OREGON WATER RESOURCES DEPARTMENT

2023-25 BUDGET PRESENTATION

OREGON

WATER RESOURCES
DEPARTMENT

Contents

OREGON WATER RESOURCES DEPARTMENT

Chapter 1: Agency Overview

OUR MISSION

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

GOALS

- To directly address Oregon's water supply needs, and
- To restore and protect streamflows and watersheds in order to ensure the long-term sustainability of Oregon's ecosystems, economy, and quality of life.

Oregon's Integrated Water Resources Strategy

Oregon's Integrated Water Resources Strategy (IWRS) is a state-wide inter-agency strategy framework that identifies objectives, critical issues and recommended actions Oregon needs to undertake to understand and meet its water quantity, water quality, and ecosystem needs, while taking into account coming pressures. These pressures include population growth, changes in land use, groundwater depletion, and a changing climate. These issues and actions span multiple state agencies and jurisdictions. The IWRS is the umbrella document that spells out "what" generally needs to happen to understand our water resources and meet Oregon's water needs, but it does not provide the finer details of implementation.

The Oregon Water Resources Department (OWRD) is the agency responsible to bring together the 14 water related agencies to develop a single cohesive strategy for the state related to water. While not all needs are identified in the strategy, the recommended actions are intended to identify and recommend actions on the most pressing water needs in the state. The most recent update was adopted by the Commission in the fall of 2017, identifies 18 critical issues Oregon faces and providing over 50 recommended actions for how to address those issues. The IWRS recommended actions are outlined in brief below. The third update to the IWRS is likely to be released in 2023/2024.

Objective 1: Understand Water Resources Today

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

Objective 2: Understand Instream and Out-of-Stream Needs

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 unadjudicated 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

Objective 3: Understand the Coming Pressures that Affect Our Needs and Supplies

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

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

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 & green infrastructure

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

Education and Outreach
8.A Support Oregon's K-12 environmental literacy plan
8.B Provide education & training for Oregon's next generation of water experts
8.C Promote community education & training opportunities
8.D Identify ongoing water-related research needs

Objective 4: Meet Oregon's Instream and Out-of-Stream Needs

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, & capacity for natural storage
11.B Develop additional instream protections
11.C Prevent & eradicate invasive species
11.D Protect & restore instream habitat & 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 & exposure to toxics & other pollutants
12.C Implement water quality pollution control plans

Funding
13.A Fund development & 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

In December 2022, the Department completed the 2017-2022 Oregon's Integrated Water Resources Strategy Progress Report that outlined the State's actions and successes in implementing the IWRS since 2017. The progress report is available for review in the Appendix of this document.

2019-24 Strategic Plan

The IWRS is the foundational strategy for the work done by OWRD and the Department's Strategic Plan and subsequent budget requests seek to carry out IWRS recommended actions. The agency's Strategic Plan is the internal framework to guide program and division goals.

In November 2018, the Water Resources Commission ratified the Water Resources Department's five-year Strategic Plan. The IWRS informs the Oregon Water Resources Department Strategic Plan which identifies the strategic direction of the Department over 2019-2024. The plan identifies the Department's strategic priorities and objectives, presenting areas of focus for development and improvement as we serve the public. Priorities and objectives follow the theme of modernizing the Department to tackle the water resource issues of today and tomorrow. Specifically, the plan includes the following priorities and objectives for the agency:

Priority: Modernize our management of Oregon's surface water and groundwater resources to meet instream and out-of-stream uses

Objectives

- Advance responsible groundwater and surface water management (IWRS Recommended Actions 1.A, 1.B, 1.C, 2.B, and 10.F)
- Modernize water transactions systems and processes (IWRS Recommended Actions 2.E and 10.G)
- Increase protection of public safety and health (IWRS Recommended Actions 5.5 and 7.C)

- Improve instream protections and increase water conservation (IWRS Recommended Actions 10.A and 11.B)

Priority: Work to secure Oregon's instream and out-of-stream water future in the face of increased water scarcity

Objectives

- Understand Oregon's expected future water supply (IWRS Recommended Actions 1.A, 1.B, 1.C, and 5.5A)
- Equip basins to plan for their water future (IWRS Recommended Actions 9.A, 9.B, 9.C, and 13.C)
- Invest in Oregon's build and natural water infrastructure (IWRS Recommended Actions 10.E, 11.A, 13.D, 13.E)

Priority: Foster a forward-looking team dedicated to serving Oregonians with integrity and excellence

Objectives

- Maintain technical excellence and improve customer service by investing in training for staff
- Improve agency communications

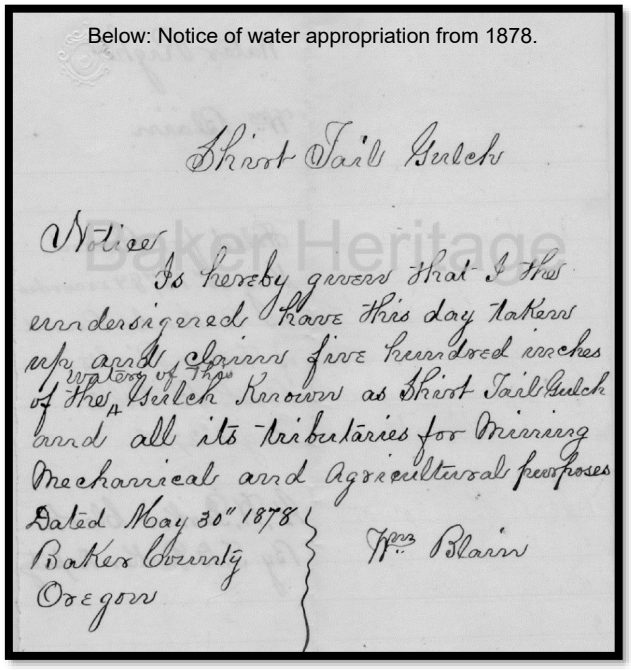
A HISTORICAL PERSPECTIVE

Oregon Water Laws

Oregon's water laws have roots tracing back to Oregon's early history because the availability of water has been integral to Oregon's development. Before 1909, water claims were staked like mining claims and recorded in the county courthouse.

On February 24, 1909, the Oregon Legislature passed Senate Bill 77, commonly referred to as the 1909 Oregon Water Code. House Bill 192 passed in the same session, declaring that "all water within the state from all sources of water belong to the public." With some exceptions, water users must obtain a permit or water right to use water from any source. Like most states west of the Mississippi, Oregon uses the "Doctrine of Prior Appropriation," meaning the first person to obtain a water right on a stream is the last to be shut off in times of scarcity. This provides greater certainty to senior water users that there will be a source of water to support their needs.

Below: Notice of water appropriation from 1878.


Shirt Tail Gulch

Notice

Is hereby given that I the undersigned have this day taken up and claim five hundred inches of the water of the A Gulch known as Shirt Tail Gulch and all its tributaries for Mining Mechanical and Agricultural purposes

Dated May 30th 1878

Baker County Oregon

Wm Blain

Image Courtesy of Baker Heritage Museum. William Blain, Shirttail Gulch, May 30, 1878. G. W. Parker, clerk, by I. D. Parker, deputy. www.bakerheritagemuseum.com

Oregon water law has continued to evolve. In 1955, the Legislative Assembly adopted the Oregon Ground Water Act, placing management of groundwater resources under the purview of the

state. The 1987 Instream Water Right Act recognized water instream as a beneficial use, allowing for the establishment of instream water rights.

In 2009, the Oregon Legislature passed House Bill 3369, directing state agencies to develop a state-wide, Integrated Water Resources Strategy (IWRS) to help Oregon understand and meet its water quantity, water quality, and ecosystem needs, while taking into account coming pressures. In 2012, the Water Resources Commission adopted the state's first Integrated Water Resources Strategy.

Evolution of the Agency Structure and Responsibilities

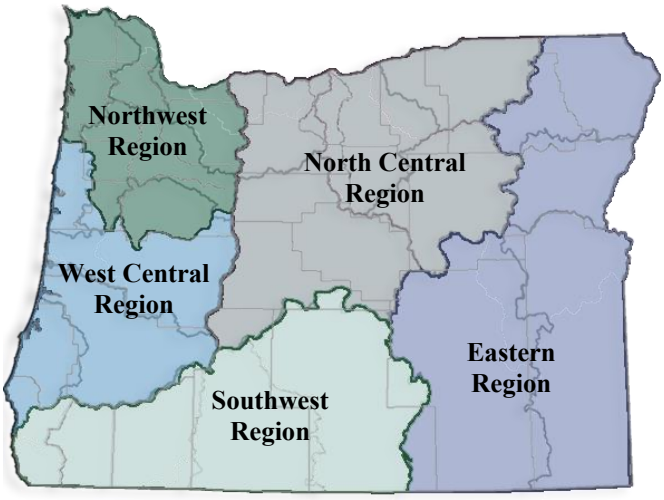
The Oregon Water Resources Department is Oregon's ***water quantity*** agency. Unlike many state natural resource agencies, *there is no federal counterpart to OWRD.*

The agency's structure has changed over the years, since adoption of the Water Code, with various iterations preceding the modern structure of the agency. In 1975, the Legislative Assembly created the Water Policy Review Board and merged the State Engineer's Office and the State Water Resources Board to create the Water Resources Department. Policy responsibilities were transferred to the Water Policy Review Board. In 1985, the Water Policy Review Board was renamed the Water Resources Commission.

Today, the Water Resources Commission, a seven-member citizen board, oversees the activities of the Water Resources Department. The Commission is responsible for setting statewide water policy, consistent with state law.

Commission members are appointed by the Governor for four-year terms, subject to confirmation by the Oregon Senate. The Commission includes a citizen appointed from each of five regions of the state (as shown in the map), as well as the east-side and a west-side at large.

Members of the Commission include: Chair Meg Reeves, West-Side at Large; Kathy Kihara, East-Side at Large; Jan Lee, Northwest Region; Woody Wolfe, Eastern Region; Julie Smitherman, Southwest Region; Eric Quaempts, North Central Region; and Joe Moll, West Central Region.



The Commission and Department seek to understand Oregon's water resources, needs, and coming pressures and meet instream and out-of-stream needs by:

- Collecting and providing crucial data about groundwater, streamflows, and water needs throughout Oregon.
- Protecting public safety and water supplies through proper well construction and dam safety.
- Distributing water based on the system of prior appropriation and upholding Oregon water law.
- Providing technical assistance and funding for planning, assessing, and implementing water resources projects to help meet instream and out-of-stream needs.
- Processing water rights, permits, transfers, and certificates.
- Adjudicating water right claims.

OREGON WATER RESOURCES DEPARTMENT

Chapter 2: Programs and Organizational Information

AGENCY SNAPSHOT

Summary of the 2021-23 Legislatively Adopted Budget, the 2021-23 Legislatively Approved Budget as of February 2022, and the 2023-25 Governor's Recommended Budget (GRB) by Division.

		FTE	Total Fund
Water Rights Services Division	21-23 Legislatively Adopted	30.84	$11,385,182
	21-23 Legislatively Approved	30.84	$11,623,827
	23-25 Governor's Budget	34.84	$10,798,028

The Water Rights Division processes incoming applications for new water use permits and extensions, issues water right permits and certificates, processes applications for instream leases, reservations of water, and water right transfers; and coordinates hydroelectric relicensing. This Division serves as a record-keeping body for the existing water rights in Oregon and it reviews water management and conservation plans in addition to adjudicating pre-water law vested and federal reserved water rights.

		FTE	Total Fund
Field Services Division	21-23 Legislatively Adopted	64.87	$19,885,325
	21-23 Legislatively Approved	78.64	$23,646,680
	23-25 Governor's Budget	84.50	$22,983,703

The Field Services Division enforces Oregon's water law in the field, and regulates water uses with a newer priority date for the protection of older water rights. The division collects water resources data and performs well inspections, and inspections of low and significant hazard dams.

		FTE	Total Fund
Technical Services Division	21-23 Legislatively Adopted	57.44	$128,707,812
	21-23 Legislatively Approved	59.95	$137,174,586
	23-25 Governor's Budget	57.48	$24,486,910

The Technical Services Division performs surface water and groundwater analyses, manages the dam safety program, inspects high hazard dams, conducts enforcement actions, and oversees well construction. In the 21-23 Legislatively Approved Budget, this Division contained the planning, grant and loan funding, and other water resources development activities which is proposed to be transferred to the Director's Office in the 2023-25 Governor's Recommended Budget. This change is indicated by the reduction in total funds for the Technical Services Division in the 23-25 Governor's Budget.

		FTE	Total Fund
Administrative Services Division	21-23 Legislatively Adopted	30.02	$20,550,930
	21-23 Legislatively Approved	32.52	$21,530,879
	23-25 Governor's Budget	34.50	$27,423,243

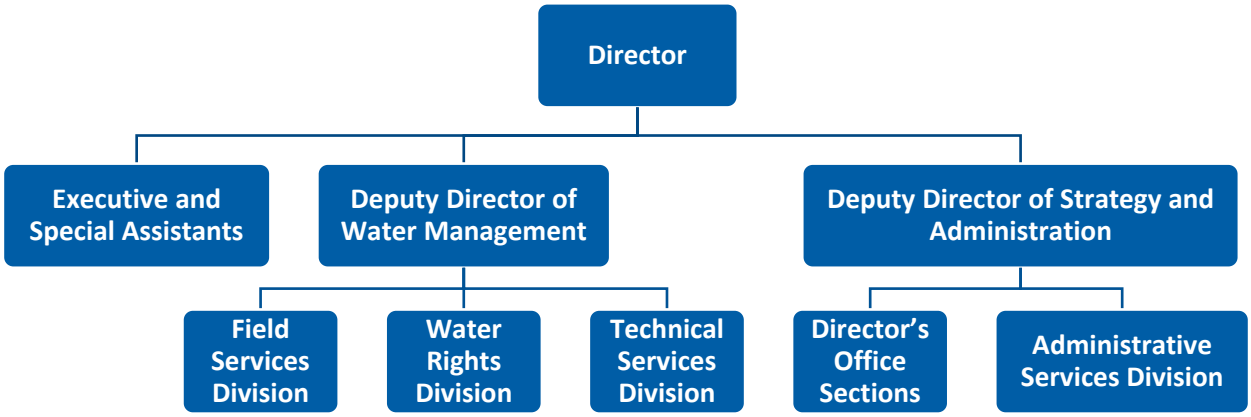
The Administrative Services Division supports the day-to-day operations of the agency through human resources, payroll, benefits administration, accounting, budgeting, procurement and contracting, information technology services, facilities management, and other agency support services functions. This division provides the fiscal administration for the Department's grant and loan programs and provides information services support for the Department including mapping, database management, computer application support, technology management and website development.

		FTE	Total Fund
Director's Office	21-23 Legislatively Adopted	13.64	$10,145,072
	21-23 Legislatively Approved	14.87	$10,946,956
	23-25 Governor's Budget	24.89	$122,826,370

The Director's Office coordinates Water Resources Commission activities, tribal interactions, policy, legislation, rulemaking, the Integrated Water Resources Strategy, public information, media, legal services provided by the Attorney General's office, and contested case hearings. In the 2023-25 Governor's Recommended Budget proposes to shift the Planning, Collaboration and Investments Section back to the Director's Office which is indicated by the increase of funding in the budget. This section oversees and leads planning, grant and loan funding, and works with communities to address complex water issues and meet instream and out-of-stream needs.

Department Total	**21-23 Legislatively Adopted**	**196.81**	**$190,674,321**
	21-23 Legislatively Approved	**216.82**	**$204,922,928**
	23-25 Governor's Budget	**236.20**	**$208,518,254**

DEPARTMENT ORGANIZATIONAL STRUCTURE



Snapshot of Programs in each Division

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

WATER RIGHTS SERVICES DIVISION

The Water Right Services Division supports the allocation of water for instream and out-of-stream purposes, supporting both the economy and a healthy environment by processing all of the water right applications for the state.

Program Contact: Dwight French
Water Rights Division Administrator
(503) 986-0819

The Division administers the following water right-related programs and processes:

- New Water Right Applications – Instream and Consumptive
- Extensions of time
- Hydroelectric licensing
- Limited (short-term) license applications
- Protests
- Water conservation and management plans
- Customer service and record management
- Drought-related use permits
- Water right certification
- Water right transfers
- Allocations of conserved water
- Adjudication of water right claims based on water use that pre-date the 1909 Water Code, federal reserved rights, and tribal rights

Snapshot

Customers	Funding Source	Current Service Level	GRB Expend	Case / Workload
Cities; Counties; Consultants; Federal Agencies; Oregon Tribes; State Agencies; Watershed Councils; Well Constructors; Well Owners; Water Right holders; Water Right Applicants; Realtors; Public Interest Organizations; Property Buyers/Sellers; General Public; Irrigation Districts; Water and Power Utilities	General Fund Other Funds Federal Funds Positions/FTE	$ 4.6 M $ 4.1 M $ 0.02M 33/30.84	$ 5.2 M $ 5.6 M $ 0.02 M 38/34.84	Water Right Application, Transfer, Extension, Water Management and Conservation Plan, Allocations of Conserved Water Processing; Certificate Issuance; Adjudication Processing; Hydroelectric Licensing; Protests; Cancellations

Programs

Seven major programs are administered by the Water Rights Division and are described below.

Water Rights Section

Water Right Application Review - Generally, in order to use water in Oregon, individuals, businesses, municipalities and agricultural irrigators must obtain a water right permit. During the 2021-2023 biennium, the focus of the water right application program was to maintain the timely processing of water right applications and continue efforts to systematize and automate processes. The complexity of application review is increasing as less water is available for appropriation while demands for competing needs continues to grow. Frequently, water right applications are for groundwater use, which involves a more complex technical review, compared to other application types. In recent years, progress on the application backlog has stalled as staff reductions and revenue shortfalls requiring vacancy savings have limited agency capacity. As of March 1, 2023, the Department had 846 water right applications pending. In the second half of the biennium, the Water Right Section added two additional processors as a result of ARPA fund dollars made available during the 2021 legislative session. This will allow the section to shorten review timelines that have grown due to reduced staffing levels during prior biennia.

Customer Service and Record Management - Based out of the Department's Salem office, the Water Right Services Division is responsible for assisting customers with a wide variety of water right matters. Division staff maintain a customer service counter that provides services to the public, which includes assisting with applications, locating water rights on a property, and directing customers to other appropriate staff within the Department. The Division works to provide a high-level of customer service through pre-application conferences, timely reviews of applications for completeness, striving for a one-day call-back policy, and making refinements to improve the customer service experience. The Department continues to upgrade its website, application guidance materials, and research tools, creating greater public access to information, water right records, and associated data. The Division also maintains and manages all of the Department's official water right records.

Certificates

After a permit is issued, the permittee generally has up to five years to develop the water use unless an extension of time is applied for and approved. To perfect the right, the permittee must submit a final water-use report with a map of the use as developed. The Division receives these final reports and maps and prepares the certificate describing the use allowed.

Since the 2007-09 biennium, the Division has instituted a number of practices to more efficiently process certificates. These approaches have led to a reduction in the backlog of work in this area; from a high of 6,400 in 2004 to 1,035 as of March 1, 2023, including new requests the Department continues to receive each year. During the second half of the biennium, the Certificates Section will add additional staff as a result of ARPA fund dollars made available during the 2021 legislative session. This will allow the section to shorten review timelines that had grown due to reduced staffing levels during prior biennia.

Extensions

If a permittee is not able to complete water development within the allotted time as prescribed in the permit, the permittee may request an extension of time within which to complete the work. The Division reviews these extension requests and determines, within the requirements of the law, whether or not to allow the extension. The division received 66 extensions is 2019, 63 in 2020, 132 in 2021, and 75 in 2022. The Department continues to improve our document generation tools which allow the extension caseworker to quickly generate proposed final orders once they have completed the review of

the application. Due to staff turnover and to make the best use of available resources, extensions are currently being processed by adjudications staff.

Transfer and Conservation Section

The Transfer and Conservation Section includes staff responsible for processing changes to existing water rights and permits, flow restoration applications, water management and conservation plans, and coordination with local government, conservation partners, soil and water conservation districts, watershed councils, and others. These programs are key to meeting Oregon's long-term water supply and restoration goals.

Transfers - The transfer of an existing water right to a new use or place of use is often the best alternative for obtaining water for new purposes for economic development or streamflow restoration. Under Oregon law, water rights are issued for a specific use, to receive water from specific points of diversion, and are appurtenant to specific locations. However, Oregon water law also provides a process to change the use, place of use, or point of diversion while still retaining other characteristics, such as the water source and priority date, provided that the changes do not injure other existing water rights.

While transfers can only be completed for specific types of water rights, permit amendments and groundwater registration modifications can allow for changes to other types of rights that are not eligible for transfer. The Transfer and Conservation Section is responsible for receiving and processing water right transfer, permit amendment, and groundwater registration modification applications. Water right transfer applications include not only standard transfers, but also district transfers, temporary transfers, emergency drought transfers, and instream transfers.

The backlog in processing water right transfers in 2004 was about 760 applications, rendering transfers a somewhat inefficient management option. The Department has taken a number of steps to address this workload. As of March 1, 2023, the backlog has dropped to 346, meaning the Department has reduced the backlog while still receiving and processing new transfer applications. The Department continues to look at ways of streamlining, combining functions, and leveraging its staff resources to best serve its customers. In recent years, progress on the backlog has stalled as staff reductions and revenue shortfalls requiring vacancy savings have limited agency capacity. In the second half of the biennium, the Water Right Section added two additional processors as a result of ARPA fund dollars made available during the 2021 legislative session. It is anticipated that this will allow the Department to shorten review timelines.

Flow Restoration - In addition to processing instream transfers, this section is also responsible for processing instream lease and allocations of conserved water applications. The Transfer and Conservation Section works, in coordination with the Field Services Division, conservation groups, water right holders, irrigation districts, watershed councils, and soil and water conservation districts to complete flow restoration projects.

The Water Resources Department processes between 100 and 120 lease applications annually, with a goal for average processing time being 45 days. Several years ago the processing time was near 90 days. Today, there is no backlog for instream lease processing.

Since 2016, the Department has received an average of four instream transfers annually. In recent years, the Department has trained additional staff to process instream transfers resulting in shorter

processing timelines; as compared to more lengthy processing timelines when only one staff person was trained and available to process these applications.

In addition, the number of allocations of conserved water averages six to seven per year. In the past, some applications took more than two years to process, but, due to a thorough process and efficiency review in 2013, processing of these applications is now taking about six months.

Water Supply and Conservation Planning - Staff work closely with community water suppliers (municipal and certain quasi-municipal water suppliers) and irrigation districts to assist in the development of water management and conservation plans. Many community water suppliers and districts have initiated planning efforts to identify new options and alternatives to meet future water needs. Community water supply entities are required by water right permit conditions or statutory provisions to prepare water management and conservation plans. Under the planning approach developed by the Department, a variety of water supply alternatives are considered for cost-effectiveness and feasibility. The approach is intended to help water suppliers improve their water use efficiency over time and identify least-cost options for meeting future water needs. In the most recent seven fiscal years, 100 percent of the plans received by the Department were reviewed within the 90-day review goal.

Protests

As of March 15, 2023, the Department had 245 protests pending. The protest program is responsible for resolving protests filed against various Department orders, either by negotiated settlement or through a contested case hearing process. Based on past experience, the Department expects to receive approximately 90 protests during the 2023-25 biennium. About 75 percent of these are filed by applicants who disagree with the Department's determination; the other 25 percent typically come from a neighbor to the proposed project, conservation groups, or an interested member of the public. The program successfully negotiates resolution of approximately 90 percent of the protests, thereby dramatically reducing the need for expensive contested case hearings, while meeting the essential water needs of the applicants, protecting existing water rights, and ensuring adequate resource protections. At the end of the 2021 legislative session, three million dollars was appropriated to the Department to make progress on the growing number of pending protests at the Department. This allowed the Department and the Department of Justice to hire additional staff to work on this backlog. The additional money is also being spent on services at the Office of Administrative Hearings, who will be conducting contested case hearings on several protested water right applications, transfers and extensions.

Adjudication

The Adjudication Program is responsible for the adjudication of pre-1909 water rights, tribal water rights, and other federal reserved water rights. Most of Oregon's river basins east of the Cascade Mountains have been adjudicated for pre-1909 water rights. Only a few of the river basins west of the Cascades have been adjudicated. Adjudications are important for holders of claims, who are often the senior-most users in the basin, but whom the Department cannot regulate for in accordance with the doctrine of prior appropriation until such claims are adjudicated. These senior claims also cannot be transferred until adjudicated.

Adjudications can be complex, long-lasting and controversial. The Department initiated the Klamath Basin Adjudication in 1975. This adjudication was delayed by two lengthy federal lawsuits and final

claims were then filed prior to April 30, 1997. The Department received 5,660 legal contests to 730 claims. The administrative phase of the Klamath Adjudication was completed in March of 2013, and the case was transferred to the Klamath County Circuit Court. The Department, represented by the Department of Justice, continues its involvement as the Klamath Adjudication makes its way through the Circuit Court.

Hydroelectric Program

The Hydroelectric Program has lead responsibility for Oregon's hydroelectric water right program. Program staff process all applications related to development, modification, assignment and decommissioning of hydroelectric projects. Staff are responsible for implementing a coordinated, interagency program for evaluating applications to reauthorize hydroelectric projects with state or federal licenses that are due to expire. The program is also responsible for coordinating the decommissioning of existing facilities.

Division staff conduct annual fee billing and collection for approximately 160 existing hydroelectric projects in Oregon. These fees support hydroelectric programs at the Department as well as the Departments of Fish and Wildlife and Environmental Quality. During the 2021-2023 biennium the Department implemented legislation that modified the annual fees paid by existing hydroelectric projects. The Department also worked with the Water Resources Commission to adopt new rules to manage the conversion of hydroelectric projects to instream water rights as required by ORS 543A.305.

Enabling Legislation/Program Authorization

The Division adheres to the enabling statutes that authorize the water right processes that we administer. We continue to seek amendments to statutes to allow for regulatory streamlining whenever possible. The following is a list of Division programs and their enabling ORS citations.

Water Right Transfers: Processing requests for changes (i.e., leases, allocations of conserved water or transfers). Transfers can include a change in place of use, type of use, or point of diversion. Both regular and expedited processes are available.	ORS 536.050; ORS 537.120 to 537.360; ORS 537.525; ORS 540.510 to 540.580; ORS 537.455 to 537.500.
Water Right Permitting: Water right records and research, processing of new water right applications, permit extensions, certificates, and limited licenses. Both regular and expedited processes are available.	ORS 537.097; ORS 537.799; ORS 536.050; ORS 537.130; ORS 537.120 to 537.360; ORS 537.135; ORS 537.211 to 537.252; ORS 537.525; ORS 537.153; ORS 537.797; ORS 537.621 to 537.628
Adjudication: Confirming uses of water that pre-date Oregon's 1909 water code.	ORS Chapter 539; ORS 539.010; ORS 537.665 to 537.700;
Hydroelectric Program: Coordinating agency for project re-authorization and FERC licensing, review of non-FERC applications.	Oregon Constitution Article XI-D ORS 543.015; ORS 543.017; ORS 537.283

Funding Streams

Funding for staff comes from the state General Fund and Other Fund fees. Fees are charged for various water rights permitting activity as well as for the Hydroelectric Program. The fees related to each of the Department's water right transactions are set in statute.

	Water Right Services Division				
	General Fund	Other Funds	Lottery Funds	Federal Funds	Total Funds
2021-23 Legislatively Adopted Budget	4,341,731	7,018,451	-	25,000	11,385,182
2021-23 Emergency Boards	126,732	111,913	-	-	238,645
2021-23 Legislatively Approved Budget	4,468,463	7,130,364	-	25,000	11,623,827
2023-25 Base Budget	4,801,232	7,133,170	-	25,000	11,959,402
2023-25 Current Service Level	4,597,469	4,099,529	-	25,000	8,721,998
Total Packages	593,094	1,482,936	-	-	2,076,030
2023-25 Governor's Recommended Budget	5,190,563	5,582,465	-	25,000	10,798,028

TECHNICAL SERVICES DIVISION

The Technical Services Division collects, analyzes, and publishes surface water and groundwater data, monitors drought conditions and provides the Department with the best available science for water management decisions to support a healthy environment and communities and a strong economy. The Division also protects public health and safety by assessing the condition of dams and overseeing well construction standards to prevent groundwater contamination and waste.

Program Contact: Annette Liebe
Technical Services Administrator
(971) 375-7322

Programs include:

- Aquifer Storage and Recovery / Artificial Recharge
- Dam safety program
- Technical Support for Emergency Response
- Groundwater science, investigations, and management
- Surface water data and analysis / water availability / hydrographics
- Well construction compliance
- Well driller licensing / continuing education
- Water use measurement and reporting

Snapshot

Customers	Funding Source	Current Service Level	GRB Expend	Case/ Workload
Cities; Counties; Conservation Groups; Consultants; Federal Agencies; General Public; Internal WRD Staff; Public Interest Organizations; Realtors; Special Districts; State Agencies; Oregon Tribes; Water Right holders; Water Right applicants; Watershed Councils; Well Constructors; Well Owners	General Fund Other Funds Lottery Funds Federal Funds Positions/FTE	$ 15.7 M $ 3.6 M - $ 0.6 M 55/55.00	$ 15.2 M $ 8.7 M $ 0 $ .6 M 58/57.47	Dam Inspections and Reviews, Groundwater studies and data, Surface Water Hydrologic Records, Technical Water Right Reviews, Well Construction Compliance.

Programs

The four sections of the Technical Services Divisions are discussed in more detail below.

Dam Safety Program

The Oregon Water Resources Department is the state agency charged with overseeing the safety of more than 950 dams across the state that are authorized to store water for agriculture, cities, industry, recreation, fisheries, and other purposes. Pursuant to statute, dams that are ten feet or greater in height and also impound 9.2 acre-feet (3,000,000 gallons) or more are subject to the requirements of Oregon's Dam Safety Program. While dams provide benefits, the consequences of failure of a dam can be significant, potentially resulting in loss of lives and damage to property and infrastructure. The Department's Dam Safety Program seeks to identify and work with owners to address dam safety deficiencies to protect people and property, while preserving the many benefits that dams provide for our communities and economy.

Of the more than 950 dams the Department is responsible for inspecting, the Department strives to inspect more than 200 each year. Hazard ratings do not reflect the likelihood of failure or the condition of the dam; rather, they reflect the consequences of failure. Approximately 70+ dams are rated as "high hazard" and are inspected annually because failure is likely to result in loss of lives and damage to property. Approximately 150 dams are rated significant hazard, meaning that failure is likely to result in damage to property or infrastructure, but is not likely to result in loss of life. All other dams are considered low hazard. Staff engineers conduct inspections of high hazard dams and work with Field Services staff to complete inspections of significant and low hazard dams. The 2009 Legislature established a fee to help pay for the costs of this program.

The Dam Safety Program houses the State Engineer. The State Engineer provides engineering expertise, conducts staff training, coordinates routine dam inspections, determines actions needed on dams in less-than-satisfactory condition, and provides information on the feasibility and safety of potential new storage sites. More recently, the Department has hired additional professional engineers to help with the technical aspects of the Dam Safety program; conducting inundation analyses, conducting inspections, and helping dam owners understand their responsibilites. The amount of program staff and funding resources has historically been inadequate to inspect and assess dams across the state, especially as these structures age and require more maintenance and repairs, and in light of new information about floods, earthquakes, design deficiencies, and climate change. In recent years, other states have suffered significant property and environmental damage as well as loss of life as a result of dam failures. As structures age and additional seismic information becomes available, proper construction and maintenance becomes even more critical.

Better understanding the risks to dams and the impacts of failure can help prioritize repairs and funding. As a result, the Department has in recent years sought resources to evaluate dams across the state. The 2021 Legislature recognized the critical need to complete flood methodology, inundation assessments and engineering analysis by providing the Dam Safety program with $5 million in funding for contracts for dam safety engineering analyses. The contract work will aid in addressing planning and design needs for dams in Poor and Unsatisfactory condition and provide needed funding to ensure the safety of publicly owned water supply dams.

Well Construction

There are more than 250,000 wells in Oregon, with approximately 3,000 new wells drilled each year on average. These wells provide a variety of benefits, from domestic drinking water to water for irrigation, cities, nurseries, industry, and other uses. The Water Resources Department is responsible for helping protect these uses and the people, ecosystems, economies, and communities that rely on aquifers to

meet their water needs. The Department's Well Construction Program seeks to ensure that well constructors and landowners use proper well construction, maintenance, and abandonment techniques to protect aquifers and sustain water supplies from depletion, waste, contamination, and loss of artesian pressure. The Well Construction Section includes a well constructor licensing specialist, a well construction compliance coordinator, a well construction program coordinator, a well program specialist, two support specialists, and the section manager.

The section, which oversees the licensing of more than 380 well constructors statewide, also responds to over 5,000 requests a year from property owners, realtors, and others, seeking assistance in locating well reports. The section issues over 300 special standard requests a year to drillers that are unable to meet minimum well construction requirements; administers approximately 70 Well constructor license exams per year; reviews and approves over 100 continuing education courses a year; and receives approximately 5,000 Start Cards, 4,750 well reports, and 4,800 geotechnical hole reports per year. The section also oversees the exempt use well registration program by ensuring that over 3,000 exempt use wells are properly registered each year. Staff also review water right applications for well construction compliance, conduct statewide well inspector training, and approve landowner well construction permits for property owners that wish to construct their own wells. The program also issues well identification labels. The section works to communicate and partner with well constructors and landowners to ensure that they understand the importance of protecting aquifer systems using proper well construction, maintenance, and abandonment techniques. Staff members communicate with drillers and landowners to ensure compliance with minimum well construction standards, and coordinate with Field Service Division well inspectors to follow up on issues found during inspections. Section staff are the statewide experts in well construction and assist the public, other government agencies, and other department staff in the interpretation of well report data, statutes and rules. Section staff assists the public in conducting well log research, interpreting well log data, submitting exempt use well maps, obtaining landowner well construction permits, and issuing Well ID labels.

In 2021 (HB 2145), the legislature passed legislation to modernize and increase efficiency within the Well Construction program. As a result, the Department has focused on providing the well construction industry timely assurance that their work is being performed in a manner that is consistent with Oregon's Revised Statutes and Administrative Rules based on a technical review of the well log. Changes based on requirements in the bill are being implemented in phases over several years. Effective January 1, 2022, the responsibility for submitting a map showing where on a property an exempt use well is drilled shifted from the property owner to the driller. In addition, the responsibility for the submittal of registration fees for these wells also shifted to the driller. In addition, effective July 1, 2022, the well construction program began conducting technical reviews of all submitted well reports to assess for deficiencies and compliance with well construction standards. Details of the technical well report reviews are delivered to the responsible well constructor within 120 days of submission of the report. These changes, as well as other requirements detailed in the bill, have been implemented on time as directed. Other changes and requirements in the bill continue to move forward on schedule and become effective in either July 2023 or July 2024.

Surface Water Hydrology

OWRD's Surface Water Hydrology Section provides data and technical expertise in surface water measurement, availability, and water use information to the Department and the public. The Surface Water Hydrology Section includes hydrologists, hydrographers, and the section manager. The staff complete their work by: (1) Coordinating with others in the Department to develop data, models, and

tools to practice & promote responsible surface water allocation and management using best available science; (2) Developing, documenting, and implementing quality control and quality assurance measures to ensure all data we produce are reliable; (3) Communicating effectively and respectfully with the Department staff, other agencies, and the public regarding surface water and water use topics; (4) Supporting other Department staff and programs through training, guidance, and analysis related to surface water and water use information.

Key responsibilities of the section include Data and Information for Surface Water Allocation, Management, and Planning; Surface Water Availability/Allocation; Hydrologic Studies and Planning; and Drought Condition Reporting and Drought Declaration Coordination.

Data and Information for Surface Water Allocation, Management, and Planning

- Streamflow, Canal, and Other Flow Data. The Hydrographics team coordinates with the Field Services Division to operate and process data from 245 surface water gages throughout the state as well as to review and document thousands of measurements at miscellaneous sites each year. This information is vital for water managers, scientists, planners, and policy makers for scientific evaluations, water management (for both distribution and regulatory purposes), and water planning —particularly to better anticipate and prepare for water scarcity. Most of the gages are operated as near real-time with data available on our website. Staff also provide guidance, training, and technical support to field staff. While the gaging stations are primarily maintained by Field Staff, the data collected is reviewed by the surface water section to analyze and process it to final record.
- Water-User Reported Water Use Data. All government entities that hold water rights in Oregon, including federal and state agencies, cities, counties, schools, irrigation districts, and other special districts, are required by Oregon Revised Statute 537.099 to annually report their water use. In addition to these entities, beginning in the early 1990s, some water use permits issued to nongovernmental users included a water measurement and annual reporting requirement under the authority of ORS 537.211. Under the Department's Water Use Reporting Program, there are more than 14,800 water rights that are required to measure, and report water use in Oregon. This constitutes about 17 percent of the 89,000 water rights in the state. Water use reporters submit their information to the Department via its website and this information is then made available to the public.
- Evapotranspiration (ET) Data. Studies of water supplies and allocation models for groundwater and surface water often require estimates of consumptive use from irrigated crops and naturally vegetated areas. OWRD tests and develops remotely sensed ET datasets to update consumptive use estimates for the application to basin studies, water budgets, water planning applications, and others. Additionally, the program works closely with partners from OSU Extension, BOR Agrimet, NASA, and local water users and partners to ground truth these data for use in Oregon.

Surface Water Availability/Allocation – The Surface Water Section assesses surface water availability in rivers and streams throughout the state for applications for new water rights, taking into account existing water rights and the Department's Water Allocation Policy (OAR 690-400-010(11)(1)(A)). This assessment is performed using the Water Availability Reporting system (WARS), a hydrologic model, which water rights staff use to determine surface water availability during their review of water right applications. In addition to the statewide water supply availability analysis, other surface water models have been developed that describe or define water supply for other purposes, namely flood frequency predictions for design and safety applications, and water use impact analyses for consideration in mitigation proposals.

Hydrologic Studies and Planning - The Surface Water Section also analyzes surface water data to address regulatory and technical questions for the Department as well as reviews studies and analyzes data to support water planning. Section hydrologists collaboratively design and implement surface water data collection and analyses in Basin Studies. They also design monitoring and provide analyses for seasonal (or shorter term) water-management needs, and perform analyses to support the Department's Planning, Collaboration, and Investment Section for development of Seasonally Varying Flows for Water Projects Grants and Loans, as needed. Staff analyze and recommend flows after establishment of new Scenic Waterways. They also provide technical guidance in tracking mitigation opportunities in the Deschutes Basin to allow development of groundwater using mitigation credits to maintain or improve streamflow and protect scenic waterways. Section hydrologists also support the Department's Place Based Planning program by responding to technical information requests, participating in place-based planning and other planning efforts, and providing technical review of the surface water aspects of Planning, Collaboration, and Investment section's grant funding applications.

Drought Declarations and Monitoring – Oregon has been experiencing perpetual drought conditions since early 2020. Many Oregon counties request and receive Governor's drought declarations under ORS 536 on an annual basis. Surface Water Section staff chair the Water Supply Availability Committee and Drought Readiness Council to understand and document drought conditions and to support and coordinate the drought declaration process (ORS 536.700-536.780). Additionally, section hydrologists publish a bi-weekly Water Supply Conditions report incorporating information from technical experts across Oregon.

Groundwater Hydrology

The Groundwater Hydrology section supports the agency's mission through implementation of the Groundwater Act of 1955 (ORS 537.505 to 537.795 and 537.992) and related administrative rules. Groundwater section staff participate in all facets of the agency's core work as described in its 2019-24 strategic plan. They are the primary entity responsible for collecting groundwater data statewide, organizing and interpreting that data, and applying that data and information to support analysis of groundwater right transactions, distribution and regulation of groundwater, and planning efforts to meet future groundwater needs.

