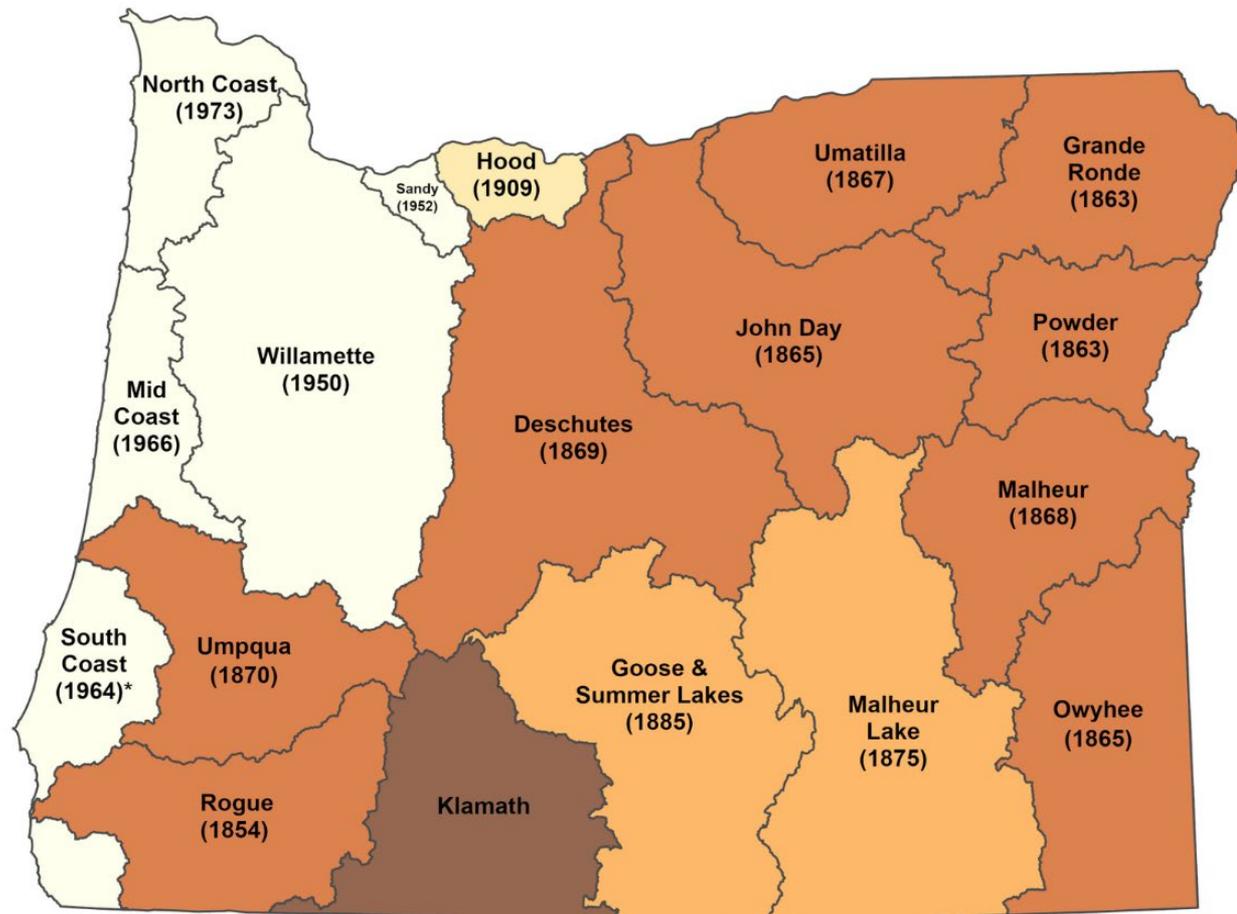
# 1909 Water Code Prior Appropriation Doctrine

**First in time, first in right.**



# Prior Appropriation Doctrine: Finite Resource

Earliest Priority  
Date in each  
Basin for which  
Surface Water  
Rights  
are Regulated  
(2018-2020)



**Earliest Priority Date to Which Surface Water Rights Regulated (2018 - 2020)**



Surface Water regulation by administrative basin

- Time Immemorial (most senior water right)

- 1854 - 1870
- 1871 - 1885
- 1886 - 1912
- 1913 - 1976

0 10 20 30 40 50 Miles  
Oregon Lambert Coordinate Reference System (EPSG #2992)

Map prepared by OWRD GIS (rh), 9/26/2022  
(state\_2022\_SWregulationdatebyAdminBasin.aprx)

**DISCLAIMER**

This product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.





# Advancements in Water Law

1909: Oregon Water Code

1955: Ground Water Act

1987: Instream Water Rights Act

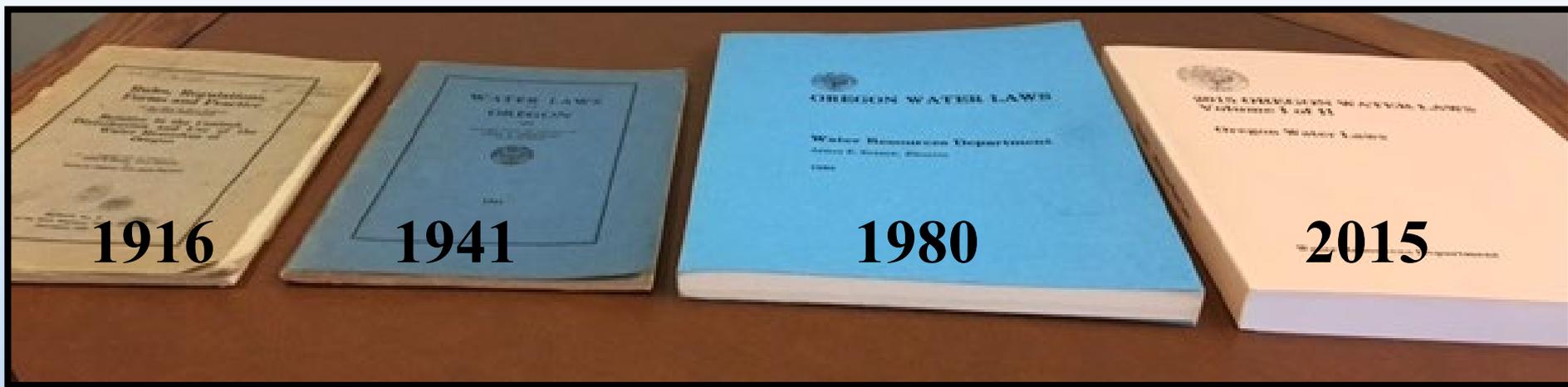
1989: Water Allocation Policy

2009: Integrated Water Resources Strategy

2015: Water Resources Development Program

2019: Dam Safety Modernization

2021: Well Construction Modernization



## Oregon's 2017 Integrated Water Resources Strategy

A framework for improving our understanding of Oregon's water resources and meeting our instream and out-of-stream needs, including water quantity, water quality, and ecosystem needs



**( 1 ) Understand Water Resources Today**

Further Understand Limited Water Supplies & Systems  
(groundwater, surface water, and their interaction)

Improve Water Quality & Quantity Information

Further Understand Our Water Management Institutions

Understanding Water Resources / Supplies / Institutions  
 1.A Conduct additional groundwater investigations  
 1.B Improve water resource data collection & monitoring  
 1.C Coordinate inter-agency data collection, processing, and use in decision-making

← OBJECTIVES →

← CRITICAL ISSUES →

RECOMMENDED  
← ACTIONS →

**( 2 ) Understand Instream and Out-of-Stream Needs**

Further Define Out-of-Stream Needs / Demands  
(i.e., diverted water)

Further Define Instream Needs / Demands  
(i.e., left-in-place water)

Understanding Oregon's Out-of-Stream Needs/Demands  
 2.A Regularly update long-term water demand forecasts  
 2.B Improve water-use measurement & reporting  
 2.C Determine adjudicated water right claims  
 2.D Authorize the update of water right records with contact information  
 2.E Regularly update Oregon's water-related permitting guide

Understanding Oregon's Instream Needs/Demands  
 3.A Determine flows needed (quality & quantity) to support instream needs  
 3.B Determine needs of groundwater dependent ecosystems

**( 3 ) Understand the Coming Pressures That Affect Our Needs and Supplies**

Economic Development    Water & Energy    Climate Change    Extreme Events

Population Growth    Water & Land Use    Water-Related Infrastructure    Education & Outreach

**Water & Energy**  
 4.A Analyze the effects on water from energy development projects & policies  
 4.B Take advantage of existing infrastructure to develop non-traditional hydroelectric power  
 4.C Promote strategies that increase/integrate energy & water savings

**Water & Land Use**  
 6.A Improve integration of water information into land use planning (and vice versa)  
 6.B Improve state agency coordination  
 6.C Encourage low-impact development practices and green infrastructure

**Water-Related Infrastructure**  
 7.A Develop and upgrade water and wastewater infrastructure  
 7.B Encourage regional (sub-basin) approaches to water and wastewater systems  
 7.C Ensure public safety/dam safety

**Climate Change**  
 5.A Support continued basin-scale climate change research efforts  
 5.B Assist with climate change adaptation & resiliency strategies

**Extreme Events**  
 5.5A Plan and prepare for drought resiliency  
 5.5B Plan and prepare for flood events  
 5.5C Plan and prepare for a Cascadia subduction earthquake event

**Economic Development & Population Growth**  
 (See Actions 2A and 3A)

← OBJECTIVES →

← CRITICAL ISSUES →

RECOMMENDED  
← ACTIONS →

**( 4 ) Meet Oregon's Instream and Out-of-Stream Needs**

Place-Based Efforts    Water Management & Development

Healthy Ecosystems    Public Health    Funding

**Place-Based Efforts**  
 9.A Continue to undertake place-based integrated, water resources planning  
 9.B Coordinate implementation of existing natural resource plans  
 9.C Partner with federal agencies, tribes, and neighboring states in long-term water resources management