Data and Information - Groundwater investigations characterize groundwater flow through the subsurface from areas of recharge to areas of discharge, quantify the interaction between groundwater and surface water, determine annual recharge, calculate the current demands on the aquifer, and inform management plans to prevent over-drafting the resource. Investigations include assessments of critical groundwater areas, other locations where groundwater levels show decline, and areas where local geology or anticipated growth suggests the resource may soon begin to show signs of stress. These studies describe the groundwater resource, identify any problems, and suggest management options. State funding of groundwater investigations can usually be leveraged with matching federal funding through the U.S. Geological Survey.

Section staff, in cooperation with the Field Services Division, collect water level data from more than 1,200 observation wells around the state. This information is used to track the long-term aquifer response to groundwater development and climate change. Groundwater level and use data are quality - control checked and entered into a database that is available through the Department's website for access by the public and professionals who use the information to track and understand changing conditions. The Department is actively expanding this network by drilling dedicated observation wells in

areas of specific groundwater interest; for example, in basins where the Department is working with the U.S. Geological Survey on cooperative groundwater studies.

Water Right Transactions - Significant staff time is devoted to intra-agency technical support, including reviews of groundwater permit applications and transfers, participation in contested cases, counsel on matters relating to well construction, reviewing data collected by water users, and technical analysis of proposed groundwater-related legislation and rules. Department hydrogeologists also provide technical input for mitigation opportunities. The mitigation program in the Deschutes Basin is designed to allow development of groundwater while offsetting impacts through mitigation credits to maintain or improve streamflow.

Groundwater staff review Aquifer Storage and Recovery (ASR) and Artificial Groundwater Recharge (AR) proposals, provide technical assistance, consider the potential for injury to other water users and aquifer water quality, evaluate project data and reports, and draft licenses and permits.

Allocation and Management of Groundwater - There are 22 designated groundwater administrative areas around the state with differing levels of restriction. These include critical groundwater areas, groundwater limited areas, groundwater mitigation areas, significant groundwater management problem areas, and areas withdrawn from further appropriation. Some areas are closed to new appropriations, restrict existing uses, or have well construction or water use measurement and reporting requirements to protect senior water rights. Staff monitor these areas to ensure that the restrictions adequately protect the groundwater resource and existing users without excessively curtailing water development and use and, where applicable, determine the annual allocation of groundwater available to senior water right holders.

Department hydrogeologists work with other sections of the agency to provide technical expertise to assist with the resolution of interference between water wells and surface water, help to address complaints regarding well-to-well interference, and assist with other groundwater enforcement matters.

Meeting Future Needs - Section staff also support the Department's Place Based Planning program by responding to technical information requests, participating in place-based planning efforts, and providing technical review of the groundwater aspects of the Planning, Collaboration, and Investments sections' grant funding applications.

Enabling Legislation/Program Authorization

Oregon water law is addressed in Oregon Revised Statutes (ORS), chapters 536 through 541.

Dam Safety: ORS 540.350 through 540.400 identifies certain dams and other water structures as potential threats to life and property and requires review and authorizes inspection by the Water Resources Department.

Groundwater Hydrology: ORS 537.505 through ORS 537.746 provides for the protection of groundwater to ensure a sustainable resource for Oregonians.

Well Construction and Enforcement: ORS 537.747 through ORS 537.796 and ORS 537.880 through ORS 537.895 provides requirements for well construction.

Surface Water Hydrology and Measurement: ORS 536.440, ORS 537.099, ORS 542.060, ORS 542.750 and ORS 540.435 provides that certain water users must measure and report water use, directs the Department to establish and maintain gaging stations; publish gage records, and analyze surface water.

Funding Streams

Funding for the Technical Services Division operations comes primarily from the state General Fund. Other Funds include dam safety fees, gaging station agreements, fees for newly constructed wells and the mapping of those wells in the Department's online databases. Federal Funds are received from the Federal Emergency Management Agency (FEMA), the Bureau of Reclamation (BOR) and United States Geological Survey (USGS).

	Technical Services Division				
	General Fund	Other Funds	Lottery Funds	Federal Funds	Total Funds
2021-23 Legislatively Adopted Budget	18,343,025	109,789,787	-	575,000	128,707,812
2021-23 Emergency Boards	5,004,040	3,450,368	-	12,366	8,466,774
2021-23 Legislatively Approved Budget	23,347,065	113,240,155	-	587,366	137,174,586
2023-25 Base Budget	25,115,492	113,200,218	-	554,597	138,870,307
2023-25 Current Service Level	15,714,044	3,647,173	-	553,315	19,914,532
Total Packages	(516,754)	5,089,132	-	-	4,572,378
2023-25 Governor's Recommended Budget	15,197,290	8,736,305	-	553,315	24,486,910

FIELD SERVICES DIVISION

The Field Services Division is responsible for the on-the-ground implementation of Oregon's water laws, distributing and managing water in the field, working with water users to enforce the prior appropriation system, and protecting against illegal use and waste. The Division collects surface water and groundwater data, conducts inspections for low or significant hazard dams, responds to complaints, and provides input on water right transactions based on local and on the ground knowledge and expertise. The Division also works with numerous watershed planning groups and local land use jurisdictions by providing technical information on surface water and groundwater.

Program Contact: Ivan Gall
971-283-6010

The Field Services Division carries out the Department's mission by enforcing the state's water laws and implementing the Water Resources Commission's policies in the field.

Programs include:

- Regulation/Distribution of Water
- Well Construction Inspection
- Assisting Technical Services Division with Dam Safety Inspections, primarily for low and significant hazard dams
- Collection of Hydrologic Data (Surface Water and Groundwater), in coordination with the Technical Services Division
- Customer Service in field offices
- Working with/advising local planning entities on water issues in conjunction with other staff

Snapshot

Customers	Funding Source	Current Service Level	GRB Expends	Case/Workload
Cities; Counties; Consultants; Federal Agencies; State Agencies; Oregon Tribes; Watershed Councils; Well Owners; Water Right Holders; Water Right Applicants; Realtors; Property Buyers/Sellers; General Public; Irrigation Districts; Conservation Groups and Other Public Interest Organizations	General Fund Other Funds Federal Funds Positions/FTE	$ 21.6 M $ 3.2 M $ 0.08 M 90/87.71	$ 19.7 M $ 3.2 M $ 0.08 M 87/84.5	Enforcement, Water right distribution and management, Inspection of Low and Significant Hazard Dams, Inspection of Wells, Collection of Data, Technical Assistance

Program Description

The Field Services Division carries out the agency's mission by enforcing the state's water laws and implementing the Water Resources Commission's policies in the field. Staff regulate water uses based upon the water rights of record; inspect wells in coordination with the Well Construction and Compliance section for the protection of the groundwater resource and public safety; inspect the construction and maintenance of low or significant hazard dams in coordination with the Dam Safety Program for the protection of public safety and the environment; and help collect surface and groundwater resources data that are made available for use by staff, scientists, other agencies, and the public for water management and planning purposes. The Division also works with numerous watershed planning groups and local land-use jurisdictions, providing a local presences for technical assistance to understand water resources data and management, and supporting the place-based planning effort within the Director's office. Staff also regularly interface with the public and water users, providing information on water law, water rights, and well construction. The Field Services Division contributes to IWRS recommended actions 1.B (Improve water resources data collection and monitoring), 2.B (Improve water use measurement and reporting), 10.A (Improve Water-Use Efficiency and Water Conservation), 10.F (Provide an Adequate Presence in the Field), and 11.B (Develop Additional Instream Protections).

The Department has grouped its 23 watermaster districts into five regions for efficient management and mentoring of field personnel. Region managers, watermasters, well inspectors, field technicians, and locally-funded assistants carry out the field activities of the Department.

The Field Services Division added two new watermaster districts in 2021, District 23 in the Walla Walla basin, and District 24 in the Crooked River basin. A reorganization was implemented to balance workloads and strategically handle new complex water issues.

In terms of surface water management activities, field staff operate between 240-260 streamflow recording stations each year; in 2022 there were 247 active gaging stations. In 2021, staff conducted 654 streamflow measurements beyond the 1,969 taken at streamgages. The Field Services Division works closely with the Technical Services Division, which provides most of the data online in a real-time format. The data collected by Field Staff are processed and analyzed by the Surface Water Section. The data are an invaluable resource to Department staff working to protect existing water rights and are used by numerous entities involved in economic development and streamflow restoration activities. In 2021, field staff also made 109 dam safety inspections of low and significant hazard dams in coordination with the Dam Safety Program, checking dams for indications of instability and water movement in order to protect downstream landowners.

In 2022, groundwater management activities of Department staff included 1,413 well inspections of new wells (first visit) and 2,729 groundwater measurements in wells (this work is conducted by groundwater staff and field staff). Well inspections ensure that wells are properly constructed in order to protect groundwater supplies from waste and contamination, and to preserve the use of the aquifer for those that rely on it. Water level data is an integral part of groundwater management and permit decision-making. These data are also used extensively by consultants, developers, realtors, and the general public.

Management of Oregon's water relies, in part, on local entities funding staff in addition to State-funded staff. These locally funded staff are assigned to watermaster and regional offices. Counties provide much of the budget for the locally funded positions. State law has recognized the role of counties in supporting water management since 1909. Under current statutes, counties may fund and support

assistant watermasters, who work under the direction of the Department. These county-funded positions create additional field capacity to serve water management needs within specific counties. As of 2021, the number of locally funded part time and full time assistant watermasters and office assistants had declined from a total of 37 in the 1980's to 10 statewide, with several other counties providing funds for seasonal temporary assistants. Until the 2019-21 biennium, the loss of county funded positions was not replaced with new state-funded positions, resulting in a net loss of field capacity. However, beginning in 2019, legislative support for assistant watermasters has added new capacity to the Field Services Division, with the 2021 2nd Special Session adding significant new capacity.

Enforcement - The Enforcement Section staff provide guidance to field personnel for regulatory matters that could involve formal enforcement action, and serves as the agency lead when formal enforcement action becomes necessary.

Performance

The Field Services Division addresses a broad range of water supply protections. The table below displays three of Field Services Division's responsibilities: Regulatory Actions, Compliance Checks, and and Well Inspections.

Year	Regulatory Actions	Compliance Checks (began tracking 2018)	Well Inspections
2011	8,182	n/a	743
2012	11,486	n/a	725
2013	17,932	n/a	950
2014	16,545	n/a	947
2015	20,336	n/a	1,296
2016	18,281	n/a	1,130
2017	14,656	n/a	1,035
2018*	7,541	32,485	947
2019	5,757	13,679	932
2020	8,353	17,144	1,214
2021	8,841	23,153	1,413

Regulatory Actions - The watermaster corps is the sole provider of water regulation and distribution in Oregon. In 2018(*), a new Field Activities Database (FAD) was brought online, resulting in more detailed tracking of field staff activity and improved location of actions. Prior to 2018, regulatory actions were defined as either actions by the watermasters corps that caused a change in water use behavior, or field inspections that determine no change is necessary. With the new FAD, a regulatory action is now defined as an action by staff that causes a change in water use behavior. Compliance checks, now tracked separately and in more detail, confirm that the water use is as it should be, or additional regulatory actions are taken by the watermaster. The number of regulatory actions and compliance checks measures one aspect of the field workload and provides some insights into the level of interactions with water right holders. This workload is influenced by weather (wetter years generally require less regulation, such as in 2011), availability of staff to undertake the work, and by external forces such as federal irrigation project management related to Endangered Species Act issues. A part of the increase in regulatory actions beginning in 2013 resulted from regulation for determined claims in the Klamath Basin. The data show an increase between 2014 and 2015, due to a severe drought in 2015, and the legalization of cannabis in 2015. Increases in workload associated with drought has posed

challenges. Both the cannabis and hemp industries have increased complaints and regulatory actions, particularly in Southwestern Oregon.

Well Inspections - Well inspections maintain the integrity and quality of Oregon's groundwater resources. Proper well construction protects groundwater quality and quantity, and prevents the loss of artesian pressure. The number of newly constructed wells that are inspected each year is influenced by weather (because drier years result in more wells being drilled) and the economy, which drives new construction. The Department's goal is to inspect no less than 25 percent of all newly constructed wells. Of the total inspections in 2021, 1,413 were conducted on new construction, representing an inspection rate of 34 percent of all new wells.

Adequate Field Presence is improving - The number of personnel in the field has dwindled over the years as county budgets diminished and county-funded assistant watermaster staff positions were eliminated. This reduction in field presence has been significant due to an increasing need for more management of the resources as the system becomes fully allocated, and the ever increasing number of water rights and new responsibilities. Beginning in the 2019-21 biennium, Umatilla County-funded positions were transitioned to state general fund and U.S. BOR contract funds. The 2021 legislature added five assistant watermaster positions, two well inspectors, and one deputy administrator. In the December 2021, 2nd special session, which focused on illegal cannabis operations, the legislature added 14 assistant watermaster positions, two administrative assistants, and a six person enforcement section to take on the increased workload from the cannabis operations.

Enabling Legislation/Program Authorization

Oregon water law is laid out in Oregon Revised Statutes (ORS), chapters 536 through 543. With ORS 536.220, the legislature recognizes and declares that future growth and development of this state for the increased economic and general welfare of the people are in large part dependent upon a proper utilization and control of the water resources of this state, and such use and control is therefore a matter of greatest concern and highest priority.

ORS 537.110 declares all waters in the state as a public resource; 537.535 – 537.635 authorizes the water-use permitting process to develop those waters; 537.747 – 537.772 authorizes well construction standards and regulation; 540.020 – 540.045 authorizes the appointment of watermasters and regulatory duties to distribute water based upon water rights of record.

Funding Streams

The Field Services Division is primarily funded using General Fund dollars, a reflection of the long-term history of the program and the many diverse interests benefitting from water management, and field inspections and data collection. Start Card fees, authorized under ORS 537.762, are received when new wells are constructed, and support Oregon's well inspection program. Other Funds from gaging agreements and local contracts help support the work of the Field Services Division.

	Field Services Division				
	General Fund	Other Funds	Lottery Funds	Federal Funds	Total Funds
2021-23 Legislatively Adopted Budget	16,670,225	3,140,100	-	75,000	19,885,325
2021-23 Emergency Boards	3,655,742	105,613	-	-	3,761,355
2021-23 Legislatively Approved Budget	20,325,967	3,245,713	-	75,000	23,646,680
2023-25 Base Budget	23,150,678	3,314,060	-	75,000	26,539,738
2023-25 Current Service Level	21,587,047	3,202,416	-	75,000	24,864,463
Total Packages	(1,854,025)	(26,735)	-	-	(1,880,760)
2023-25 Governor's Recommended Budget	19,733,022	3,175,681	-	75,000	22,983,703

ADMINISTRATIVE SERVICES DIVISION

The Administrative Services Division provides business, information, and administrative services to the Department in support of the agency's mission.

Program Contact: Lisa Snyder
(503) 983-5801

The Division is divided into three sections: Employee Services, Information Services, and Business Services. Division responsibilities include:

- Budget preparation and execution
- Human resource services
- Application development services
- Accounting and internal fiscal control
- Payroll and benefits
- Procurement and contracting
- Network support
- Databases and mapping
- Facilities management
- Risk management
- Employee training
- Mailroom support services
- Transportation coordination
- Records management
- Helpdesk and telecommunication administration

Snapshot

Customers	**Funding Source**	**Current Service Level**	**GRB Expend**	**Case / Workload**
Internal WRD staff; Cities; Counties; Consultants; Federal Agencies; State Agencies; Oregon Tribes; Public Interest Organizations; Property Buyers/Sellers; Water Right Holders; General Public; Irrigation Districts	General Fund Other Funds Lottery Funds Federal Funds Positions/FTE	$ 10.8 M $ 2.1 M $ 15.1 M $ 0.02 M 34 / 33.5	$ 10.3 M $ 2.1 M $ 15.1 M $ 0.02 M 35 / 34.5	Fiscal transactions, Human Resource and payroll/benefits services, agency support services, budgeting, Information Services, Mapping/GIS, contracts and procurement, recruiting, critical foundational business support services

Program Description

Employee Services

The Employee Services Section provides hiring, employee development, safety, and other human resources services to grow, develop and retain employees to fulfill our mission to serve Oregonians. A professional, empowered workforce is vital for the Department to achieve its goals and provide quality services. The Section's responsibilities include the maintenance of the official personnel files, maintaining required legal notices in Water Resources Department offices, as well as generating reports on affirmative action, and risk management. The Section works with SAIF on workers compensation claims, provides ergonomic assessments, and coordinates telecommuting and return-to-work programs. The Section is also responsible for providing Department managers with human resources advice, as well as counseling staff regarding career opportunities. The Section works with managers to carry out progressive discipline as necessary. Staff update and lead implementation of the Department's affirmative action plan, and monitors progress on the agency's affirmative action goals. The affirmative action goals set by the Department are monitored by this Section as recruitments and training are considered. The Section strives to ensure that all aspects of employee services are handled timely, accurately, and courteously, and that the section promotes an environment that values integrity, diversity, and respect.

With investments in the department by the legislature for projects and staffing, a major undertaking for this section in 2021-2023, was the recruitment of new staff. The addition of new positions authorized by the legislature, as well as staff retirements, turnover, promotions, or movement into new positions at the Department required the agency to recruit, onboard, and train more than 150 positions as of March 2023, with more recruitments ongoing. This has been a central department priority this biennium.

Many of the above-referenced services are also provided to the Oregon Watershed Enhancement Board (OWEB) under a shared services contractual agreement. Other responsibilities of the Human Resources Section include payroll and benefits processing and tracking for Department staff, as well as three other agencies, including open enrollment, under a shared services payroll program that the Department made permanent beginning in the 2019-21 biennium.

Business Services

The Business Services Section's primary responsibility is accounting, including accounts payable, accounts receivable, and general ledger. The Section establishes and monitors internal controls related to safeguarding State and Department assets and is responsible for the development and preparation of the Department's Statewide Financial Report (SFR), which is combined with other agencies' SFRs to complete the Comprehensive Annual Financial Report for the State. The Section has been continuously recognized as a "Gold Star" contributor to the SFR since 1993.

The Business Services Section is responsible for the Department's biennial budget and the coordination of general agency support. Duties include the preparation and execution of the budget including monthly revenue and expenditure monitoring, contract monitoring, and management of the allotment and budget tracking.

Other Section responsibilities include procurement, contract administration, records management, travel coordination, key card access, mail processing, receipting, inventory control, telecommunication management, and facilities administration for the agency. The Section's contract administration

functions ensure that the Department complies with statewide contracting rules and policy. The section is responsible for coordination of facilities administration with the two other agencies that share the North Mall Office Building.

The Business Services Section also provides services for the Oregon Watershed Enhancement Board (OWEB). The Section supports OWEB with general fiscal counsel, providing guidance on accounting and fiscal policy matters. The Section maintains accounts payable, accounts receivable, general accounting, preparation of statewide financial reporting, and enters the allotment for OWEB.

Biennially, the Section processes over 100,000 pieces of mail, and creates, inputs, and reconciles in excess of 250,000 accounting entries, which includes accounts payable entries, payroll entries, and accounts receivable or receipt entries. The Section maintains files and controls for over 400 contracts and agreements, including reimbursement authority contracts and agreements.

The Planning, Collaboration, and Investments (PCI) funds, which includes Place-Based Planning, Feasibility Study Grants, and Water Project Grants and Loans are monitored by the Business Services Section. See the Director's Office for more information on the Planning, Collaboration, and Investments Section.

Water Development Loan Fund

The Water Development Loan Program was enacted by the 1977 Legislature to finance irrigation and drainage projects. The legislation was referred to the voters and received approval in 1977. The 1981 Legislature amended ORS 541.700 - 541.855 to expand the use of the program to include community water supply projects as a third primary use. The addition required a constitutional amendment, which was approved by Oregon voters in 1982. The 1987 Legislature amended ORS 541.700 - 541.855 to expand the authority of the program to make loans for fish protection and watershed enhancement. In May 1988 the constitution of the State of Oregon was further amended by a vote of the people, in order to make the changes effective.

The Water Development Loan Program historically reviewed 320 loan applications and funded 181 loans. One hundred and seventy-six of these loans were for irrigation and drainage projects and five were for development of community water supply systems. In November 1991, the Loan Program issued state general obligation refunding bonds for $6,920,000.00. These funds were used to pay off existing outstanding bonded debt of the program, which had higher interest rates. The program has no state-owned property or inventory.

In 1997, the Department worked with a steering committee through the Department of Administrative Services and the State Treasurer's Office, along with interest groups, to make the necessary amendments to administrative rules to establish new, clear criteria for underwriting loans. The Department also worked with the same entities to identify needed statutory changes that would make the program accessible and cost-effective to potential applicants. However, the program has not seen any significant interest from potential applicants in recent years.

HB 3369 (2009) made changes to the loan program which were then modified by SB 839 (2013). Authority to issue bonds in the amounts of $10 million in 2009-11, $15 million in 2011-13, and $10 million in 2013-15 for a project in the Umatilla Basin were not used. Additional funding of $30 million was authorized for 2015-17 but was not expended. General Obligation bonds are only issued after project(s) are identified and an agreement is signed for repayment by the borrower(s). No funding was

authorized for the 2017-19, 2019-21, or 2021-2023 biennium. There are no pending loans, or applications for loans. No requests for additional bonding authority have been received or submitted.

Information Services

The Information Services Section develops and manages critical information technology infrastructure and solutions used to support the mission of the agency. The IS Section manages and facilitates public access to a vast array of scientific data used by the agency, partners, and stakeholders to make decisions regarding Oregon's water resources. Information Services achieves this work through four distinct sections including Application Development, Network Support, Geographic Information Systems (GIS) and Data Management.

During the 19-21 biennium, the IS section started a migration to the state's combined data center (SDC) that continued into the 2021-23 biennium. This is an important effort that will reduce risk, increase information security, and allow the agency to focus future efforts to modernize agency information systems.

Application Development - The Application Development team analyzes, designs, builds, and deploys custom in-house solutions to support the business functions of department program areas. The application development team meets often with business units within the agency to gather requirements for new system development, product enhancements and to provide fixes for discovered problems.

Data Management - The Data Management team touches nearly every element of data at the agency, entering new data and performing quality assurance on existing data. They work with program areas within the agency and must understand how data within the agency flows in and out of business units in support of the agency mission. They perform this work using a variety of in-house developed and commercial, off-the-shelf solutions.

Network Support - The Network Support team manages all agency network, desktop and server infrastructure for the agency. This critical infrastructure supports the operations of every business unit within the agency. This team works closely with the state data center and cyber security services to ensure that operations fall within acceptable guidelines and provide a secure network environment for staff to operate in. Additionally, the Network Support teams provides customer support to agency staff who rely upon our critical network, desktop and server resources to do their jobs daily. Support is provided both electronically and in person.

Geospatial Information Systems - The Geographic Information Systems (GIS) team builds the infrastructure for maintaining the locations of water rights, wells, dams, stream gages, and other related data of the agency. They use this data in the mapping, reporting, and analysis of water related science performed by the agency. The data are also made available to agency staff, partners, and the public through static and web-based interactive maps, and other tools.

Enabling Legislation/Program Authorization

ORS 536.037 provides general administrative authority. ORS 536.500 authorizes expenditure of funds. The Feasibility Study Grants (Water Conservation, Reuse and Storage Grant) is governed by ORS 541.561 to 541.581. The Water Project Grants and Loans funding (Water Supply Development Account) is authorized by ORS 541.651 to 541.696. The Water Development Loan Fund is governed by ORS 541.700 to 541.855.

Funding Streams

General Fund is the primary funding source that is used to provide administrative services to the Department. Lottery Funds support the debt service related to the Lottery Revenue Bonds issued for grant programs and direct appropriations, managed by the Policy, Collaboration, and Investments Section. Other Fund sources include shared services agreements with other agencies for payroll, contracting assistance, accounting, and information technology services.

	Administrative Services Division				
	General Fund	Other Funds	Lottery Funds	Federal Funds	Total Funds
2021-23 Legislatively Adopted Budget	9,104,769	1,921,651	9,499,510	25,000	20,550,930
2021-23 Emergency Boards	935,192	44,757	-	-	979,949
2021-23 Legislatively Approved Budget	10,039,961	1,966,408	9,499,510	25,000	21,530,879
2023-25 Base Budget	10,608,206	2,063,574	15,073,140	25,000	27,769,920
2023-25 Current Service Level	10,786,273	2,067,552	15,073,140	25,000	27,951,965
Total Packages	(526,367)	(2,355)	-	-	(528,722)
2023-25 Governor's Recommended Budget	10,259,906	2,065,197	15,073,140	25,000	27,423,243

DIRECTOR'S OFFICE

The Water Resources Department is Oregon's water quantity agency, managing the system of water allocation and distribution throughout the state. The Director's Office is responsible for developing and supervising the policies and programs that ensure water is managed according to Oregon Water Law and to meet current and future instream and out-of stream water needs.

Program Contact: Racquel Rancier
503-302-9235

The Director's Office oversees policy-related functions affecting the entire Department and supports activities of the Water Resources Commission. In this role, the Director's Office ensures internal controls are in place to help improve performance in key program areas. The Director's Office includes the Director, two Deputy Directors, Executive and Commission Assistant, Planning, Collaboration and Investments Section Staff, and Policy Section staff.

The Director's Office centralizes responsibility for major functions that serve the entire Department, including:

- Updating and implementing the Integrated Water Resources Strategy
- Policy oversight of all Department contested case hearings and litigation
- Intergovernmental coordination and representation in state/tribal negotiations
- Drafting, implementing, and coordinating agency policies, rules, and legislation
- Citizen response, public records requests, and public information
- Response to press inquiries and issuance of press releases
- Support of Water Resources Commission activities
- Oversight of Department work groups and task forces, and sustainability, and climate initiatives
- Process improvement, key performance measures, and implementation of the Integrated Water Resources Strategy and Strategic Plan
- Principal contact with members of the Legislature, stakeholder groups, other state agencies, local and federal entities, as well as the public
- Integration of equity, diversity, and inclusion into agency programs, policies, and communications
- Participation and negotiation in the resolution of complex water issues.
- Oversee and lead water planning, collaboration, and development efforts to meet instream and out-of-stream needs, including public engagement, technical support, and grant and loan funding opportunities.

Snapshot

Customers	Funding Source	Current Service Level	GRB Expend	Case/Workload
Cities; Counties; Consultants; Federal Agencies; State Agencies; Watershed Councils; Tribes; Water Right Holders; Public Interest	General Fund Other Funds Federal Funds Positions/FTE	$ 10.5 M $ 77.6 M $ 0.02 M 23 /	$13.7 M $109.1 M $ 0.02 M 26 /	Commission meetings and actions, Contested Case hearings,

Organizations; Legislators and Congressional Offices; General Public; Irrigation Districts and Special Districts; Conservation Groups; Media; and Community Based Organizations		22.13	24.89	Rules, Citizen Response, IWRS, Legislation, Public Records, Communications, Complex water issues, Grant Programs and Direct Appropriations, Planning Groups Support, Basin Support.

Program Description

The Oregon Water Resources Department and its policy-making body, the Oregon Water Resources Commission, have a dual mission: to address Oregon's water supply needs and to restore and protect streamflows. As a result, the Department's stakeholder groups are quite diverse, representing both out-of-stream water users such as industry, municipalities, agriculture, and individual households, as well as instream uses, such as hydropower, fish and wildlife, water quality, scenic waterways, and recreation.

The Director's Office provides oversight and support for the agencies' programs to institute policies and practices that best serve Oregonians. The Director's Office works with the Water Resources Commission to provide policy direction. Other key functions of the Director's Office include: participating in policy work groups, rules coordination, responding to press inquiries, conducting outreach to the public and stakeholders, fulfilling public record requests, working with tribal communities, coordinating with the Environmental Justice and Racial Justice Councils, updating and implementing the state's Integrated Water Resources Strategy, providing information to elected officials, and working with the Department of Justice on resolving litigation. The Director's Office also manages and administers grant programs for planning, feasibility studies, water projects, and household wells, as well as works to address complex water issues in coordination with basin stakeholders. The Director's Office provides leadership and direction to staff across the agency to help resolve water challenges and help individuals and communities meet their instream and out-of-stream water needs.

Integrated Water Resources Strategy (IWRS) and Strategic Planning - The Director's Office oversees development and implementation of Oregon's Integrated Water Resources Strategy (IWRS), an inter-agency blueprint for understanding and meeting the state's water needs. The IWRS identifies critical water-related issues for the state and recommends actions to address them. The Water Resources Department is required to update the Strategy every five years; the first edition was completed in 2012 and the 2nd edition in 2017. The next update has been delayed due to the need to conduct several other projects and workgroups directed by the 2021 legislature. The Department is now focused on the 3rd edition of the IWRS, filling in gaps in recommended actions, and ensuring that the next update centers equity and climate resiliency.

While the Integrated Water Resources Strategy provides a comprehensive, high-level framework for strategic guidance for all state agencies, the Department's 2019-2024 Strategic Plan directly focuses on the agency's priorities, processes, and functions.

Intergovernmental Coordination - The Director's Office leads the agency's formal and informal intergovernmental coordination activities as the lead contact with Oregon's tribal governments, other state-level agencies, local governments, neighboring states and federal agencies on matters of common authority, responsibility, or interest. The Legislative Assembly has authorized the Director to initiate negotiations with tribes in Oregon to define the nature and scope of tribal reserved water right claims. The need to resolve tribal claims in Oregon are real and significant. The Director's office also participates in regular meetings with other state agency Directors and Deputy Directors to coordinate items of multi-agency interest. Increasingly, there is a need to coordinate with other state's on resolving water issues of bi-state interest.

Complex Water Issues - With Oregon's water resources fully allocated in many parts of the state, it is becoming more challenging to meet the needs of both new and existing instream and out-of-stream demands. The Director's Office is often involved in working on collaborative processes to identify solutions to complex water issues in conjunction with other sections of the agency. Examples of these efforts include: discussions on cross-border water management issues with surrounding states, addressing water supply needs in the Umatilla Basin, engaging in collaborative planning and resolving disputes in the Deschutes Basin, partnering with U.S. Army Corps of Engineers to engage with stakeholders in addressing the allocation of stored water in the Willamette Basin, working with the community in the Greater Harney Valley to address water supply issues, and engaging in discussions about water challenges in the Walla Walla subbasin. In addition, the Director's office continues to provide policy, management, and coordination on water management issues in the Klamath Basin. More recently there has been an interest in working in the Lake Abert Basin and in Southwest Oregon on water supply challenges.

Oversight of Contested Cases and Litigation - Water right issues can be complex and contentious. The Department's water right-related decisions, regulatory actions or scientific conclusions are sometimes challenged administratively or in court. The Director's Office works with protest staff and Department of Justice attorneys to oversee these activities. As discussed below, the Department has seen an increase in litigation in recent years, mostly due to disputes in the Klamath Basin.

Outreach and Coordination - The Director's Office is responsible for communicating with and responding to inquiries from stakeholders, partners, members of the Legislature, the public, and the media. The Director's Office communicates through a variety of means: face-to-face meetings, conference calls, web-based platforms, letters, informational listservs, news releases, fact sheets, and public meetings. These actions represent a high volume of engagement, year-round.

Water Resources Commission - The Director's Office supports the Water Resources Commission by coordinating meetings, developing issue reports and briefing papers, staffing work groups, and answering Commission information requests.

Interagency Climate Work - The Director's Office staffs efforts to coordinate with other agencies on climate efforts, such as the Governor's Executive Order 20-04, as well as the Climate Adaptation Framework, and the Global Warming Commission. The Department's efforts are limited due to limited staff capacity and the need to focus on drought. In recent years, the Department has been focused on drought response in coordination with Oregon Emergency Management.

Diversity, Equity and Inclusion and Environmental Justice - The Director's Office is expanding its work in this area, leading the agency's efforts to consider diversity, equity, and inclusion in policy and law development, internal and external communications and outreach, as well as in the administration of its programs and through internal procedures.

Water Law and Policy Expertise - Effective distribution and management of Oregon's water requires trained experts in the fields of law/public policy, engineering, and science. The Director's Office responsibilities require in-house institutional knowledge to make policy decisions and develop strategies to communicate and implement Oregon Water Law, as well as meet instream and out-of-stream needs. The Director's Office Policy Section staff work with the Water Resources Commission, other staff, stakeholders, and the public to update Oregon's statutes, rules, and policies.

Performance Improvement - The Director's Office has oversight responsibility for continuous improvement in all program areas, but particularly in customer service, regulation, and data and information. A variety of techniques help us identify how we fare in these areas, including key performance measures (KPMs), internal process evaluation, internal performance indicators, meetings with peer agencies, external stakeholder feedback, and the biennial budget process.

Public Records Requests - The Director's Office manages responses to all public records requests received by the agency and coordinates with staff to review and respond to those requests.

Planning, Collaboration and Investments - The Planning, Collaboration, and Investments (PCI) Section builds partnerships and incentivizes Oregonians to pursue integrated and innovative solutions for complex water challenges and an uncertain water future. They do this work to achieve a secure and sustainable water future, addressing instream and out of-stream needs, for all Oregonians and Oregon's environment, economy, communities, and cultures. The section focuses on:

- Cooperative Partnerships. Encourage Oregonians to partner with each other and the State of Oregon to reduce conflict and cooperatively manage water.
- Strategic Investments. Strategically invest in water supply planning, studies, and projects that provide social, environmental, and economic benefits.
- Adaptive Planning. Advance water planning and implementation that involves and empowers Oregonians and adapts to changing conditions.
- Accessible Information. Connect Oregonians to available data and information to help understand their water situation and explore strategies and solutions.
- Effective Coordination. Bring people and resources together through a coordinated approach that achieves results in priority basins and projects.

More specifically the program implements:

Place-Based Planning

Place-based integrated water resources planning (also known as place-based water planning) is a voluntary, locally initiated and led effort, in which a balanced representation of water interests work in

partnership with the state to understand and meet their instream and out-of-stream water supply needs. The Department is a partner in these planning efforts and provides financial, technical, and planning assistance to the communities testing the guidelines. There are currently four places that are piloting the place-based, collaborative, and integrated approach to water planning. Three groups have developed plans, achieved state recognition of their plan, and transitioned to plan implementation. The fourth planning group has developed the portion of its plan addressing groundwater and is working on addressing surface water. The Department's authority to provide financial assistance to place-based planning sunsets on June 30, 2023. There is a bill pending in the 2023 Legislative Session to continue the program.

Feasibility Study Grants

Feasibility Study Grants reimburse up to 50 percent of the costs of studies to evaluate the feasibility of developing water conservation, reuse, and storage projects. This competitive funding opportunity helps individuals and communities investigate whether a project is worth pursuing. Grants are offered on an annual basis, with applications due each fall.

Water Projects Grants and Loans

Water Project Grants and Loans provides funding for projects that help Oregon meet its in stream and out-of-stream water supply needs and produce economic, environmental, and social/cultural benefits. This is a competitive funding opportunity that is meant for implementation-ready projects. Grants and loans are offered on an annual basis, with the applications due each spring.

Water Well Abandonment, Repair, and Replacement Fund

The Water Well Abandonment, Repair and Replacement Fund (WARRF) was authorized via HB 2145 (2021). It provides financial assistance to persons or members of a federally recognized Indian tribe in Oregon to permanently abandon, repair, or replace a water well used for household purposes.

The Department is accepting applications from low-to-moderate income households with domestic wells in areas that are impacted by drought or wildfire. These impacted households are prioritized to meet urgent public health needs and based on the direction from the Oregon Legislature during the December 2021 2nd Special Session. The Department has received over 1000 complaints from homeowners around the state that their well is either dry or under-performing. The Department also administers the Well Abandonment Repair and Replacement Fund to help low and moderate income homeowners whose wells have gone dry due to drought or wildfire impacts. As of mid-March the Department has processed and awarded approximately $3.2 million in total as assistance to 114 homeowners. The Department anticipates a broader set of wells will be eligible for funding in future biennia. The Department also works closely with Klamath County on their state funded well program.

Harney Domestic Well Remediation Fund

The Harney Domestic Well Remediation Fund was authorized in HB 3092 (2021). The purpose of the fund is to provide financial assistance to replace, repair, or deepen domestic personal use wells that are affected by declining ground water levels resulting from overallocation of ground water within the Greater Harney Valley Groundwater Area of Concern.

Enabling Legislation/Program Authorization

Water allocation and management is the responsibility of the state. There is no federal back-up for this work.

Director's Office and Policy Section - Policy and legal oversight, public records requests, public information / media, tribal and intergovernmental relations, staffing the Water Resources Commission, coordinate with the Oregon Legislature, rulemaking, public hearings, special projects, environmental justice, sustainability, key performance measures.	ORS 536.025; ORS 536.037; ORS 536.220; ORS 536.340; ORS 536.420; ORS 542.630; ORS 183.330; ORS 182.535; ORS 184.423/Executive Order 03-03; ORS 536.040; ORS 182.164; ORS 539.310; Water Laws ORS 536-543
Director's Office, Planning, Collaboration, and Investments Section	ORS 541.561 to 541.581; ORS 541.651 to 541.696 provides requirements for feasibility study grants and water projects grants and loans. 2015 Oregon Laws Chapter 780 provides authorization for grants for place-based planning.

Funding Streams

Director's Office activities are primarily funded by the General Fund and Lottery Revenue Bond proceeds which are used for the Water Project Grants and Loans program.

	Director's Office				
	General Fund	Other Funds	Lottery Funds	Federal Funds	Total Funds
2021-23 Legislatively Adopted Budget	10,106,465	13,607	-	25,000	10,145,072
2021-23 Emergency Boards	801,884	-	-	-	801,884
2021-23 Legislatively Approved Budget	10,908,349	13,607	-	25,000	10,946,956
2023-25 Base Budget	10,791,247	13,607	-	25,000	10,829,854
2023-25 Current Service Level	10,474,412	77,568,389	-	25,000	88,067,801
Total Packages	3,195,351	31,563,218	-	-	34,758,569
2023-25 Governor's Recommended Budget	13,669,763	109,131,607	-	25,000	122,826,370

OREGON WATER RESOURCES DEPARTMENT

Chapter 3: Performance Summary

Overview

The Water Resources Department has 12 active Key Performance Measures (KPMs). These performance measures cover agency programs related to streamflow restoration, protection, and measurement; groundwater monitoring; and regulatory actions, and customer service. A brief overview of the Department's KPMs are included in the following pages. The Department's most recent Annual Performance Progress Report is provided in the Appendix.

KPM Changes

Many of the Department's KPMs have been in place since the early 2000s; therefore, the Department has begun efforts to review the existing KPMs to ensure they remain relevant. KPM's 6 and 12 were deleted in 2019. KPM 2 was revised in 2019. No changes are proposed by the agency for this biennium.

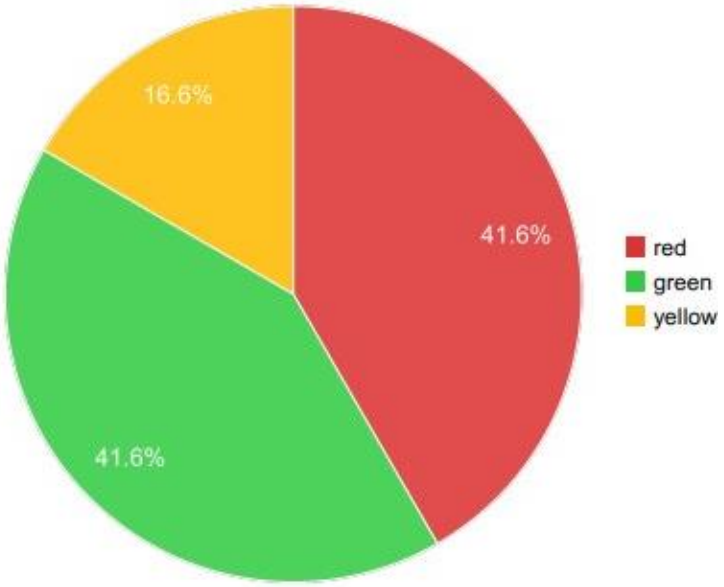
Use of Performance Measures, including KPMs

Metrics are an important tool for managing both daily and long-term performance and identifying areas in need of process improvements. Performance measures and indicators, as well as recommended actions in the Integrated Water Resources Strategy (IWRS) are also important to identify needed agency actions and policy option packages.

At the program level, both key performance measures and other internal performance indicators help managers adjust processes and priorities to prevent bottlenecks and to strategically focus resources. Performance measures and indicators are used at the individual staff level to focus workloads.

Key Performance Measures Compared to Target

Percent of KPMs within a certain percent of target



Green	Yellow	Red
Measure is meeting target or within -5 % of target	Measure is between less than -5 % of target and -15 % of target	Measure is less than -15 % of target

In all of the graphs for each KPM on the pages below, the target is the blue line with boxes, and the actual is shown by the columns and bold numbers.

KPM Snapshot

Meeting Target

- KPM 2 Protection of Water Instream
- KPM 5 Assessing Ground Water Resources
- KPM 7 Equip Citizens with Information
- KPM 9 Promote Efficiency in Water Management & Conservation Plan Reviews

Not Meeting Target

- KPM 1 Flow Restoration
- KPM 3 Monitor Compliance
- KPM 4 Streamflow Gaging
- KPM 8 Water Measurement – Significant Points of Diversion
- KPM 10 Promote Efficiency in Water Right Application Processing
- KPM 11 Promote Efficiency in Transfer Application Processing
- KPM 13 Increase Water Use Reporting
- KPM 14 Customer Service

KPM 1 - Flow Restoration

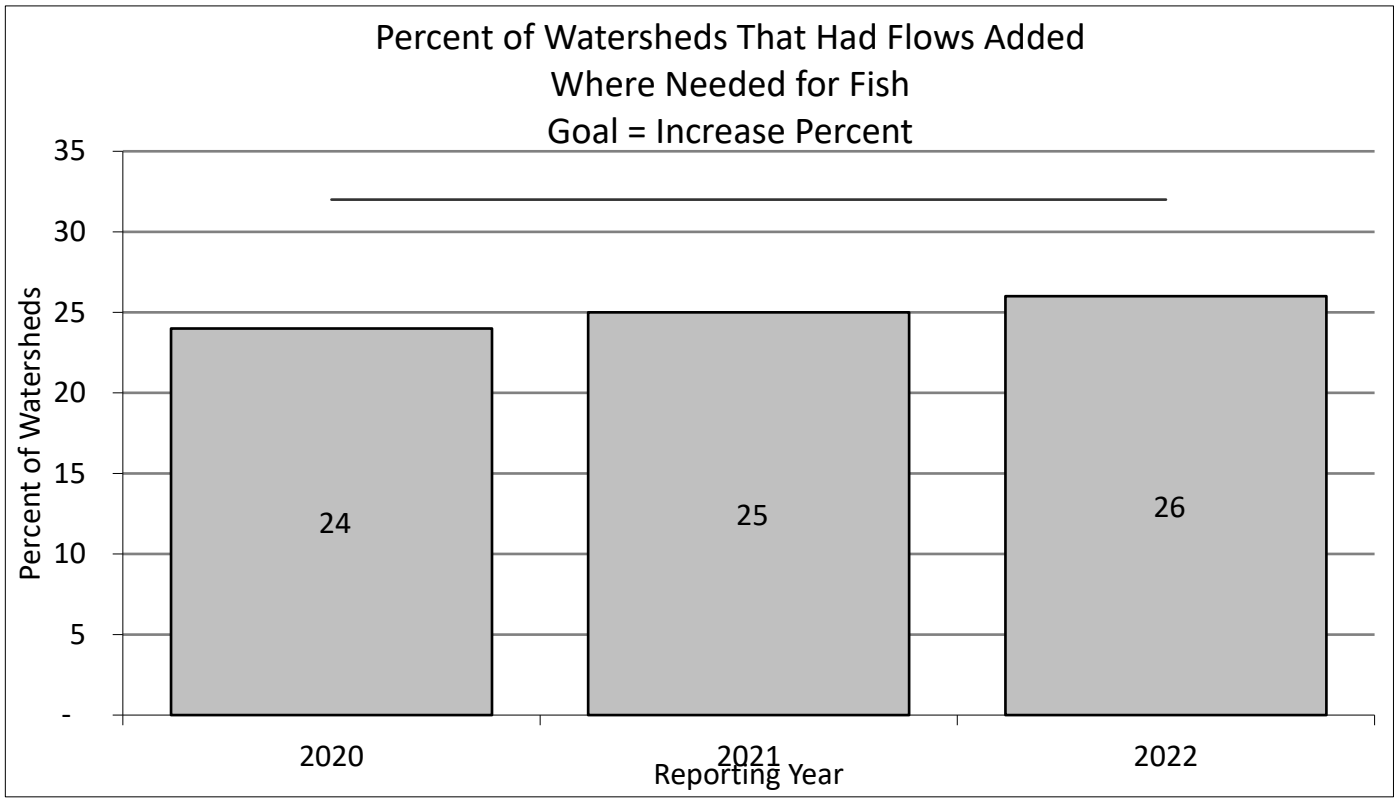
Measured by the percent of watersheds that had flows added where needed for fish

Strategy:

- Voluntary streamflow restoration through instream leases, transfers, and allocations of conserved water programs.
- Capitalize on opportunities to benefit farmers and ranchers as well as watersheds.
- Work with conservation partners and willing water right holders.
- Continue to streamline application processing while ensuring protection of existing water rights.

Trends:

- 31 percent of Oregon's flow restoration work involves a third party such as The Freshwater Trust, Deschutes River Conservancy, and Trout Unlimited.
- 69 percent of flow restoration activities are directly between water right holders and WRD.
- The modest upward trend is due to an increase in the amount of water put instream in 342 high priority watersheds, which can fluctuate from year to year based on water user interest in leasing water instream.
- The percent of high priority watersheds that had water voluntarily protected instream increased slightly in the 2022 report and the total amount of water put instream statewide (within and outside of the high priority watersheds) during the 2022 reporting period increased from the prior report.



KPM 2 - Protection of Instream Water Rights

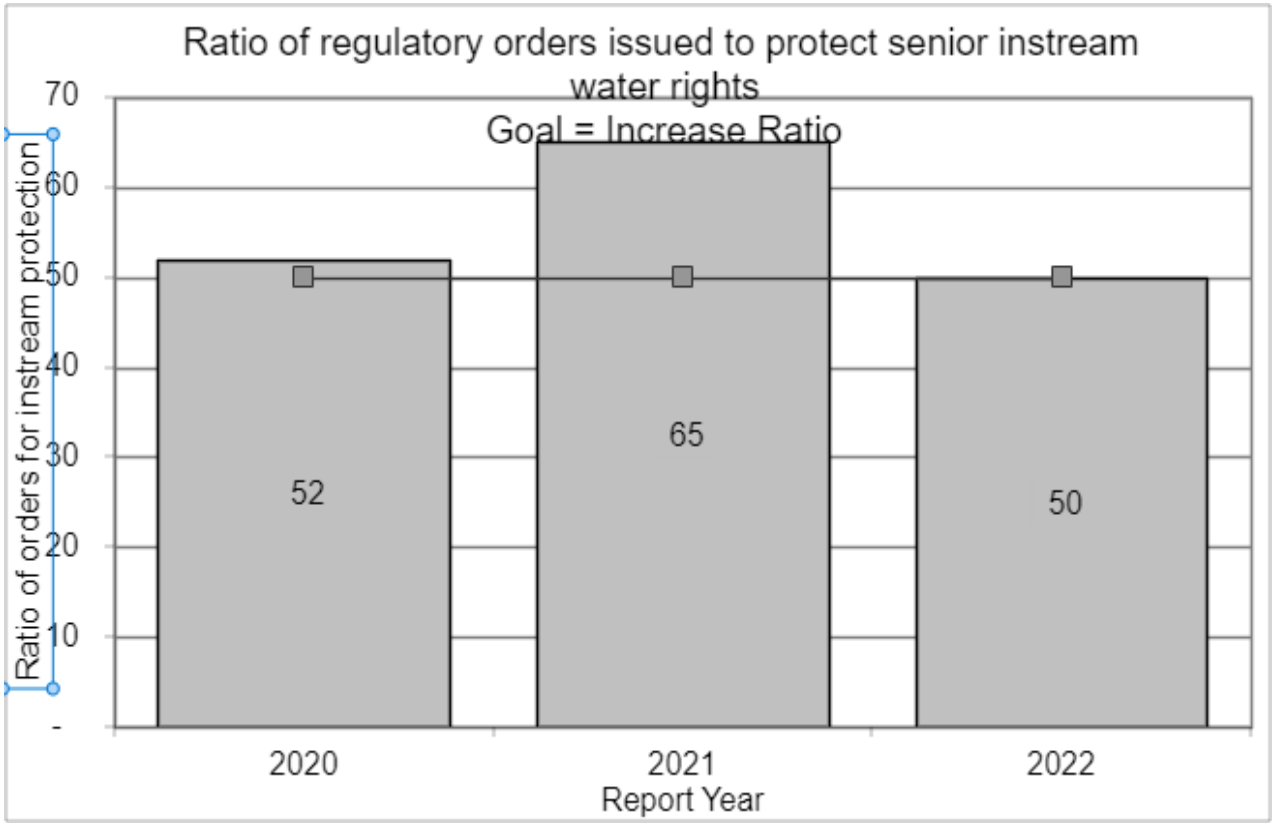
Measured by the ratio regulatory orders issued to protect senior water rights when the senior water right is an instream right to all regulatory orders issued to protect senior water rights.

Strategies:

- Monitor streamflows.
- Distribute water to protect instream water rights according to priority date.
- Add near-real-time access to gaging stations to improve monitoring for instream water rights.
- Ensure adequate field presence.

Trends:

- The number of streams regulated varies with the amount and timing of rainfall in any given year, water conditions, temperatures, as well as staff resources.
- The Department is meeting its dual mission, protecting instream and out of stream uses. Half of the regulatory actions undertaken were for instream water rights, while the other half were for consumptive uses.
- In calendar year 2021, staff reported a total of 8,841 regulatory actions, 4,401 were to regulate for instream water rights. Regulatory actions are actions by staff that cause a change in water use behavior.
- The Department has been working diligently to adapt to limited water availability as a result of ongoing drought and be responsive to both instream and out-of-stream needs. Watermasters have been receiving calls for water on systems that are not frequently regulated or calls for water earlier in the irrigation season, which leads to more regulatory actions for out-of-stream uses.



KPM 3 - Monitor Compliance

Measured by the percent of total regulatory actions that found water right holders to be in compliance with water rights and regulations

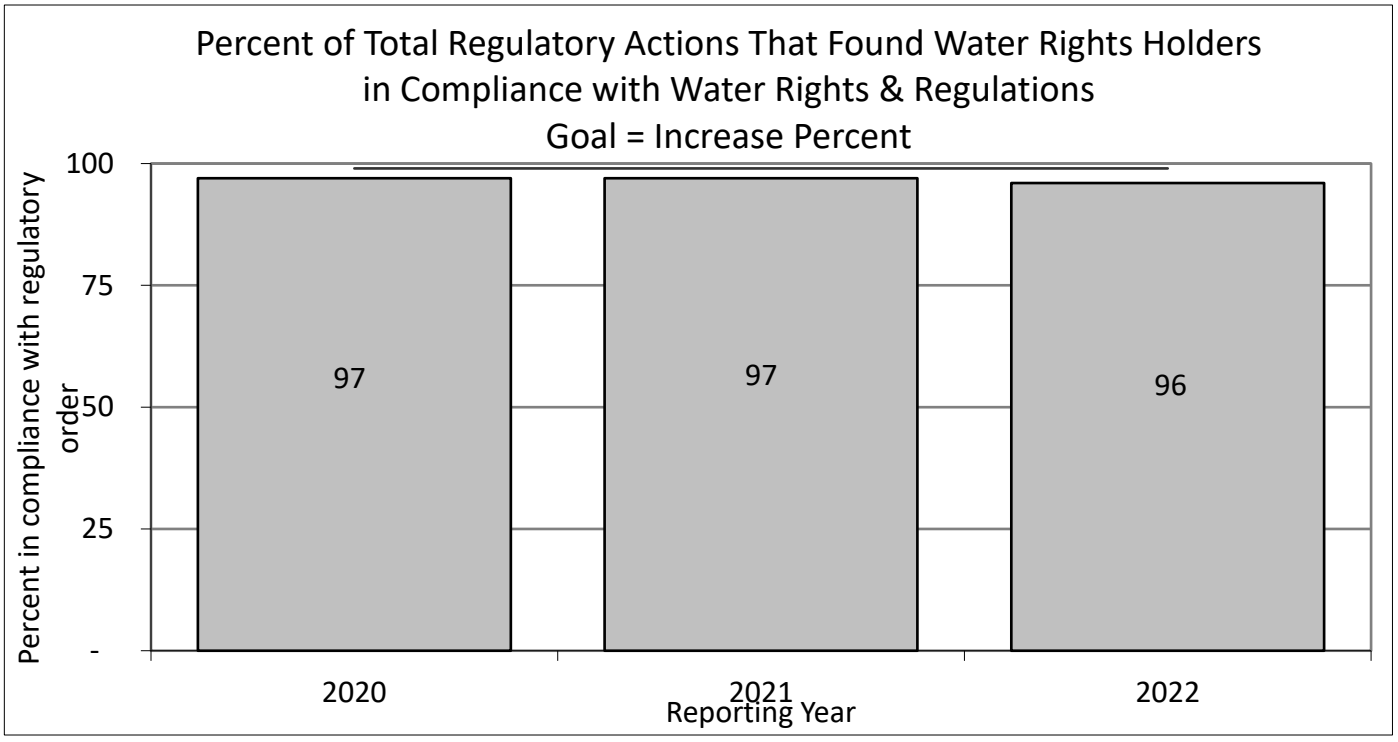
Regulatory activities include any action that causes a change in use, or maintenance, or a field inspection that confirms that no change is needed to comply with water right permit conditions, statutes, or orders of the Department.

Strategy:

- Distribute water according to the Doctrine of Prior Appropriation and enforce against illegal use of water.
- Educate water users about water regulations to achieve voluntary compliance.
- Continue to develop distribution maps and water rights databases.
- Ensure an adequate field presence to maintain a high level of compliance.
- Assess watermaster workloads and priorities and adequacy of laws for curbing unauthorized use.

Trends:

- Compliance rate varies based on water supply conditions; watermasters are likely to have more regulatory actions regarding water use during times of shortage.
- During the 2022 reporting period (2021 calendar year), watermasters had 8,841 regulatory actions, and 23,153 compliance checks.
- A high percentage indicates that water users understand and support the distribution of limited water supplies under Oregon's water code. It indicates that water users trust the watermasters' knowledge, consistency, and integrity.
- This metric does not necessarily reflect compliance with water right conditions or reflect compliance with Oregon water laws - as this only reflects known and tracked activities.



KPM 4 - Increase Understanding of Water Resources: Streamflow Gaging

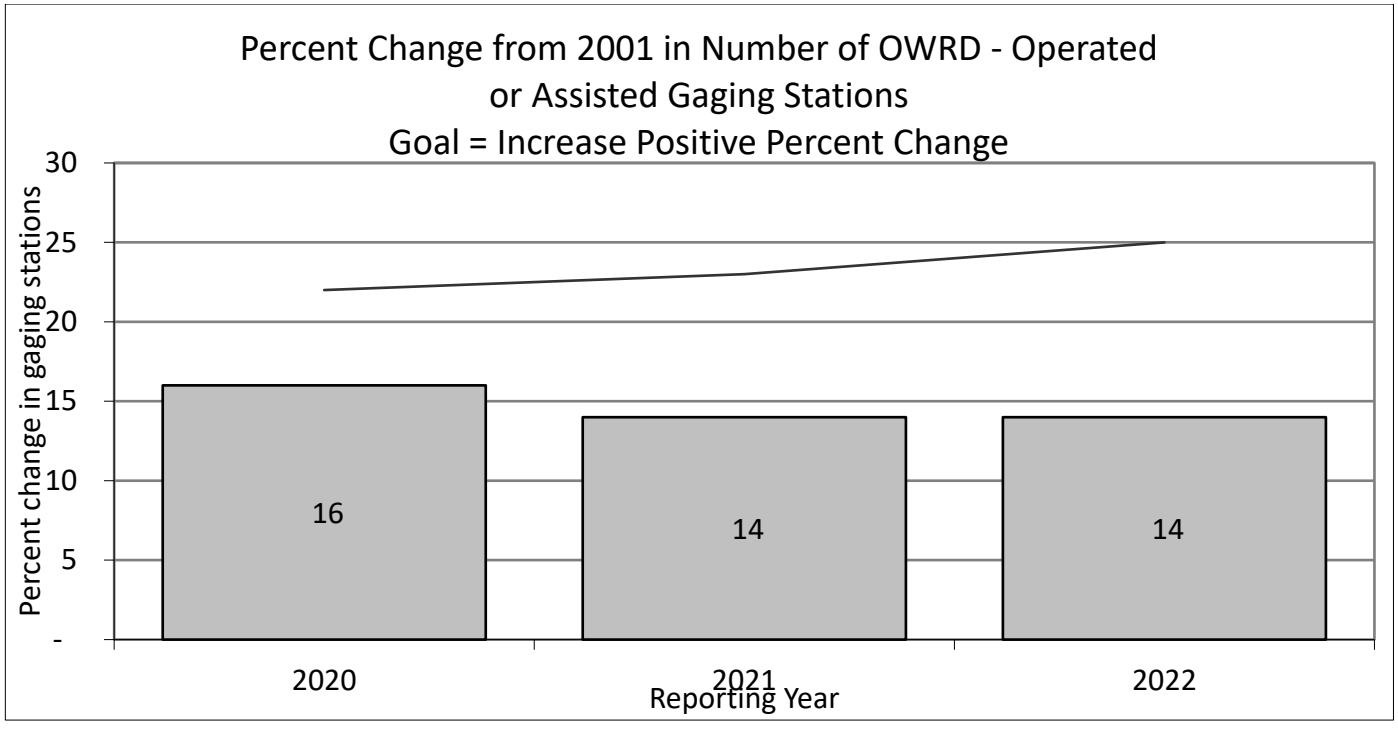
Measured by the percent change from 2001 in the number of WRD operated or assisted gaging stations

Strategy:

- Use watermasters, hydrotechs, and other field staff to collect data and maintain gaging stations.
- Cooperate with the U.S. Geological Survey, U.S. Bureau of Reclamation, and others in collecting data.
- Pursue funding and partnerships to increase monitoring.
- Provide data online.
- Ensure adequate staff and funding to maintain the stations and provide quality assurance of the data.

Trends:

- During the 2022 reporting period, the Department added 1 gage and dropped 1, for a no net change in gages compared to the previous reporting year. This brings the total number of gages operated during this period to 246, a 14 percent increase over the 2001 benchmark.
- Staffing levels have not been commensurate with the continuous workload associated with collecting, maintaining, processing, and analyzing the data from these stations. Some gages have been discontinued due to other workload priorities.
- The Department received American Rescue Plan Act dollars to purchase equipment for new and existing gages, these dollars are being used to install new gages in the 2022 to 2023 year, particularly in support of basin studies and state-wide investigations, though they have not yet been installed.



KPM 5 - Increase Understanding of Water Resources: Assessing Groundwater

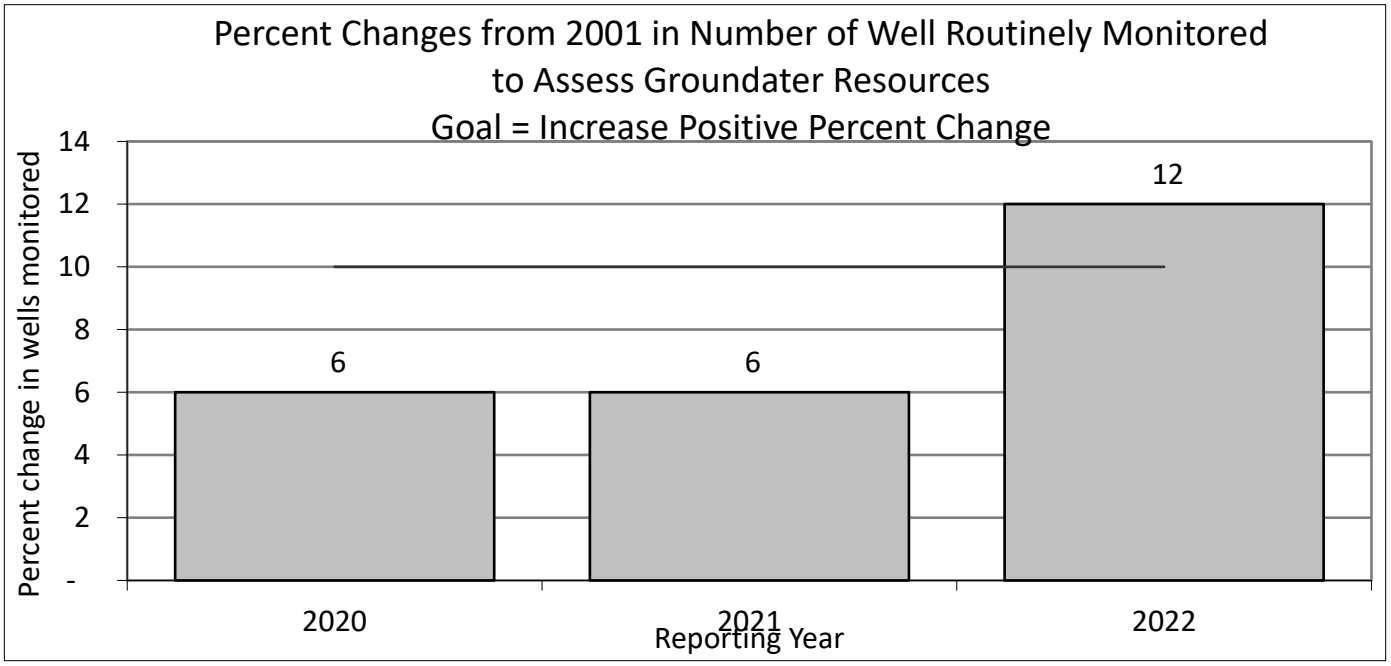
Measured by the percent change from 2001 in the number of wells routinely monitored to assess ground water resources

Strategy:

- Use watermasters and other field staff to take measurements and maintain well network.
- Work with the U.S. Geological Survey, U.S. Bureau of Reclamation, and other entities to collect data.
- Request permission from landowners to gain access to wells and well data.
- Pursue funding and partnerships to increase monitoring.
- Provide data online through the State Observation Well Net.
- Maintain adequate staff to establish, maintain, collect, archive, and analyze data.

Trends:

- Since 2013, the legislature has provided resources to drill new state observation wells. During the 2022 reporting cycle, staff routinely monitored 393 wells in the State's Observation Well Network, compared to 350 in 2001. This is an increase of approximately 12 percent over 2001.
- This KPM does not track all wells and measurements. The Department collected 3,023 water level measurements from 1,235 observation wells.
- Increasing demands on groundwater is making data on long-term water level trends more essential in the Department's ability to manage and allocate the resource.
- Many wells are privately owned; therefore, the number of wells fluctuates each year, based on landowner participation.
- As aging wells are abandoned, access to the well is lost and new measuring sites must be secured.



KPM 7 - Equip Citizens with Information

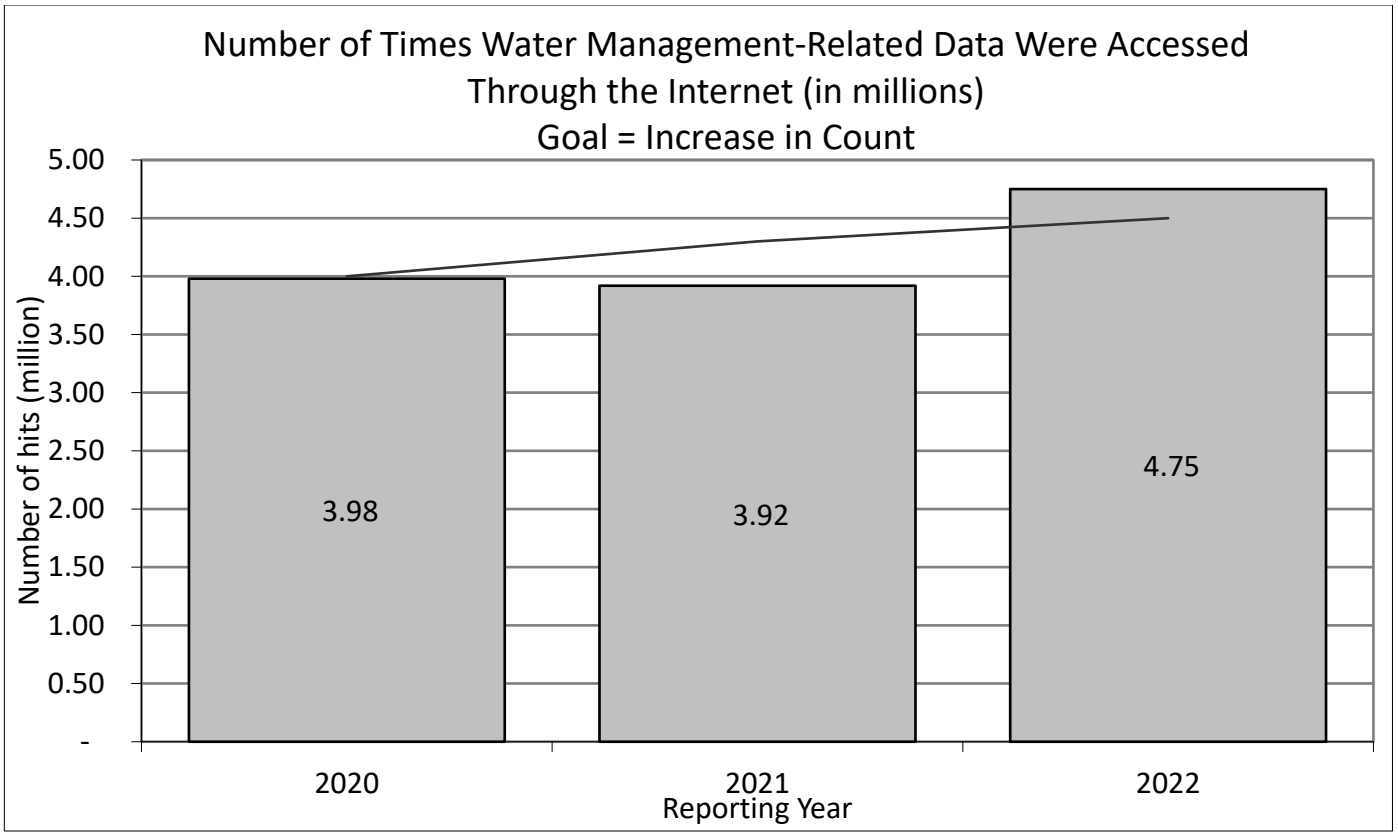
The number of times water management related data is accessed through WRD's website

Strategy:

- Provide data in an accessible and user-friendly format.
- Make water management datasets readily available for use by water users, water managers, and consultants.
- New web applications have been released, but have not been included in this KPM to ensure continuity and parity with historical information

Trends:

- The Department collects information from computer system logs to determine the number of hits received on our website, such as well log transactions, hydrographic records, water availability, water rights, and the document vault.
- In the 2022 reporting period, the Department experienced approximately 4.75 million hits to its website.
- The Department launched an updated website in September 2018, which was focused on making data easier for the public to find.
- In 2021, the legislature funded two communications positions, which will be able to develop more content to keep the public informed about agency activities via our website.



KPM 8 – Fully Implement the Water Resources Commission's 2000 Water Measurement Strategy

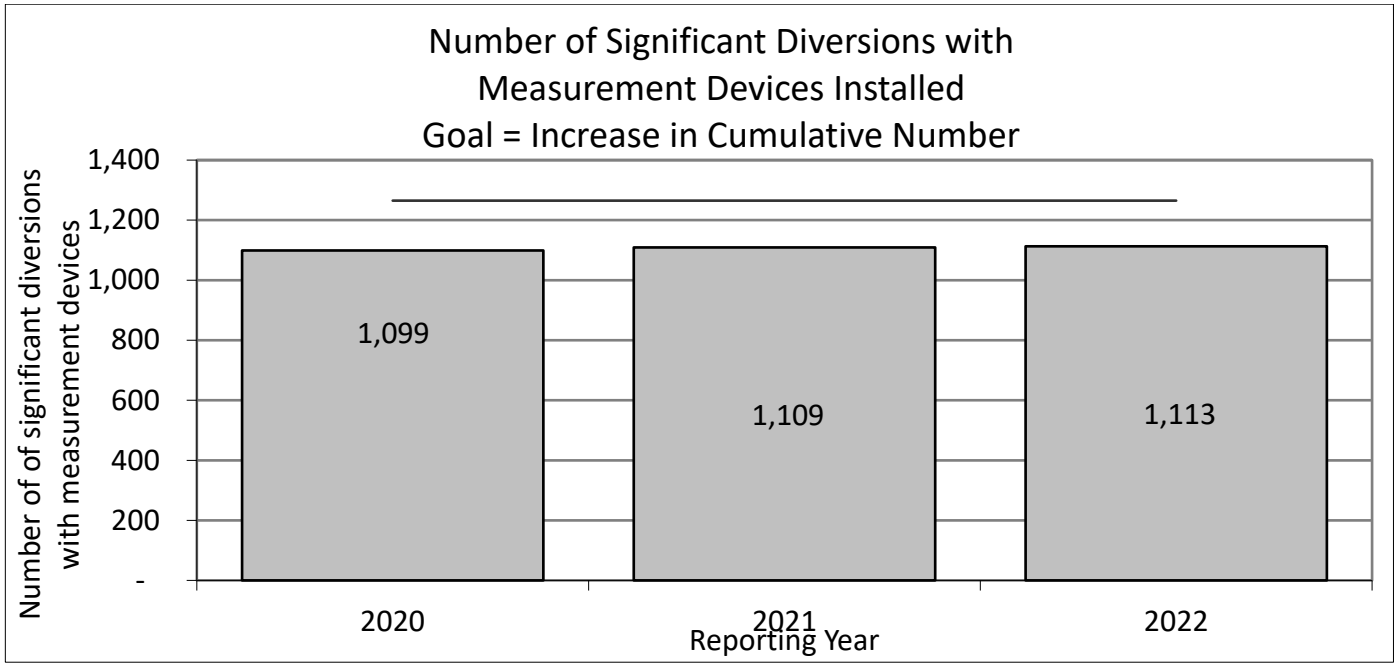
Measured by the number of significant diversions with measurement devices installed

Strategy:

- Pursuant to current law, require measuring devices, where needed, as part of Department permitting process and water management responsibilities.
- Implement the Water Resources Commission's 2000 Strategic Measurement Plan to improve water measurement statewide and by installing measuring devices on 2,385 significant diversions that represent about 10 percent of the overall number of diversions in high priority watersheds, and account for about 50 percent of the volume of water diverted.
- As resources allow, the Department intends to work on a new plan for increasing water use measurement, which may result in proposed changes to this KPM in the future.
- Work with landowners to install water measuring devices (e.g., weirs, flumes, and meters).
- Provide cost-share funding.

Trends:

- Staff efforts, underway since 2000, have resulted in 1,113 measuring devices installed by the 2022 reporting period. In addition, 699 significant diversions are abandoned or not in use. Approximately 501 of the original 2,385 significant diversions still need measuring devices installed.
- It takes significant outreach to bring a landowner onboard with the installation of a measuring device. Success is directly related to time spent by Department field staff working with the landowner.
- This KPM does not account for all of the measuring devices installed annually.
- As more watermaster districts complete the work monitored by this KPM, the number of additional devices installed under this KPM will decline reflecting the fewer staff working on it.



KPM 9 - Promote Efficiency in Water Management and Conservation Plan Reviews

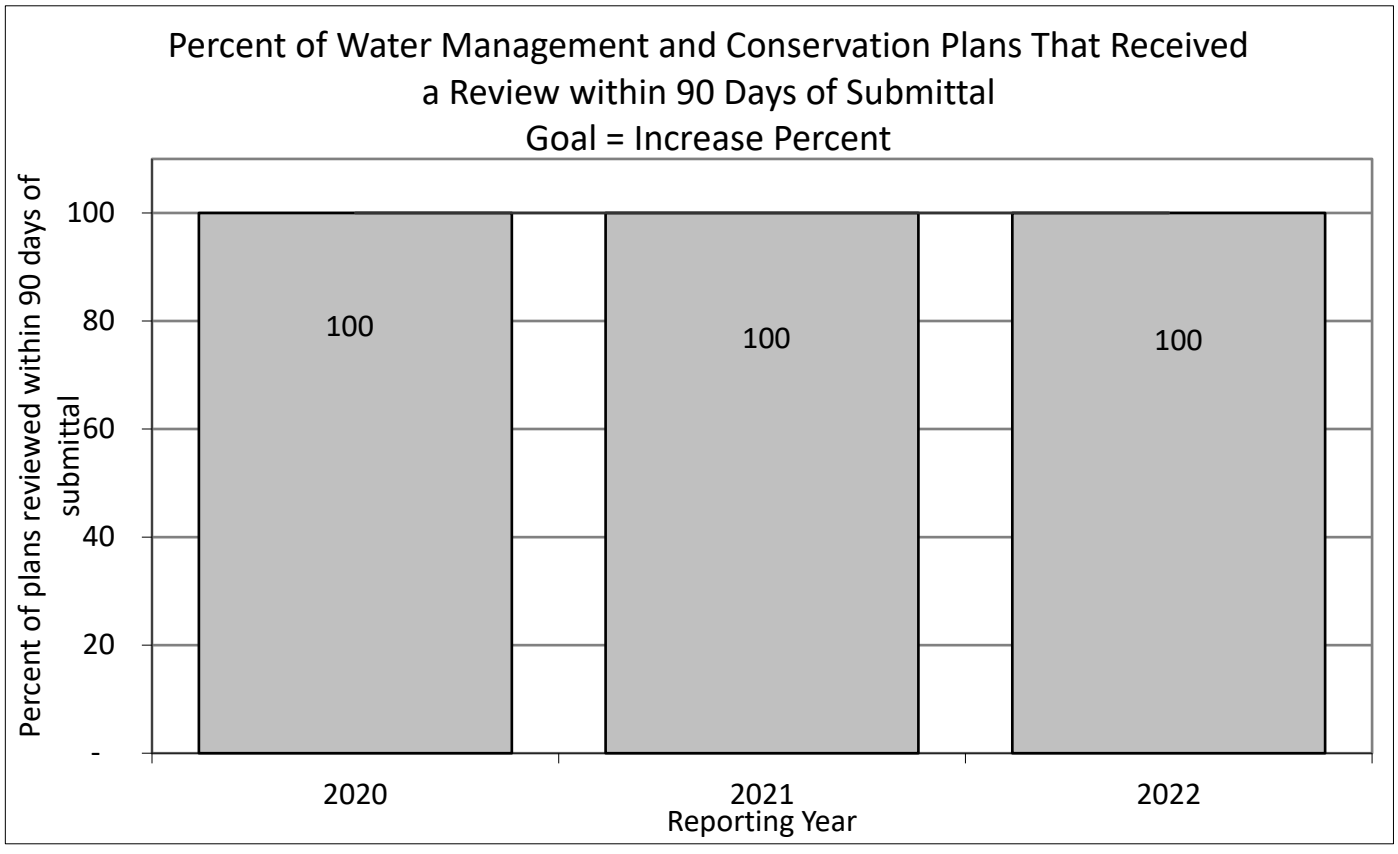
Percent of Water Management and Conservation Plans that received review within 90 days of submittal

Strategy:

- Plans linked to ability of certain municipalities to grow into existing water rights and other conditions.
- Review plans in a timely fashion.
- Conduct outreach and education to improve submission quality and reduce time it takes to review plans.
- Work with key partners to develop tools and educational materials and conduct workshops.
- Support Water Resources Commission policies on conservation and efficient water use.
- Adopted rules in 2018 to address some of the challenges faced by small water providers in developing these plans.

Trends:

- Every year since 2014, the Department has reviewed 100 percent of plans within 90 days of submittal. Staffing resources and outreach to valued stakeholders are key to meeting target.
- Municipal Water Management and Conservation Plans continue to improve in quality, showing increased efficiencies in managing water, preparing for emergencies (curtailment plans), and long-term water supply planning.



KPM 10 - Promote Efficiency in Water Right Application Processing

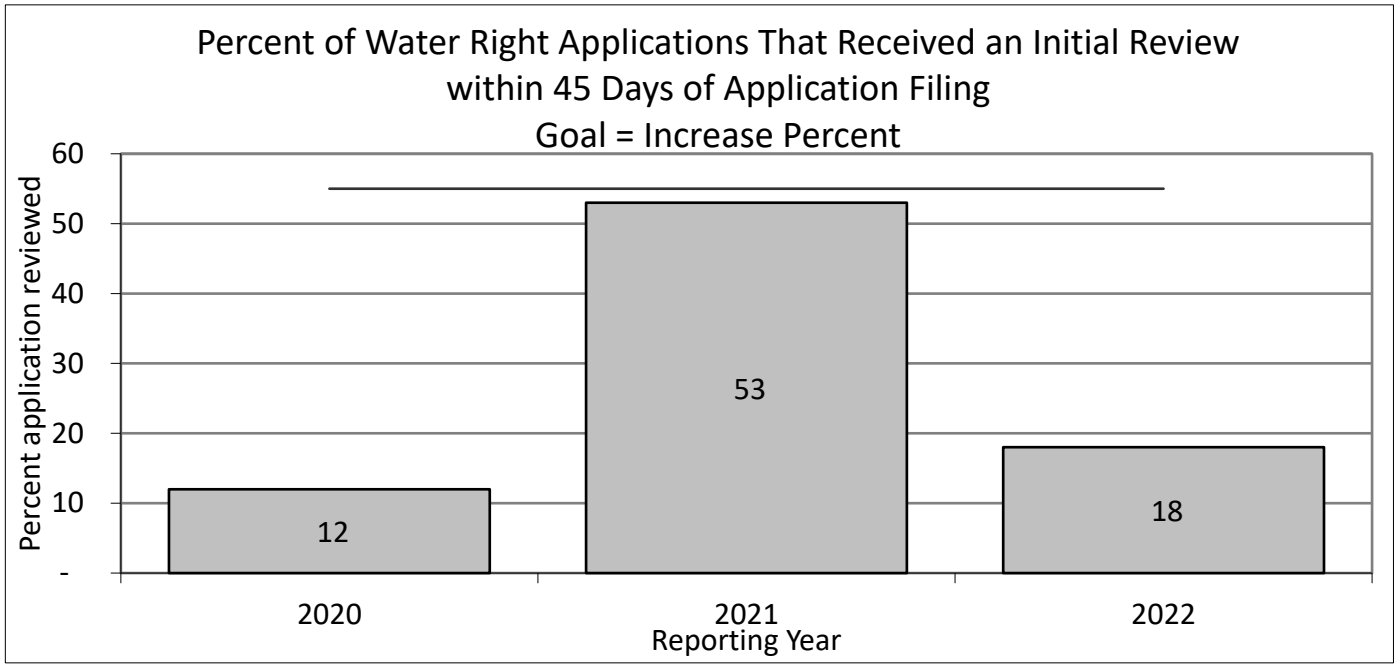
Percent of Water Right applications that receive an initial review within 45 days of application filing

Strategy:

- Utilize technology and streamlining processes to reduce application processing times.
- Reduce backlog of water right applications.
- Pursue adequate groundwater staff to conduct reviews, while not jeopardizing other activities such as basin studies.
- Ensure adequate staff resources to process applications.

Trends:

- The Department's processing times for surface water applications decreased from 50 percent in 2020-2021 to 18 percent for this current reporting period, but consistent with the longer-term performance.
- The 2021 reporting period deviated from the trend, because the Department received 158 instream water right applications. Because these applications were similar to one another and water availability data was readily available for approximately 100 applications, the Department was able to process the Initial Reviews within the KPM target deadline.
- Completing groundwater reviews remains a challenge. Groundwater application reviews represent 86 percent of all incoming applications. Groundwater reviews completed within 45 days was 13 percent.
- Demands on Groundwater Section staff include: 1) persistent drought resulting in requests for drought permits and increased well-to-well interference complaints, 2) staff turnover, 3) involvement in legal challenges and regulation, 4) increasing complexity of permit reviews and modernization of laws, and 5) participation in data studies.
- With additional resources provided by the legislature in 2021, the Department anticipates that, once new staff are hired and trained, the existing backlog can be reduced and this KPM will improve.