**Water Management & Development**  
 10.A Improve water-use efficiency and water conservation  
 10.B Improve access to built storage  
 10.C Encourage additional water reuse projects  
 10.D Reach environmental outcomes with non-regulatory alternatives  
 10.E Continue the water resources development program  
 10.F Provide an adequate presence in the field  
 10.G Strengthen water quantity & water quality permitting programs

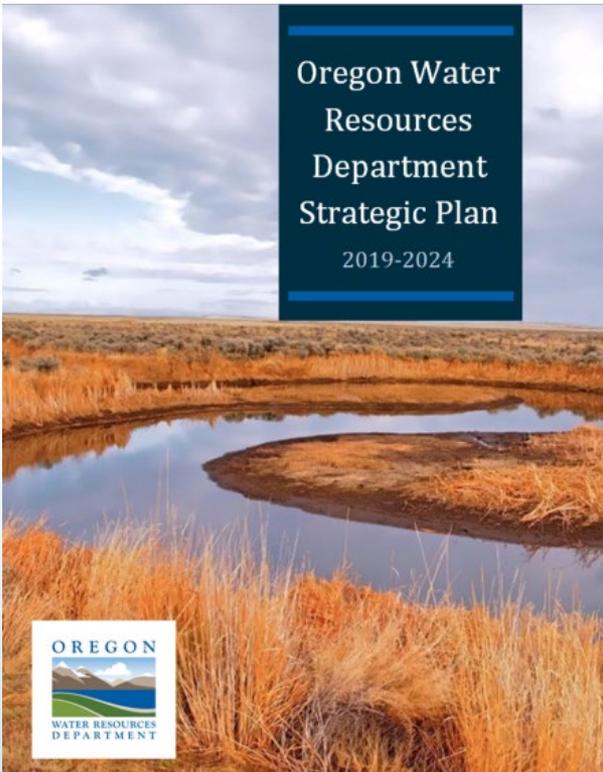
**Healthy Ecosystems**  
 11.A Improve watershed health, resiliency, and capacity for natural storage  
 11.B Develop additional instream protections  
 11.C Prevent and eradicate invasive species  
 11.D Protect and restore instream habitat and habitat access for fish and wildlife  
 11.E Develop additional groundwater protections

**Public Health**  
 12.A Ensure the safety of Oregon's drinking water  
 12.B Reduce the use of and exposure to toxics and other pollutants  
 12.C Implement water quality pollution control plans

**Funding**  
 13.A Fund development and implementation of Oregon's IWRS  
 13.B Fund water resources management activities at state agencies  
 13.C Invest in local or regional water planning efforts  
 13.D Invest in feasibility studies for water resources projects  
 13.E Invest in implementation of water resources projects



# Strategic Plan

The image shows the cover of the "Oregon Water Resources Department Strategic Plan 2019-2024" report. The cover features a photograph of a river winding through a field of tall, golden-brown grass under a cloudy sky. A dark blue rectangular box is overlaid on the right side of the cover, containing the title and year in white text. A small version of the Oregon Water Resources Department logo is in the bottom left corner.

Oregon Water  
Resources  
Department  
Strategic Plan  
2019-2024

Modernize policies and program practices

Work to secure Oregon's water future

Foster a forward-looking team

## Overview

- Organizational Chart
- Divisions and Programs
- Delivery of Services
- Interface with other Agencies



# Agency Governance

Governor's Office

Oregon Water  
Resources Commission

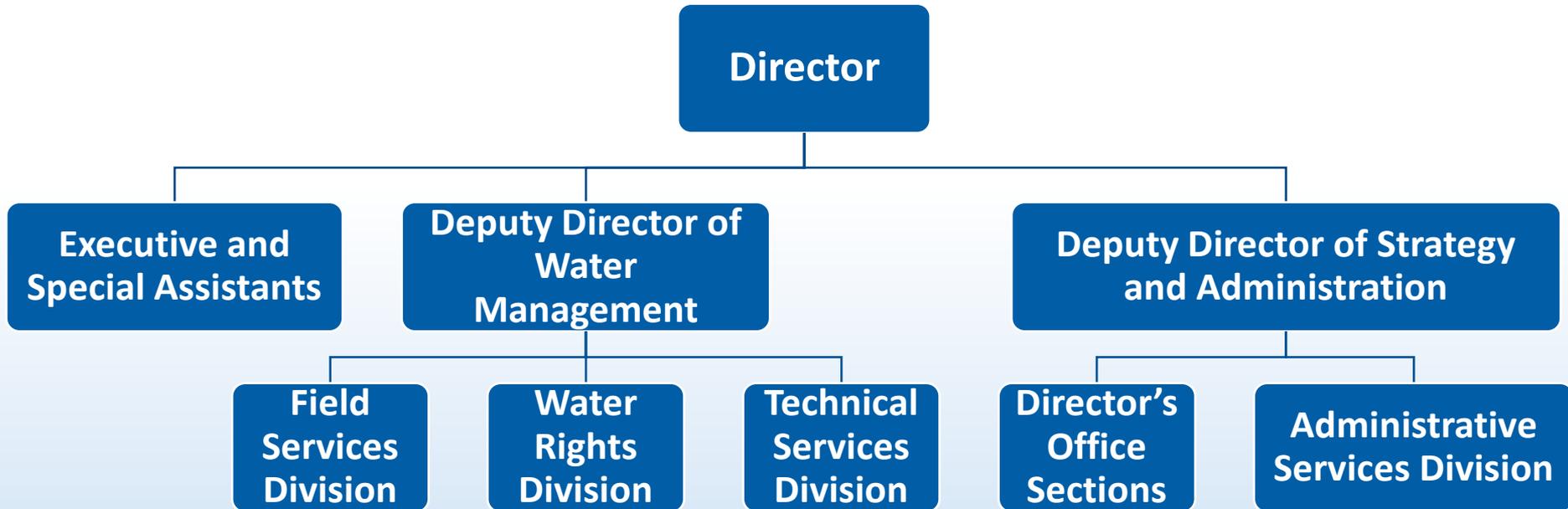
Oregon Water  
Resources Department

- Kathy Kihara - East-Side at Large
- Woody Wolfe - Eastern Region
- Chair Meg Reeves - West-Side at Large



- Julie Smitherman- Southwest Region
- Eric Quaempts - North Central Region
- Joe Moll - West Central
- Jan Lee - Northwest Region

# Divisions and Programs



# Programs Snapshot: Working as a Team to Deliver Services

## Director's Office

- Legislative, rulemaking, & policy coordination
- Public records, public engagement, & communications
- Integrated Water Resources Strategy & Strategic Plan
- Government-to-Government and environmental justice
- Commission support
- Water planning and complex water issues
- Grant and loan funding

## Field Services

- Regulation and distribution of water
- Well inspections
- Data collection
- Assist with dam inspections
- Provide local assistance and support

## Water Right Services

- Water right transactions
- Customer service
- Hydroelectric licensing
- Adjudications
- Water Management and Conservation Planning

## Administrative Services

- Fiscal, contracting, procurement, budget
- Human Resources
- Information Technology
- Facilities
- Support services
- Payroll

## Technical Services

- Dam safety
- Surface & groundwater science
- Well construction
- Water use reporting
- Drought and flood technical assistance

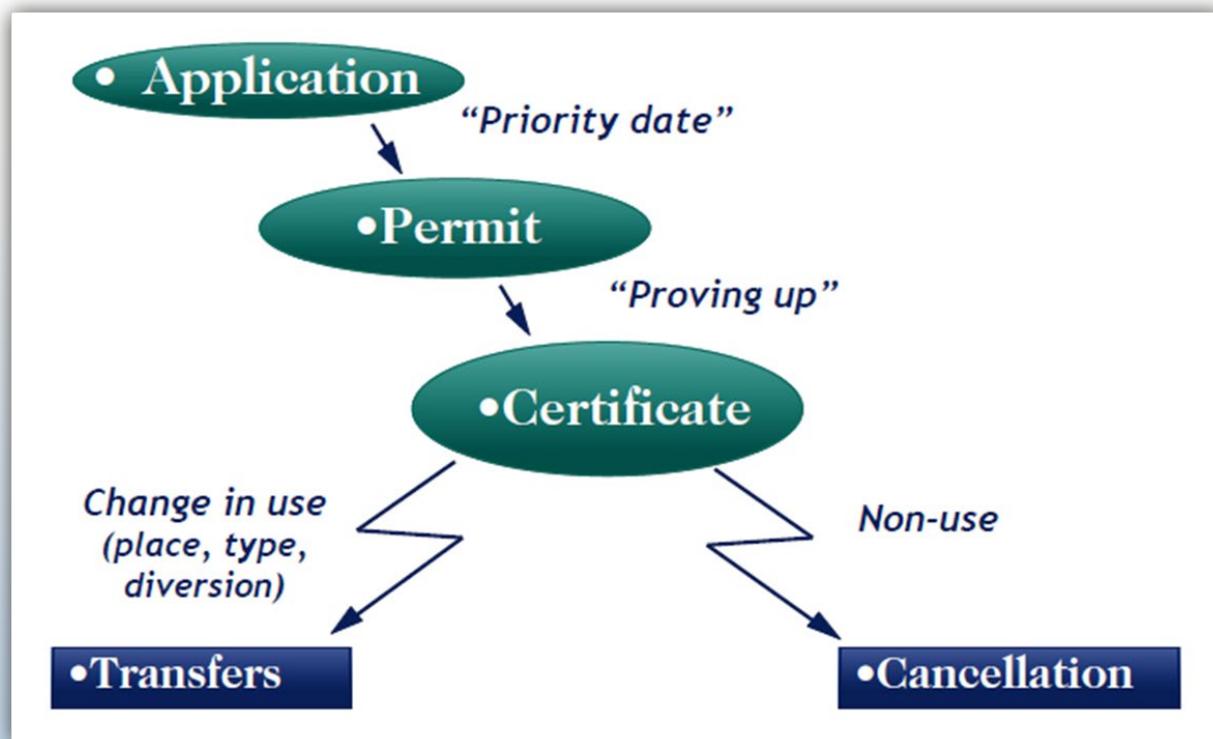


# Divisions and Programs

## Water Rights Services Division

Processing water rights transactions from application to certification or decree and providing customer service