KPM 11 - Promote Efficiency in Transfer Application Processing

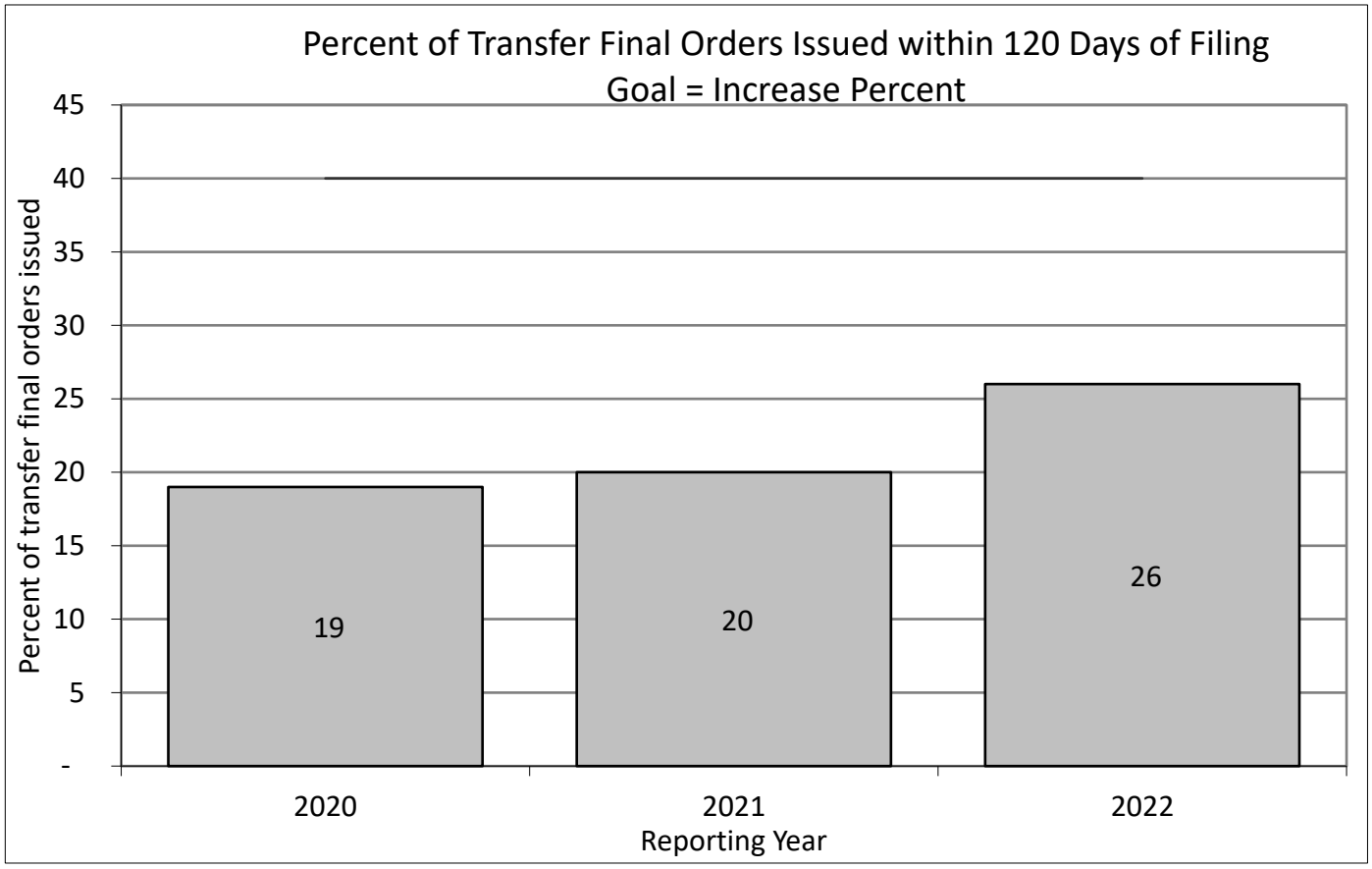
Percent of transfer final orders issued within 120 days of application filing

Strategy:

- Utilize technology to provide more timely and accurate processing.
- Aid applicants in completing and submitting applications.
- Expedite processing under Reimbursement Authority Program.
- Eliminate backlog. Reduce the number of pending applications to less than 212, at which point applications can be processed as soon as they are filed.
- Educate consultants and certified water right examiners about transfer map and application requirements; identify and remedy application deficiencies at the time of filing.

Trends:

- A total of 192 transfer final orders were issued during the reporting period, 50 of which were issued within 120 days of the transfer application being filed. This equates to 26 percent, which is the highest percentage performance achieved for this KPM in recent years.
- Factors causing this KPM's actual percentage to be lower than the target percentage are: 1) transfer staff working on older, more difficult transfers that can take more time to process; 2) the time it takes to conduct groundwater reviews (see KPM 10); 3) increased utilization of the District Temporary Transfer Pilot Project reducing the number of easy-to-process temporary district transfer application; and 4) staff turnover.



KPM 13 – Increase Water Use Reporting

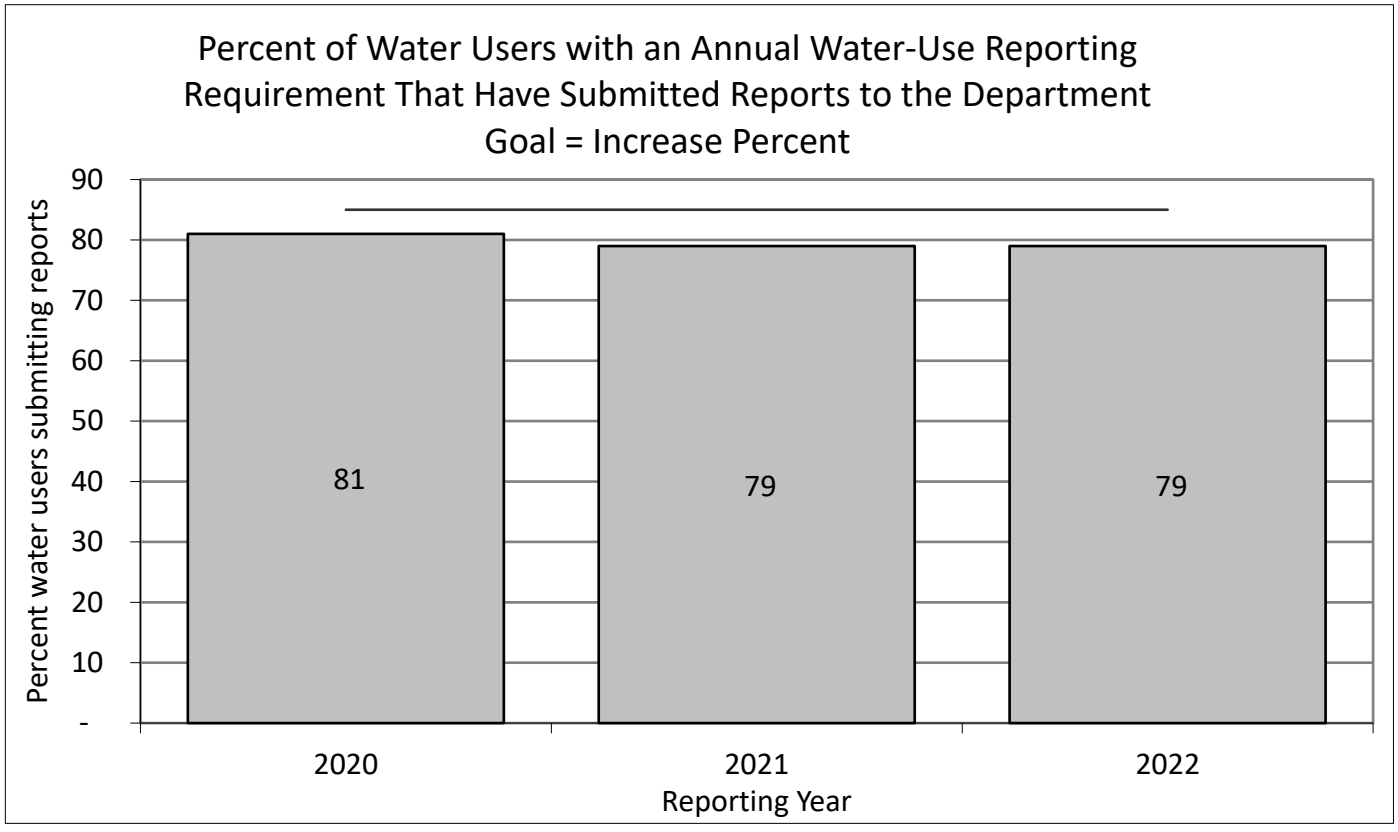
Measured by the percent of water users with an annual water-use reporting requirement that have submitted their reports to the Department

Strategy:

- Water-use reporting by public entities is required by statute and as a condition on newer water right permits.
- Maintain an online reporting form and encourage water-use reporters to enter their data online.
- Mail an annual reminder with the appropriate forms and instructions for recording and entering water use information.

Trends:

- The Department's success with reporting compliance is dependent on having staff to conduct outreach and follow up. Since re-establishment of the Water Use Reporting Coordinator in 2013, the percent of water users submitting water-use reports as required has continued to increase, achieving 79 percent compliance for the 2022 reporting period.
- In 2021, the Department analyzed the data of non-reporters for the 2020 reporting period and found that of the 19 percent not in compliance, 20 percent were government entities, while the remainder were private permit holders. Some that are not in compliance either do not have the equipment or staff resources, or do not have a system to pass on knowledge of the requirement when personnel changes, leading to a lapse in compliance.
- Each additional percent increase in compliance is more difficult to obtain.



KPM 14 - Customer Service Satisfaction

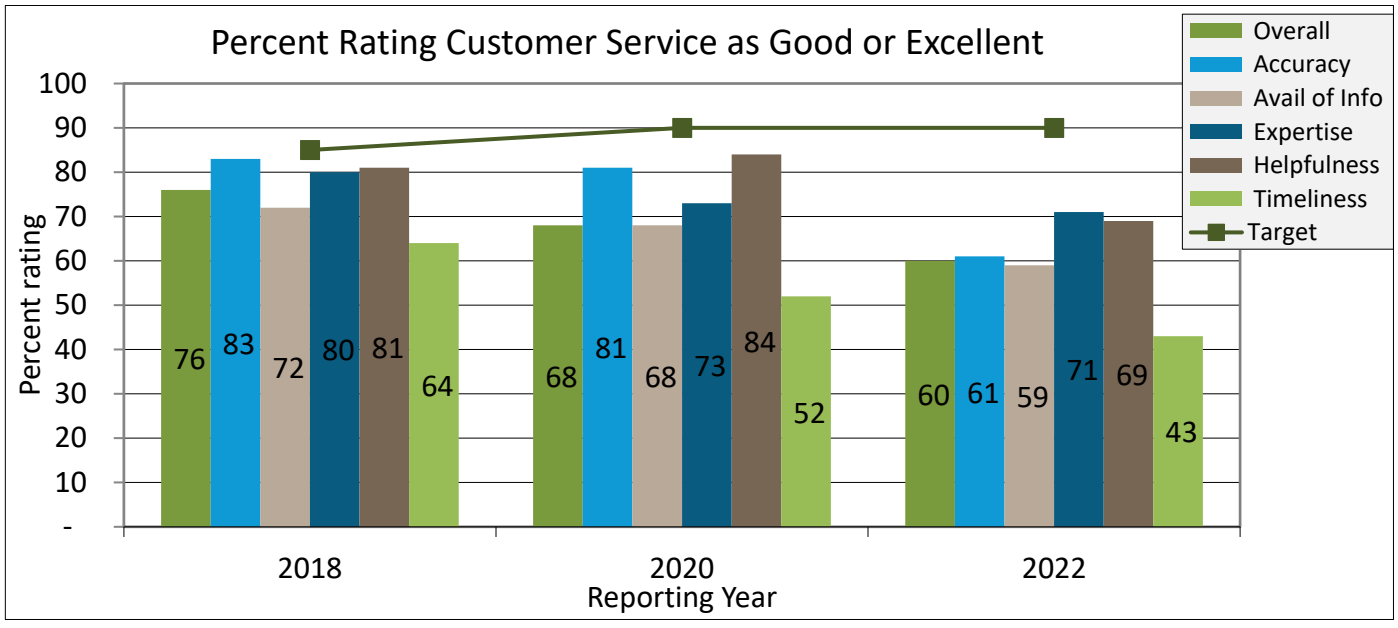
Measured by the percent of customers rating their satisfaction with the Department's customer service as "good" or "excellent" in overall service, timeliness, accuracy, helpfulness, expertise, and availability of information

Strategy:

- Establish a culture of customer service throughout the agency.
- Survey water users who received final decisions from WRD (including transfer, permit amendment, instream lease, water right permit, permit extension, and water right certificates).
- Look at other options for conducting survey to improve response rates and obtain feedback timelier.
- General areas for the Department to work on include: (1) improving processing time and helping applicants realistically understand processing timeframes; (2) developing information to simplify and help applicants better understand the process, criteria and rationale for application criteria and processing times; and (3) identifying methods to address applications that are taking longer than usual.

Trends:

- Timeliness continues to be the Department's greatest challenge and influences ratings within other categories. The Department saw a decline in rankings of "good" or "excellent" for overall performance as well as all other customer service metrics.
- The Department is concerned by the decline in customer satisfaction reflected in the survey results and acknowledges that we have challenges to overcome. Many of the final order recipients who participated in the survey filed their application during or before the COVID-19 pandemic. The downward trend in satisfaction across the survey results may be, in part, a reflection of the disruptions to the working environment during the pandemic.
- Other challenges include the accessibility of information about application processing steps and timelines, staff responsiveness to inquiries, processing timelines for groundwater files, and staff shortages. We are instituting some changes that may lead to short- to medium-term delays but we expect will set us up to provide improved customer service in the future.



Chapter 4: Budget Drivers to Process Improvements

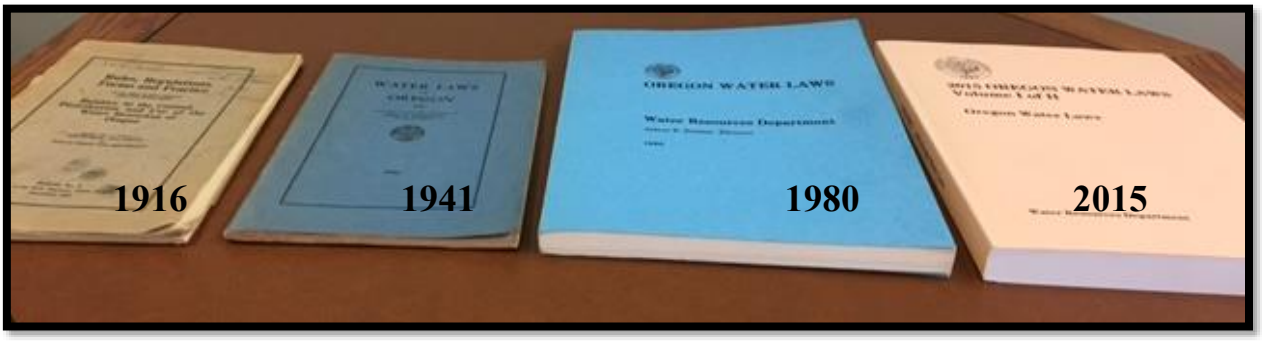
OVERVIEW

Oregon faces a number of challenges today in meeting the water needs of communities, agriculture, industry, as well as for recreation, fisheries, and other instream values. This chapter identifies a number of those challenges and budget drivers for the Department, which are all influenced by the limited nature of the resource, and its importance to everything Oregonians do and care about.

19TH CENTURY LAWS TO MEET 21ST CENTURY NEEDS: AN INCREASINGLY COMPLEX SYSTEM

Water law is an old body of law that is complex. As outlined in Chapter 1, before the adoption of the Water Code in 1909, water claims were staked like mining claims and recorded in the county courthouse. Water was distributed in Oregon through the doctrine of prior appropriation—if you could divert it and maintain that diversion, you could use it. Rights that pre-date the water code are still in place today, meaning the Water Resources Department manages and distributes water for water rights that are in some cases over 150 years old. In addition, some tribal water rights have a priority date of time immemorial.

Over time the laws have grown increasingly more complex and, in some cases, difficult to understand, at times based on an extensive body of case-law. As shown in the picture below of Oregon's Water Laws, the statutes have grown significantly over time. This makes administration of the laws a challenge, particularly as many of the statutes age and the history explaining the original purposes behind some of the provisions is lost with time. These challenges can slow decision-making and increase the likelihood of disputes and litigation. As new needs emerge and there is insufficient water to meet all demands, potential solutions to water challenges often stretch the limits of the existing laws.



LIMITED WATER SUPPLIES AND GROWING NEEDS INCREASE THE IMPORTANCE OF DATA

Surface Water Data

The Oregon Water Resources Department runs a network of stream gages to measure streamflows, which are important in the management of Oregon's surface water and groundwater resources. The data collected are used by a variety of state and federal agencies, water users, the public, and other entities for activities such as making daily decisions, protecting, and monitoring instream flows, forecasting floods, designing infrastructure such as bridges and culverts, planning for recreational activities, better understanding how much water is available for new uses, and tracking long-term trends such as climate and drought. The Department publishes the data online in a centralized database accessible to the public.

With improvements in stream gaging technology in recent years, the Department and our partners have been able to add satellite telemetry to nearly 100 percent of the gages we operate, allowing water managers and the public to see data in near real-time. However, funding for maintenance, equipment updating, and data processing has not kept pace with the need.

Groundwater Data

Groundwater is a complex resource; therefore, the Department uses a number of data sources, as available, to understand it. These include in-depth basin-scale studies, water-level measurements from observation wells, geologic maps, well logs, local and regional studies, and other technical data. Unfortunately, in some parts of the state, significant work remains to characterize groundwater resources. Conducting additional groundwater investigations and improving water resources data collection are Recommended Actions 1A and 1B of the state's 2017 Integrated Water Resources Strategy.

The Department seeks to evaluate groundwater supplies at the basin scale through cooperative studies with the U.S. Geological Survey (USGS). The Department and the USGS have undertaken five basin studies in the Deschutes, Willamette, Klamath, Harney, and Walla Walla basins (initiated in 2021). These investigations are dependent upon a groundwater science budget that matches federal dollars through the USGS Cooperative Study Program. This budget has fluctuated over the years. In recent years, there has been broad support for this work, with the legislature most recently providing funding in 2021 through Policy Option Package (POP) #110 and House Bill 2018, which included resources to expand the agency's capacity for groundwater basin studies, produce groundwater budgets, and expand baseline water level and water use data collection.

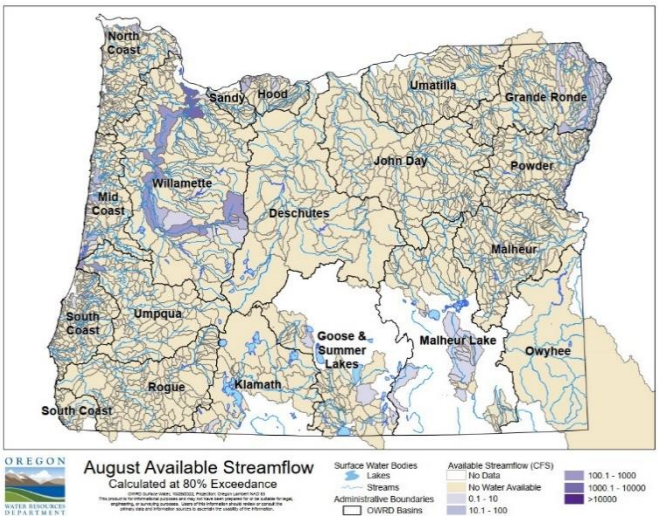
There are twelve areas the Department has identified as a priority for groundwater basin study work. The highest priority basins are the upper Walla Walla Basin (study initiated in 2021), the sedimentary aquifer system of the Lower Umatilla Basin, and the Columbia River Basalt aquifer system of the Fifteenmile Creek basin south of The Dalles. These three basins present groundwater allocation and management challenges related to over-appropriation of water resources and declining groundwater level trends. This group is followed by subbasins or regionally important aquifer systems with documented declining groundwater level trends limiting availability of new groundwater permits or with emerging groundwater management challenges. This tier includes basalt aquifers in portions of the Hood, Lower John Day, and Umatilla basins, the Deschutes Basin aquifer system underlying the rapidly urbanizing Bend-Redmond-Prineville area, the sedimentary aquifer systems of the upper John Day Basin,

and the northern Goose and Summer Lakes Subbasin. The final tier includes aquifer systems in the Grande Ronde Basin and the Rogue Basin that are tributary to State Scenic Waterways, and the Powder Basin where local officials have expressed interest in the Department identifying potentially available groundwater. At current capacity, it will take the Department decades to complete studies in priority basins. The Department has been criticized for making decisions without sufficient available data; therefore, the Department is currently beginning efforts to modernize its groundwater allocation approach to address the rapidly declining groundwater resources throughout the state.

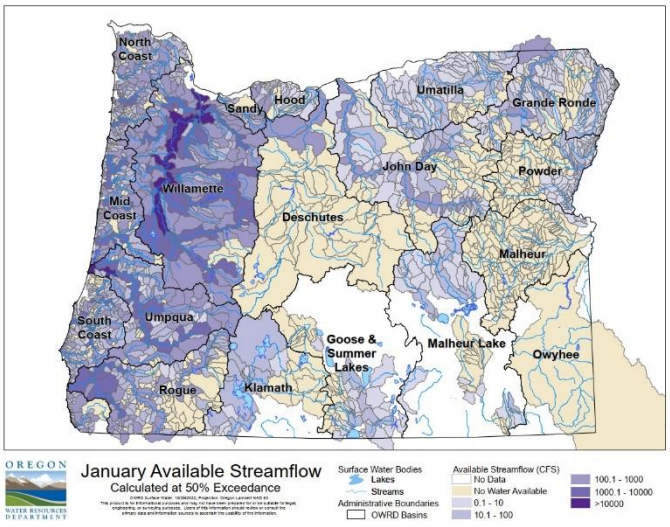
AN ALREADY LIMITED RESOURCE IMPACTED BY DROUGHT AND CLIMATE

Surface Water is Fully Appropriated

Most of the state's surface waters are fully allocated during the summer months. The top map shows where water is available for live flow allocation during the month of August. With some exceptions, the map indicates that throughout the state very little water is available for new live flow allocations (most of the map is color coded tan, meaning no water is available).

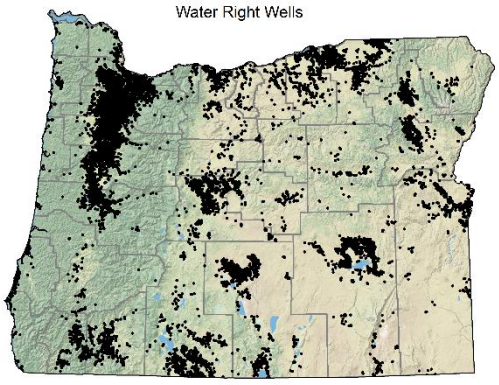


By contrast, the bottom map shows where water is available for allocation during the month of January (representing higher winter flows) and could be used for storage. Comparing the color coding in the legend with the shaded areas of the January map, there are some areas where no water is available, mostly east of the Cascades, but there is a large part of the state where water is available for allocation during winter months (shown in blue).



Surface Water and Groundwater Connection

In some instances, applicants for new groundwater applications are proposing use from groundwater aquifers that are hydraulically connected to surface water.



Injury to existing senior surface water rights can impact the ability to obtain a new permit to use groundwater.

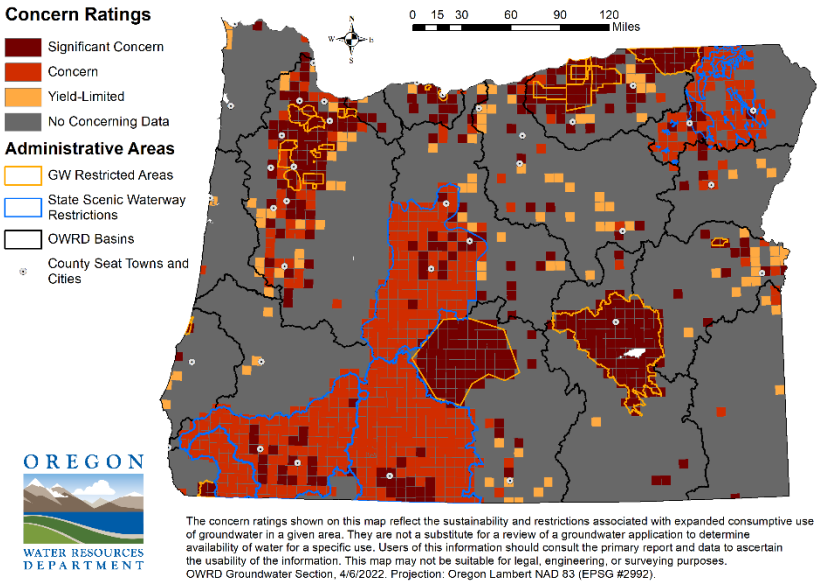
Groundwater is Fully Appropriated in Some Parts of the State

Since Oregon monitors and manages groundwater at the State level, with some exceptions, anyone seeking to use groundwater in the state must obtain a water right from the Water Resources Department. Currently, the Department has a record of more than 250,000 wells, of which approximately 25,000 have water rights. The map

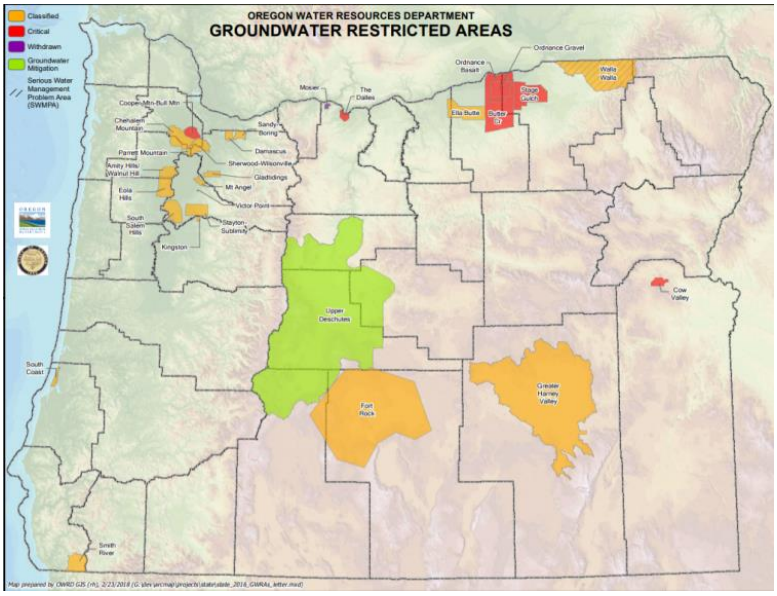
at left shows the distribution of wells with water rights.

As surface water supplies have become fully allocated, Oregon has increasingly relied on groundwater resources. This has resulted in groundwater level declines in several areas of the state, meaning that the amount of groundwater stored in aquifers is decreasing. Over time, this reduced groundwater storage typically draws in or holds in water that would have flowed in streams, and this can significantly reduce streamflows in late summer and fall. In some locations in the state, groundwater aquifers are no longer capable of sustaining additional development. As shown in the map below, the areas in red and dark red are areas show concerns about the sustainability of expanded consumptive groundwater use, while areas in orange have generally poor yielding aquifers for larger uses such as irrigation.

Observed long-term groundwater level declines indicate that water is being used faster than it is being replenished and that the aquifer is unlikely to be able to sustain new development. In some areas, this requires the Department to curtail existing groundwater uses. Within the Butter Creek, Stage Gulch, and Ordnance Critical Groundwater Areas in the Umatilla Basin, as much as 67 percent of the irrigable land has been regulated off to protect the senior groundwater users. Declines are generally associated with large-scale development of groundwater. Decreasing recharge from precipitation also contributes to declines, especially during multi-year periods of lower-than-average precipitation (see drought on next page).



Declining groundwater levels and groundwater connection with surface water have resulted in the need for the Department to designate groundwater management areas into four categories as shown in the map below. Not all areas of known groundwater declines or areas of interaction between surface water and groundwater have been restricted in rule and, therefore, are not depicted on the map.



The map shows Groundwater Management Areas: (1) Critical areas in red; (2) Classified and/or Serious Water Management Problem Areas

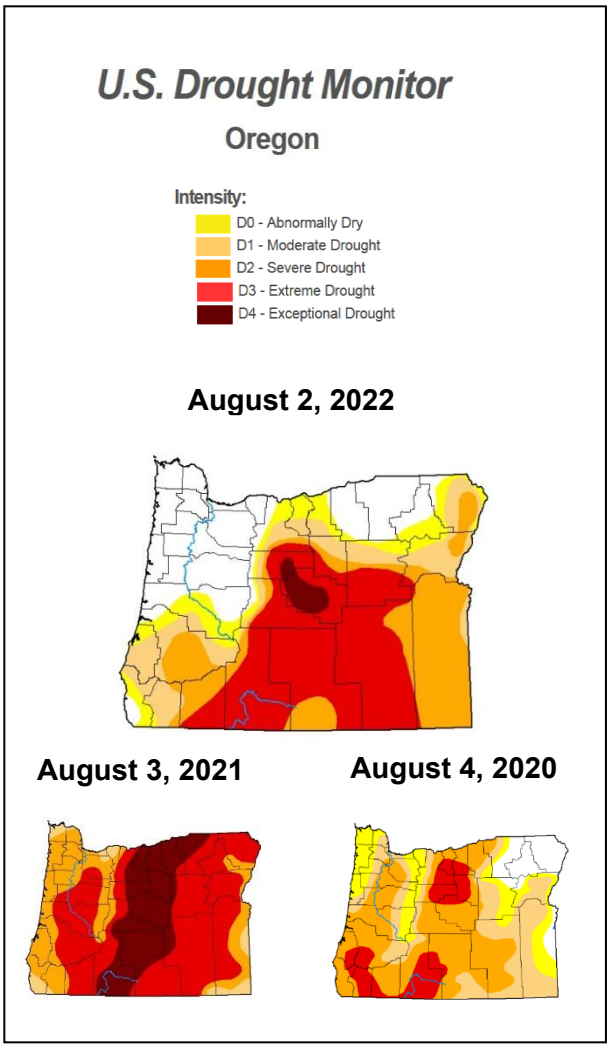
dare in orange; (3) Withdrawn areas in purple; (4) Mitigation program area is in green.

DROUGHT

Drought Regularly Occurs in Oregon

Although drought is not an abnormal occurrence in Oregon, it has been occurring frequently in recent years leading to long-term scarcity that is not easily managed with existing appropriated water rights. Oregon and the western United States are in the worst megadrought on record. A megadrought is a period of extreme dryness that lasts for decades. Although there have been individual years of wet conditions over the past two decades, on average conditions have been drier than any other 22-year period in the past thousand years. In 2021, Oregon experienced severe-to-extreme drought across the entire state, resulting in 26 counties receiving a drought declaration – more than any other year since 1992, when a statewide declaration was issued. In 2023, the Governor received drought declaration requests from Crook and Jefferson Counties in January, which is unusually early in the season but reflects the severity of ongoing drought in the region.

Droughts are a slow-moving disaster, in that impacts develop over time and may persist long after rain and snowfall returns. The maps to the right show the U.S. Drought Monitor for Oregon. White areas of the map indicate no drought, with the intensity of drought indicated by increasingly darker colors.



Impacts of Drought on Workloads

During drought, Department workloads increase. Field staff receive more calls for water by senior water right holders and fewer instream water rights are met. Workloads for the Water Rights Services Division and the Groundwater Section increase as staff process requests for drought transfers and drought-related permits. The Groundwater Section also responds to increased dry well complaints and assertions of interference. The Technical Services Division chairs the Drought Readiness Council and Water Supply Availability Committee, which are integral to monitoring drought conditions, assessing drought declaration requests, and coordinating between agencies. The Director's Office shifts from policy, planning, and other work towards drought response efforts, including responding to public and press inquiries about drought. The 2021 drought, for example, left some staff in catch up mode, delaying other strategic priorities, especially with the increase in dry well complaints. Droughts are expected to occur more frequently in the future with climate change, which poses a challenge for the Department to manage the increased workloads.

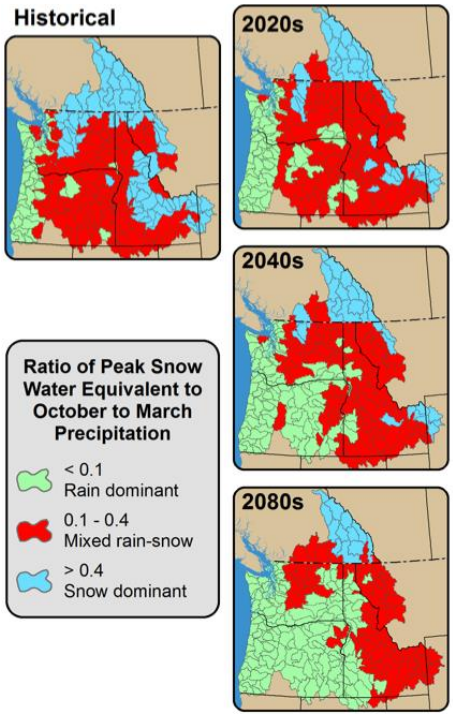
Task Force on Drought Emergency Response

House Bill 4113 (2016) established the Task Force on Drought Emergency Response. In November 2016, the Task Force released a full report, highlighting several recommendations for addressing drought emergencies. The report is available online at: https://www.oregon.gov/owrd/WRDReports/Draft_Final_Task_Force_Report_11_1_2016_Final.pdf.

THE IMPACTS OF CLIMATE – DECLINING SPRINGTIME SNOWPACK

As discussed in *The Fifth Oregon Climate Assessment Report* (2021), climate models project Oregon's temperature on average to increase 8.2°F by the 2080s at current greenhouse gas emission levels. As Oregon's temperature increases, the percentage of precipitation that falls as snow will be significantly less.

The figures to the right from a 2013 report show potential shifts from mixed-snow to predominately rain-driven systems over time.



Hamlet et al. 2013, as cited in Dalton, M.M., P.W. Mote, and A.K. Snover [Eds.]. 2013. *Climate Change in the Northwest: Implications for Our Landscapes, Waters, and Communities.*

Significant declines in snow-water equivalent (the amount of water in the snowpack) in the Pacific Northwest and a shift in precipitation from snow to rain (coinciding with increases in air temperature) since the 1950s are all well documented. Precipitation arriving as rain instead of snow could pose several challenges for water supplies, as well as water managers and instream and out-of-stream water uses, such as flashier flood-prone rivers, decreased summertime run-off to surface water, and reduced recharge to groundwater aquifers.

Areas dependent on snowpack for summertime water could see significant decreases in water supplies when it is most needed. Loss of snowpack means less water will be available to meet instream and out-of-stream needs during summer and fall months. This issue will be compounded by the potential for warmer and drier summer months and a longer growing season.

Recent drought conditions are similar to these forecasted scenarios, where warm winter temperatures led to record low snowpack, poor water conditions, and widespread drought.

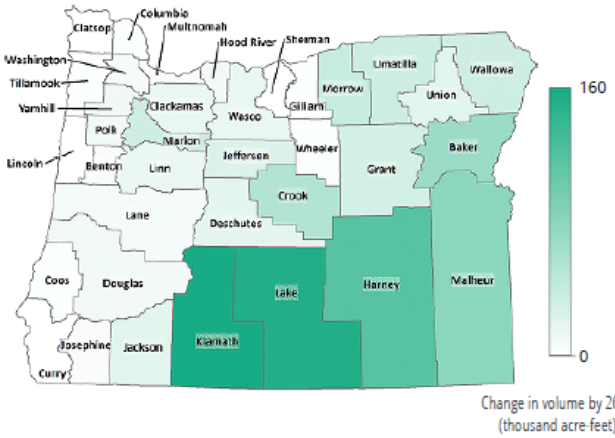
In the future, a suite of tools will need to be implemented to better respond to and prepare for drought. These include traditional tools such as water conservation, reuse, and storage, as well as other non-traditional means. More work is needed to understand how the loss of this natural "snowpack" storage can be mitigated through structural and non-structural means.

DEMAND FOR A LIMITED RESOURCE

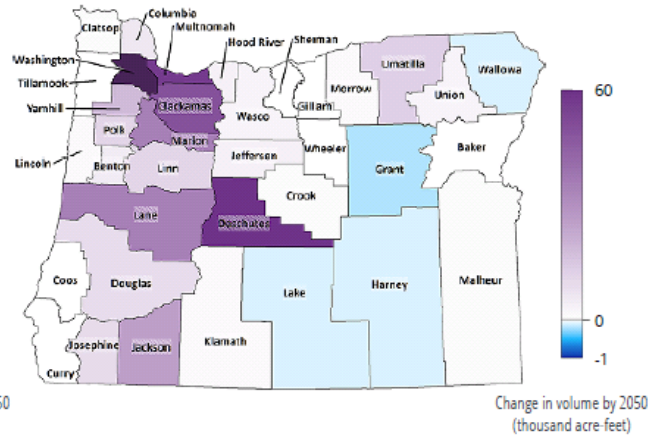
Oregon communities, along with Oregon's fish and wildlife, are already facing limited water supplies today. The 2015 Demand Forecast describes potential long-term water needs in an Oregon that may not be able to rely on historic patterns to predict future rainfall and snowpack. The estimated total change in water demand rests on numerous assumptions about the future, assumptions that communities, governments and private partners can address together.

By 2050, Oregon's statewide diversion demands may grow by approximately 1.3 million acre-feet/year

The 2015 studies, scenarios, and assumptions included a projected increase in both population and a longer, warmer growing season, leading to more demand from agricultural, commercial, residential, and industrial water users by 2050. This is in addition to instream demands, which were not assessed in the 2015 Demand Forecast study. The figures below illustrate the findings of the forecast.



Change in volume by 2050 (thousand acre-feet)



Change in volume by 2050 (thousand acre-feet)

INCREASES IN AGRICULTURAL DEMANDS

UP TO 9%	UP TO 8.5°F	UP TO 14%
Increase in the total consumption of water by Oregon's crops	Increase in temperature by mid-century	Increase in statewide average irrigation demands

Changes in agricultural water demand are expected from a range of possible changes in the climate that result in: prolonged agricultural growing seasons, increased day-to-day crop water consumption, and a larger annual water demand for sustaining Oregon's current agricultural lands.

CHANGES IN MUNICIPAL & INDUSTRIAL DEMAND

20%	40%	+1.5 GALLONS PER DAY
Projected increase in M&I demands	Projected increase in population statewide (~1.5 million people)	The statewide average M&I water use is expected to increase slightly, from 150.5 to 152 gallons per day, per person.

Shifts in municipal and industrial water demands are expected to echo increases and decreases in each county's population. The areas with the largest predicted increases in population include existing major population centers of the state.

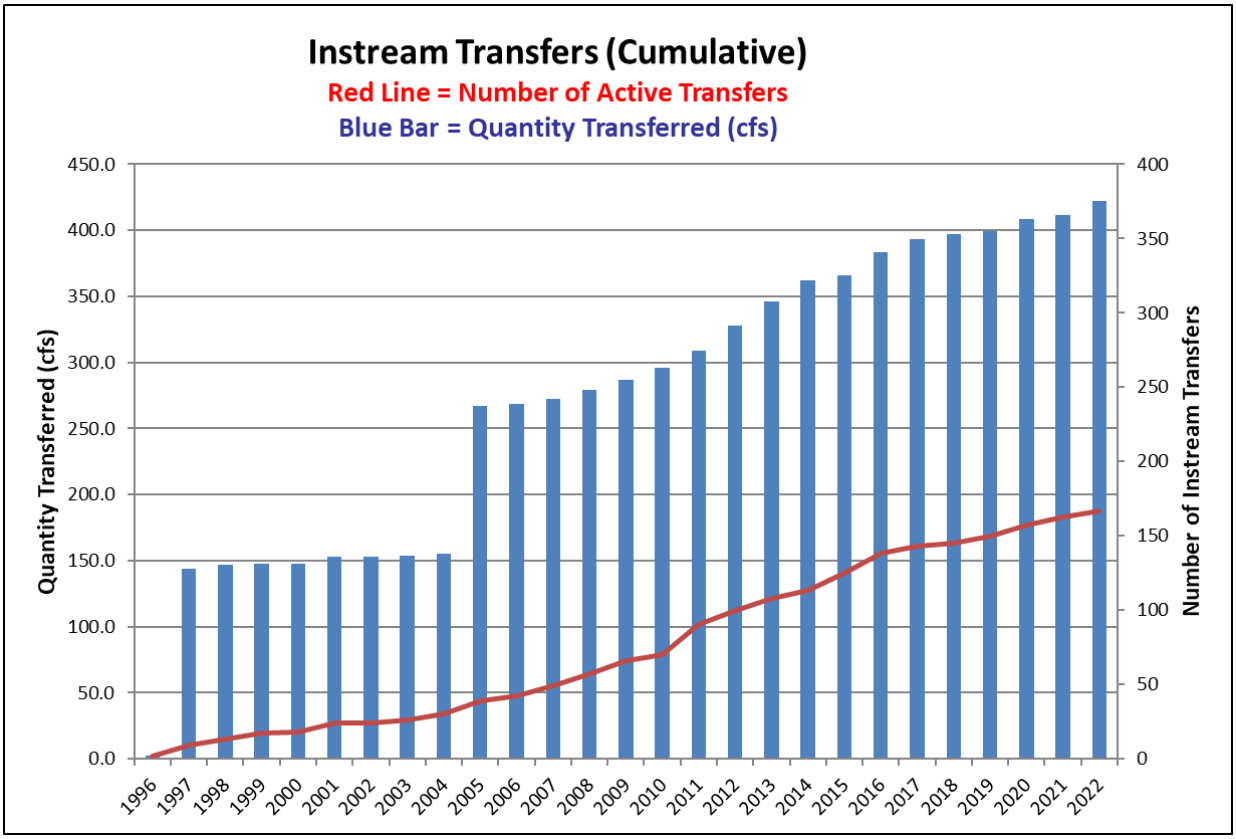
MEETING INSTREAM NEEDS: STREAMFLOW PROTECTION

The Department has a dual mission, which includes restoring and protecting streamflows. To accomplish this, the Department processes instream leases, transfers, allocations of conserved water, new instream water right applications, and converts unused hydroelectric rights to instream rights. The Department's grant programs also incentivize consideration of instream uses. Further, to the extent staff resources and workloads allow, Field Staff monitor streams with instream rights and regulate junior users to protect instream water rights.

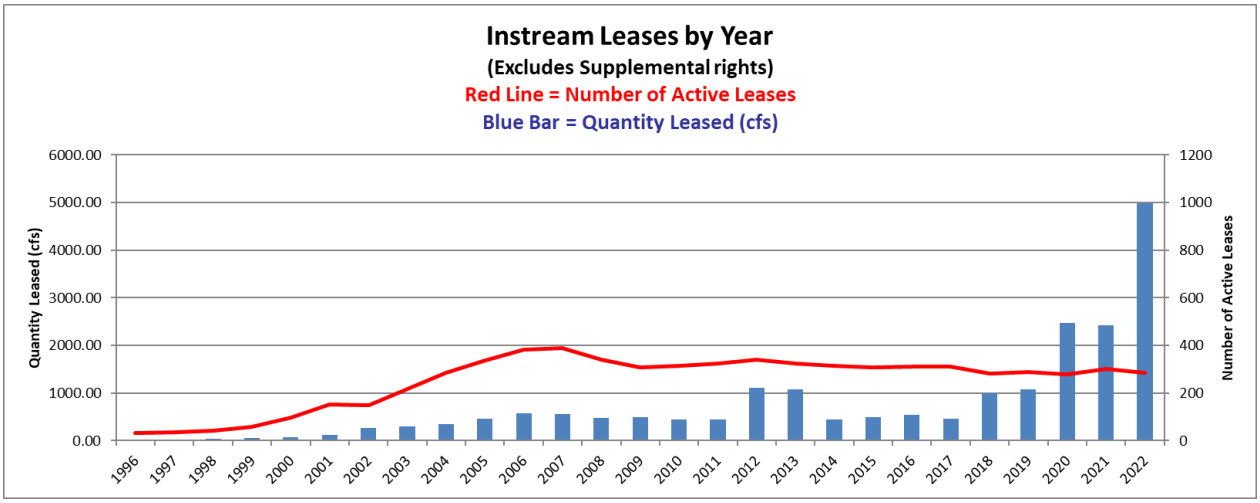
Since the adoption of Oregon's 1987 Instream Water Right Act, the Department has converted more than 550 of the state's minimum perennial stream flows to instream rights and has issued more than 1,060 state agency-applied-for instream water rights.

The Oregon Department of Fish and Wildlife has recently submitted new instream water right applications to the Department to process. In 2019, the Water Resources Department issued 80 final orders on instream water right applications applied for in the prior two years. In 2020, Oregon Department of Fish and Wildlife filed 150 new instream water right applications; since then all but one of those instream right applications have been protested.

As shown in the graph below, the Department has processed 167 permanent and long-term instream transfers, representing approximately 409 cfs.



During 2022, there were 285 active instream leases totaling 4993.92 cfs (see graph below). Five of those leases were power rights protecting 4726.22 cfs instream. The instream leasing program also benefits greatly from active partnerships with conservation groups.



The Department has approved 99 applications for allocations of conserved water, resulting in approximately 250.23 cfs permanently protected and reserved temporarily instream. This innovative program is unique in that it allows water users to use a portion of the water conserved on new lands, while also requiring a portion of the water to be put instream.

MEETING FUTURE NEEDS

Oregon communities, along with Oregon's fish and wildlife, are already facing limited water supplies today. Surface water is almost completely allocated, and as we increasingly rely on our groundwater resources, water levels are dropping rapidly in some areas of the state. Water scarcity jeopardizes public health, welfare, and quality of life, as well as the health of ecosystems. The Commission and Department recognize the need to address very pressing and critical water needs in Oregon's communities, while simultaneously engaging in longer-term strategic initiatives to proactively address challenges. In recent years, funding for planning efforts, evaluating project feasibility, and investing in water projects has been a major driver in the Department's budget and is a critical component to meeting Oregon's water needs. More details about the Department's grant programs are included in Chapter 3 and Chapter 7.

Oregon Water Vision

In the Fall 2019, the State in partnership with water interests, worked to conduct outreach to develop Oregon's Water Vision. A summary of the State's efforts and lessons learned are included online at www.OregonWaterVision.org. The effort resulted in a modified Water Vision for Oregon and a call to action. Excerpts from the Water Vision follow:

> *Vision Statement* - To address changes in climate and population dynamics, Oregonians will take care of our water to ensure we have enough clean water for our people, our economy, and our environment, now and for future generations. Oregonians will invest strategically in infrastructure and ecosystems across all regions to support resilient communities, vibrant local economies, and a healthy environment for all who live here.
>
> *Goals* - Each goal below is important. No single goal can be fully realized independent of the others. Recognizing that tension, we need to invest in a range of innovative solutions that work in balance for our shared water future.
>
> Health: Clean water for all who live in Oregon Water should be fishable, swimmable, and drinkable. Investments in ecosystem health and built and natural infrastructure will provide reliable access to clean water.
>
> Economy: Sustainable and clean water to support local economic vitality Diverse and resilient agricultural, timber, fishing, hi-tech, energy, and recreation economies require a reliable and clean water supply. Investments in built and natural water infrastructure will support high quality jobs across all Oregon communities.
>
> Environment: Adequate cool, clean water to sustain Oregon's ecosystems for healthy fish and wildlife Cool, clean water and healthy forests, wetlands, riparian areas, streams, and estuaries provide essential natural processes that maintain and enhance water quality for fish and wildlife. Investments in ecosystems also provide recreational opportunities for those who live in and visit Oregon.
>
> Safety: Resilient water supplies and flood protection systems for Oregon's communities Natural and built water systems designed to protect communities, and increase their resiliency to disasters like earthquakes, wildfires, floods, drought, and sea level rise, are important for all Oregon communities. Investments in those systems will help create safer communities and healthier ecosystems.

Call to Action - Oregon's limited water supplies are already being shaped by climate and population changes. We must both act now and plan for the long term. How we choose to care for our water will determine if we pass a legacy of clean and sustainable water to future generations.

Infrastructure Challenges: Aging Dams

Aging infrastructure will require a consistent and sustained effort to address, requiring both investments in Department staff to evaluate aging dams and require individual dam owners to address deficiencies, as well as funding to help owners address deficient dams. Dams represent one category of the aging infrastructure portfolio in Oregon that underscores the magnitude of investment necessary. A 2012 report by a subcommittee of the Association of State Dam Safety Officials estimated "that the cost to rehabilitate non-federally regulated dams in Oregon could cost $685 million. This includes dams in all hazard rating categories."

The Department regulates dams across the state and ranks dams based on hazard ratings. There are 76 high hazard dams, 154 significant hazard dams, and 712 low hazard dams that are regulated by the Department. Failure of a high hazard dam would likely cause fatalities. Failure of a significant hazard dam is unlikely to cause fatalities, but major property damage would likely occur. A low hazard dam poses little risk to people and limited risk to property. Determination of hazard rating requires detailed inundation analysis through hydrologic and hydraulic modelling. Hazard ratings for dams require periodic evaluation, as low or significant hazard dams can become high hazard dams over time as populations grow downstream. The Department has limited capacity to re-evaluate the hazard ratings of dams. The table below provides a summary of the condition of high hazard dams that are in poor or unsatisfactory condition.

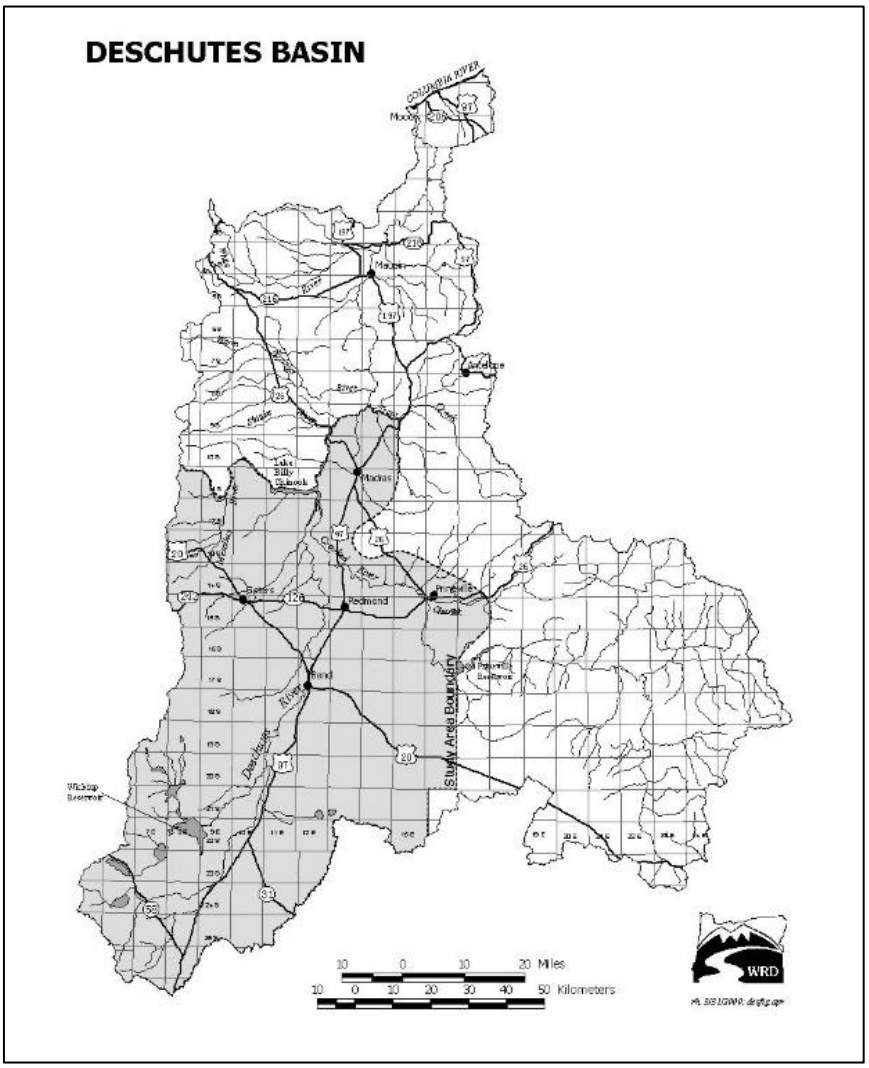
Dam Name	Owner Name	County	Condition
Barnes Butte	Debaca Land & Cattle LLC	Crook	Poor
Bear Creek	City of Astoria	Clatsop	Poor
Big Creek #1 (Lower)	City of Newport	Lincoln	Poor
Duggan	Randall G and Agela Lomonaco	Jackson	Poor
Hayhurst	City of Drain	Douglas	Poor
Jubilee Lake	Oregon Department of Fish and Wildlife	Union	Poor
Lonesome Lake	Heartwood Properties LLC	Malheur	Poor
Mercer	City of Dallas	Polk	Poor
Morgan Lake	City of La Grande	Union	Poor
Osborne Creek	Cascade Ranches	Jackson	Poor
Pole Creek	Orchards Water Co.	Malheur	Poor
Pony Creek - Lower	Coos Bay - North Bend Water Board	Coos	Poor
Wageman	Carole Buchhelm	Douglas	Poor
Walch Dam	Snattlerake Hills, LLC	Jackson	Poor
Wallowa Lake	Wallowa Lake Irrigation District	Wallowa	Poor
Winchester	Winchester Water Control District	Douglas	Poor
			Poor
Big Creek #2 (upper)*	City of Newport	Lincoln	Unsatisfactory
Ferry Creek	City of Brookings	Curry	Unsatisfactory
McMullen Creek	Josephine County	Josephine	Unsatisfactory
Willow Creek 3 (Malheur)	Orchards Water	Malheur	Unsatisfactory
Woodrat Knob	Cascade ranch	Jackson	Unsatisfactory

Due to the potentially significant costs and limited funding, the Department works to understand the consequences of failure and the risks to dams that could result in failure or a serious safety incident. Better understanding the risks to dams and the impacts of failure can help prioritize repairs and funding. As a result, the Department has in recent years sought resources to evaluate dams across the state. With climate change and increased risks of flood events, as well as a better understanding of the risks posed by a Cascadia earthquake, this work is increasingly important. In 2021, the Department received funds to contract for professional engineering services to perform flood methodology, inundation assessments, and engineering analyses for dams.

ADDRESSING COMPLEX WATER ISSUES

The Deschutes River Basin

In the 1990s, a multi-year groundwater study conducted by the Oregon Water Resources Department and U.S. Geological Survey quantified the hydraulic connection between groundwater and surface water in the Deschutes Basin. The USGS groundwater model was updated in 2017. Since surface water is fully allocated in the Basin, this means that new withdrawals of groundwater would negatively affect state scenic waterway flows.



Due to the hydraulic connection, the Department now requires mitigation before issuing new groundwater right permits. A large portion of this mitigation is achieved through the purchase of mitigation by credits from a "bank" administered by the

Deschutes River Conservancy, the remainder is through private interests. The program has allowed for continued economic development while protecting the stream flows; however, some interests in the basin have expressed a need to review the mitigation program. The Department completed a five-year program review in 2021, which concluded that generally, the Deschutes Groundwater Mitigation Program has worked well and that the key goals of maintaining scenic waterways and instream water right flows in the basin were met. The review also identified potential program improvements.

The Deschutes Basin continues to face challenges meeting its water needs for agriculture, growing industry, endangered and threatened species, and growing cities. In 2013, the Oregon Legislature provided funding for the *Bureau of Reclamation Deschutes Basin WaterSMART Study*, a multi-year study to understand imbalances in water supply and demand for both instream and out-of-stream needs in the upper Deschutes Basin and explore different strategies to address these imbalances. The $1.5 million dollar study was completed in 2019 with the support of over 37 diverse stakeholders and significant technical assistance from the Department.

The newly formed Deschutes Basin Water Collaborative is building on past investments, including the Basin Study, to identify and implement broadly supported projects and actions, while also developing a basin-wide water management plan. The Department is a partner in this planning effort and is also providing modest technical assistance and data as resources allow. Due to limited staffing and the complex nature of the work, the Department has been unable to work on some of the issues of interest to the basin or has done so at a pace that is slower than desired by all parties.

The Department continues to work with parties in the basin to evaluate longer-term solutions to address the needs of the spotted frog in the basin, which prompted litigation in 2016. A Habitat Conservation Plan was released in 2019 and identified measures to provide water to mitigate impacts to the spotted frog and other endangered species.

The Department has noted groundwater declines in some portions of the basin. As such, some stakeholders have also expressed an interest in reviewing groundwater issues more generally beyond the scope of the mitigation program.

In 2021, the Department received a position and $200k in general fund for contracting through Policy Option Package (POP) #111 (total $422k General Fund) to support to work on complex water issues within the basin and other basins in the state.

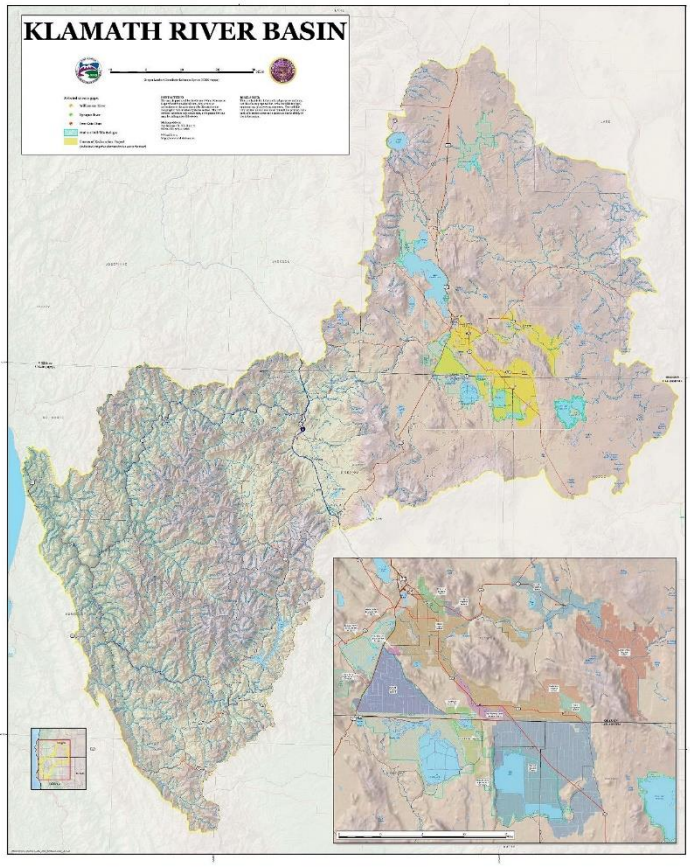
The Klamath Basin

There are longstanding disputes in the Klamath Basin over water, dating back to the beginning of the Klamath Basin Adjudication in 1975. In 2013, the Department issued the Finding of Fact and Order of Determination in the adjudication and referred it to the Klamath County Circuit Court. The Department filed an Amended and Corrected Findings of Fact and Order of Determination (ACFFOD) with the court in 2014. With the administrative phase of the adjudication complete, the law requires the Department to regulate water use based on the determined claims contained in the ACFFOD by priority according to prior appropriation, while the adjudication proceeds through the court. Regulation of surface water for determined claims began in 2013. As part of the adjudication and based on court decisions, the Klamath Tribes were found to have determined claims for many of the streams and Upper Klamath Lake, with a priority date of time immemorial.

The Klamath Basin is fully appropriated during all months, requiring extensive, staff dependent, water use regulation. This has resulted in water users filing numerous legal actions in both state and federal courts against the Department. This difficult situation is made worse during times of drought, which the

basin has experienced frequently in recent years. Considerable time and effort has been made over decades to address water needs and water management issues within the basin in partnership with stakeholders. The basin has and will continue to be an area of significant focus for the Department in the foreseeable future as water issues continue to be contentious between water users.

Much of the work to find solutions to the challenges faced in the basin date back to disputes associated with implementation of federal Endangered Species Act (ESA) by federal agencies in the early 2000s, which prompted renewed efforts to try to negotiate settlement agreements to resolve many of the water issues in the basin. These negotiations led to Klamath Basin Restoration Agreement (KBRA) and the Klamath Hydroelectric Settlement Agreement (KHSA), and the 2014 Upper Klamath Basin Comprehensive Agreement (UKBCA). The KBRA and UKBCA were both terminated due to the lack of federal legislation which would have provided funding and authority to fully implement. As a result, litigation has continued to drive many of the issues in the basin.



Consistent with the KHSA, Iron Gate Dam along with Copco 1 dam, Copco 2 dam and J.C. Boyle dam are all scheduled for removal soon. Once the dams are removed hundreds of miles of streams will available for anadromous fish habitat.

Groundwater in the Klamath Basin

In response to increased groundwater pumping in the Upper Klamath Basin in the 1990s and 2000s, the U.S. Geologic Survey (USGS) in cooperation with the Department began a comprehensive study and analyses of the basin hydrogeology. As shown in the table below, the investigations have found significant hydraulic connection between groundwater and surface water in the Klamath Basin. These two reports represent the best available information on the hydrogeology of the Upper Klamath Basin and form the basis for the Department's understanding of the groundwater system and groundwater-surface water interaction in the basin. Both reports were peer reviewed following the fundamental scientific practices of the USGS (see table on next page).

In early 2015, the Water Commission adopted Division 25 (2015) administrative rules which addressed the regulation of wells in the off-project area of the Upper Klamath Basin, based on provisions within the UKBCA. The final version included a provision that the rules would no longer apply if the UKBCA was terminated, and that groundwater regulation would occur under existing statewide rules. Regulation of groundwater for senior surface water rights led to increased litigation. From 2015 to 2017, 50 wells were regulated pursuant to the 2015 Division 25 rules and six lawsuits were filed challenging regulation.

A trial was held in Marion County Circuit Court on the Department's regulation of groundwater in the Klamath Basin. In 2017, the Marion County Circuit Court found that the State followed the process required by the 2015 Division 25 rules and relied on the best scientific information available at the time. The Court also found that the State's findings of hydraulic connection and its stream relief calculations were supported by substantial evidence. The judgement was appealed by the landowners to Oregon Court of Appeals. The Court of Appeals affirmed lower court ruling.

Report Title	Foundational Inputs	Key Conclusions
USGS SIR 2007-5050 – Ground-water hydrology of the upper Klamath Basin, Oregon, and California	• Geologic maps • Geochemistry data • Field reconnaissance • Data from over 1,000 well logs in the basin • Over 80 references from published and unpublished reports	• 1.8 million acre-feet of groundwater are discharged annually to surface water • More than 60% of the total inflow to Upper Klamath Lake can be attributed directly to groundwater discharge
USGS SIR 2012-5062 - Groundwater simulation and management models for the upper Klamath Basin, Oregon, and California	• Information from USGS SIR 2007-505 • Updated geologic data • Calibrated to groundwater level data from over 500 individual wells and estimates of groundwater discharge to streams at over 50 locations	• Simulated hydrologic responses to pumping wells • Estimated significant impacts to surface water (stream depletion) in all documented simulations

Upon termination of the UKBCA, the Department's 2015 Division 25 administrative rules were no longer in effect. Regulation of wells during the 2018 irrigation season occurred under Division 9 rules that apply to surface water-groundwater regulation statewide. This resulted in regulation of 140 wells. Fourteen lawsuits were filed challenging the regulation.

In late 2018, the Department proposed a two-step path forward, intended to improve understanding of the basin hydrology and result in a long-term management approach for surface water-groundwater management in the basin. The first step would be to adopt temporary rules that would be in place while a longer solution was developed, working with the community to develop permanent rules.

In 2019, the Department adopted interim 2019 Division 25 rules (expired March 2021) to regulate groundwater in favor of senior surface water rights. For the 2019 irrigation season, using the interim 2019 Division 25 rules, the Department regulated 5 wells. One groundwater user filed a petition for judicial review challenging the regulation order and underlying statutory authority.

In 2020, the Marion Circuit Court ruled in favor of the petitioner/groundwater user, making findings regarding due process requirements to regulate groundwater. Based on the Court's order, a critical groundwater proceeding is required before regulation of groundwater in the basin can begin again. The Department may explore interim measures, such as establishing a serious water management problem area, which would require measurement and reporting. In 2022, the Department shifted staff resources to begin to update its rules relating to the procedures for declaring critical groundwater areas.

2020 to Present: Litigation Due to a Dispute between Klamath Irrigation District and the Bureau of Reclamation

In April 2020, the Klamath Irrigation District (KID) sent a letter to the Watermaster stating there was a dispute between KID and the U.S. Bureau of Reclamation (BOR) regarding distribution of water from

Upper Klamath Lake. The letter requested that the Watermaster "immediately take charge of Upper Klamath Lake reservoir (UKL) and ensure that stored water is not released out of Upper Klamath Lake reservoir through the Link River Dam except to meet the needs of secondary water right holders calling upon the source" until the end of the irrigation season. The KID also filed a mandamus action in the Marion Circuit Court seeking the court to order the Department to immediately take charge of UKL to prohibit the release of "flushing flows" by BOR. Per the circuit court order, the Department took charge of Upper Klamath Lake (UKL) for the purpose of dividing or distributing the water from the reservoir in accordance with the respective and relative rights of the various users from the reservoir and began an investigation in aid of performing its duties. The services requested by KID required a substantial commitment of Department staff time and resources to take charge of the UKL reservoir to fully understand the water budget and use of water pursuant to water rights of record. The Department undertook the actions to quantify the inflows to UKL, including requiring the installation of gaging stations to measure inflows, and the installation of measuring devices to measure all the diversions from UKL.

The Department recognized the circuit court order directing the Department to prevent the BOR from releasing water from UKL was in contradiction with BOR's obligation to release water to meet Endangered Species Act (ESA) requirements downstream. Nonetheless, the Department issued the order to BOR as required by the circuit court, while the Department appealed the circuit court's decision to the Oregon Court of Appeals. The Department's order caused the federal government to bring the Department into an ongoing federal district court lawsuit in Northern California that was addressing conflict around the operation of UKL Project.

The Oregon Court of Appeals eventually issued an order reversing the circuit court's decision. In late 2022, KID filed a petition for review with the Oregon Supreme Court, which is still pending.

In February 2023, the Federal Court in the Northern District of California ruled that the BOR is obligated to meet federal ESA requirements and that the Department's order to BOR that was required by Marion Circuit Court was of no effect and is preempted by the ESA.

This illustrates the complicated nature of water resource management, the ongoing nature of litigation in the basin, the challenge of litigation proceeding in both state and federal courts, and how litigation costs are not always within the Department's control or the result of Department initiated actions.

The Willamette Basin

The U.S. Army Corps of Engineers (Corps) operates 13 dams and reservoirs located in the Willamette River Basin (see accompanying map). The Corps and the Department have long explored whether operational changes to the Corps projects would provide greater water supply benefits to a variety of uses in the basin.

Although Congress authorized the construction of these reservoirs for multiple purposes, including flood control, navigation, generation of hydroelectric power, irrigation, potable water supply, "and reduction of stream pollution in the interests of public health, fish conservation and public recreation," the U.S. Bureau of Reclamation filed water right applications for the entire 1.64 million acre-feet of storage for irrigation purposes only. Less than 5 percent of this water has been contracted to date.

Stakeholders actively engaged with the Department and the Corps in the completion of the Willamette Basin Review, a multi-year feasibility study that analyzed options for re-allocating existing stored water from the Willamette Valley Project reservoirs to provide for a full range of beneficial uses.

In 2013, the Oregon Legislature provided $1.5 million for this study, through the Water Supply Development Account. In February 2015, the Corps received approval and funding to re-initiate work on the study and signed a cost-share agreement in August 2015. The study was completed in December 2019 and included consultation under the Endangered Species Act with the National Marine Fisheries Service. Following consultation and receipt of the biological opinion, a final Chief's Report was sent to the Assistant Secretary of the Army and the U.S. Office of Management and Budget. In 2020, Congress provided authorization for implementing the final recommendation for the re-allocation of water in the Willamette Reservoirs.

Now that Congressional authorization has occurred, significant work remains for the Department to work with basin stakeholders, tribal interests, and state and federal agencies to address water management implementation issues associated with the reallocation of water stored in the reservoirs. Today, water supply management below the Willamette reservoirs is fairly straightforward because the Corps releases unallocated water that largely satisfies downstream demands and contributes to current fish and wildlife biological opinion flow targets. Over time, this will change with the reallocation of the reservoir water and issuance of new secondary water rights to use and protect stored water for both instream and out-of-stream uses. In 2021, the Department received a position through Policy Option Package (POP) #113 to work on the complex water issues in the Willamette River Basin and other basins.

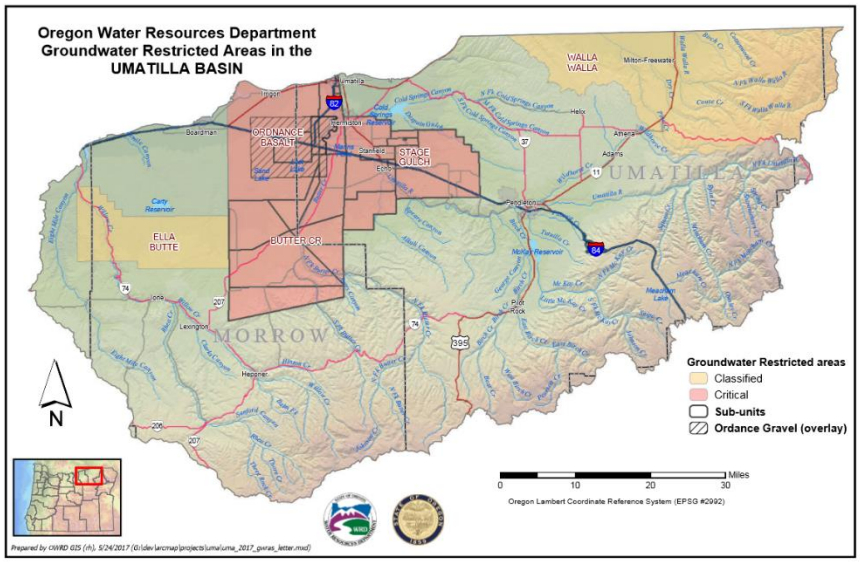
Under implementation, it will be necessary to better quantify and track both existing live-flow water rights and stored-water releases for new instream rights for fish and wildlife and out-of-stream rights for

municipal and agriculture users. Doing so will help water managers and users better understand who receives water during times of shortage. The length of the Willamette River and its tributaries (roughly 200 miles from the uppermost reservoir to the confluence with the Columbia River), the extensive number of water rights below the 13 dams and from the mainstem Willamette, as well as limitations and conditions stipulated in the 2008 and 2019 Biological Opinions all add layers of complexity to the system. Additionally, the Corps is currently developing a programmatic Environmental Impact Statement (EIS) for the continued operations and maintenance of the Willamette Valley Project reservoirs, which is scheduled for completion in June 2024. The EIS and associated biological opinion will likely have implications for future water management in basin.

There are several significant tasks that must be completed in order to manage the reservoirs under the new reallocation structure. In 2021, House Bill 3103 secured the Department's statutory authority to change (transfer) the character of use of stored water. At this point in time, the water right certificates in Reclamation's name must be transferred to reflect storage of water for agriculture, irrigation, municipal, industrial and instream uses and associated volumes. In addition, the State of Oregon must enter into a contract with the reservoir owner or the state is statutorily precluded from protecting the instream flow releases. Concurrently, Department staff will need to work with the Oregon Department of Fish and Wildlife (ODFW) to develop and quantify the appropriate target fish flows below the reservoirs; that is, how much water is necessary and at what time of year and over what reach of stream. This work will likely inform the difficult task of resolving the remaining minimum perennial streamflows that have yet to be converted to instream water rights.

At the conclusion of these tasks, full reallocation of the reservoir water will be realized, and it will be the Department's regulatory responsibility to shepherd the stored water releases downstream to the appropriate users. In the coming years, increasing the Department's capacity to measure and monitor streamflows and stored water releases at critical locations in the basin will be important for meeting newly established instream flow requirements and contracts for irrigation, municipal, and industrial uses.

The Umatilla Basin



During the 1970s through the early 1990s, the Department designated four critical groundwater areas and one limited use area in the Umatilla River Basin, one of the State's top food producing regions. These limitations became necessary because rapid development of groundwater resulted in deep declines in groundwater levels – up to 500 feet in some locations. More than 600 square miles have been designated in the Umatilla Basin, where current demand for water exceeds natural availability. In the Stage Gulch and Butter Creek Critical Groundwater Areas, only about 30 percent of permitted groundwater has been authorized for use in recent decades. Many water right

holders receive none of their permitted groundwater each year. Since then, the state has been working with this region to identify potential solutions to their water challenges.

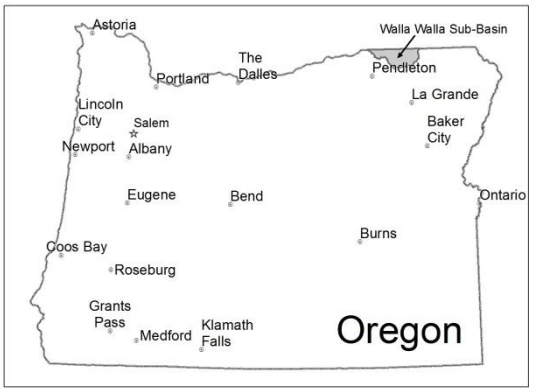
In 2015, the Legislature authorized $11 million in Lottery Bonds to help finance water projects in the Umatilla Basin. In early 2016, the Department entered into a grant agreement with the Port of Morrow, who worked with two project partners on two separate projects. The Port of Morrow and East Improvement District (EID) partnered on the East Project, which used $7 million of the grant funds to help construct a pump station on the Columbia River and a nine-mile long pipeline that would travel into the Stage Gulch Critical Groundwater Area (CGWA). The total project cost was nearly $45 million. The East Project completed construction in the fall of 2020. The Columbia Irrigation District (CID) partnered with the Port of Morrow on the CID Project or "West Project". They used $4 million in grant funds to construct a new irrigation pipeline parallel to CID's existing pipeline, as well as perform other infrastructure upgrades to the system booster stations and canal. The total cost of the projects was roughly $31.3 million. The CID Project completed construction and started delivering Columbia River water in spring of 2020.

The project partners have recently applied for new mitigation surface water rights out of the Columbia River to replace the eight existing permits. These applications are currently under review. During the 2021 legislative session, the legislature provided $500,000 in funding to facilitate conversations between the Washington, Oregon, the Confederated Tribes of the Umatilla Indian Reservation, the Yakima Nation, and other stakeholders to discuss regional issues relating to mitigation. This money was passed through to Umatilla County.

The agency continues its work with the Confederated Tribes of the Umatilla Indian Reservation and local interests to resolve issues associated with the ongoing Indian water rights settlement negotiations. The Department is also in regular communication with representatives from the State of Washington's Department of Ecology to discuss water management challenges and opportunities along the states' border and explore more coordinated water management approaches.

Looking to the future, individuals in the basin are continuing to explore options to help stabilize groundwater levels in certain Critical Groundwater Areas in the basin.

Walla-Walla Subbasin Groundwater and Surface Water Management



Groundwater levels are declining in both the alluvial and basalt aquifer systems in the Walla Walla Subbasin of Oregon. In the basalt aquifer, the decline is about three to four feet per year across the subbasin, with the total decline since 1950 exceeding 100 feet in some places. Senior basalt groundwater users have expressed concern about the stability of the resource; well yields for older wells have reportedly declined.

The State's groundwater management policy sets forth that rights to use groundwater be protected, reasonably stable groundwater levels be determined and maintained, and groundwater overdraft be prevented. Staff members are actively engaging with local water users to develop and implement a plan of action that will put the community on a more sustainable path for the use of groundwater.

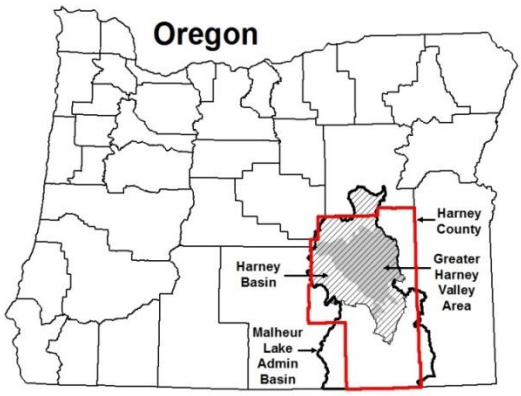
Rules were adopted by the Commission in May 2017 to reclassify new groundwater uses in the basin for exempt uses only and to designate a Serious Water Management Problem Area, requiring water use measurement and reporting for permitted basalt wells. The Department continues to increase data collection efforts in the basin to develop a baseline understanding of the basalt groundwater flow system. This understanding will form the scientific basis for future water management actions intended to stabilize declining basalt aquifer water levels and protect the rights of senior basalt groundwater appropriators.

Water management issues in the Walla Walla Basin are complicated by the fact that the border between the States of Oregon and Washington cuts through the area, with each state having its own laws relating to water rights and water management. The two states and the Confederated Tribes of the Umatilla Indian Reservation continue to dialogue about water management in the Walla Walla Basin and are committed to pursuing both near-term and long-term actions to improve water supply to meet the needs of fish, farms and communities in this region. In 2020, the states and CTUIR led an effort to develop a 30-year strategic plan for the basin. The plan was finalized in June 2021 and the basin stakeholders are now focused on implementing the action items identified in the plan.

Further, the two states have partnered with the USGS on a groundwater basin study that will investigate the groundwater resources of the entire Walla Walla basin on both sides of the state line. This cooperative cost-share groundwater basin study is underway and is currently focused on data collection. Once the data collection effort wraps up in late 2023, data processing, synthesis, and compilation will culminate in a final report which will be finalized in 2025. The Department is also working on an engagement and communication plan for the study, but this work has been delayed because of the pandemic and difficulties recruiting for various engagement positions.

Greater Harney Valley Basin Groundwater Study

In 2015, initial groundwater data and aquifer recharge estimates by staff indicated that groundwater levels were declining over a broad portion of the Greater Harney Valley Area, and that no new permits could be issued without harming existing water users or appropriating water beyond the capacity of the resource. Consequently, beginning in 2016, the Department mostly stopped issuing new groundwater permits in the area pending completion of a more detailed groundwater study (see study area in the map below).



The Department then began significant outreach to the local community to build awareness of the situation, seek input and initiate efforts to address water needs for the area in 2015. With the help of funding in its base budget, as well as additional funding and staff provided by the Legislature in 2016, the Department undertook a basin groundwater study in the area. Following two years of significantly expanded data collection in the basin, the study team scientists transitioned from data collection to data analysis and synthesis. The data analysis stage of the study continued into 2019, and the peer-review and the publication process began in early 2020. The final report was published in April of 2021.

The Department convened a local Groundwater Study Advisory Committee in conjunction with the County Court to foster an open exchange of information, data, and ideas between Harney County residents, interested parties, and the groundwater study team. The Committee and the study team met in Burns quarterly from July 2016 to December 2019.