- Water right applications
- Permits
- Extensions
- Protests
- Certificates
- Transfers
- Adjudication



## Hydroelectric Program

- Managing Oregon's hydroelectric licensing and reauthorization



## Conservation

- Protecting and conserving flows for instream purposes
- Helping municipalities conserve water
- Allocation of conserved water



## WATER MANAGEMENT AND CONSERVATION PLANS

OAR DIVISION 690, CHAPTER 86

A Guidebook for Oregon Municipal Water Suppliers  
March 2015 (2<sup>nd</sup> Edition)

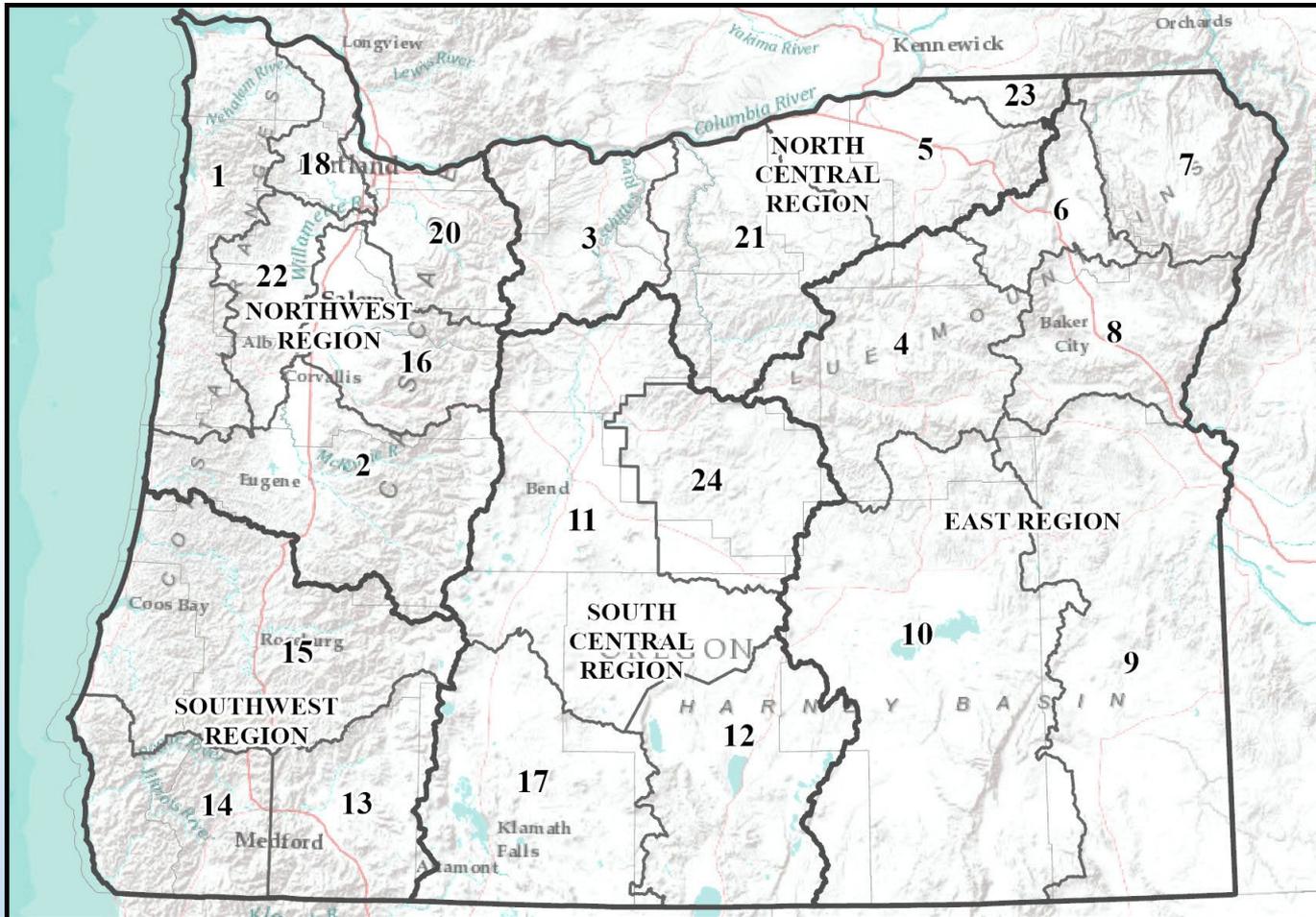




# Divisions and Programs

## Field Services Division

## Watermaster Districts



## Water Management

- Distribution and regulation to satisfy senior water rights and address unauthorized water use
- Hydrologic measurements
- Local contact for outreach and customer service



## Well and Dam Safety Inspections

- Assess proper construction and maintenance of wells and assist with dam inspections to protect the public and groundwater resources



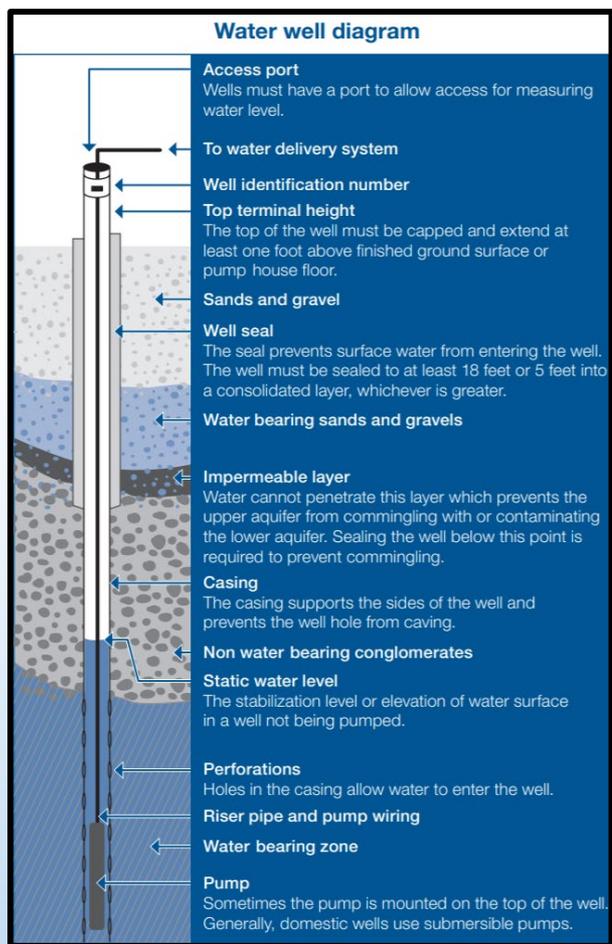


# Divisions and Programs

## Technical Services Division



## Well Construction Compliance



- Proper well construction, alteration, maintenance, & abandonment to protect the public and groundwater



## Dam Safety Program

- Working to protect people, property, & public infrastructure while preserving the benefits of dams