The results from the groundwater basin study confirmed that groundwater pumping is depleting groundwater storage and has resulted in declining groundwater levels across the basin. The rate and magnitude of groundwater level declines in some areas of the basin with more intensive groundwater use are worse than anticipated. The Weaver Springs area presents the most extreme example, where groundwater levels have declined 8 to 12 feet per year for the past several years, with total declines since the 1960s in excess of 100 feet. However, several other areas of the basin show groundwater level declines of 2 to 4 feet per year with total observed declines between approximately 10 and 40 feet. More information about the study can be found at https://www.oregon.gov/owrd/programs/GWWL/GW/HarneyBasinStudy/Pages/default.aspx.

The results of the groundwater basin study were shared with the local community to build a collective understanding of the groundwater situation, identify any concerns from the community around the study, and begin to seek input on a dual approach to address groundwater water needs for the area in early November of 2022. Department regulatory action and/or voluntary reductions in groundwater use are necessary to achieve reasonably stable groundwater levels in many of these areas; however, remediating current groundwater level trends will take years, if not decades.

The Department has a strong interest in working with and supporting the community in identifying and implementing solutions that address water needs and declining groundwater levels in the Harney Basin. The Harney Basin was selected as one of the four areas to pilot the place-based water planning approach and receive support and funding from the Department. The Harney County Community-based Water Planning Collaborative (Collaborative) is working to collaboratively develop a local integrated

water resources plan that will help secure the basin's water future. Approximately 40 to 45 diverse stakeholders engage in the Collaborative's regular meetings. These stakeholders have come together to understand Harney County's critical water issues, including declining aquifer water levels, and to explore a variety of potential solutions. The Department is also working to implement the Harney Conservation Reserve Enhancement Program and the Harney Well Remediation Program, as passed by the 2021 legislature.

Mosier Well Repair Program

The Department and U.S. Geological Survey have concluded that commingling water wells are contributing to the groundwater level declines in Columbia River Basalt aquifers near Mosier. The Department worked with the Mosier Watershed Council and the Wasco County Soil and Water Conservation District to assess and facilitate the repair or abandonment and replacement of commingling wells in part of the Mosier sub-basin.

The Legislature provided $1 million in Lottery Bonds in 2015-17, to help repair or replace priority commingling wells. The Department contracted with the District to work with landowners for the well replacements. The funding paid for 90 percent of the cost of assessing and remedying commingling wells and using District funds to cover the remainder of the costs. The project resulted in 2 well alterations, 11 well abandonments, and 12 newly constructed wells between 2018 and 2019. The Department continues to monitor water levels in the area to assess the impacts of the program on water level trends in the area. Future work on wells in the basin is likely to be funded through applications to the Department's new Water Well Abandonment, Repair, and Replacement program.

NEW INDUSTRY: CANNABIS AND HEMP

Inherent with the expansion of industry comes the need for water. After cannabis and hemp production became legal in Oregon, the Department experienced increased workloads associated in the form of calls, pre-application meetings, application processing, and responding to and investigating complaints.

While many producers are responsible water users, the Department continues to receive and investigate complaints about illegal water uses related to cannabis and hemp. As complaints arise, watermasters work to understand the sources of water and whether they are in fact authorized uses. Investigating these issues and ascertaining whether water is being used legally is a difficult task that draws watermasters and assistant watermasters away from other duties. The Department anticipates that over time, cannabis and hemp producers' understanding of Oregon's water laws will improve, their sources of water will be vetted, and the need to investigate unauthorized uses will decline; however, this will likely take some time, especially due to the number of illicit grow sites that continue to be identified and addressed in partnership with law enforcement.

In the fall of 2019, facing increasing complaint volumes due to the exponential increase in hemp production in Oregon, the Oregon Department of Agriculture and the Department partnered to launch

an audit of hemp production sites in Oregon's southwest region. In 2020, with funding provided by ODA for the Department to hire an assistant watermaster, department staff made 187 site visits to slightly over 19% of the registered ODA hemp sites in the Southwest Region. Water law violations were found at roughly 32% of the sites visited (61). In contrast, in 2022, 125 ODA Registered Sites were investigated in person by OWRD staff, and only 10 had violations, equaling 8% of the sites visited. This shows that the increased field presence and Department's efforts to educate hemp producers or use enforcement tools is working to curb unauthorized use.

During the 2021 December special session, the Department received funding to increase field and enforcement staff capacity to assist in responding to complaints of illegal water uses related to cannabis and hemp. Anecdotally, staff have indicated that reports of illegal water use due to cannabis and hemp are down since 2021, likely due to increased law enforcement presence and increased Department resources. In 2022, staff performed over 2,218 desktop water right investigations of cannabis and hemp sites (ODA, OLCC, and illicit). These investigations revealed 37% of cannabis sites were without water rights. Additionally, staff performed over 677 on-site investigations showing 22% of grow sites were found in violation of Oregon water law. Of the 150 sites found to be in violation during on-site investigations, 81 were OLCC registered sites, 10 were ODA registered sites, and 59 were illicit cannabis sites.

INCREASED LEGAL EXPENSES AND POTENTIAL IMPACTS ON AGENCY SERVICES

Increased Legal Expenses

Water scarcity and competing demands for the resource, when combined with the complexity of water law, has led to increased Department costs for legal services provided by the Oregon Department of Justice over the past decade. The Department's legal costs have exceeded the allotted budget since the 2011-13 biennium. For several biennia, the Department utilized administrative savings to address legal services expenses, primarily by holding vacant General Fund positions open longer. However, as the expenses have increased, the impacts on the Department's programs and services have also increased and the Department has sought assistance from the legislature. The 2021 legislature increased the agency's base budget for legal expenses by $800,000 to assist with the increased activity. Details of the Department's legal expenses are shown in the table below.

	Average Monthly		Biennial as of December 2022		
Biennium	**Budget**	**Expenses**	**Budget**	**Expenses**	**Budget Shortfall**
2011-2013	$31,942	$39,332	$766,606	$943,958	($177,352)
2013-2015	$30,815	$50,721	$739,561	$1,217,297	($477,736)
2015-2017	$33,479	$75,203	$803,502	$1,804,872	($1,001,370)
2017-2019	$91,173	$71,717	$2,188,154*	$1,769,218	$418,936**
2019-2021	$67,013	$66,662	$1,608,317*	$1,599,893	$8,424 (reverted)
2021-2023	$77,871	$101,947	$1,868,910	$2,446,736	($577,826)***

*Includes Emergency Board funding. Base budget was 17-19=$835,628 and 19-21=$952,038.
**Reverted to General Fund. Without E-Board funding, shortfall would have been $933,590.
***Expenses and shortfall for 21-23 are projected. Actuals are through the December 2022 invoice and do not include any expenses related to the Protest Backlog work.

2019 Findings of the Budget Note Report on Litigation and Contested Cases

In 2019, the Water Resources Department was directed by the Oregon Legislature to submit a report on contested cases and litigation actions from 2015, including past, current, and pending items as of July 1, 2019. A summary of the 2019 Budget Note Report is included below. The full 2019 Budget Note Report on Contested Cases and Litigation is available online: https://www.oregon.gov/owrd/wrdreports/2019_Report_on_Contested_Cases_and_Litigation.pdf

Cross-cutting issues are summarized in brief below and include:

Number of Contested or Litigated Decisions are Small in Comparison to the Number of Actions Taken. For context, between January 1, 2015 and June 1, 2019, the Department issued 107 proposed final orders for regular new surface water applications, 556 proposed final orders for regular new groundwater right applications, 446 regular transfer preliminary determinations, 264 alternate reservoir final orders, and 598 proposed final orders on permit extensions. In 2018 alone, watermasters and their assistants conducted over 7,500 regulatory actions to protect senior out-of-stream uses and instream water rights.

Water is a Limited Resource. Surface water and groundwater are fully appropriated in some parts of the state. As both become fully appropriated, it is harder to find water for new uses, which can increase the likelihood of disputes over Department actions.

Surface Water and Groundwater Connection Increases Management Challenges and Exacerbates Scarcity. While science has long recognized the connection between groundwater and surface water, managing this reality can be difficult. Some groundwater applications propose new uses that are connected to surface water, which, if approved, could injure senior surface water rights. This makes it more difficult to obtain new groundwater permits. Similarly, to protect senior surface water right holders, junior groundwater users that impact surface water may be regulated off to provide water for the senior surface water use.

Shifting from Abundance to Limited Supply: The Difficulty of Change. Issuing additional water rights in areas where there is insufficient supply, increases the number of junior users that watermasters must regulate annually in managing and distributing water to senior users. There has been increased interest in data to inform how much water is available and to manage water resources more sustainably, particularly in regard to groundwater, where new allocations can have long-term implications for senior groundwater users.

Scarcity Increases Management Challenges: The Easy Solutions are Gone. The demand for water continues to rise, causing individuals to seek creative solutions to address their needs, including untested interpretations or modifications to the law. As a result, water management decisions are becoming more complicated and subject to interpretation.

Increased outreach and communication tools to help people understand the limited nature of the resource and potential solutions may help to prevent and reduce challenges associated with unauthorized uses of water.

Water Laws are Numerous, Complex, and Often Built on Case Law. Over time, water laws have grown increasingly more complex and sometimes difficult to understand, often based on a whole body of case-law. This slows decision-making and increases the likelihood of additional disputes.

Collaborative, Innovative, and Proactive Solutions Take Time, Data, and Resources to Develop and Implement. The State needs to proactively invest in data, innovation, collaboration, and planning, as well as the staff needed to understand and negotiate complex water issues to support identification and implementation of solutions and seek to prevent or reduce litigation.

Klamath Basin Conflicts Drive Legal Expenses

Aside from the statewide themes, a major driver of legal expenses has arisen out of disputes in the Klamath Basin. A detailed summary of some of the disputes is included in the 2019 Budget Note Report.

In short, litigation in the basin has increased with disputes over implementation of the Endangered Species Act, as well as when the Department began regulating determined claims in accordance with the prior appropriation system starting in 2013 as required by law. This prompted some litigation over surface water regulation initially and then a number of cases over groundwater regulation to benefit the tribe's senior surface water rights. More recently, disputes have arisen between the Klamath Irrigation District and the Bureau of Reclamation. More information on issues in the Klamath Basin are included in prior sections of this Chapter.

OTHER ENVIRONMENTAL FACTORS AND CHALLENGES

The Department credits its highly skilled staff and strong working relationships with other agencies and stakeholders for the Department's achievements; however, numerous environmental factors affect the Department's ability to carry out its mission. Many of these factors are discussed above.

Drought conditions, climate, population growth, changing demands and increasingly limited water supplies increase the challenges faced by staff in permitting, distributing and managing water across the state. Further, budget constraints limit the Department's ability to study, measure and analyze the state's water resources—key information needed to support responsible water management. Staff resources are also limited, thereby constraining the Department's ability to protect existing water rights through regulation, to support communities and expeditiously address complex policy questions, to provide water resource data to the public, and to process requests for water right changes to meet new and changing water demands.

In 2021, the Legislature provided a significant influx of resources, which have helped the Department to make progress in many of the areas of responsibility. While there is still much more work to be done, as evidenced by the significant number of recommended actions in the IWRS, these investments position the Department to make progress in more areas.

Workloads for positions that support the agency operations, such as IT, human resources, management, and fiscal has proven challenging as the agency grows. Further, the agency continues to have backlogs in water rights transactions, protests, and rulemaking that will continue to pose challenges for the agency in future biennia. In addition, the agency has seen significant interest in making data more accessible and integrated, driving the need for investments in IT staffing and projects. The agency has also seen sustained year-over-year increases in public records requests, which has created some strain on staffing resources.

IMPORTANT CHANGES TO THE AGENCY BUDGET OR OPERATIONS

2021-2023

Historic Legislative Investment – Investments from the 2021 legislative session brought historical resources and over 40 new projects to the Department including resources for creating water budgets, reducing water right and protest backlogs, and addressing complex water issues.

Recruitments and Workforce – The agency has been working to implement actions identified in its Strategic Plan to foster a forward-looking team. The retirements of some key experienced personnel have and will continue to impact our progress on key metrics and projects. In addition, turnover of staff and internal movement of staff into new positions has led to additional vacancies. A big undertaking in 2021 has been recruiting and onboarding new staff. The agency had a number of vacancies due to temporary COVID budget reductions, turnover, and internal changes, and also received almost 70 new positions in the 2021 regular session and the December 2021 2nd Special Session. As a result of these combined factors, the Department has filled more than 150 positions this biennium.

New Enforcement Section- With resources from the 2021 legislative session, the Department has been working to create a new Enforcement Section. This section is responsible for working with field staff to carry out formal enforcement actions necessary to address violations of Oregon's water laws.

Groundwater Allocation Policy – The agency is currently undertaking a Groundwater Allocation Policy rulemaking to revamp its approach to groundwater allocation to better carry out the law, protect existing water right holders, and manage the resource.

Well Construction Modernization – The agency has prioritized modernizing our Well Construction and Compliance program. Significant updates to the statutes were made in 2021 via House Bill 2145.

Domestic Well Funding Programs – Created by the Oregon Legislature, the Department launched the first phase of the newly established Water Well Abandonment, Repair and Replacement Fund (WARRF). The first phase of the fund provides financial assistance for low-to moderate income households to abandon, repair or replace affected water wells used for household purposes in areas recently impacted by drought or wildfire.

Harney Basin Groundwater Study – The agency and U.S. Geological Survey (USGS) released a new groundwater basin study for the Harney Basin in April 2022. The investigation was the first comprehensive hydrologic study of the entire basin, containing historical and current data analyzed during a five-year study period. The study will inform groundwater planning and management in the basin.

Place-based Integrated Water Resource plan recognition – The Oregon Water Resources Commission unanimously recognized three locally developed place-based integrated water resources plans in March and June 2022, for the Upper Grande Ronde River Watershed Partnership, the Lower John Day Place-Based Partnership, and the Mid-Coast Water Planning Partnership. The partnerships are now implementing their plans. Similar efforts are underway in the Harney Basin as their Community-Based Water Planning Collaborative recently reached consensus and adopted the groundwater portion of their integrated water plan.

Centering Equity –The agency formed its DEI Team in 2021 and has been working to learn how it can do a better job of centering equity in its programs. The agency is also working to implement House Bill 3293 (2021) relating to water project community engagement plans. The agency is also working to translate some of its documents into other languages. In addition, the agency is implementing Racial Equity Impact Statements required for its budget, statements to identify our rules effects on racial equity, and other required actions.

2019-2021

Oregon 100-Year Water Vision – The Department participated in Oregon's Water Vision work and continues to coordinate with other state agencies.

Walla Walla Basin Groundwater Study – The Department began work to improve our understanding of surface water and groundwater supplies and uses in the Walla Walla. Groundwater staff are continuing to work with the USGS and Washington Department of Ecology.

Confederated Tribes of the Umatilla Indian Reservation Water Rights Settlement Negotiations – The agency continues its work with the Confederated Tribes of the Umatilla Indian Reservation and local interests to resolve issues associated with the ongoing Indian water rights settlement negotiations. The Department is also in regular communication with representatives from the State of Washington's Department of Ecology to discuss water management challenges and opportunities along the states' border and explore more coordinated water management approaches.

Dam Safety Modernization – The agency has prioritized dam safety – working to modernize the program as well as obtain resources to advance our understanding of risks to dams. Significant updates to the statutes were made in 2019. Prior to that, the statutes had been relatively unchanged since 1929.

Willamette Feasibility Study Complete – The feasibility study explored how the Willamette Valley Project reservoirs can help meet current and future water demands in the valley and if changes to federal and state authorizations are necessary to meet those needs.

COVID 19 Agency Actions – The agency transitioned most office staff to telecommute, closed offices to public, moved public engagement efforts online, and modified in-person necessary operations to comply with facial coverings and social distancing requirements.

2020 Budget Reductions – Though temporary in nature, the 2020 budget reductions coupled with increased legal expenses were temporary though significant challenges for the agency due to numerous positions in different agency sections and programs being left vacant for extended periods of time. Importantly, the reductions in 2020 mean that agency work on increasing our understanding of groundwater and surface water resources has been delayed.

2017-2019

2017 IWRS update – Oregon's IWRS provides a framework for understanding and meeting Oregon's current and future instream and out-of-stream water needs. Key IWRS recommended actions focus on creating additional capacity within the Department's existing programs to improve public safety, water management and decision-making, while also providing resources to meet future instream and out-of-stream water needs.

5 Year Strategic Plan – The Strategic Plan was established to guide the Department as we work to carry out the IWRS and update and improve our practices to ensure that Oregon has healthy waters able to sustain a healthy economy, environment, and cultures and communities across the state.

Klamath Agreements Terminated – The Upper Klamath Basin Comprehensive Agreement was terminated, increasing conflict within the Basin and resulted in the agency modifying its approach to groundwater management in the basin.

PROCESS IMPROVEMENTS

Measuring performance is an important tool for managing both daily and long-term performance and identifying areas in need of process improvements. Performance measures and indicators, as well as recommended actions in the Integrated Water Resources Strategy (IWRS) and the Department's Strategic Plan are also important in prioritizing work and identifying problem areas to manage workloads. Many of the Department's process improvement efforts require the Information Services staff to implement. Information Technology will continue to be a critical component for modernization and process improvement efforts. Over the past several years the Departments process improvement efforts have included the following:

- *2022 Integrated Water Resources Strategy Update* – An interagency progress report was published in December 2022, showing the state's progress on IWRS implementation. Efforts to update the IWRS in 2023/2024 are underway.
- *Groundwater Information System*: The Department's Information Services and Groundwater Staff completed work to redesign and integrate groundwater-related data into a centralized database system. Internal staff and the general public now have better access to groundwater-related data through web-based tools and web services. Incremental updates to GWIS are ongoing.
- *Field Activity Database*: The Field Activities Database is used by field staff to record and archive field activities, to monitor and regulate for instream water rights, senior out-of-stream uses, and illegal uses. Metrics compiled in the database help us report on Key Performance Measures (KPM), monitor year-to-year and long-term trends, and better account for field staff workload over time. The Department is currently assessing how to improve this database.
- *Tracking of Groundwater and Well Construction Technical Reviews:* The Groundwater and Well Construction Review Tracking System was modified to facilitate communication between Department staff and with applicants. Each night, review queues are updated for each staff person to prioritize review work. The process now automatically estimates the month when each review will be completed based on staff capacity. This allows water right transactions applicants to better understand how long their application may take to get a review.
- *Groundwater Concerns Map:* The Groundwater section published a map that will be regularly updated to communicate groundwater quantity resources concerns. Recent progress in integrating data across the Department enables new evaluations of the impacts of groundwater development.

- *Reference level setting*: Most groundwater permits specify that a reference groundwater level shall be set as a baseline against which future groundwater level declines may be compared. An updated process now allows Groundwater section staff to establish reference levels consistent with permit language as pertinent data become available. Further, water level data are automatically compared against established reference levels to detect exceeded permit conditions, and these are made available to Department staff and integrated into the Groundwater Concerns Map.
- *Bulk water level upload*: The Department routinely receives large quantities of water level data in digital, tabular format, and until recently each water level measurement had to be entered individually into the Groundwater Information System. An updated process allows upload of spreadsheets of water level data associated with routine monitoring or with pumping tests, saving significant staff time and reducing data entry errors.
- *Well Inspection Entry*: The Department has updated the data entry portal that the Department's well inspectors use in the field to enter and track their well inspections. This updated portal gives inspectors the ability to capture more information related to the specific wells being inspected and assists the Department in ensuring that accurate and complete information is recorded.
- *IT Help Desk Ticketing System*: The Information Services Section deployed a new ticketing system to replace the old one which has aged out of support and lacks modern capabilities. The new ticketing system will increase the productivity of support staff and improve the handling of service desk requests.
- *Data Center Migration*: The Information Services Section is wrapping up a migration of data center resources and infrastructure to the State's Data Center. This migration helps to provide OWRD with improved reliability and redundancy around our hosted servers, systems, and network infrastructure. It further reduces the agency need to perform costly server upgrades and reduces risk and downtime.
- *M365 Rollout*: The Information Services Section is wrapping up a rollout of M365 services in collaboration with the Department of Administrative Services, Enterprise Information Services. These new cloud-based services have been of significant help during the agency's response to the pandemic.
- *Mobile Device Management:* The Information Services Section has implemented a new Mobile Device Management system, which greatly reduces the labor around managing mobile devices like smartphones.
- *New Software Patching System*: The Information Services Section has implemented a new software management and patching solution. This system replaces an older, more laborious, and manual process to patch PCs for security vulnerability. The new system automates patching and software management on a higher level, allowing existing staff to manage more systems and more software than could be performed previously.
- *Information Technology Strategic Planning*: The Information Services Section has started work on a new IT Strategic Plan. This work will allow the IS department to better manage

technological resources of the agency for the next 10-20 years. It will provide guidance around future IT investment and support better decision making around information technology.

- *Transition to Workday*: With the implementation of Workday, Human Resources processes are now mostly electronic, reducing paperwork.
- *Fiscal Modernization*: The Department has explored adding the ability for customers to pay for fees using electronic checks as a payment option for existing online payment stores.
- *Dam Safety Modernization*: In late 2019 through mid-2020, the Department worked to revise its rules to implement the statutory changes and has since focused on implementation of the statute and rule requirements. In addition, recently, the Dam Safety Program modernized dam safety inspections, by tracking inspection results in the program's database resulting in increased efficiency and accuracy of dam safety inspections.
- *Certified Water Right Examiner (CWRE) Training on Youtube*: During the pandemic, the annual CWRE Workshops that the Department has conducted for over 20 years were cancelled. Department staff created a series of YouTube training videos, so that CWRE's could receive training during the pandemic.
- *Revamp of Recruitment Job Postings Template and DEI-EJ Interview Questions:* The Human Resources staff worked with the agency's DEI Team and managers to implement recruitment improvements. The agency revamped its job posting template to better attract candidates and share the agency's mission, as well as more clearly articulate its values around diversity, equity, and inclusion. The agency also implemented standardized interview questions pertaining to diversity, equity, and inclusion, and environmental justice.
- *Pump test program process improvements*: In 2021, the Department transitioned from a highly paper-based process to a more electronic process for evaluating and analyzing pump tests and pump test data. The pump test tracking system has been more closely integrated to the Water Right Information System (WRIS) Department's Groundwater Information System.
- *New Well Construction Exam Study Material*: The Well Construction Section (WCC) has created a number of videos that are available from the Department's website that offer information and training to applicants interested in becoming Oregon licensed well constructors, or others interested in Oregon's well construction standards.
- *Exempt Use Well Mapping and Invoicing*: The Well Construction Section worked with the Information Services and Fiscal Sections in order to transition the exempt use well registration and mapping requirements from the owner of the property where the well is drilled to the well constructor performing the work, as required by HB 2145 (2021). This change allowed staff to modify how the registration fee was collected as well as to create mapping tools that offer a simple way for well constructors to comply with the new requirements.
- *Well Report Review Updates*: The Well Construction Section worked with Information Services to develop a centralized database system that is used to review and track well report reviews for all of the well reports submitted after July 1, 2022, in order to implement HB 2145 (2021). The

new system also links the well inspection database and start card database and gives staff the ability to track deficiencies and deficiency resolution.

Some of the Department's initiatives are outlined in the process improvements section above. The Department's recent work has been focused on carrying forward actions identified in the Strategic Plan, the Integrated Water Resources Strategy, as well as the increased investments and new legislation from the 2021 legislative session.

- *Improving the Safety of Dams in Oregon to Protect the Public and Water Supplies*: In 2021, the department requested, and the legislature made additional investments in the program and for assessments of dams. The Department is currently working to conduct the assessments, develop a flood methodology, and other work authorized with funding by the 2021 legislature.

- *Improving the Well Construction Program to Better Protect the Public and Groundwater Supplies*: In 2021, the Department ran legislation to modernize the well construction program. The Department engaged in countless hours of negotiations with members of the Oregon Groundwater Association, and eventually the bill passed the Oregon Legislature. The Department has started to implement the bill (see below), and it will take several years to implement with the final piece of legislation going into effect in 2024.

- *Providing Support for Abandoning Wells, and for Repairing or Replacing Wells Use for Household Purposes*: As authorized by legislation passed in 2021 (HB 2145), the Department is working to establish a Water Well Repair, Replacement and Abandonment Funding Program to help abandon wells with construction deficiencies, and also to provide assistance for dry wells or wells damaged by wildfire. The Department has launched the initial phase of the program focused on dry wells due to drought and damaged by wildfires. Other aspects of the program and permanent rules will need to be developed. The Department will also be working to implement the Harney Domestic Well Remediation Grants program (HB 3092, 2021).

- *Groundwater and Surface Water Data and Responsible Management*: The Department has continued to focus on expanding its understanding of groundwater and surface water resources. The Department completed and published phase 1 of the Harney Basin Study in 2022, continues to work on the Walla Walla Basin Study, and is also working to develop groundwater budgets for the state per HB 2018 (2021). The agency is also seeking to increase gaging and observation wells. The agency has also been working on development and integration of evapotranspiration data for the state. The Department also developed and provided a report to the former House Water Committee on water use measurement. The agency is currently undertaking a Groundwater Allocation Policy to revamp its approach to groundwater allocation.

- *Recruitments and Workforce*: The agency has been working to implement actions identified in its Strategic Plan to foster a forward-looking team. A big undertaking in 2021 has been recruiting and onboarding new staff. The agency had a number of vacancies due to COVID reductions and also received almost 70 new positions in the 2021 budget. As a result, managers have been working to hire, train, and retain employees during this very competitive job market for

employers. In addition, the agency is revamped its internal staff newsletter, the Hydraulic Connection, to improve agency communications.

- *IT Modernization*: IT modernization is a key strategic initiative for the Department and will continue to be in future years in order to support all programs across the agency in their work and carrying out the Department's mission. Some initiatives are reflected in the process improvements above. In addition, the Department's policy option packages further identify work that needs to occur to shore up activities in this section, strengthening the section's ability to analyze and carry out projects.

- *Local and Complex Water Issues*: The Department has been undertaking a number of actions to support work in basins across the state. The agency has been working with four planning areas around the state to pilot place-based integrated water resources planning, evaluating how the program is working, and also developing legislation to make the program permanent. The agency is also embarking on providing additional support to address complex issues in the Willamette and Deschutes basins with resources from the 2021 session. The agency is working with Oregon Consensus to conduct the Regional Water Planning and Management Workgroup funded by the 2021 legislature. The agency is working in the Harney Basin to chart a path forward on groundwater following publishing of the groundwater study this year, which confirms that groundwater is overallocated, as well as to work on other solutions such as the Harney CREP program and voluntary agreements. The agency is also continuing work in the Walla Walla basin, and the Klamath basin. The agency also continues its work with the Confederated Tribes of the Umatilla Indian Reservation and local interests to resolve issues associated with the ongoing Indian water rights settlement negotiations. The Department is in regular communication with representatives from the State of Washington's Department of Ecology to discuss water management challenges and opportunities along the states' border and explore more coordinated water management approaches. The Department has also participated in work to develop a collaborative effort in Lake Abert basin.

- *Backlog Reductions*: As of March 1, 2023, the water right application backlog has dropped to 846, the transfer backlog was 346, and the certificate backlog was 1,035. The Department received American Rescue Plan Act funding to begin work to reduce water right application, transfer, and certificate backlogs. This work is proposed to continue into next biennium. In addition, the protest backlog is currently 245. With General Fund dollars provided by the 2021 Legislature, the Department has referred 35 protested files to the Office of Administrative Hearings for a hearing and 26 protested files have been resolved without a hearing. This is the most protest work accomplished in any biennium period since at least 1995.

- *Policy Development*: The Department has identified policy development as an area where it has lacked capacity for years leading to a backlog of needed rulemakings, but also limiting the agency's ability to address identified issues requiring legislation. As a result, the agency is seeking ways to bolster the policy team's capacity to advance policy work and communications. In addition to completing much needed rulemakings, the section will also be seeking to conduct the policy work directed by the legislature, including the workgroup on transfers of stored

water, and stakeholder engagement to determine long-term funding mechanisms for fee-based programs.

The efforts described above demonstrate the Department's commitment to continuous process improvements and the need for continued investment in information technology. Department staff will continue to identify opportunities to improve performance, increase efficiencies, and better serve customers through continued tracking of performance indicators, tracking of progress in implementing recommended actions in the Integrated Water Resources Strategy and Strategic Plan, meeting with other agencies to identify best practices, and feedback provided by staff, customers, and stakeholders.

OREGON WATER RESOURCES DEPARTMENT

Chapter 5: Budget Information and Governor's Budget Packages

BUDGET SNAPSHOT

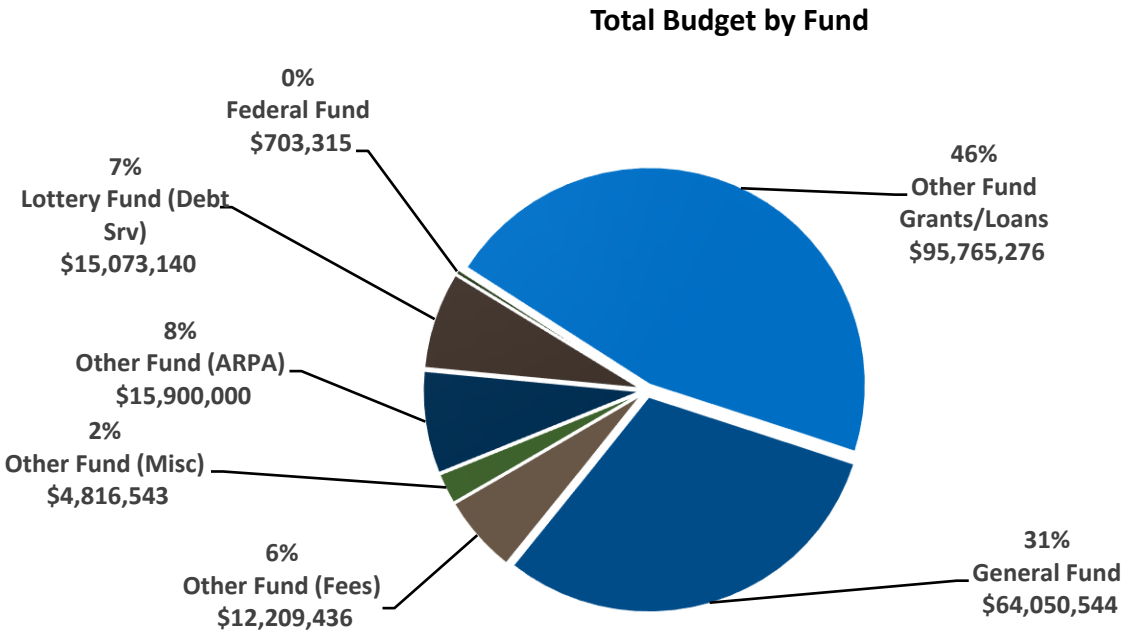
	2019-21 Legislatively Approved	2021-23 Legislatively Adopted	2021-23 Legislatively Approved 2/22	2023-25 Modified Current Service Level	2023-25 Governor's Recommended
General Fund (GF)	$36,722,794	$58,566,215	$69,089,805	$63,159,245	$64,050,544
Other Funds (OF) including Fees	$13,301,841	*$35,741,255	*$39,453,906	$17,085,059	*$32,925,979
Other Funds - Grants/Loans	$85,849,252	**$86,142,341	**$86,142,341	**$73,500,000	**$95,765,276
Lottery Funds - Debt Service	$7,566,502	$9,499,510	$9,499,510	$15,073,140	$15,073,140
Federal Funds	$875,519	$725,000	$737,366	$703,315	$703,315
Total Funds	$144,315,908	$190,674,321	$204,922,928	$169,520,759	$208,518,254
Positions / Full-Time Equivalent (FTE)	177/171.79	209/196.81	241/216.82	235/229.18	244/236.20

*2021-23 LAB includes $20.5m American Rescue Plan Act of 2021 (ARPA) funds and $15.9 million in a carry forward POP included in the 2023-25 GRB.

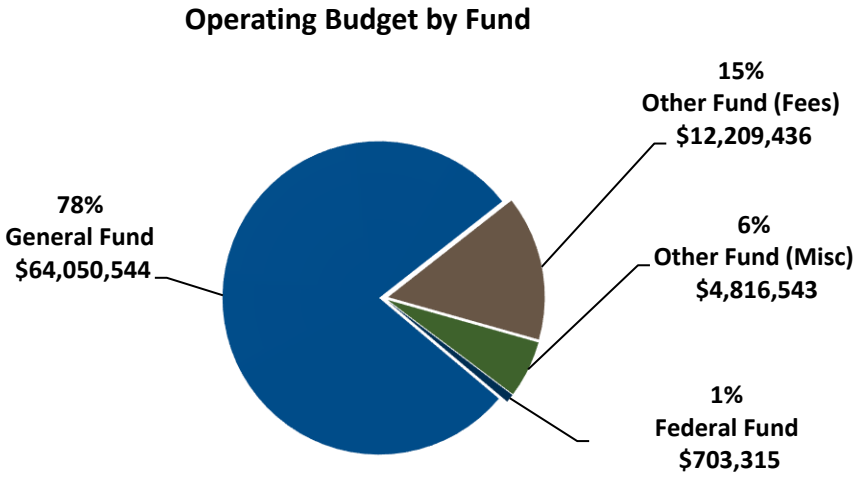
**Other Funds – Grants and Loans includes Lottery Revenue Bond proceeds in the amount of $17.1 million in carry forward from the 2019-21 biennium and $68 million in new bonding (plus the cost of issuance) for the 2021-23 biennium. For the 2023-25 biennium, the Lottery Revenue Bond proceeds in the amount of $73.5 million in carry forward from the 2021-23 biennium with $22 million in new bonding (plus the cost of issuance).

Total Budget and Operating Budget

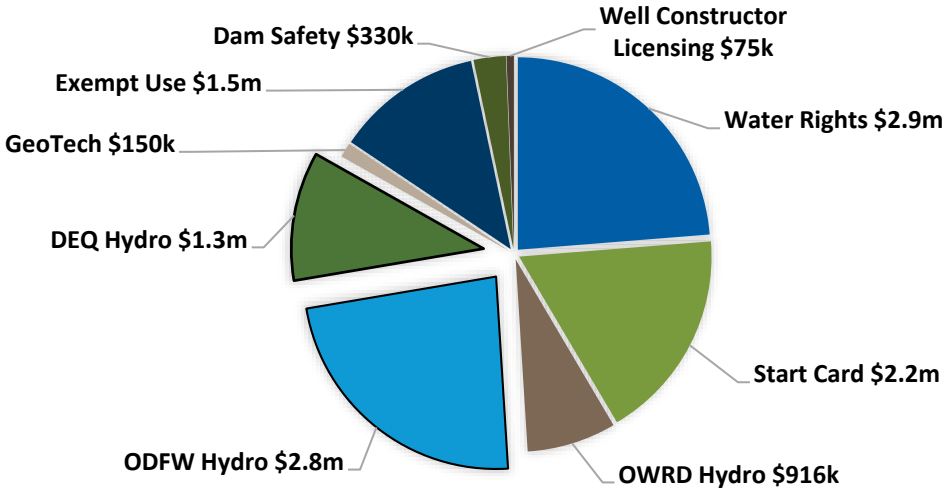
The Department receives funding from four primary funding sources: General Fund; Other Funds; Lottery Funds; and Federal Funds (see chart below and table above).



The General Fund provides the largest portion of the Department's operating budget (see chart below). The Other Funds component can be broken out into funding from fee revenue and various contracts for work performed, as well as Lottery Revenue Bond proceeds for Grants and Loans. Lottery Funds are transferred in from the Department of Administrative Services (DAS) to pay Debt Service obligations. Federal Funds are generally received through the Federal Emergency Management Agency (FEMA), the United States Geological Survey (USGS), the Bureau of Reclamation (BOR) or other federal agencies.



Overview of Fee Revenues



Well Start Card Fees are limited to costs associated with the inspection of construction and new wells and a limited amount of related administrative expenses. Statute prescribes spending percentages as follows: administrative costs – not more than 5%; technical costs - not more than 20%; and field and enforcement costs – not less than 75%. This revenue forecast assumes approximately 3,100 wells per

year requiring start card fee payments in 2023-25 and incorporates the Start Card fee increase included in HB 2145 (2021).

Hydroelectric Fees are used to finance the related processing and monitoring of hydroelectric projects. Funds are disbursed through interagency transfer to the Department of Fish and Wildlife (ODFW) and the Department of Environmental Quality (DEQ) as outlined in the Oregon Revised Statutes and/or the Memorandum of Understanding between the agencies. The remaining funds are used for operation of the Water Resources Department's Hydroelectric Program. The revenue for this program is forecasted using historical methods and is adjusted for the fee changes approved by the Legislature in HB 2143 (2021).

Water Right Fees are collected and used to support the activities and staff associated with the processing of water rights transactions. The current forecast is based on revenue received in the past three biennia and is increased to account for additional fee revenue approved by the Legislature in HB 2142 (2021).

Exempt Use Well Fees are collected and used for the purposes of evaluating groundwater supplies, conducting groundwater studies, carrying out groundwater monitoring, and processing groundwater data. Historically, approximately 60% of the wells that pay Start Card Fees also pay Exempt Use Fees, so these two revenue forecasts are related.

Geotechnical Hole Fees are collected and used for activities related to geotechnical duties, functions and powers of the Department.

Dam Safety Fees are assessed to dam owners and are used for activities related to the Dam Safety program including supporting staff that inspect and evaluate dams across the state to protect public safety. The fee is dependent on the hazard rating for the dam (low/significant/high) as detailed in ORS 536.050(2). The revenue for this program is forecast using actual dam counts and the current fee schedule.

Water Well Constructor License Fees are collected and used for activities related to the Well Constructor Licensing Program. The forecast is based on fee data for the past six biennia and assumes the average of the lowest four biennia.

All fees, charges, payments, and interest received by the Water Development Loan Program are dedicated to that program. There are no pending loans, applications, or bonding activity for the program.

Recap of Lottery Bond Funding

Over the last three biennia, the Legislature has authorized $95.35 million in Lottery Bond proceeds for water supply studies and projects. An additional $22 million in funding is proposed in the 2023-25 Governor's Recommended Budget. Many of the projects that have been awarded funding are still working on implementation. More detailed information on the spending of these funds is included in Chapter 7.

New Revenue Sources or Fee Increases

No new revenue sources or fee increases are being proposed by the Department for 2023-25.

GOVERNOR'S BUDGET POLICY OPTION PACKAGES - ADDITIONS

Package 101 – Facilitate Interagency Work & Implement IWRS – $371k GF; 1 FTE / 1 positions – IWRS Actions: 6.B, 9.B, 9.C, and 13.A
Makes a limited duration position from the 2021-2023 budget a full-time permanent position to effectively implement the IWRS, develop updates, and ensure coordination and integration among state, federal, and local agencies, as well as educational and non-governmental organizations. Includes $100k for contracting, ongoing website, communication, and publication costs.

Package 105 – American Rescue Plan Act Carry Over – $15.9m OF
Carries forward American Rescue Plan Act funding authorized in the 2021-2023 budget in order for those efforts to be completed, including: place-based planning ($800k); fish passage ($500k); Ordnance Project in Umatilla County ($6m); Well Abandonment, Repair, and Replacement Fund ($1m); support fee-based programs and engagement with stakeholders ($1.5m); engineering services for flood methodology & inundation assessments ($2.5m); Water Measurement Cost Share fund ($1m); and support surface water and groundwater data collection field equipment ($2.6m). Carryover needs are estimates.

Package 107 – Feasibility Studies, Water Projects, & Wells – $23.3m Total Funds ($1m GF; $22.3m OF) – IWRS Actions: 5.B, 10.E, 13.D, and 13.E
Invests in programs supporting water projects: Water Projects Grants and Loans ($20m Lottery Revenue Bond proceeds), Feasibility Study Grants ($2m Lottery Revenue Bond proceeds), the Well Abandonment, Repair, and Replacement Fund ($1m GF), and cost of issuance.

Package 108 – Water Rights and Protest Backlog Reduction – $852k GF; 4.00 / 5 positions – IWRS Actions: 10.G and 13.B
Continues investments to reduce water transactions processing times and allow continued progress on the protest backlog. Extends four limited-duration staff (two caseworkers, a protest specialist, and an administrative specialist) hired as a result of legislative actions during the 2021 session meant to reduce water right and protest processing backlogs. Adds one limited-duration water rights processing compliance specialist for providing outreach to applicants with recently approved permits or transfer orders.

Package 110 – Centering Equity in Agency Programs & Policy – $449k GF; 1.76 FTE / 2 positions – IWRS Actions: 8.B, 8.C, and 9.A
Funds two positions that would be responsible for leading the agency's efforts in advancing environmental and racial justice and diversity, equity and inclusion. These positions will increase the agency's capacity to reach underrepresented and underserved groups, including BIPOC and rural communities, as well as to create a workplace culture that is welcoming and inclusive to all.

Package 111 – Water Use, Supply, and Availability Data – $1.3m GF; 3.26 FTE / 4 positions – IWRS Actions: 1.B, 5.B, 9.C, and 13.B
Provides initial funding for four positions and contracting services critical for modernizing systems and datasets required to update the Water Availability Reporting model and tool. Contracted services include ongoing funding for the collection of weather data ($225k BOR Agrimet), ongoing funding for stream gage maintenance ($200k internal or contracted with USGS), one-time acquisition of gridded weather data ($10k - PRISM), and one-time funding of temporary storage of data ($18k Google).

Package 115 – Supporting Resolution of Complex Issues – $1.5m GF;– IWRS Action: 9.C
This package includes $1.5 million in facilitation costs for work related to the Confederated Tribes Umatilla Indian Reservation (CTUIR) water rights settlement.

Package 091 – Additional Analyst Adjustments – Includes funding for agency work in Harney County ($200k) and for work associated with basin studies ($600k).

2023-25 GOVERNOR'S BUDGET REDUCTIONS

Reductions include the following:

- $2.9m GF, which increases the Department's Vacancy Savings target to 10.3% of budgeted salaries and wages.
- Funding for evapotranspiration projects in the amount of $325k (partial reduction of 2021 SB 5561 cannabis package) and an evapotranspiration hydrologist ($206k GF) that was related to cannabis (from 2021 SB 5561).
- Water Measurement Cost Share funding by $106,511. This only impacts the biennial addition of new GF to the account. (~$140k Other Fund remains in the account, plus ARPA carryover in POP 105).
- Outreach and facilitation funds by $450k (from 2021: HB 2018 and Complex issues).
- Groundwater study and observation well funding for by ~$448k.
- Gaging station funds by $163k.
- Two assistant watermasters ($368k GF).

Other reductions include adjustments to shared statewide administrative costs including Department of Administrative Services assessments and Attorney General costs in the amount of ~$408k GF and ~$58k Other Fund.

2023 DEPARTMENT LEGISLATION

The Department does not have any legislation in the 2023 Legislative Session.

OREGON WATER RESOURCES DEPARTMENT

Chapter 6: Reduction Options & Long-Term Vacancies

15 PERCENT REDUCTIONS LIST AS REQUESTED BY LFO 2023-25

Description	General Fund	FTE	Impact of Reduction on Services and Outcomes
Surface Water Hydrology Evapotranspiration Funding	(475,000)		Reduced technical support for implementation of evapotranspiration data. **This reduction is proposed in the amount of $325k in the Governor's Recommended Budget.**
Evapotranspiration Hydrologist	(206,070)	(1)	Reduces the Department's ability to interpret, analyze, and apply water use and evapotranspiration data. **This reduction is proposed in the Governor's Recommended Budget.**
Forego Package 031 Standard Inflation on select line items	(147,835)		Reductions to inflation erode the buying power for certain purchases over time.
Increase Vacancy Savings Targets to ~6% of Personal Services Budget	(2,329,057)		The Department would leave positions vacant for extended periods of time which would result in diminished services in agency programs, thereby impeding the Department's ability to carry out its responsibilities. **The Governor's Recommended Budget proposes to increase the Department's Vacancy Savings target to 10.3% of the CSL Salaries & Wages.**
Increase Vacancy Savings Targets by an additional ~1% of budgeted personal services funds	(666,696)		The Department would leave positions vacant for extended periods of time which would result in diminished services in agency programs, thereby impeding the Department's ability to carry out its responsibilities. **The Governor's Recommended Budget proposes to increase the Department's Vacancy Savings target to 10.3% of the CSL Salaries & Wages.**

Description	General Fund	FTE	Impact of Reduction on Services and Outcomes
Water Measurement Cost Share Funding	(106,511)		Water-use measurement helps the Department to manage and understand the resource. The cost to install weirs, flumes, meters, or other appropriate measurement devices can be significant, up to several thousand dollars for meters and as much as $25,000 for large flumes or weirs. Water users cite the expense of installation as a barrier to installing measuring devices. This fund provides for a cost share on the expense of purchasing and installing water use measurement devices. This reduction in the long-term would result in fewer measurement devices installed, increase the need for measuring device regulatory orders and compliance checks, and decrease water management efficiency. **This reduction is proposed in the Governor's Recommended Budget.**
Feasibility Study Grants	(390,633)		Local communities often find it difficult to secure feasibility study funding as part of their project development. Such studies help determine the environmental, engineering, economic, and social implications of proposed water supply projects. Reducing the funding would impact the ability of the grant program to provide funding for these studies, reducing the ability to assess future water conservation, reuse, or storage projects, and to meet water needs.
Facilitation Funds	(200,000)		This reduction will remove 2/3rds of the funds allocated for facilitation. Reduced funding for facilitation services will mean that Department staff will take on these duties in addition to their regular work, potentially delaying the work in the Willamette and Deschutes Basins and other complex basins. **This reduction is proposed in the Governor's Recommended Budget.**

Description	General Fund	FTE	Impact of Reduction on Services and Outcomes
Groundwater Investigations (Other Projects)	(447,830)		Competition for groundwater increases every year. Impacts from climate change, weather conditions, and groundwater development are measured at state observation wells throughout the state and are critical to help assess Oregon's groundwater resources and understand groundwater levels. These wells contribute to Oregon's long-term record of groundwater data. Insufficient information about groundwater supplies can lead to overallocation of the resource, impacting people that rely on groundwater as well as streams. This action would reduce the funding available for the ongoing maintenance and establishment of monitoring wells and would slow data collection supporting groundwater studies around Oregon. **This reduction is proposed in the Governor's Recommended Budget.**
HB2018 Outreach Funds	(250,000)		Reductions to the outreach funding would mean less money to support outreach associated with development of groundwater budgets and associated data development in HB 2018. This means that the Department may not be able to develop as many informational materials or hold as many public participation events. The public may be less informed about the work and have less opportunity for input. **This reduction is proposed in the Governor's Recommended Budget.**

Description	General Fund	FTE	Impact of Reduction on Services and Outcomes
Gaging Stations	(163,496)		The Water Resources Department operates over 250 stream and reservoir gages throughout the state, maintaining a 100-year record for many of them. This network of stream gages is important in both the management of Oregon's surface water and groundwater resources. It is used by a variety of organizations for making daily decisions, distributing water, protecting, and monitoring instream flows, forecasting floods, designing infrastructure such as bridges and culverts, planning for recreational activities, understanding how much water is available for new uses, and tracking long-term trends such as climate change and drought. This action reduces funding for the installation and maintenance of gaging stations. Reductions to this funding stream reduce our ability to maintain and repair stream gage infrastructure that is roughly worth $3 million. Some gaging stations may not be able to be repaired. **This reduction is proposed in the Governor's Recommended Budget.**
Assistant Watermaster	(184,091)	(1)	A reduction in assistant watermaster staff in the Field Services Division will impact the Department's ability to respond to complaints of illegal water use, well-to-well interference, and timely regulate and distribute water to meet the demand of senior water right holders. Recent increases in assistant watermaster staff were provided to the Department in December 2021 to address unauthorized water use associated with increased cannabis in Oregon. **This reduction is proposed in the Governor's Recommended Budget.**

Description	General Fund	FTE	Impact of Reduction on Services and Outcomes
Enforcement and Compliance Program Specialist	(231,678)	(1)	Reducing the number of enforcement and compliance specialists in the Field Services Division will slow down the processing of formal enforcements against illegal water users, which impacts the Department's ability to gain compliance with Oregon water laws.
Hydrographer	(184,091)	(1)	Reduces department's ability to address streamgage records processing backlog; this impacts the processing of data used for basin studies, and other scientific work, as well as accessibility of final data for the public.
Groundwater Investigations (Delay Walla-Walla)	(241,114)		This substantially delays rate of progress on the Walla Walla groundwater study and reduces federal cost share match. Leaves $200k. This will mean that the agency takes longer to complete the Walla Walla groundwater study and will not have this data timely for decision making.
Technical Analyst	(206,070)	(1)	This will reduce the Department's ability to respond to technical assistance requests, particularly from planning groups and groups working on complex basin issues. This will reduce collaboration and undermine trust and relationships the Department has been working to build. It will also reduce information accessible to the public.
Enforcement and Compliance Support Specialist	(206,070)	(1)	Reducing the number of enforcement and compliance specialists in the Field Services Division will slow down the processing of formal enforcements against illegal water users, which impacts the Department's ability to gain compliance with Oregon water laws.

Description	General Fund	FTE	Impact of Reduction on Services and Outcomes
Groundwater Investigations (Water Budgets)	(784,675)		This eliminates funding to create water budgets under HB 2018, meaning the Department would not be able to pursue this work and would not develop or refine its understanding of basin water budgets. This will reduce the available information to the Department to make informed decisions about water allocation and management.
Senior Physical Hydrogeologist	(241,171)	(1)	Department hydrogeologists are responsible for groundwater data collection, review of applications for new groundwater rights and transfers of existing rights, well interference investigations, basin study support, and responding to complaints between well users. Each staff person develops expertise in the geology and hydrogeology of one or more basins in Oregon, where they focus their efforts. Removal of this position will increase the backlog and processing time of groundwater applications and transfers, reduce collection of groundwater data, and increase the response time for questions and complaints from groundwater users and policy makers.
Engagement Coordinator	(231,678)	(1)	A reduction in this position will reduce agency capacity to inform and engage the public in the development of groundwater budgets and other associated data. This may reduce public confidence in the data. It will also reduce the agency's capacity to engage the public and water users on water issues in the southwestern part of the state.

Description	General Fund	FTE	Impact of Reduction on Services and Outcomes
Assistant Watermasters	(368,182)	(2)	Two Assistant Watermasters - A reduction in assistant watermaster staff in the Field Services Division will impact the Department's ability to respond to complaints of illegal water use, well-to-well interference, and timely regulate and distribute water to meet the demand of senior water right holders. Recent increases in assistant watermaster staff were provided to the Department in December 2021 to address unauthorized water use associated with increased cannabis in Oregon. **The Governor's Recommended Budget proposes a reduction of one of the two Assistant Watermaster positions.**
Physical Hydrogeologist	(214,173)	(1)	Department hydrogeologists are responsible for groundwater data collection, review of applications for new groundwater rights and transfers of existing rights, well interference investigations, basin study support, and responding to complaints between well users. Each staff person develops expertise in the geology and hydrogeology of one or more basins in Oregon, where they focus their efforts. Removal of this position will increase the backlog and processing time of groundwater applications and transfers, reduce collection of groundwater data, and increase the response time for questions and complaints.
Water Right Transfer Specialist	(231,678)	(1)	A reduction in this position will reduce agency capacity to process water right transfers and associated transactions processed by the transfers and conservation section. This will increase processing times and public frustration with the Department, as well as reduce water users' ability to make changes to their water rights to meet their needs.

Description	General Fund	FTE	Impact of Reduction on Services and Outcomes
Water Rights Data Technician	(154,281)	(1)	This position is primarily focused around updating and fixing errors with legacy water right and well data. Losing this position will reduce the section's ability to proactively fix errors in WRIS data. This will impact on the agency's ability to use WRIS data for regulation and interference research.
Delay Harney CREP	(383,758)		Leaves ~$116k. The Department has found groundwater to be over appropriated in the Greater Harney Valley, which will necessitate reductions in groundwater use. The Harney CREP provides an avenue for incentives for voluntary reductions of groundwater use. This is a key effort in helping the agricultural community transition to their new water future and critical for supporting the local economy during this transition. A reduction in these funds will limit how many acres can be enrolled in the program and will limit the voluntary incentive to reduce groundwater use.
Application Developer	(228,049)	(1)	This reduction would mean less resources available for GIS and mapping. This position also does application development. Reductions in our Information Services Section impact the Department's ability to maintain existing systems, modernize operations, collect, and interpret data for management decisions, and provide information to water users, the public, planning groups, and others.
TOTAL	**(9,473,887)**	**(14)**	

LONG-TERM VACANCY REPORT

Vacancies as of 12/31/2022			
Position #	**Position Title**	**Type**	**Reason Narrative**
Vacancies Pending Organizational Restructures			
4000014	PRINCIPAL EXECUTIVE/MANAGER C	PF	Reclassed to NRS4 Watermaster in PFP 23-01 which was not keyed in time for GRB. Incumbent sitting on unbudgeted position pending PFP completion.
9919002	OPERATIONS & POLICY ANALYST 3	PF	Abolished in PFP 23-01 which was not keyed in time for GRB.
3000119	OFFICE SPECIALIST 2	PF	Abolished in PFP 23-01 which was not keyed in time for GRB.
3000067	OFFICE SPECIALIST 2	PP	Abolished in PFP 23-01 which was not keyed in time for GRB.
1000015	EXECUTIVE SUPPORT SPECIALIST 1	PF	Abolished in PFP 23-01 which was not keyed in time for GRB.
9915119	PROFESSIONAL ENGINEER 1	PF	Position was left vacant to generate vacancy savings pending reclassification to NRS3 in PFP 23-01 which was not keyed in time for GRB.
9921025	PROCUREMENT & CONTRACT SPECIALIST 2	PF	Position shifted to ASD in PFP 23-01 which was not keyed in time for GRB. Left vacant to fund PCS1 (sitting on an unbudgeted position) and another position responsible for contracting work (WDLP Loan Spec).
Vacancies Due to Fee Revenue Shortfalls			
9970035	WATER RESOURCE DATA TECHNICIAN 1	PF	Left vacant to accrue sufficient fee ending fund balance. Currently filled.
1000038	OFFICE SPECIALIST 1	PF	Left vacant to accrue sufficient fee ending fund balance. Current recruitment in process.
Other Vacancies			
9915116	NATURAL RESOURCE SPECIALIST 4	PF	Position left vacant while program manager filled higher priority positions in the section. Recruitment planned for Spring 2023.
9915107	NATURAL RESOURCE SPECIALIST 4	PF	Left vacant to generate GF savings to fund unbudgeted planning position. Incumbent was sitting on non-budgeted position through December 2022.
9921002	PROFESSIONAL ENGINEER 1	PF	Left vacant to fund retiree temp. Temp is sitting on an unbudgeted position.

OREGON WATER RESOURCES DEPARTMENT

Chapter 7: Supplemental Information on Grants

FUNDING OPPORTUNITIES TO MEET NEEDS

The Commission and Department recognize the critical water needs in Oregon's communities, while simultaneously engaging in longer-term strategic initiatives to better understand factors affecting the resource and proactively address future challenges. Oregon communities, along with Oregon's fish and wildlife, are already facing limited water supplies today. Surface water is almost completely allocated, and as we rely increasingly on our groundwater resources, groundwater levels have been dropping in some areas of the state. Water scarcity now jeopardizes Oregonian's health, welfare, and quality of life.

The Planning, Collaboration and Investments section builds partnerships and incentivizes Oregonians to pursue integrated and innovative solutions for complex water challenges and an uncertain water future. The Department does this work to achieve a secure and sustainable water future, addressing instream and out-of-stream needs, for all Oregonians and Oregon's environment, economy, communities, and cultures. Part of the section's responsibilities is to administer funding programs, including direct appropriations. Funding programs are detailed in more detail below.

Program (Year Authorized)	Description
Place-Based Planning (2015)	Empowers communities to work collaboratively, in partnership with the state, to understand their instream and out-of-stream water resources needs and identify potential solutions to meet those needs (sunsets 6/30/23)
Feasibility Study Grants – Water Conservation, Reuse and Storage Grants (2008)	Provides up to 50 percent of the costs of studies to evaluate the feasibility of developing water conservation, reuse, and storage projects
Water Project Grants and Loans – Water Supply Development Account (2013)	Provides funding for instream and out-of-stream water supply projects that achieve economic, environmental, and social/cultural benefits
Water Well Abandonment, Repair, and Replacement Fund (2021)	Provides financial assistance to be used to permanently abandon, repair, or replace a water well used for household purposes
Harney Domestic Well Remediation Fund (2021)	Provides funding for replacing, repairing, or deepening domestic wells within the Greater Harney Valley Groundwater Area of Concern (GHVGAC)
Water Measurement Cost Share Program (2001)	Provides funding to contribute up to 75 percent of the cost of measuring devices.

Place-based Planning Grants

Undertaking place-based planning is Recommended Action 9.A of Oregon's Integrated Water Resources Strategy. In 2015, the Oregon Legislature authorized and provided funding for the Department to pilot the place-based approach to integrated water resources planning. Place-based integrated water resources planning is a voluntary, locally initiated and led effort in which a balanced representation of water interests within a basin or watershed, work in partnership with the state to understand their instream and out-of-stream water needs, and identify solutions to meet those needs. Planning is essential to being able to formulate solutions to water challenges that may affect communities, ecosystems, and economic development.

The Department has been working with four places – Harney Basin, Upper Grande Ronde Sub-Basin, Lower John Day Sub-Basin, and the Mid-Coast Region – to pilot place-based planning. Three of the four planning groups' integrated water resources plans have been completed and recognized by the Commission.

Place-Based Water Planning Grants (initial award in 2016, additional funds awarded 2019 and 2021)

Planning Group (Fiscal Agent)	Grant Funds (through 2022)	Match Funds (secured through June 2022)
Harney Community-Based Water Planning Collaborative (Harney County Watershed Council)	$550,000	$568,000
Mid-Coast Water Planning Partnership (Seal Rock Water District)	$550,000	$822,000
Lower John Day Place-Based Planning Partnership (Gillam SWCD)	$575000	$240,000
Upper Grande Ronde River Basin Planning Partnership (Union County)	$575,000	$330,000

Each community has shown dedication to the process and many of the participants have already observed benefits from the localized collaborative planning. Place-based planning has allowed participants to get to know new people that share an interest in water, collaboratively work through differences, and identify opportunities to work together. It has also allowed the state agencies to be a partner in understanding and addressing complex water problems at a local scale. The planning efforts have increased local access to agency technical information and helped communities better understand existing data gaps and water resource limitations.

The Department's authority to provide funding for place-based planning sunsets in 2023. Legislation is currently pending that would make the program permanent.

FEASIBILITY STUDY GRANTS
WATER CONSERVATION, REUSE AND STORAGE

Authorized in 2008, Water Conservation, Reuse, and Storage Grants fund the qualifying costs of studies that evaluate the feasibility of a proposed conservation, reuse, or storage project that appears to have merit but is lacking important details necessary to determine whether or not to proceed with implementation. Since 2009, 114 grants totaling over $8.5 million dollars have been awarded.

Tables of recent grants awarded funding are below.

Feasibility Grants Awarded in June 2021

Study Name	Project Type	County	Funding Awarded	Total Cost of Study
Dry River Canyon Water Conservation Study	Conservation	Deschutes Crook	$27,760	$55,520
Fifteenmile Watershed Managed Underground Storage Facilities Feasibility Study Phase II	Below Ground Storage	Wasco	$185,000	$370,000
Silverton / Mt. Angel ASR	Below-ground Storage	Marion	$15,000	$30,000
Smith Rock-King Way Water Conservation	Conservation	Deschutes Crook	$171,072	$375,712
Upper Grande Ronde River Watershed Storage	Above-ground Storage	Union	$114,000	$228,000
Upper John Day ASR Feasibility	Below-ground Storage	Grant	$293,895	$589,645
Upper Klamath Lake Water Storage	Above Ground Storage	Klamath	$26,400	$58,600
Walla Walla River Irrigation District Water Conservation	Conservation	Umatilla	$75,000	$170,000
		Total	**$908,127**	**$1,877,477**

Feasibility Grants Awarded in June 2022

Study Name	Project Type	County	Funding Awarded	Total Cost of Study
City of Klamath Falls Beneficial Reuse Feasibility Study	Reuse and Storage	Klamath	$336,807	$673,614
Farmers Canal Pipeline Design Study	Conservation	Hood River	$60,000	$120,000
Goose Lake Basin Water Conservation Study	Storage	Lake	$80,245	$161,850
Horsefly Irrigation District Modernization Study	Conservation	Klamath	$75,000	$152,500
Klamath Irrigation District Water Conservation Study	Storage	Klamath	$72,000	$146,500
Langell Valley Irrigation District Modernization Study	Storage	Klamath	$75,000	$152,500
West Canal Pumpback Project Reuse Study	Reuse	Klamath	$115,000	$230,000
		Total	**$814,052**	**$1,636,964**

Feasibility Grants Requested for June 2023

Study Name	Project Type	County	Funding Requested	Total Cost of Study
City of North Plains Aquifer Storage and Recovery Feasibility Study	Below-ground Storage	Washington	$94,727	$198,297
Drywell-Managed Aquifer Recharge Using Winter flow and Non-Contact Wastewater at Westland Irrigation District	Reuse, Below-ground Storage	Umatilla	$249,686	$499,372
East Fork Hood River Water Conservation Feasibility Study	Conservation	Hood River	$47,430	$96,416
Silverton ASR Feasibility Study	Below-ground Storage	Marion	$250,000	$500,000
		Total	**$641,753**	**$1,294,085**

WATER PROJECT GRANTS AND LOANS
WATER SUPPLY DEVELOPMENT ACCOUNT

In 2013, the Oregon Legislature passed Senate Bill 839, establishing the Water Supply Development Account to provide grants and loans for water projects to evaluate, plan, and develop instream and out-of-stream water projects that have economic, environmental and social/cultural benefits. From 2016 to 2022, over $42M has been awarded to 37 different projects.

The tables below provide information on recent funding awards.

Water Project Grants Awarded November 2020

Project Name	Applicant Name	County	Funding Awarded	Total Cost of Project
Deschutes Basin Flow Restoration - Group 3	Tumalo Irrigation District	Deschutes	$1,200,000	$5,871,548
Eastside Lateral Pipeline & Water Conservation Project	East Fork Irrigation District	Hood River	$2,000,000	$7,654,594
Lone Pine Irrigation Modernization Project	Lone Pine Irrigation District	Crook, Deschutes, Jefferson	$1,600,000	$9,200,259
		Total	**$4,800,000**	**$22,726,401**

Water Project Grants Awarded November 2021

Project Name	Applicant Name	County	Funding Awarded	Total Cost of Project
Butte Creek Mill Water Supply Security and Instream Transfer	Trout Unlimited	Jackson	$459,828	$614,828
Deschutes Basin Flow Restoration - Group 6A	Tumalo Irrigation District	Deschutes	$1,391,927	$6,140,034
Smith Rock-King Way Project Irrigation Modernization Project*	Deschutes River Conservancy, Central Oregon Irrigation District, and North Unit Irrigation District	Deschutes and Crook	$4,406,365	$2,093,081
Fitzpatrick Conservation Project*	Trout Unlimited and Jeremy McCullouch/ Rocking M Cattle Company	Wallowa	$706,453	$529,840
John Day Innovation Gateway Adaptive Water Reuse*	City of John Day	Grant	$13,581,200	$2,981,200
Muddy Creek Water Use and Stream Restoration Project*	Lake County Umbrella Watershed Council	Lake	$776,561	$93,500
		Total	**$7,549,376**	**$6,496,485**

**Projects received provisional funding in November 2021 contingent upon 2022 bond sale. After bond sale, the Department entered into grant agreements with these funding recipients.*

Water Project Grants Awarded November 2022

Project Name	Applicant Name	County	Funding Awarded	Total Cost of Project
Deschutes Basin Flow Restoration - Group 4	Tumalo Irrigation District	Deschutes	$2,000,000	$8,706,808
East Fork Irrigation District Sublateral Modernization Project	East Fork Irrigation District	Hood River	$822,995	$1,878,295
Mill Creek Park Aquifer Storage and Recovery Project	City of Stayton	Marion	$3,819,750	$5,093,000
		Total	**$6,642,745**	**$15,678,103**

WELL ABANDONMENT, REPAIR AND REPLACEMENT FUND

The Well Abandonment, Repair, and Replacement Fund (WARRF) was established through the passage of HB 2145 in 2021. Its purpose is to provide financial assistance to repair or replace a water well used for household purposes and to permanently abandon wells, when certain criteria are met. The Department is implementing this funding opportunity in two stages. Stage I is to initially meet the urgent public health needs of Oregonians with low to moderate income that have been affected by drought and wildfire. Stage II will focus on comprehensive design for full implementation.

The Department launched Stage I on June 1, 2022. The program was announced via a press release and email. The Department created a webpage about the funding opportunity and posted the application forms, guidance for homeowners, frequently asked questions, and contact information. Information is provided in both English and Spanish. A dedicated phone number was set up to provide responsive customer service.

The Department started receiving applications in mid-June. A limited-duration well fund coordinator was hired and started in July part-time and began processing applications full-time on August 1, 2022. The Department is moving as quickly as possible to review and process applications and enter into grant agreements with eligible homeowners. As of mid-March, the Department has processed and awarded approximately $3.2 million in total as assistance to 114 homeowners.

HARNEY BASIN DOMESTIC WELL REMEDIATION FUND

In 2021, the Oregon Legislature passed House Bill 3092, which established the Harney Basin Domestic Well Remediation Fund for the purposes of replacing, repairing, or deepening domestic wells affected by overallocation of ground water within the Greater Harney Valley Groundwater Area of Concern (GWAC). Due to staffing capacity issues this fund has not been set up. The Department focused resources on first setting up the statewide Well Abandonment, Repair and Replacement Fund. The Department is working to address these capacity issues or pursue other options to set up the fund as quickly as possible in 2023.

DIRECT APPROPRIATIONS

Over the last three biennia, the Legislature made a number of direct appropriations to water projects and directed the Department to manage the grants. Direct appropriations made by the Legislature in 2017 and 2021 are included below. The Legislature also made direct appropriations in 2019, but the associated bond sale was cancelled due to economic implications of the coronavirus pandemic.

Direct Appropriations 2017

Project Name	Recipient Name	Fund	Funding Awarded	Status
Panther Creek Reservoir Dredging Project	City of Carlton	Water Supply Development Account	$2,000,000	In progress; 2023 expected completion
Transmission Pipe Replacement Project*	City of Carlton	Water Supply Development Account	$7,100,000	Project completed 2022
Santiam Mill Creek Project	Santiam Water Control District	Water Supply Development Account	$1,200,000	Funds to be returned as project not moving forward
		Total	**$10,300,000**	

*Received $2 million in 2017 and an additional $5.1 million in 2018 for a total of $7.1 million

Direct Appropriations 2021

Project Name	Recipient Name	Fund	Funding Awarded	Status
Remediation of the Big Creek Dams*	City of Newport	Water Supply Fund	$14,000,000	Grant agreement in place; expected completion 2025
Deschutes Basin Board of Control piping project*	Deschutes Basin Board of Control	Water Supply Development Account	$10,000,000	Grant agreement in place; expected completion 2025
State-supported water planning and management	Oregon Consensus	General Fund	$500,000	Work group met through 2022
Fire protection infrastructure	Nesika Beach Ophir Water District	General Fund	$250,000	Grant agreement in place; expected completion 2023
Columbia River-Umatilla Solutions task force	Umatilla County	General Fund	$500,000	Grant agreement in development
Ordnance regional water infrastructure project	Umatilla County	American Rescue Plan Act Coronavirus State Fiscal Recovery Fund	$6,000,000	Grant agreement in development

Rehabilitation of the Wallowa Lake Dam*	Wallowa Lake Irrigation District	Water Supply Fund	$14,000,000	Grant agreement in place; expected completion 2024
		Total	**$45,250,000**	

*These projects were allocated funds by the Legislature in 2019, but the bond sale was cancelled. The Legislature reauthorized the allocations in 2021.

Additionally, in 2021, the Legislature transferred $500,000 from American Rescue Plan Act (ARPA) Coronavirus State Fiscal Recovery Fund moneys received by the Oregon Department of Administrative Services to the Water Resources Department, for assistance to local governments with meeting fish passage requirements for dam upgrade projects. The Department is in the process of identifying local governments that have High or Significant hazard dams that need funds to meet fish passage requirements for dam upgrades and meet the conditions of the ARPA funds. The Department will pursue grant agreements with local governments for eligible projects in 2023.

WATER MEASUREMENT COST SHARE PROGRAM

In 2021, the Legislature transferred $1,000,000 from American Rescue Plan Act (ARPA) Coronavirus State Fiscal Recovery Fund moneys received by the Oregon Department of Administrative Services to the Water Resources Department for the Water Measurement Cost Share Program Revolving Fund established in ORS 536.021. The Department provides up to 75 percent of the funds needed to install, substantially repair, or replace a streamflow gage, measuring device or headgate with a measuring device on authorized diversions or points of appropriation where the gauge, measuring device or headgate will be used to protect in-stream flow or existing water rights, measure ground water use, or monitor water rights and streamflow.

RECAP OF LOTTERY BOND FUNDING

Over the last three biennia, the Legislature has authorized $95.35 million in Lottery Bond proceeds for water supply studies and projects, with $27.35 million in bonds that were sold in the spring of 2019, $43 million scheduled for sale in April 2021; however, the sale was cancelled due to the pandemic then reauthorized for sale in April 2022 and $25 million scheduled to be sold in April 2023. The Governor's Recommended Budget proposes and additional $22 million scheduled to be sold in the spring of 2025.

Description	**Authorized FY 17 – FY 23**
Water Supply Development Account	
Deschutes Basin Board of Control irrigation piping projects	$10 million
City of Carlton Panther Creek Reservoir	$2.5 million
City of Carlton Water Supply Project	$2 million
Santiam Mill Creek	$1.2 million
City of Carlton Water Supply Project	$5.15 million
Water Project Grants & Loans	$45 million

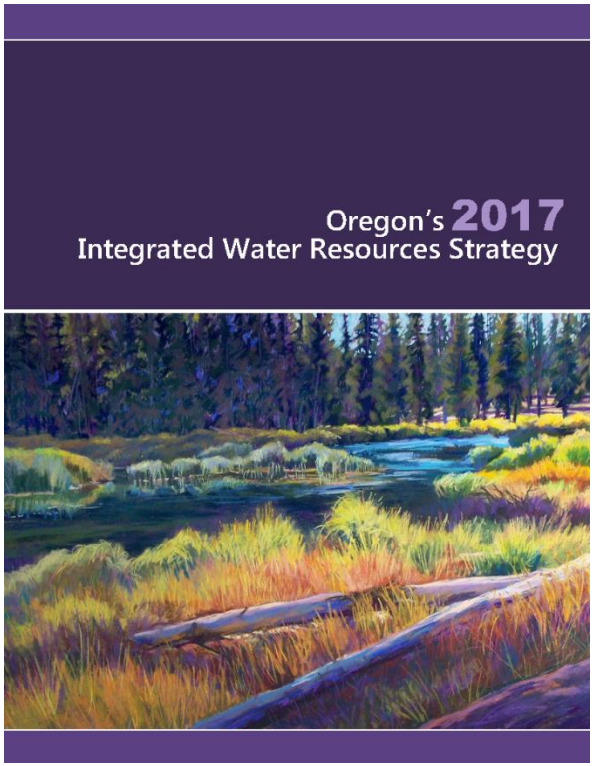
Water Supply Fund	
Wallowa Lake Dam	$14 million
Big Creek Dam	$14 million
Water Conservation, Reuse, and Storage Fund	
Feasibility Study Grants	$1.5 million
TOTAL	**$95.35 million**

2017-2022 Oregon's Integrated Water Resources Strategy

Progress Report

Oregon's Integrated Water Resources Strategy (IWRS) provides a statewide inter-agency framework for better understanding and meeting Oregon's instream and out-of-stream water needs. Oregon's Water Resources Commission adopted the first IWRS in 2012 and the second in 2017. The 2017 IWRS provides recommendations in 13 different issue areas. Each issue area includes multiple recommendations, resulting in more than 50 recommended actions.

Requirements for multi-agency involvement, document adoption, and update frequency are outlined in ORS 536.220. Although the Oregon Water Resources Department (OWRD) is the lead agency for developing and updating the IWRS, they work in close cooperation with other agencies, stakeholders, and the public.



ORS 526.220 states that the IWRS is to be updated every five years. This Progress Report is intended to summarize progress made to date in achieving the recommended actions outlined in the 2017 IWRS and to help inform the next IWRS update currently underway.

Clean water restoration plans developed for 5,000 miles of impaired streams and 187,000 acres of impaired water bodies

$19.4 million provided by ODA to farmers and ranchers for 2021 natural disaster assistance

65 Projects awarded funding by ODFW in 2022, supporting removal of 96 fish passage barriers

Over 2,000 cannabis sites investigated for water use compliance (HB 5561)

Highlighted Accomplishments & Agency Collaboration

Groundwater & Surface Water Data Collection

Contributing Agencies (see page 3 for agency acronyms)

ODA, ODEQ, ODFW, OWRD, USGS

Current, accurate data regarding groundwater and surface water conditions are critical to understanding available water resources.

Specific projects performed under this category include:

- ODA's Water Quality Pesticide Management Team monitoring
- ODEQ's Environmental Data Management System (EDMS)
- ODFW's Real-time instream flow restoration monitoring
- OWRD's Groundwater Monitoring Program
- OWRD & USGS Harney Basin Groundwater Study

IWRS recommended actions
1.A, 1.B, 1.C

Oregon Water Data Portal

Contributing Agencies (see page 3 for agency acronyms)

DLCD, ODA, ODAS, ODEQ, ODF, ODFW, ODSL, OHA, OSU-INR, OWEB, OWRD

The Oregon Water Data Portal is a project led by ODEQ. The portal serves as a central location for agencies and the public to access water quality and quantity data.

The project is the result of agency and public demand for easily accessible data to support water planning efforts and decision-making at various scales.

Development of the portal is in the early phases. Future work will include the complex tasks of standardizing and compiling data from many sources. Once the portal is complete, it will support adaptation and resiliency strategies, community education, and water conservation efforts.

IWRS recommended actions
1.B, 1.C, 2.B, 5.B, 6.A, 6.B, 8.A, 8.B, 9.A, 10.A

Drought Planning & Support

Contributing Agencies (see page 3 for agency acronyms)

DLCD, DOGAMI, ODA, ODFW, ODHS, ODOE, OEM, OHA, OWEB, OWRD

Drought planning and support is a statewide priority due to several consecutive years of drought declarations. Both the Drought Readiness Council and the Water Supply Availability Committee are chaired by OWRD and provide a forum for inter-agency coordination.

Examples of agency efforts include:

- DOGAMI & DLCD Multi-hazard and Natural Hazard Risk Reports
- ODA provided $19.4 million in assistance for impacts from natural disasters
- ODFW funding for drought fish passage projects, drought education and outreach campaign
- ODHS/OEM Emergency Water Supplies in the Klamath Basin
- OWRD Water Well Abandonment, Repair, and Replacement Funds (WARRF)
- OWEB Drought Relief Grants

IWRS recommended actions
1.B, 1.C, 2.B, 4.C, 5.A, 5.B, 5.5C, 6.B, 13.B, 13.C, 13.D, 13.E

Conservation & Ecological Restoration

Contributing Agencies (see page 3 for agency acronyms)

ODA, ODEQ, ODF, ODFW, OPRD, OWEB, OWRD

Conservation and restoration activities protect and improve water quality and fish and wildlife habitat.

- ODA – Supports 45 Soil & Water Conservation Districts throughout Oregon
- ODEQ – Designated Waldo & Crater Lake Outstanding Resource Waters
- ODF – Pursuing a State Forests Habitat Conservation Plan
- ODFW – Implemented projects to improve fish passage and secured instream water rights
- OWEB – Administers 17 grant programs to protect and restore watersheds
- OPRD & OWRD – Designated a portion of the Nehalem River a Scenic Waterway

IWRS recommended actions
9.B, 11.A, 11.B, 11.D, 13.C, 13.E

Place-Based Planning

Contributing Agencies (see right for agency acronyms)

ODA, ODEQ, ODFW, OWRD

Lead by OWRD, a pilot place-based planning process began in 2016. Four planning areas were awarded funding to complete regionally-specific plans that address water quality, quantity, and ecosystem needs:

- Upper Grande Ronde Sub-basin
- Lower John Day Sub-basin
- Mid-Coast Region
- Harney Basin

Three final plans were published in 2022, and these groups are now working on implementation. The Harney Basin has completed the groundwater portion of the plan and is now working on the surface water planning. Authority to fund place-based planning sunsets in 2023, OWRD is introducing legislation to make the program permanent.

IWRS recommended actions
1.C, 3.A, 3.B, 5.B, 6.A, 7.B, 8.D, 9.A, 9.B, 9.C, 10.C, 11.B

Pesticide Stewardship Partnership

Contributing Agencies (see right for agency acronyms)

ODA, ODEQ, ODFW, ODF, OWEB, OSU, PSU

The Pesticide Stewardship Partnership (PSP) Program is a voluntary program that relies on local partnerships to monitor pesticide levels in waterways and enact solutions to protect water quality while managing pests and maintaining crop yield.

The PSP Program provides technical assistance, outreach, and education.

There are nine PSP Program areas across the state. Watershed councils and soil and water conservation districts are additional partners.

The PSP Program documents water quality sampling results in their biennial summary reports.