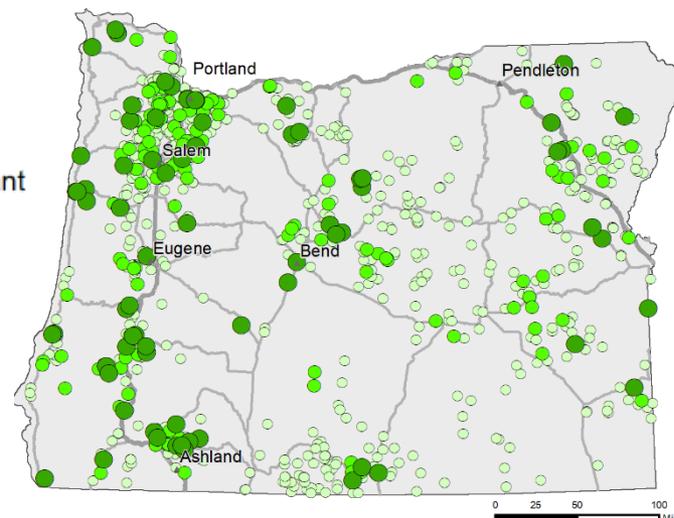


**OWRD Regulated Dams**



### Legend

- High
- Significant
- Low



Source: Oregon Water Resources Department

November 2020



# Divisions and Programs

## Administrative Services Division

# Administrative Services Division

## Business Services

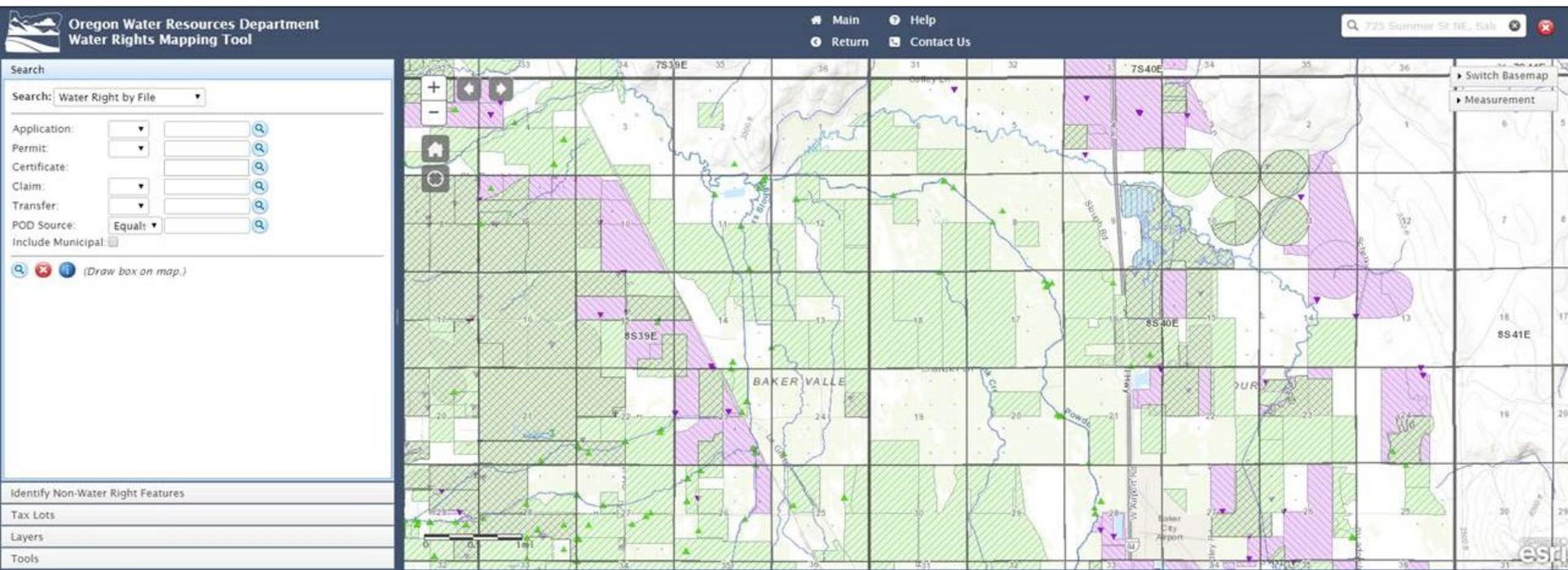
- Managing agency financials, facilities, and support services

## Employee Services

- Supporting a professional workforce and promoting integrity, diversity, and respect.

## Information Services

- Developing & managing critical information technology foundational for decisions on water allocation, distribution, & planning
- Making data accessible to the agency, water users, and the public



Oregon Water Resources Department  
Water Rights Mapping Tool

Main Help  
Return Contact Us

Search: 725 Summer St NE, Salem

Search: Water Right by File

Application: [dropdown]  
Permit: [dropdown]  
Certificate: [dropdown]  
Claim: [dropdown]  
Transfer: [dropdown]  
POD Source: Equals [dropdown]  
Include Municipal: [checkbox]

Identify Non-Water Right Features  
Tax Lots  
Layers  
Tools

Switch Basemap  
Measurement

esri

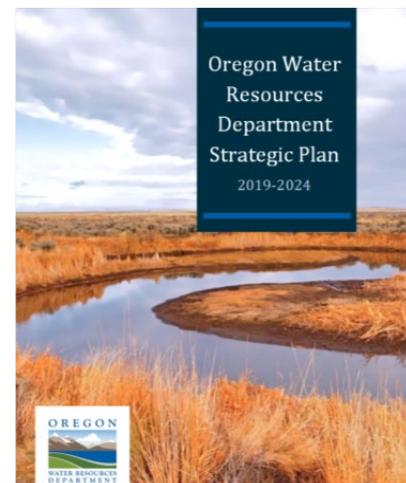


# Divisions and Programs

## Director's Office

Overseeing the management of the agency as well as policy & strategic direction

- Commission support
- Special projects and strategic initiatives
- Leadership on Diversity, Equity, and Inclusion
- Legal coordination



## Policy Section

- Legislative coordination
- Rulemaking
- Public Records Requests
- Media and Communications
- Integrated Water Resources Strategy
- Tribal Relations



## Maintaining Your Well After Wildfire

### Water Well Issues After Wildfire

This handout identifies a number of issues that may occur with water well systems following a wildfire and provides a list of contacts and resources.

### Electrical Hazards

Exposed electrical wiring to the well poses a significant safety hazard due to the potential for electric shock. There is the potential for an electrical short to the metal casing or other infrastructure at the wellhead.

### Drilled Wells and Water System Damage

Some drilled wells may be damaged by wildfire. For example, most domestic wells have steel casing that rises at least one-foot above land surface. Within the well, PVC liners, a sanitary seal with rubber gasket, or PVC pipes may be melted or damaged. Outside of the well casing is the well seal. The seal may be damaged by the fire and could allow surface contaminants to flow into the groundwater. Well houses, pipes, pressure tanks, and storage tanks should also be inspected for damage.



## Planning, Collaboration, and Investments Section

- Helping Oregonians plan for and address integrated solutions for instream and out-of-stream water supply needs, complex water challenges and an uncertain water future.



Strategic  
Investments



Adaptive  
Planning



Cooperative  
Partnerships



Accessible  
Information



Effective  
Coordination



## Programs with Agency Partners

Water touches every aspect of our lives; requires collaboration

- New water rights and extensions
- Hydroelectric
- Planning
- Evaluation of Grants
- Integrated Water Resources Strategy
- Drought, Climate, Natural Hazards
- Data collection, including groundwater studies
- State Scenic Waterways
- Complex issues, policy and projects (ex. Data Portal)
- Shared Services: Payroll, IT, Human Resources, Fiscal, Contracts

## Overview

- Key Performance Measures



# Key Performance Measures

## KPMs not being met

#	Description	Target	Actual
1	Flow restoration	32%	26%
3	Monitor compliance	99%	96%
4	Streamflow gaging (since 2001)	25%	14%
8	Significant diversions with measurement devices	1,265	1,113
10	Water right application processing	55%	18%
11	Transfer application processing	40%	26%
13	Water use reporting	85%	79%

# Key Performance Measures

## KPMs not being met

KPM #	Customer Service KPMs - % rating service as “good” or “excellent”	Target %	Actual %
14	Overall	90	60
14	Accuracy	90	61
14	Availability of Information	90	59
14	Expertise	90	71
14	Helpfulness	90	69
14	Timeliness	90	43

## Overview

- Changes in the past six years
- Process improvements
- Budget Drivers





# Agency and Program Changes

## 2017 - 2019

- Klamath Agreements Terminated

## 2019 - 2021

- Dam Safety Modernization
- Place-based planning sunset moved from July 1, 2019 to July 1, 2023

## 2021 - 2023

- Well Construction Modernization: HB 2145 Implementation
- Domestic Well Funding Programs
- Basin scale drivers
- Centering Racial and Environmental Justice

2021 – 2023 continued

- 2021 Legislative Investment
  - Recruitments and Restructure: 70 new positions in 2021
  - Dam safety resources
  - Groundwater data
  - Complex Issues
  - Cannabis enforcement and compliance
  - Protest and Contested Case Backlogs
  - Others

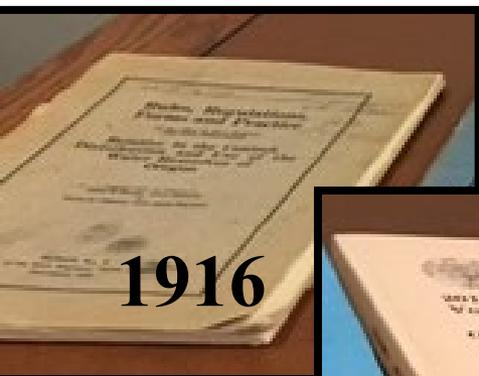


# Process Improvements

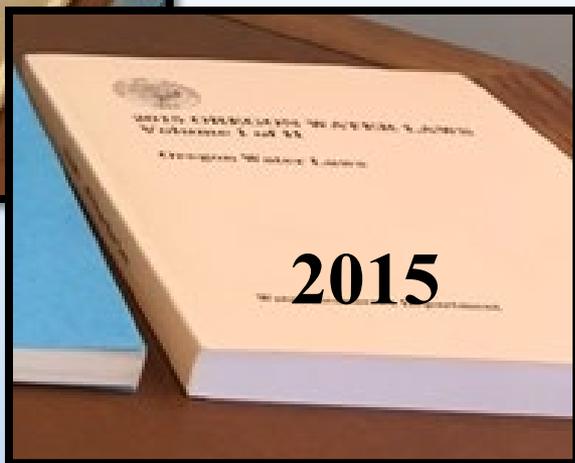
- Strategic plan implementation
- Modernization efforts in:
  - Well Construction
  - Dam Safety
  - Groundwater allocation policy
  - IT
  - Field Services Division
  - Records storage and retention
  - Communications
  - See more efforts in reference materials

# Budget Driver: Increasingly Complex System

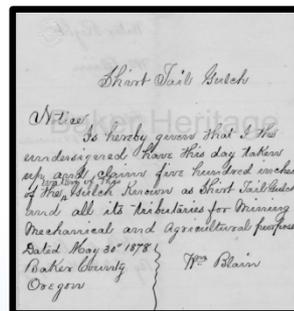
- Water rights more than 150 years old; old laws and case law
- Complex technically, legally, and socially



1916



2015



## CERTIFICATE OF WATER RIGHT

... UMPQUA RIVER, A TRIBUTARY OF UMPQUA RIVER for DOMESTIC IRRIGATION OF 1.5 ACRES.

282. The date of priority is APRIL 27, 2005. The amount of water to which this right is entitled to be used beneficially, and shall not exceed 0.029 CUBIC FOOT PER SECOND FOR DOMESTIC USE, AND 0.019 CFS FOR IRRIGATION, measured at the point of diversion.

The period of use is year round for domestic use; March 1 through October 31 for irrigation.

The point of diversion is located as follows:

Twp	Rng	Mer	Sec	Q-Q	DLC	Measured Distances
26 S	6 W	WM	23	NW SE	47	POD 2 - 400 FEET SOUTH AND 1150 FEET EAST FROM C1/4 CORNER, SECTION 23

The amount of water used for irrigation under this right, together with the amount secured under any other right existing for the same lands, is limited to a diversion of ONE-EIGHTIETH of one cubic foot per second and 2.5 acre-feet for each acre irrigated during the irrigation season of each year.

A description of the place of use is as follows:

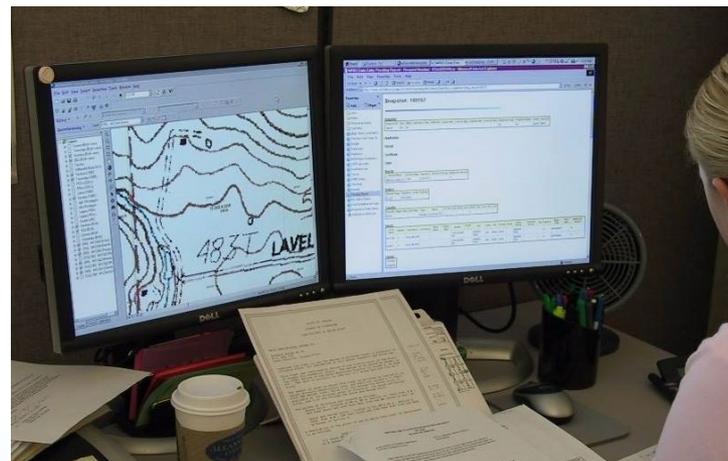
Twp	Rng	Mer	Sec	Q-Q	DLC	Acres
26 S	6 W	WM	23	NW SE	47	1.5

Measurement, recording and reporting conditions:

- The Director may require the water user to install a meter or other suitable measuring device as approved by the Director. If the Director notifies the water user to install a meter or other measuring device, the water user shall install such device within the period stated in the notice. Such installation period shall not be less than 90 days unless special circumstances warrant a shorter installation period. Once installed, the water user shall maintain the meter or measuring device in good working order and shall allow the watermaster access to the meter or measuring device. The Director may provide an opportunity for the water user to submit alternative measuring procedures for review and approval.

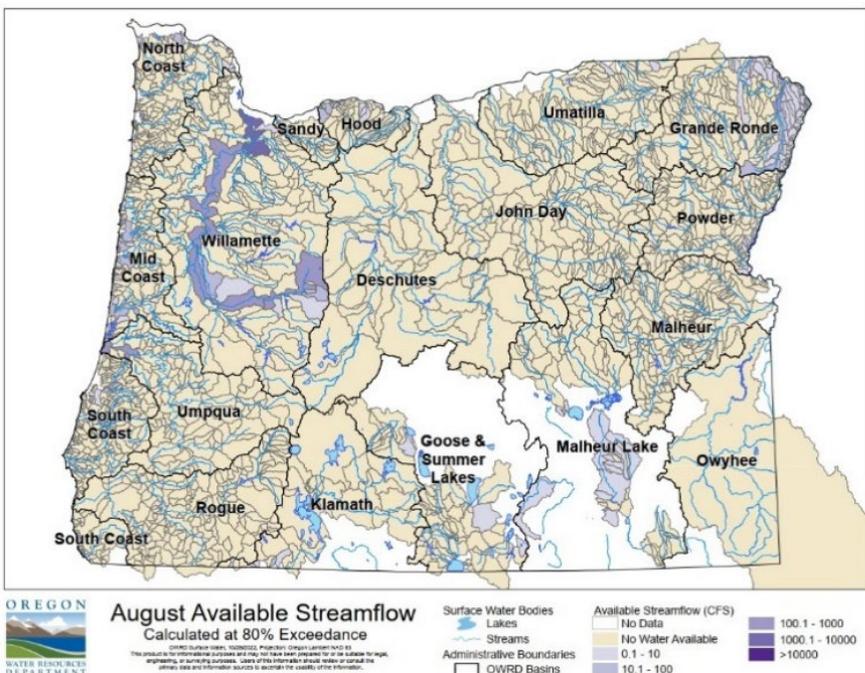
# Budget Driver: Need for Data

- Limited supplies and increased demands results in the desire for more innovative and precise management
- Data necessary for:
  - Planning
  - Water management
  - Infrastructure design
  - Identifying solutions



## Surface water availability for allocation in August

## Groundwater Availability Concern Ratings

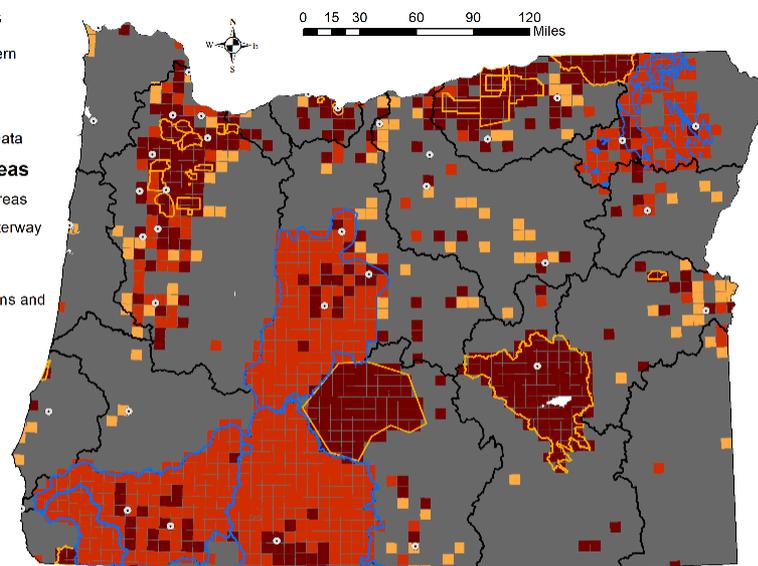


### Concern Ratings

- Significant Concern
- Concern
- Yield-Limited
- No Concerning Data

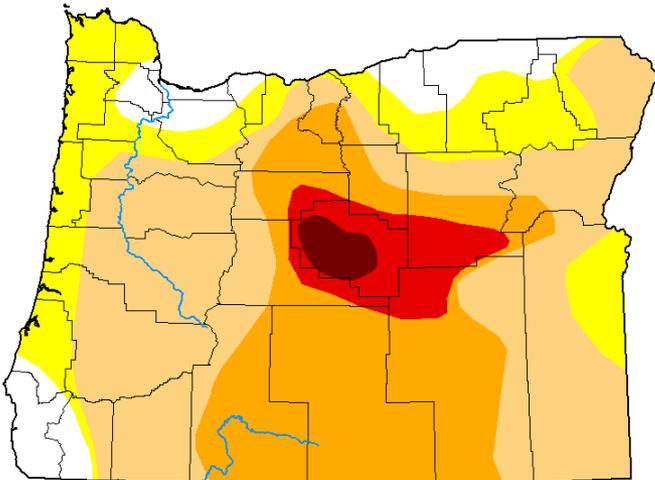
### Administrative Areas

- GW Restricted Areas
- State Scenic Waterway Restrictions
- OWRD Basins
- County Seat Towns and Cities

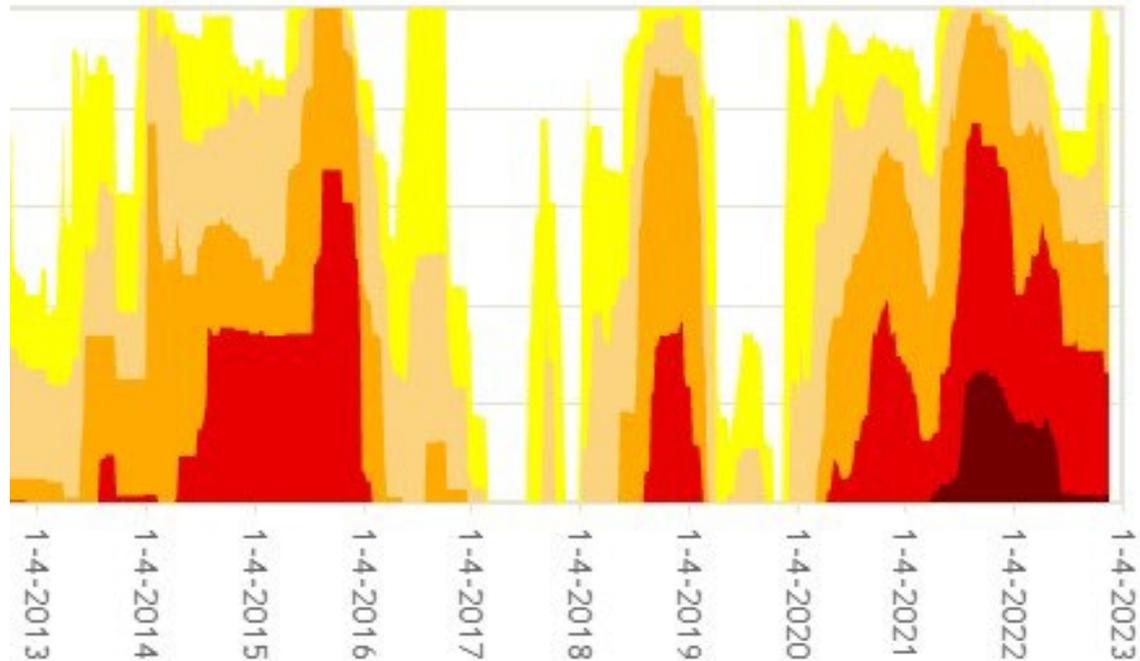
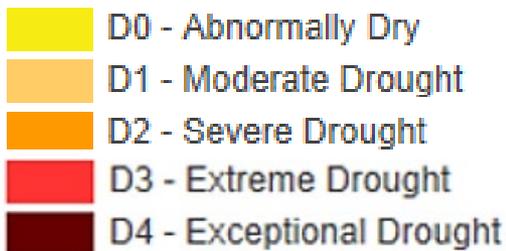


The concern ratings shown on this map reflect the sustainability and restrictions associated with expanded consumptive use of groundwater in a given area. They are not a substitute for a review of a groundwater application to determine availability of water for a specific use. Users of this information should consult the primary report and data to ascertain the usability of the information. This map may not be suitable for legal, engineering, or surveying purposes. OWRD Groundwater Section, 4/6/2022. Projection: Oregon Lambert NAD 83 (EPSG #2992).

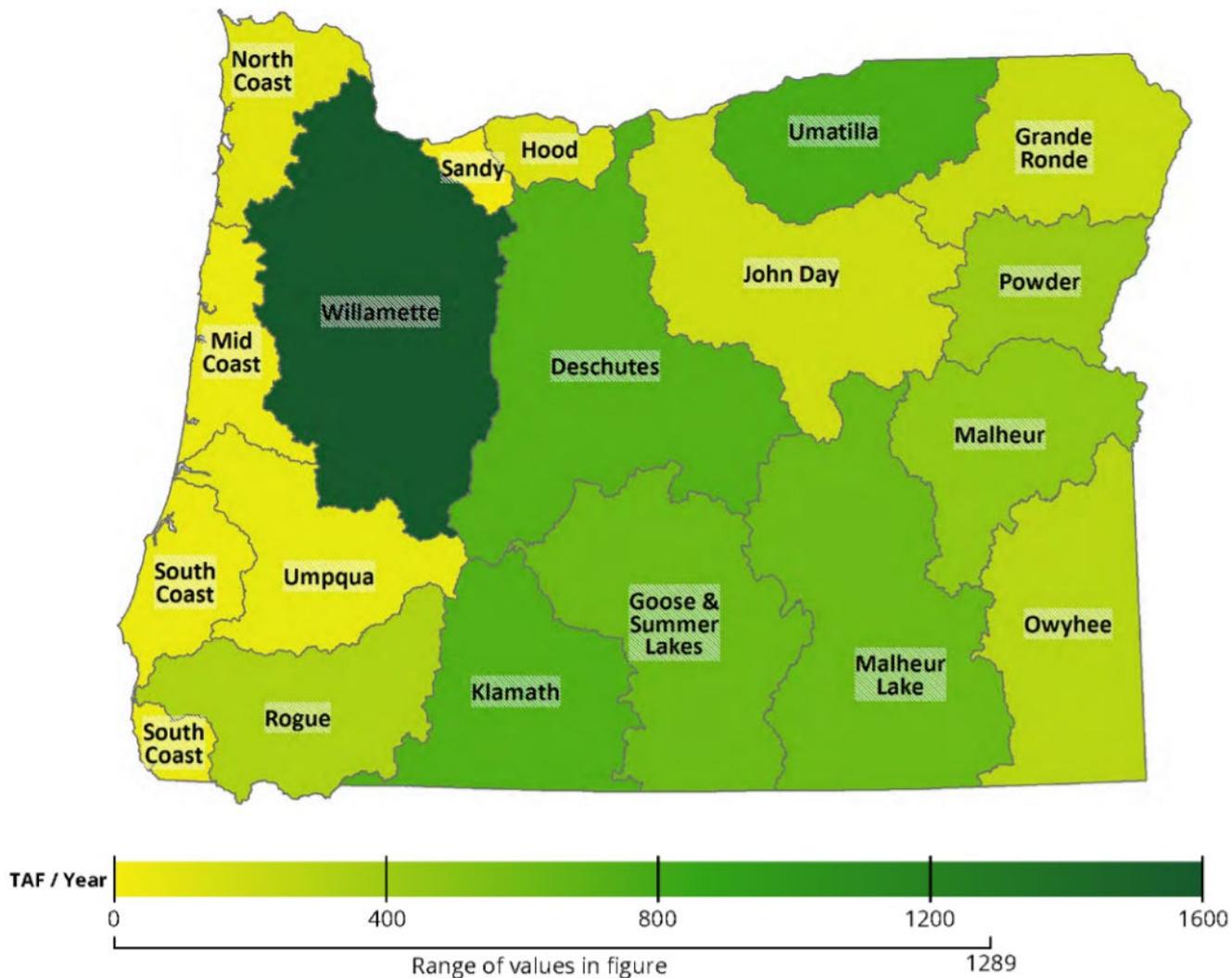
## U.S. Drought Monitor – March 21, 2023



### Intensity:



# Budget Driver: Demand for Water

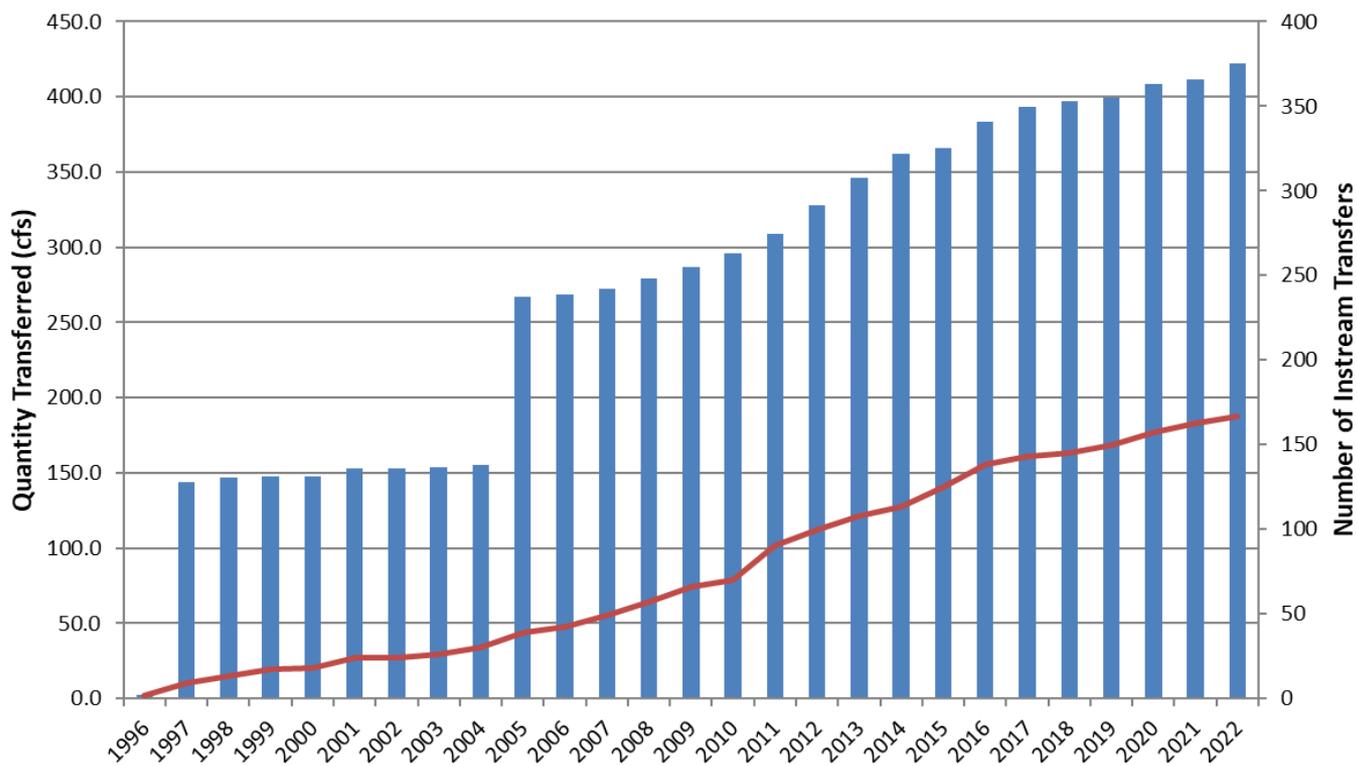


# Budget Driver: Instream Flow Needs

## Instream Transfers (Cumulative)

Red Line = Number of Active Transfers

Blue Bar = Quantity Transferred (cfs)



# Budget Driver: Aging Water Infrastructure



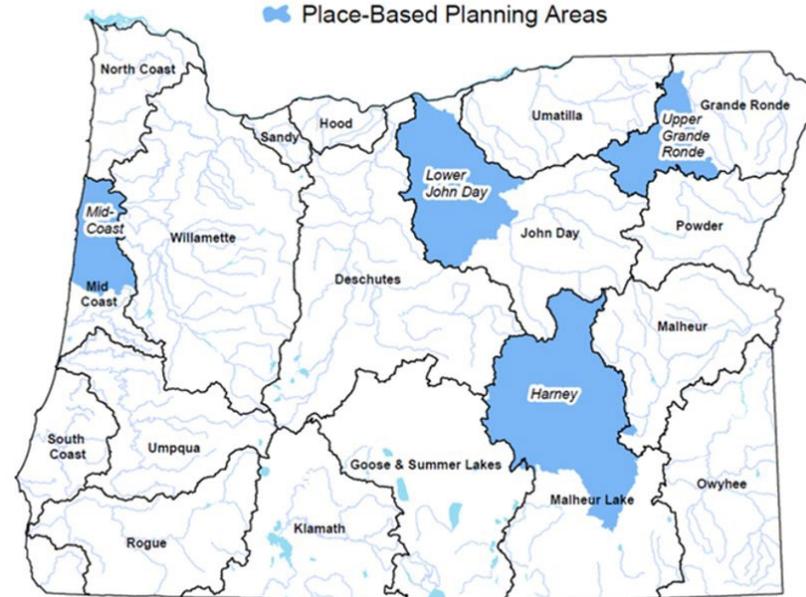
# Budget Driver: Addressing Complex Issues

- Place-Based Planning
- Deschutes Basin
- Klamath Basin
- Willamette Basin
- Umatilla Basin



## Collaborative Water Planning

Place-Based Planning Areas



- Walla-Walla Subbasin
- Greater Harney Valley
- Other emerging basins

## • Strain on Agency Foundations

- Fiscal / HR / Policy / Public Records / IT / Management

## • Increasing Importance of Information Technology

- Data quality / Old Systems / Ability to integrate across databases
- High demand for integrated and user friendly Data

## • Contentious Nature of Water: Increased Legal Expenses

Oregon Water Resources Department  
Water Rights Information Query

[Main](#)
[Help](#)  
[Return](#)
[Contact Us](#)

[Search by File ID](#)
[Search by Location](#)
[Search by Name](#)
[Search by Stream](#)

### Search by Location

**Location Filters**

Type of location:

Basin:

Meridian:

Township:

Range:

**Sections**

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

**Water Right Filters**

Starting priority date:

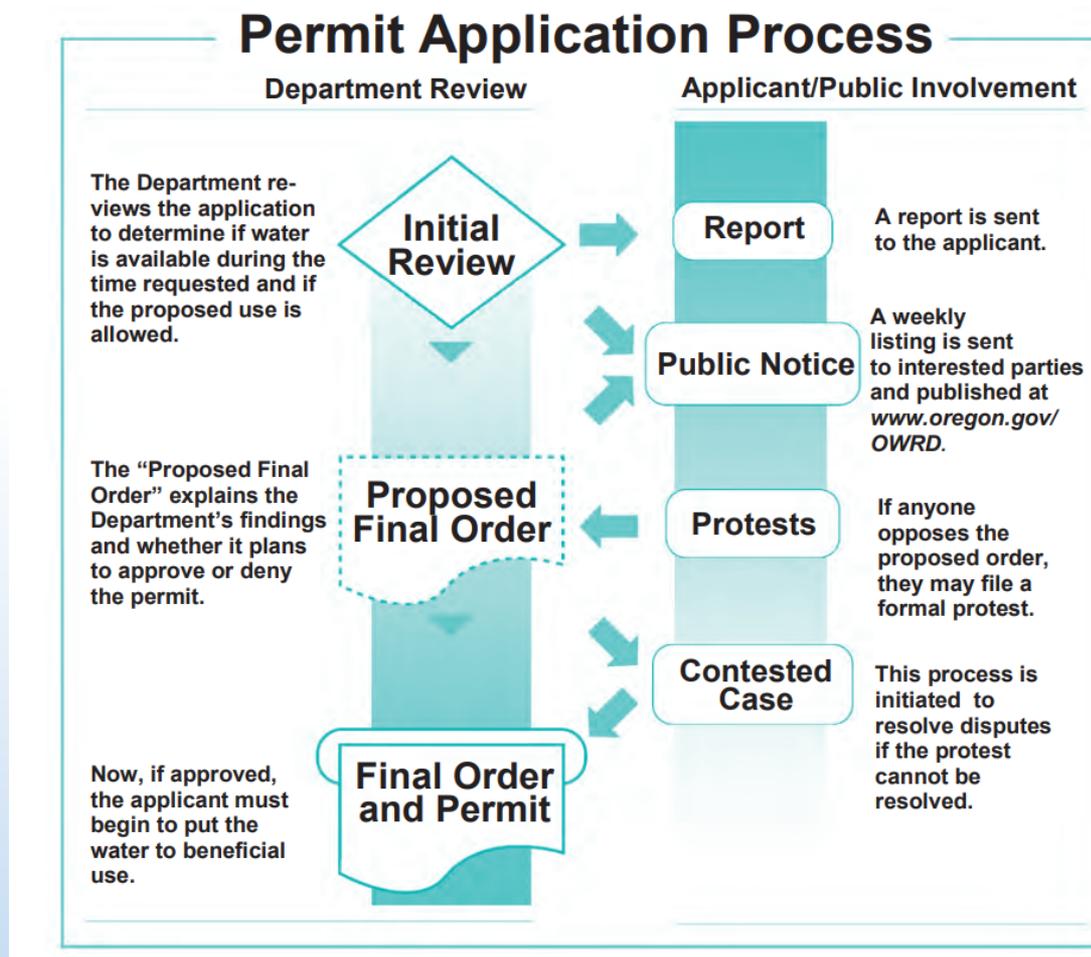
Ending priority date:

Type of use:

Type of right:

Display canceled rights?

- **Water Right Transactions and Protests Backlogs**
- **Fee Revenues inadequate to support programs**
  - Difficult for fees to keep up with cost increases or support improved services
  - Review fee-based programs and develop recommendations



## 2021 Unresolved Budget Issue

\$1.5 million in OWRD budget from 2021 for equitable water access and indigenous energy resiliency

- OWRD lacked authority to spend the funds
- Disappropriated from OWRD budget in 2023 (HB 5045)
- Understanding is intention to reappropriate for next biennium
  - Current discussion is to provide funds to University of Oregon and possibly Portland State University

## Overview

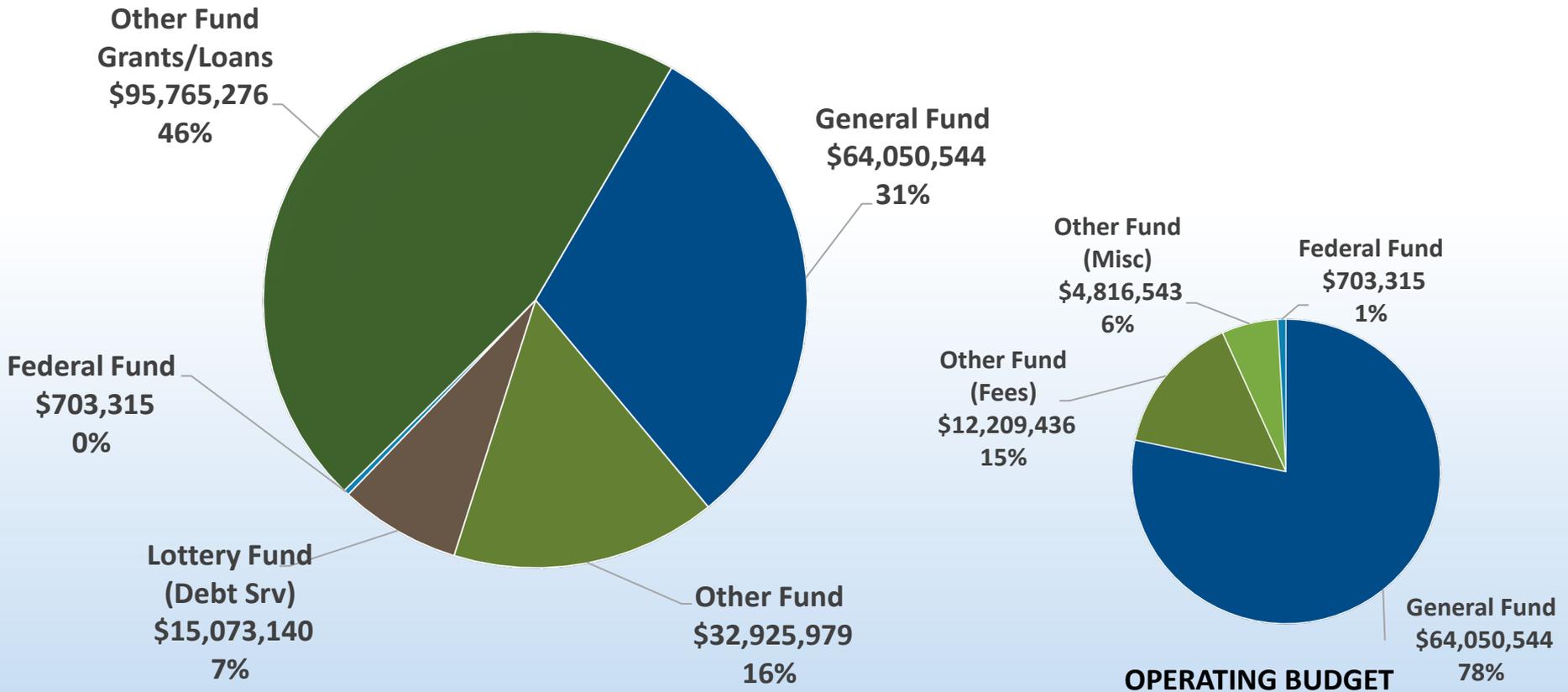
- Budget Information
- Agency Reductions



# Budget Information

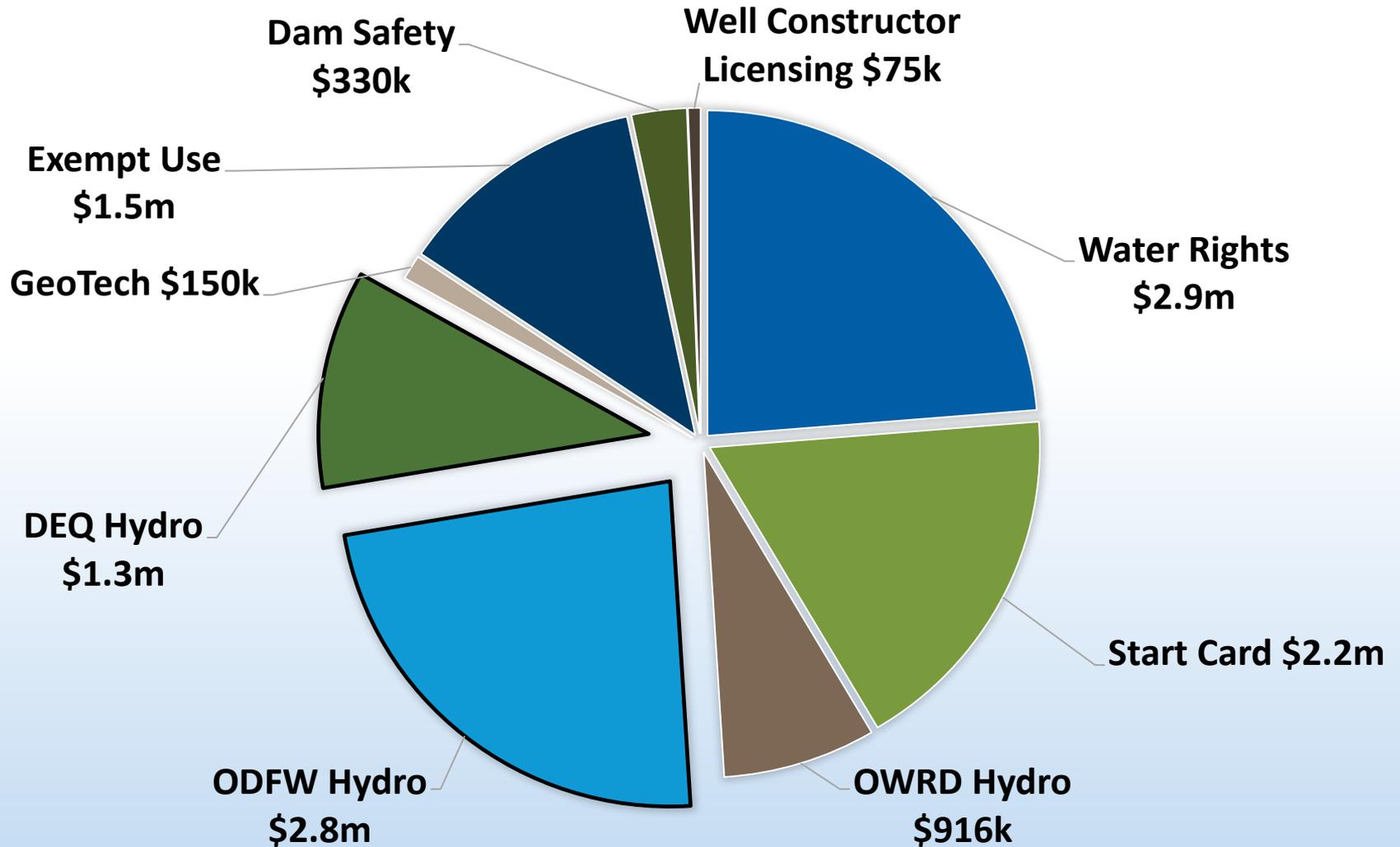
## Governor's Recommended Budget

Total: \$208,518,254  
Positions: 244/236.20 FTE



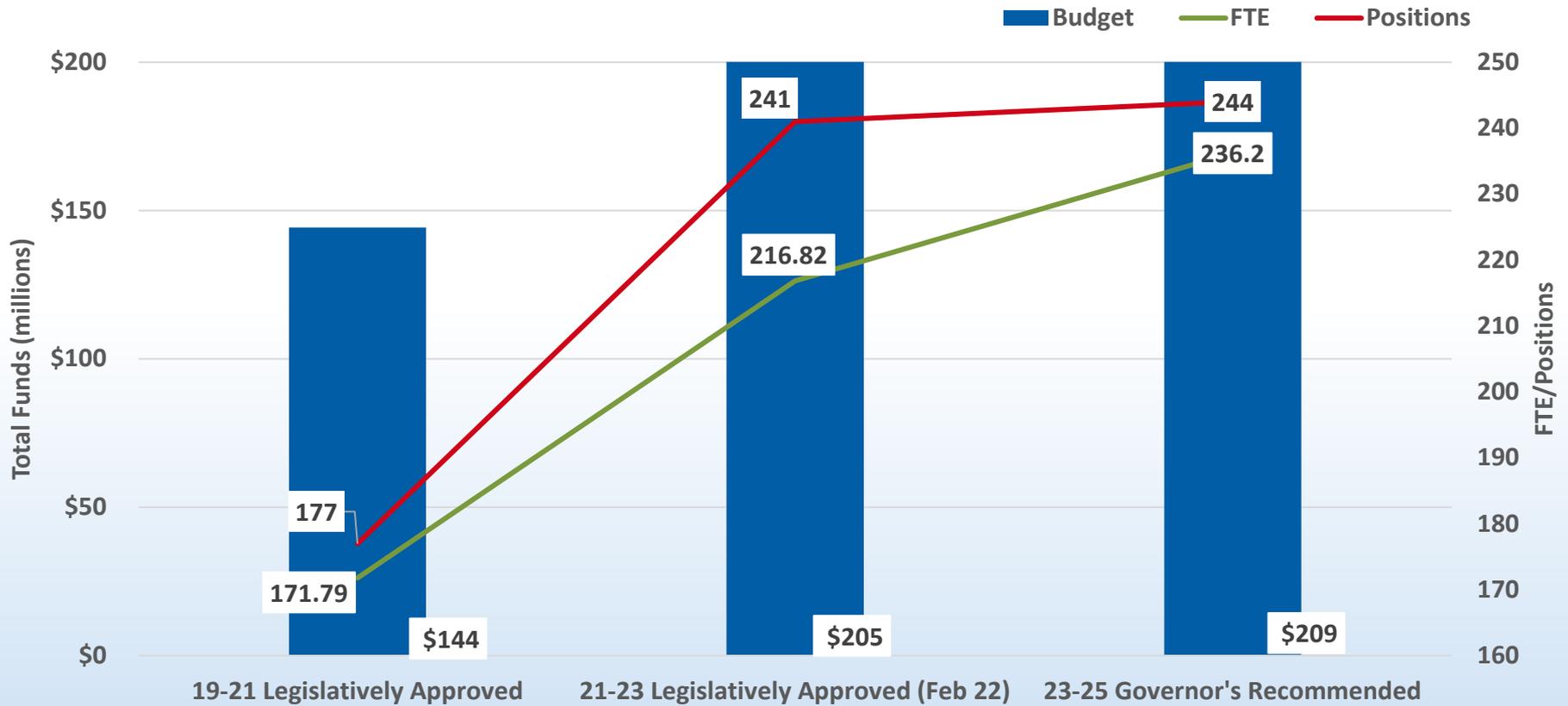


# Fee Revenues





# Budget Comparison



## Governor's Budget Policy Option Packages: Additions

- **Package 101 – Facilitate Interagency Work & Implement IWRS – \$371k GF; 1 FTE / 1 position**

Makes current limited duration position from 2021-2023 budget to a full-time permanent position to coordinate, develop and implement IWRS

- **Package 105 – American Rescue Plan Act Carry Over – \$15.9m OF**

Various efforts remaining from 2021-2023, estimated costs

- **Package 107 – Feasibility Studies, Water Projects, & Wells – \$23.3m Total Funds \$1m GF; \$22.3m OF**

Funds Water Project Grants and Loans, Feasibility Study Grants, Well Abandonment, Repair and Replacement Fund and costs associated

## Governor's Budget Policy Option Packages: Additions

- **Package 108 – Water Rights and Protest Backlog Reduction**  
– \$852k GF; 4.00 / 5 positions  
Extends four limited duration staff and adds one limited duration water rights compliance specialist
- **Package 110 – Centering Equity in Agency Programs & Policy** – \$449k GF; 1.76 FTE / 2 positions  
Funds two positions to advance environmental and racial justice and diversity, equity and inclusion across programs and culture

## Governor's Budget Policy Option Packages: Additions

- **Package 111 – Water Use, Supply, and Availability Data –**  
\$1.3m GF; 3.26 FTE / 4 positions

Critical for modernizing systems and datasets required to update the Water Availability Reporting model and tool

- **Package 115 – Supporting Resolution of Complex Issues –**  
\$1.5m GF

Facilitation funding for Confederated Tribes Umatilla Indian Reservation (CTUIR) water rights settlement

- **Package 091 – Additional Analyst Adjustments \$800K**

Includes funding for Harney County work (\$200k) and work associated with basin studies (\$600k)



## Governor's Budget Reduction Packages

- \$2.9m in increased vacancy savings
- Evapotranspiration project funding \$325k (cannabis)
- Evapotranspiration hydrologist \$206k (cannabis)
- Water Measurement Cost Share base budget \$106K
- Outreach and facilitation funds \$450k
- Groundwater study and observation well funds ~\$448k
- Gaging station funds \$163k
- Two assistant watermasters \$368k GF
- DAS Services and DOJ Costs ~\$408k GF and ~\$58k Other Funds

## 15% Reduction Options

- 15% List not included in GRB
  - Forego inflation in targeted line item budgets (\$148k)
  - Feasibility Study Grant funding (\$391k)
  - Delaying Walla Walla Basin Study (\$241k)
  - Water Budget funding (HB 2018) (\$785k)
  - Delaying Harney CREP implementation (\$384k)
  - Vacant positions
    - Enforcement, Surface Water, Groundwater, PCI, IT
  - Filled positions
    - Field, Groundwater, Water Rights, IT

# Long Term Vacancies

Long term vacancies fall into three main categories:

- Positions being kept vacant pending permanent finance package, aligning budget with operational structure
- Positions being held open to fund other positions
- Positions being held open to administratively manage fee balances

## Conclusion

- Finite resource combined with demand for water will continue to increase need for agency services
- Significant challenges ahead to manage water sustainably
- Agency will continue to seek collaborative approaches where possible
- 2021 investments will allow progress in some key areas
  - 2021-2023 focus on recruiting and training new staff
  - Workload challenges in foundational supports
  - Fee supported programs topic for 2025
- Sustained and focused investment over time is necessary to ensure sustainable water resources into the future

# Questions?