IWRS recommended actions
1.B, 8.C, 8.D, 12.A, 12.B

IWRS Accomplishments Summary

Tables 1 and 2 (below) identify the agencies that have contributed to advancing IWRS recommended actions since 2017. Table 1 lists the 28 recommended actions (1.A through 8.D) under IWRS **Goal 1, Improving Our Understanding of Oregon's Water Resources**. Table 2 lists the 23 recommended actions (9.A through 13.E) under **Goal 2, Meeting Oregon's Water Resource Needs.**

Acronyms for each agency have been used. A list of the full agency names is provided, below:

BizOR – Business Oregon
DOGAMI – Oregon Department of Geology & Mineral Industries
DLCD – Oregon Department of Land Conservation & Development
ODA – Oregon Department of Agriculture
ODEQ – Oregon Department of Environmental Quality
ODF – Oregon Department of Forestry
ODFW – Oregon Department of Fish & Wildlife
ODOE – Oregon Department of Energy
ODSL – Oregon Department of State Lands
OHA – Oregon Health Authority
OPRD – Oregon Parks and Recreation Department
OSMB – Oregon State Marine Board
OWEB – Oregon Watershed Enhancement Board
OWRD – Oregon Water Resources Department

Agencies mentioned in "Highlighted Accomplishments" but not included in Tables 1 and 2:

ODAS – Oregon Department of Administrative Services
ODHS – Oregon Department of Human Services
OEM – Office of Emergency Management
OSU-INR – Oregon State University Institute of Natural Resources
USGS – United States Geological Survey

Table 1. Oregon Agencies Contributing to IWRS Implementation, 2017-2022 - Goal 1

GOAL 1: Improve Our Understanding of Oregon's Water Resources		BIZOR	DGMI	DLCD	ODA	ODEQ	ODF	ODFW	ODOE	ODSL	OHA	OPRD	OSMB	OWEB	OWRD
Understanding Water Resources	1.A Conduct additional groundwater investigations		X		X	X									X
	1.B Improve water resource data collection & monitoring				X	X		X			X			X	X
	1.C Coordinate inter-agency data collection, processing, and use in decision-making		X	X	X	X	X	X		X	X			X	X
Understanding Oregon's Out-of-Stream Needs/ Demands	2.A Regularly update long-term water demand forecasts			X	X										X
	2.B Improve water-use measurement & reporting														X
	2.C Determine unadjudicated water right claims														X
	2.D Authorize the update of water right records with contact information														
	2.E Regularly update Oregon's water-related permitting guide														
Understanding Instream Needs/ Demands	3.A Determine flows needed (quality & quantity) to support instream needs				X	X		X				X			X
	3.B Determine needs of groundwater dependent ecosystems		X			X		X							X
Water & Energy	4.A Analyze the effects on water from energy development projects & policies					X		X	X						X
	4.B Take advantage of existing infrastructure to develop non-traditional hydroelectric power														X
	4.C Promote strategies that increase/integrate energy & water savings								X					X	X
		BIZOR	DGMI	DLCD	ODA	ODEQ	ODF	ODFW	ODOE	ODSL	OHA	OPRD	OSMB	OWEB	OWRD
Climate Change	5.A Support continued basin-scale climate change research efforts			X		X		X							X
	5.B Assist with climate change adaptation & resiliency strategies	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Extreme Events	5.5A Plan and prepare for drought resiliency			X	X	X	X	X	X		X			X	X
	5.5B Plan and prepare for flood events		X	X							X				X
	5.5C Plan and prepare for a Cascadia subduction earthquake event		X	X							X				X
Water & Land Use	6.A Improve integration of water information into land use planning (and vice versa)		X	X	X	X		X		X					X
	6.B Improve state agency coordination	X	X	X	X	X	X	X	X	X	X	X	X	X	X
	6.C Encourage low-impact development practices and green infrastructure	X				X					X			X	
Water-Related Infrastructure	7.A Develop and upgrade water and wastewater infrastructure	X	X	X		X									X
	7.B Encourage regional (sub-basin) approaches to water and wastewater systems	X				X									X
	7.C Ensure public safety/dam safety	X						X							X
Education & Outreach	8.A Support Oregon's K-12 environmental literacy plan												X		X
	8.B Provide education and training for Oregon's next generation of water experts														X
	8.C Promote community education and training opportunities				X	X	X	X		X	X		X		X
	8.D Identify ongoing water-related research needs				X	X		X	X		X				X

Table 2. Oregon Agencies Contributing to IWRS Implementation, 2017-2022 - Goal 2

GOAL 2: Meet Oregon's Water Resource Needs		BIZOR	DGMI	DLCD	ODA	ODEQ	ODF	ODFW	ODOE	ODSL	OHA	OPRD	OSMB	OWEB	OWRD
Place-Based Efforts	9.A Continue to undertake place-based integrated, water resources planning		X	X	X	X		X						X	X
	9.B Coordinate implementation of existing natural resource plans			X	X	X	X	X				X		X	X
	9.C Partner with federal agencies, tribes, and neighboring states in long-term water resources management			X	X	X	X	X							X
Water Management & Development	10.A Improve water-use efficiency and water conservation				X			X	X					X	X
	10.B Improve access to built storage	X						X							X
	10.C Encourage additional water reuse projects					X		X							
	10.D Reach environmental outcomes with non-regulatory alternatives	X			X	X	X	X						X	X
	10.E Continue the water resources development program							X							X
	10.F Provide an adequate presence in the field				X	X		X			X				X
	10.G Strengthen water quantity & water quality permitting programs				X	X	X	X		X					X
		BIZOR	**DGMI**	**DLCD**	**ODA**	**ODEQ**	**ODF**	**ODFW**	**ODOE**	**ODSL**	**OHA**	**OPRD**	**OSMB**	**OWEB**	**OWRD**
Healthy Ecosystems	11.A Improve watershed health, resiliency, and capacity for natural storage				X	X	X	X		X		X		X	X
	11.B Develop additional instream protections				X	X	X	X				X		X	X
	11.C Prevent and eradicate invasive species				X	X	X	X				X	X	X	
	11.D Protect and restore instream habitat and habitat access for fish and wildlife	X			X	X	X	X		X		X		X	X
	11.E Develop additional groundwater protections					X									X
Public Health	12.A Ensure the safety of Oregon's drinking water	X				X	X				X			X	X
	12.B Reduce the use of and exposure to toxics and other pollutants	X			X	X	X	X		X	X		X	X	
	12.C Implement water quality pollution control plans				X	X	X							X	
Funding	13.A Fund development and implementation of Oregon's IWRS	X	X	X	X	X	X	X	X	X	X	X	X	X	X
	13.B Fund water resources management activities at state agencies		X	X	X	X	X	X		X	X	X	X	X	X
	13.C Invest in local or regional water planning efforts	X	X	X	X	X		X						X	X
	13.D Invest in feasibility studies for water resources projects	X			X	X		X		X	X				X
	13.E Invest in implementation of water resources projects	X			X	X	X	X	X	X			X	X	X

Oregon Agency Summaries

Oregon agencies have variety of connections with water and with the IWRS. Some agencies work exclusively with natural resource issues that include water, while others have a peripheral role in water management.

The summaries, below, provide a description of an agency's work relating to water, identifies state agencies with whom they collaborate, lists the IWRS recommended actions most applicable to their ongoing work, and gives three examples of IWRS accomplishments (selected by OWRD).

This information provides valuable insights into how Oregon agencies work together to manage water resources; however, it is important to recognize that implementation of IWRS recommended actions often will require local, state, federal, and tribal participation, as well as efforts by non-governmental organizations (NGO's) and the public.

Business Oregon (BizOR)

BizOR is the state's economic development agency, with a mission to "invest in Oregon businesses, communities, and people to promote a globally competitive, diverse, and inclusive economy." BizOR administers a variety of loan and grant programs that support site assessment, remediation, and water infrastructure planning, design, and implementation. The types of water infrastructure projects that receive funding include drinking water supply, stormwater conveyance, wastewater treatment, water storage, fish passage, and levees.

BizOR frequently collaborates with state agencies, including DLCD, DOGAMI, ODEQ, ODFW, OHA, OWRD, and OWEB.

Grant and loan programs administered by BizOR address ***IWRS recommended actions 7.A, 7.C, 11.D, 12.A, 12.B, and 13.E.***

BizOR 2017-2022 IWRS Accomplishments:

- Funded 61 water-related water projects through the American Rescue Plan Act (**ARPA**) in 2022, totaling nearly $280 million.
- Developed the new **Tide Gate Program** in 2022, providing loans to replace tide gates and improve fish passage.
- Awarded nearly $140 million dollars (2017-2022) for planning, design, and construction of drinking water infrastructure through the **Safe Drinking Water Fund**.

Department of Geology and Mineral Industries (DOGAMI)

DOGAMI's mission is to "provide earth science information and regulation to make Oregon safe and prosperous." DOGAMI works to increase understanding of Oregon's geologic resources and hazards through science and stewardship. There are two main programs at the Agency: Mineral Regulation and Reclamation (MLRR) and Geological Survey and Services (GS&S). The MLRR Program oversees the state's mineral production and works to minimize impacts of natural resource extraction and to maximize the opportunities for land reclamation. This includes extensive interagency coordination to enforce mining permits that protect water quality, among other environmental concerns. The GS&S program has much more extensive interaction with the IWRS, including earth science data collection, information sharing, natural hazard mapping, and identification of risk reduction strategies. Staff in the GS&S program lead the Oregon Lidar Consortium which organizes the collection of lidar data in coordination with dozens of local, state, and federal partners.

DOGAMI frequently collaborates with other state agencies, including DLCD, ODEQ, ODOT, OEM, OHA, and OWRD.

DOGAMI'S ongoing work supports ***IWRS recommended actions 1.A, 1.B, 1.C, 3.B, 5.5A, 5.5B, 5.5C, and 13.C.***

DOGAMI 2017-2022 IWRS Accomplishments:

- Released the **Oregon Seismic Hazard Database 1.0** (2021) providing the first comprehensive collection of seismic hazard data for Oregon.
- Published the 'DOGAMI Bulletin 108, Geology of the North Half of the Lower Crooked River Basin, Crook, Deschutes, Jefferson, and Wheeler Counties' which characterizes **geologic conditions controlling the distribution of water resources**.
- Published the **Oregon Coastal Hospital Resilience Project**: Resilience Planning Maps and Guidance.

Department of Land, Conservation, and Development (DLCD)

DLCD's mission is to "help communities and citizens plan for, protect and improve the built and natural systems that provide a high quality of life. In partnership with citizens and local governments, we foster sustainable and vibrant communities and protect our natural resources legacy." DLCD's work is guided by Oregon's Statewide Land Use Planning Goals, requiring each city and county to adopt and maintain a comprehensive plan addressing these goals. DLCD has been leading the state's Climate Change Adaptation Framework and Climate Change Vulnerability Assessment. Additionally, DLCD administers a variety of grants for comprehensive plan updates, public facilities plan updates, natural hazard mitigation planning, and climate change adaptation and mitigation. DLCD provides annual funding to Portland State University (PSU) to update county-level population forecasts.

DLCD frequently collaborates with other state agencies, including ODA, DOGAMI, ODFW, ODF, OWEB, and OWRD.

DLCD's ongoing work supports ***IWRS recommended actions 1.C, 2.A, 5.A, 5.B, 5.5A, 5.5B, 5.5C, 6.A, 9.B, 11.A, 11.D, and 13.C.***

DLCD 2017-2022 IWRS Accomplishments:

- Lead the development of the **2021 Climate Change Adaptation Framework**, in collaboration with 24 state agencies.
- Initiated the **Climate Change Vulnerability Assessment** (target completion 2023).
- Assisted cities with **Public Facilities Plan updates**, which include the development of cost estimates and funding plans for sewer and water systems.

Oregon Department of Agriculture (ODA)

ODA's mission is to "ensure healthy natural resources, environment, and economy for Oregonians now and in the future through inspection and certification, regulation, and promotion of agriculture and food." ODA oversees many programs that support water quality and habitat protection. The Insect Pest Prevention & Management Program supports invasive species eradication. The Agricultural Water Quality Program supports water quality monitoring, identifies Strategic Implementation Areas (SIA's) needing additional water quality management, and provides grants to Soil & Water Conservation Districts and watershed councils for voluntary water quality projects. The Confined Animal Feeding Operations (CAFO) and Pesticide Stewardship Partnership Programs also focus on collaboration and strategies to protect water quality.

ODA frequently collaborates with other state agencies, including ODEQ, ODFW, ODF, OHA, and OWRD.

ODA's ongoing work supports ***IWRS recommended actions 1.B, 1.C, 6.A, 6.B, 8.C, 8.D, 9.B, 12.A, 12.B, 11.A, 11.C, 11.D, 13.A, 13.C, and 13.E.***

ODA 2017-2022 IWRS Accomplishments:

- Supported **invasive species eradication** for Japanese beetle, apple moth, light brown apple moth, and emerald ash borer. These invasive species can damage or kill trees, posing a risk to watershed health.
- Conducted research related to fertilizers and **nitrate levels that are impacting groundwater quality**.
- ODA and ODEQ developed a Memorandum of Understanding to describe activities each agency will complete to **ensure CAFO's protect the environment** for all Oregonians.

Oregon Department of Environmental Quality (ODEQ)

ODEQ's mission is to "be a leader in restoring, maintaining, and enhancing the quality of Oregon's air, land, and water." ODEQ has four Divisions: Air Quality, Land Quality, Water Quality, and Laboratory Administration. The latter three Divisions perform work related to the IWRS. The Land Quality Division oversees programs that address pollutant management and cleanup. The Water Quality Division implements state and federal laws to protect and restore Oregon's rivers, lakes, streams, oceans, estuaries, and groundwater. This work plays a critical role in ensuring that Oregon's water resources are safe and available for both in and out-of-stream uses, a fundamental goal of the IWRS to meet Oregon's water resource needs. Programs within the Water Quality Division support water quality

monitoring and compliance, funding for planning/design/construction of water pollution control activities (Clean Water State Revolving Fund) and encourage water reuse. The Laboratory and Environmental Assessment Division oversees water quality monitoring programs.

ODEQ frequently collaborates with other state agencies, including DOGAMI, ODA, ODF, ODFW, OHA, and OWRD.

ODEQ's ongoing work supports ***IWRS recommended actions 1.A, 1.B, 1.C, 3.A, 6.C, 7.A, 8.D, 9.B, 10.C, 10.D, 10.G, 11.C, 12.A, 12.B, 12.C, 13.A, and 13.E.***

ODEQ 2017-2022 IWRS Accomplishments:

- Lead the **Oregon Water Data Portal Project** to co-locate water data from several agencies.
- Conducted rulemaking to incorporate new eligible Clean Water State Revolving Fund (CWSRF) borrowers for the purpose of **lending to address failing onsite septic systems.**
- Designated **Waldo and Crater Lake as Outstanding Resource Waters**, providing additional protections.

Oregon Department of Forestry (ODF)

ODF's mission is to "serve the people of Oregon by protecting, managing, and promoting stewardship of Oregon's forests to enhance environmental, economic, and community sustainability." The Forest Practices Act (FPA) guides ODF's management of private and federally owned forests. The recent Private Forest Accord modifies the implementation of the FPA, providing additional protections to habitat and water quality. ODF also manages over 700,000 acres of state-owned forests and the state's Common School Fund Forest Lands. Management approaches to both private and public forests provide an opportunity to protect water quality, conserve and restore habitat for native species, and eradicate invasive species.

ODF frequently collaborates with other state agencies, including ODA, ODEQ, ODFW, OWEB and OWRD.

ODF's ongoing work supports ***IWRS recommended actions 1.C, 6.B, 8.C, 8.D, 9.B, 10.G, 11.A, 11.B, 11.C, 11.D, 12.B, and 13.E.***

ODF 2017-2022 IWRS Accomplishments:

- Implemented the **Private Forest Accord** (Senate Bill 1501, 2022), including administrative rules that focus on riparian protections.
- Collaborated with ODA to **slow the spread of emerald ash borer,** which can kill native Oregon ash trees, an important species in riparian and wetland areas.
- Educated private forestland owners and identified opportunities for voluntary actions that improve or **enhance in-stream conditions and habitat for fish and aquatic wildlife**.

Oregon Department of Fish and Wildlife (ODFW)

ODFW's mission is to "protect and enhance Oregon's fish and wildlife and their habitats for use and enjoyment by present and future generations." ODFW has three Divisions, Fish, Habitat, and Wildlife, all of which provide some level of support for the IWRS. Fish Division programs include fish passage/screening engineering, public education, conservation, and recovery. The Habitat Division programs collect and share data, identify conditions needed to support aquatic and terrestrial species, and support restoration activities. The Wildlife Division includes a conservation program that implements the Oregon Conservation Strategy and a habitat program that oversee 16 ODFW Wildlife Areas. ODFW also co-manages an Aquatic Invasive Species Prevention Program with OSMB.

ODFW frequently collaborates with other state agencies, including DLCD, ODA, ODEQ, ODF, ODOT, ODSL, OSMB, OWEB, and OWRD.

ODFW's ongoing work supports ***IWRS recommended actions 1.B, 1.C, 3.A, 4.A, 5.A, 5.B, 5.5A, 5.5B, 6.A, 6.B, 8.C, 9.A, 9.B, 9.C, 11.A, 11.C, and 11.D.***

ODFW 2017-2022 IWRS Accomplishments:

- **Installed wetland enhancements** at Summer Lake, Klamath, Irrigon, and Fern Ridge wildlife areas to store and manipulate water for wildlife benefits.

- Hired/Funded new **Water Planning Coordinator** position to support Place Based Planning and other local efforts (Deschutes, Walla Walla, Upper Grande Ronde, Harney).
- Developed and implemented **drought education and outreach campaign** to communicate 1) the impacts of drought and wildfire on fish, wildlife, and habitats, 2) the unintended impacts of recreation on fish, wildlife, and habitats during drought; and 3) alternative recreation opportunities during the drought.

Oregon Department of Energy (ODOE)

ODOE's mission is to "help Oregonians make informed decisions and maintain a resilient and affordable energy system." The agency accomplishes this through a combination of data collection/analysis, education, technical assistance, regulation, oversight, and administration of energy programs. ODOE offers a variety of incentive programs to encourage energy and water conservation.

ODOE collaborates with state agencies including ODEQ, ODFW, and OWRD

ODOE's ongoing work supports ***IWRS recommended actions 4.A, 4.C, 5.B, 10.A, 10.C and 11.B.***

ODOE 2017-2022 IWRS Accomplishments:

- Awarded funding through the **Renewable Energy Development Grant** program to irrigation districts to generate power from canal piping projects.
- Published the **2022 Biennial Energy Report**, which includes energy data collection/analysis, informing local, state, and federal energy policy, planning and investments. The report addresses the interconnection of water and energy with respect to hydropower supply and demand, the potential for collecting renewable natural gas from wastewater treatment plants, and residential opportunities to conserve both water and energy.
- Released **new efficiency standards for landscaping spray sprinkler bodies**, applicable to products manufactured on or after 1/1/2023 and **new efficiency standards for faucets and showerheads,** applicable to products manufactured on or after 1/1/2022.

Department of State Lands (ODSL)

The Department's mission is "to ensure Oregon's school land legacy and protect wetlands and waterways of the State through superior stewardship and service." ODSL oversees permitting associated with removal or fill in wetlands and or waterways, as defined in Oregon's Removal-Fill Law (ORS 196.795-990). The Department maintains programs and training to support natural resource identification, included the Oregon Rapid Wetland Assessment Protocol (ORWAP), Stream Function Assessment Method (SFAM), and Aquatic Resource Mitigation Framework. ODSL also coordinates with state, federal, and community partners to address abandoned or derelict vessels in waterways.

ODSL frequently collaborates with other state agencies, including ODEQ, OSMB, and OPRD.

ODSL's ongoing work supports ***IWRS recommended actions 1.C, 6.A, 8.C, 10.G, 11.A, 11.D, and 12.B.***

ODSL 2017-2022 IWRS Accomplishments:

- **Organized and executed 58 camp cleanup projects** (2020-present), removing over 100 tons of debris from state owned channel beds and banks.
- **Removed 29 vessels** from waterways (2018 & 2019).
- In 2020, released updates to the **Oregon Rapid Wetland Assessment Protocol** (release 3.2) and the **Stream Function Assessment Method** (release 1.1).

Oregon Health Authority (OHA)

OHA's mission is "ensuring all people and communities can achieve optimum physical, mental, and social well-being through partnerships, prevention, and access to quality, affordable health care." While OHA encompasses many divisions and programs that promote public health, it is the Environmental Public Health (EPH) section of the Public Health Division that includes the most relevant activities in relation to the IWRS. OHA-EPH identifies, assesses, and reports on threats to human health from exposure to environmental and occupational hazards, and also advises the people and

communities of Oregon on how to best understand potential risks where they live, work and play. OHA-EPH's involvement with water is through the Healthy Waters program that includes Fish Consumption Advisories, Harmful Algae Bloom Surveillance (HABS), Beach Monitoring, and Domestic Well Safety. OHA-EPH also includes Drinking Water Services (DWS), which administers and enforces drinking water quality standards for public water systems in the state of Oregon. DWS provides water system operator training, technical assistance for water systems, and emergency planning and response.

OHA frequently collaborates with other state agencies, including BizOR, ODA, ODEQ, OEM, and OWRD.

OHA's ongoing work supports ***IWRS recommended actions 1.B, 5.5A, 5.5B, 5.5C, 7.A, 8.C, 12.A, and 13.E.***

OHA 2017-2022 IWRS Accomplishments:

- Participated in state **emergency response and recovery** for 2020 wildfires, assessing impacted public water systems.
- Conducted perfluoroalkyl and polyfluoroalkyl substance (PFAS) monitoring **study of 146 small public water systems at possible risk** of contamination.
- Updated agreement with ODEQ to include more **strategies to increase groundwater and source water protection.**

Oregon Parks and Recreation Department (OPRD)

OPRD's mission is "to provide and protect outstanding natural, scenic, cultural, historic and recreational sites for the enjoyment and education of present and future generations." OPRD manages and maintains state parks, campgrounds, and beaches. They administer several grant programs, all aimed at increasing access to recreation. OPRD manages the State Natural Areas Program to protect and recognize high quality native ecosystems and rare plant and animal species. OPRD also manages the Scenic Bikeways, Scenic Trails, and Scenic Waterways Programs. The Scenic Waterways program supports recommended action 11.B in the IWRS, i.e., "develop additional instream protections." A Scenic Waterway designation places restrictions on the types of activities that can occur within or near the banks of the waterway. Oregon's Scenic Waterway system includes 22 rivers and one mountain lake.

OPRD's collaborates with several other state agencies on the Scenic Waterways program, including ODA, ODEQ, ODF, ODFW, ODSL, and OWRD.

OPRD's ongoing work supports ***IWRS recommended actions 3.A, 6.B, 9.B, 11.B and 11.D.***

OPRD 2017-2022 IWRS Accomplishments:

- In collaboration with OWRD, designated the **Nehalem River** (from Henry Rierson Spruce Run Campground to the confluence with Cook Creek) as a **Scenic Waterway**, providing additional protections.
- Completed the Sitka Sedge Natural Area hydrology study (2019) to assess the removal of dikes to allow **fish passage and improve habitat.**
- Completed the **Willamette Basin Strategic Action Plan** (2017), which addresses protection and restoration of natural resources, partnerships, funding, monitoring and public communication.

Oregon State Marine Board (OSMB)

OSMB's mission is to serve "Oregon's recreational boating public through education, enforcement, access, and environmental stewardships for a safe and enjoyable experience." OSMB accomplishes this mission through their Administration & Education, Law Enforcement, Boating Facilities, and Aquatic Invasive Species Prevention Programs. The Administration and Education Program provides boater registration, education, clean marina certification, and coordinates abandoned/derelict vessel removals, reducing hazards in waterways to both humans and wildlife. The Boating Facilities Program provides grants and technical assistance to renovate, construct, and maintain approximately 1,200 public boating access facilities in Oregon. The Aquatic Invasive Species Prevention Program is co-managed with ODFW. OSMB develops outreach and education materials and contracts with ODFW for border inspection stations, inspectors, and decontamination efforts.

OSMB collaborates with other state agencies, including ODEQ, ODFW, ODSL, and OPRD.

OSMB's ongoing work supports ***IWRS recommended actions 6.B, 8.A, 8.C, 11.C and 12.B.***

OSMB 2017-2022 IWRS Accomplishments:

- Increased standards in 2021 for boating facilities to receive certification through the **Clean Marina Program** to protect and improve water quality.
- Coordinated with ODFW on the **Aquatic Invasive Species Program** to educate, inspect, and enforce regulations regarding boat and ballast management to minimize the transfer of invasive species into waterways.
- Coordinated statewide **water safety education programs** including K-12 programs.

Oregon Watershed Enhancement Board (OWEB)

OWEB's mission is to "help protect and restore healthy watersheds and natural habitats that support thriving communities and strong economies." The agency provides grants to a variety of public and private entities to accomplish habitat conservation, restoration, and monitoring. OWEB currently offers 17 different grant programs. OWEB's work supports the Oregon Plan for Salmon and Watersheds, including the task of coordinating watershed monitoring data from a variety of private landowners, federal, and state agencies. OWEB maintains the Oregon Watershed Restoration Inventory (OWRI) database which quantifies conservation and restoration results to inform future efforts.

OWEB frequently collaborates with other state agencies, including ODA, ODEQ, ODF, ODFW, and OWRD.

OWEB's ongoing work supports ***IWRS recommended actions 1.B, 5.5A, 9.A, 9.B, 10.A, 10.E, 11.A, 11.B, 11.C, 11.D, and 13.E.***

OWEB 2017-2022 IWRS Accomplishments:

- Established and implemented the **2020 and 2021 Post-Fire Recovery Grants** to support upland and riparian replanting, floodplain restoration and natural resource recovery.
- Established the **Oregon Agricultural Heritage Program** (2018), which includes a requirement for "enhanced fish or wildlife habitat, water quality, and other natural resources on Oregon's working land."
- Created the **Stakeholder Engagement Grant Program** to support the communication and engagement needed in the early stages of project development.

Oregon Water Resources Department (OWRD)

OWRD's mission is "to serve the public by practicing and promoting responsible water management through two key goals; one, to directly address Oregon's water supply needs, and two, to restore and protect streamflows and watersheds in order to ensure the long-term sustainability of Oregon's ecosystems, economy, and quality of life." OWRD collects, analyzes, and provides water quantity data to other agencies and to water users. OWRD processes water rights transactions, distributes water under the water rights system of prior appropriation, and addresses unauthorized uses of water. OWRD also protects public safety through the well construction and dam safety programs. OWRD provides planning, technical assistance, and funding to address instream and out-of-stream water supply needs. OWRD is responsible for developing and updating the IWRS, in collaboration with other state agencies, tribes, stakeholders, and the public.

OWRD frequently collaborates with other state agencies, including DOGAMI, DLCD, ODA, ODEQ, ODF, ODFW, OHA, OPRD, and OWEB.

OWRD's ongoing work supports ***IWRS recommended actions 1.A, 1.B, 1.C, 2.A, 2.B, 5.A, 5.B, 5.5A, 5.5B, 7.A, 7.C, 8.C, 8.D, 9.A, 9.B, 9.C, 10.A, 10.B, 10.E, 10.F, 10.G, 11.B, 11.E, 13.A, 13.B, 13.C, 13.D, and 13.E.***

OWRD 2017-2022 IWRS Accomplishments:

- **Modernized the dam safety program,** raised awareness of dam safety risks, and received increased funding to evaluate high-hazard dams to better protect water supplies, people, and property.
- Modernized **well construction statutes** to better protect groundwater supplies, and established the **Water Well Abandonment, Repair, and Replacement Fund** (WARRF) to provide financial assistance to homeowners to repair, replace, or abandon wells.
- Advanced **understanding of groundwater conditions** including the completion of the **Harney Basin Groundwater Study**, initiated the Walla Walla Basin Groundwater Study, and began efforts to develop groundwater budgets for major hydrologic basins.

Future Support for the IWRS

Continued funding for agency programs and activities is critical to ensuring the ongoing implementation of the IWRS. Oregon agencies have submitted Policy Option Packages (POP's) for the 2023-25 budget to support continuing work regarding the IWRS. **Table 3** summarizes the POP's that were included in the Agency Requested Budgets submitted earlier this year. Governor-Elect Kotek will finalize the Governor's Recommended Budget in early 2023 which may contain some of these requested resources.

Table 3. Agency Policy Option Packages (POP's) submitted in their Agency Requested Budgets for the 2023-25 Biennium

IWRS Topic Areas	Agency	POP#	Title	Primary* IWRS Action	Add'l IWRS Actions
Water Resource Data, Monitoring, Investigations *1.A-1.C*	**DOGAMI**	102	Oregon Mapping Program: Water Resources and Mineral Resource Potential	*1.A*	*1.B, 1.C*
	ODEQ	120	Improve Water Quality Assessments	*1.B*	*6.A, 10.G, 12.B, 12.C*
		160	Water Data Framework	*1.C*	*6.A, 6.B*
		170	Sustain DEQ Environmental Laboratory Infrastructure & Equipment	*1.B*	*1.C, 10.G, 12.C*
	ODFW	105	Private Forest Accord Data Collection	*1.B*	*1.C, 3.A, 3.B, 6.A*
		109	Klamath Salmon Restoration Monitoring	*1.B*	*1.C, 3.A*
		110	Statewide Stream Temperature Monitoring	*1.B*	*3.A, 6.A, 6.B*
	OWRD	111	Water Use, Supply, and Availability Data	*1.B*	*5.B, 9.C, 13.B*
		118	Understanding the Lake Abert Watershed	*1.B*	*5.B*
		120	Improving Data Accuracy and Availability	*1.C*	*6.B*
Out-of-Stream Demands, 2.A-2.E					
Instream Demands 3.A-3.B	**ODFW**	124	Salmonid Forecasting and Habitat Models	*3.A*	*1.B, 1.C, 5.A, 6.A, 11.D*
		125	Rogue-South Coast Steelhead Monitoring	*3.A*	*1.B, 1.C, 6.A, 11.D*
	OWRD	119	Studying Springs in Deschutes Basin	*3.A*	*3.B, 5.B*
Water & Energy 4.A-4.C					
Climate Change 5.A-5.B	**DLCD**	212	Climate Adaptation Coordinator	*5.B*	*5.A*
	ODFW	114	Climate Change Policy Implementation	*5.B*	*5.A*
	OWRD	109	Adapting to Climate Change & Drought	*5.B*	*5.A, 5.5A, 8.C, 10.A, 10.B, 11.D, 13.C*
	OWEB	110	Program Continuity	*5.B*	*11.A-11.E*
Extreme Events 5.5A-5.5C	**DLCD**	209	Floodplain & Recovery Planner	*5.5B*	*6.A*
	OWEB	150	Emergency Response Programs, continues funding for staff	*5.5A*	*5.B*
		250	Emergency Response Programs, including post-fire restoration and drought relief and resiliency	*5.5A*	*5.B, 10.A*
Water & Land Use 6.A-6.C					
Water-Related Infrastructure 7.A-7.C	**ODFW**	134	Jubilee Lake Dam Repair	*7.A*	*7.C, 13.E*
	OWRD	117	Assess and Inventory Levees	*7.A*	*7.C*
Education & Outreach 8.A-8.D					

IWRS Topic Areas	Agency	POP#	Title	Primary* IWRS Action	Add'l IWRS Actions
Place-Based Efforts 9.A-9.C	**ODEQ**	125	Support Local and Integrated Water Planning	*9.A*	*7.B, 9.B, 9.C, 13.C*
	ODFW	107	Integrated Water Resource Solutions (1 of 3 positions)	*9.A*	*9.B, 10.G, 11.D*
	OWRD	110	Centering Equity in Agency Programs & Policy	*9.A*	*8.B, 8.C*
		112	Supporting Tribal Water Solutions & Relations	*9.C*	*9.A, 13.C*
		115	Supporting Resolution of Complex Issues	*9.C*	*5.B, 9.A*
Water Management 10.A-10.G	**ODEQ**	121	Improve Wastewater Permitting Efficacy	*10.G*	*12.B*
		122	Improve Stormwater Permitting Efficacy	*10.G*	*6.C, 12.C*
		123	Ensure Protective Onsite Septic Systems	*10.G*	*12.A, 12.B*
	ODA	370	Pesticide Enforcement Capacity	*10.G*	*10.F, 12.B*
	ODFW	107	Integrated Water Resource Solutions (1 of 3 positions)	*10.G*	*9.A, 9.B, 11.D*
	OWRD	114	Watermaster Staff: Improving Water Management	*10.F*	*5.5B, 5.5C, 7.A, 7.C*
		116	Increase Engagement Through Communications	*10.F*	*5.5A, 10.G*
Healthy Ecosystems 11.A-11.E	**DLCD**	206	Habitat Projects Coordinator	*11.D*	*11.A*
	ODEQ	124	Supporting Watershed Restoration Efforts	*11.D*	*10.D, 11.A*
	ODF	106	Private Forest Accord Development, funding to support Small Forestland Owner Investment in Stream Habitat Program (SFISH)	*11.D*	*11.A*
	ODFW	101	Fish Passage Position	*11.D*	*10.F, 10.G*
		103	OR Conservation Strategy Implementation	*11.D*	*11.A*
		107	Integrated Water Resource Solutions (1 of 3 positions)	*11.D*	*9.A, 9.B, 10.G*
		118	Non-Native Fish Management	*11.C*	*10.D, 11.C*
		130	Fish Passage Restoration - Culverts	*11.D*	
	ODA	310	Japanese Beetle Eradication	*11.C*	*11.A*
		330	Noxious Weed Grants	*11.C*	*11.A*
		385	Aquatic Noxious Weeds Specialist	*11.C*	*11.A*
	OWEB	145	Water Acquisitions Continuation, convert limited duration position to permanent to support Water Acquisitions Program	*11.B*	*3.A*
		245	Water Acquisitions Continuation	*11.B*	*3.A*
		160	Extend funding for position to support tide gate work	*11.D*	*13.E*
Public Health 12.A-12.C	**ODEQ**	126	Protect Drinking Water Sources	*12.A*	*12.B*
		127	Groundwater Quality Act Evaluation	*12.A*	*3.B*
		128	Domestic Well Testing Data Collection	*12.A*	*8.D*
	ODA	320	Agricultural Water Quality Capacity	*12.C*	*1.B, 11.A, 11.D, 11.E*
		340	Pesticide Safety Capacity	*12.B*	*1.B*
	OHA		Domestic Well Safety Program Restoration and Lower Umatilla Basin Domestic Well Intervention	*12.A*	*8.D, 12.B*
Funding 13.A-13.E	**BizOR**	102	Special Public Works Fund (SPWF) Recapitalization	*13.E*	*12.B*
		107	Special Public Works Fund (SPWF) Recapitalization	*13.E*	*12.B*
	ODEQ	129	DEQ Capacity to effectively Administer Grants & Contracts	*13.E*	*13.B*
	ODFW	112	Oregon Conservation and Recreation Fund	*13.E*	*11.A, 11.D*
	OWRD	101	Facilitate Interagency Work & Implement IWRS	*13.A*	*6.B, 9.B, 9.C*
		102	Addressing Agency-Wide Foundational Support Gaps	*13.B*	*10.D, 10.F, 10.G*
		103	ODFW Review and Scenic Waterway Revenue Gap	*13.B*	*10.G*
		106	Water Planning Funding, Support, and Data	*13.C*	*5.B, 9.A, 9.B*
		107	Feasibility Studies, Water Projects, & Wells	*13.E*	*5.B, 10.E, 13.D*
		108	Water Rights and Protest Backlog Reduction	*13.B*	*10.G*

Summary

The 2017-2022 IWRS Progress Report provides a concise summary of how Oregon's agencies work together to manage our state's water resources. This information provides a valuable foundation for continued coordination and identifies areas where more work needs to be done.

Agencies have been successful in expanding their capacity to implement the significant water investments from the 2021 Legislative session. Agencies are providing support for drought and fire-impacted Oregonians and awarding funds for updating water infrastructure, while communities have come together to discuss their water challenges.

Although many agencies have significant responsibilities regarding water management or infrastructure, available funding and dedicated staffing has not always supported these responsibilities. Additionally, there are inconsistent resources available to support IWRS collaboration across agencies. Oregon's progress towards a secure water future would benefit from a sustained source of funding and dedicated staffing to support IWRS implementation. 2023-25 Agency funding requests to support water-related work are well distributed across the IWRS recommend actions. Data, Monitoring, Investigations, Climate Change, Water Management, Healthy Ecosystems, Public Health and Funding all received significant attention from state agencies for their 2023-25 Agency Requested Budget. The continued support of 2021 Legislative session water investments will be critical to making progress towards our water security challenges.

Over the next year, OWRD will be leading the effort to update the IWRS. Agencies, tribes, stakeholders, and the public will all have an opportunity to contribute to the next IWRS.

Weather station in Harney County, Credit: OWRD

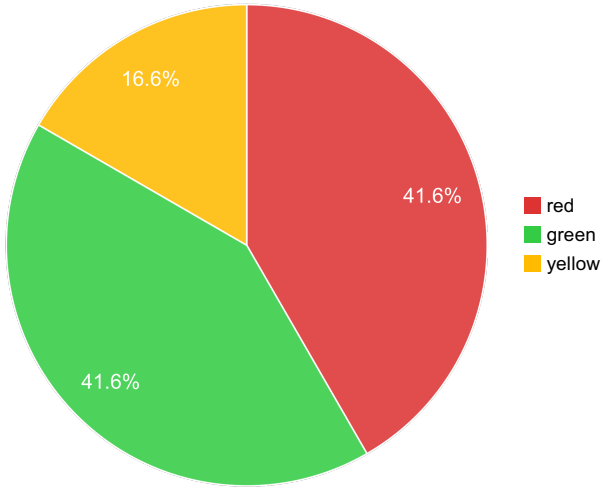
Water Resources Department

Annual Performance Progress Report

Reporting Year 2022

Published: 10/3/2022 11:56:03 AM

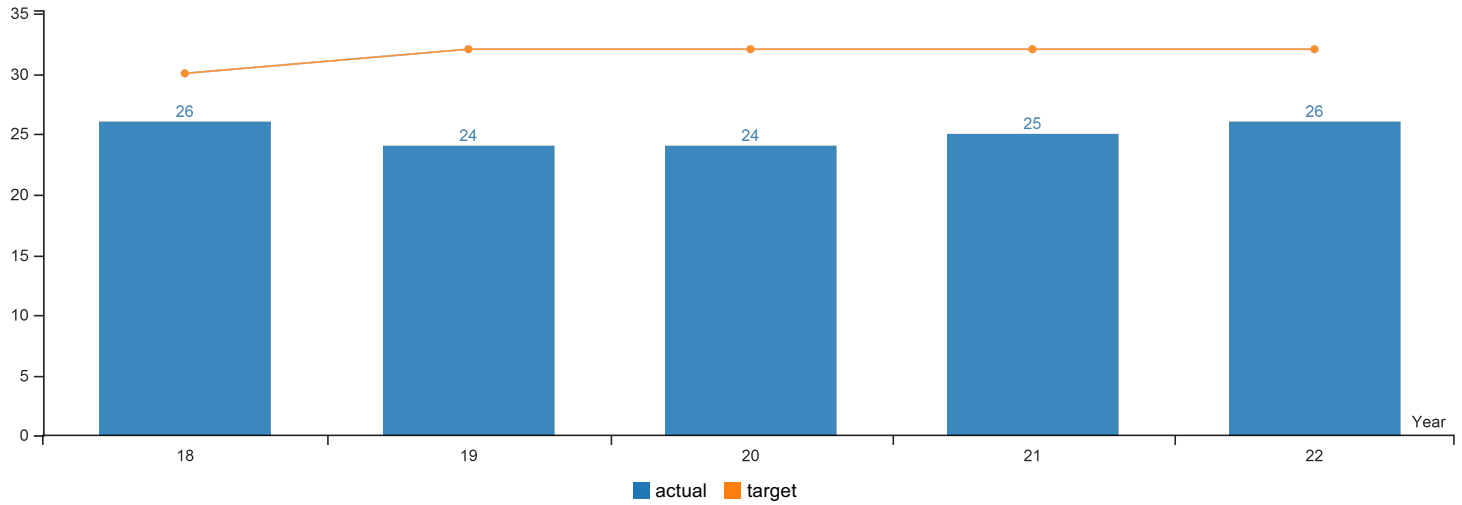
KPM #	Approved Key Performance Measures (KPMs)
1	FLOW RESTORATION - Percent of watersheds that need flow restoration for fish that had a significant quantity of water put instream through WRD administered programs.
2	PROTECTION OF INSTREAM WATER RIGHTS - Ratio of regulatory orders issued to protect senior water rights when the senior water right is an instream right to all regulatory orders issued to protect senior water rights.
3	MONITOR COMPLIANCE - Percent of total regulatory actions that found water right holders in compliance with water rights and regulations.
4	STREAM FLOW GAGING - Percent change from 2001 in the number of WRD operated or assisted gauging stations.
5	ASSESSING GROUND WATER RESOURCES - Percent change from 2001 in the number of wells routinely monitored to assess ground water resources.
7	EQUIP CITIZENS WITH INFORMATION - Number of times water management related data was accessed through the WRD's Internet site.
8	NUMBER OF SIGNIFICANT DIVERSIONS WITH MEASUREMENT DEVICES INSTALLED - To fully implement the Water Resources Commission's 2000 Water Measurement Strategy
9	PROMOTE EFFICIENCY IN WATER MANAGEMENT AND CONSERVATION PLAN REVIEWS - Percent of water management and conservation plans that received a preliminary review within 90 days of plan submittal.
10	PROMOTE EFFICIENCY IN WATER RIGHT APPLICATION PROCESSING - Percent of water right applications that receive an initial review within 45 days of application filing.
11	PROMOTE EFFICIENCY IN TRANSFER APPLICATION PROCESSING - Percent of transfer final orders issued within 120 days of application filing.
13	INCREASE WATER USE REPORTING - the percent of water users with an annual water-use reporting requirement that have submitted their reports to the Department.
14	CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.



Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -5% to -15%	= Target > -15%
Summary Stats:	41.67%	16.67%	41.67%

KPM #1	FLOW RESTORATION - Percent of watersheds that need flow restoration for fish that had a significant quantity of water put instream through WRD administered programs.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
Percent of Watersheds That Had Flows Added Where Needed for Fish					
Actual	26%	24%	24%	25%	26%
Target	30%	32%	32%	32%	32%

How Are We Doing

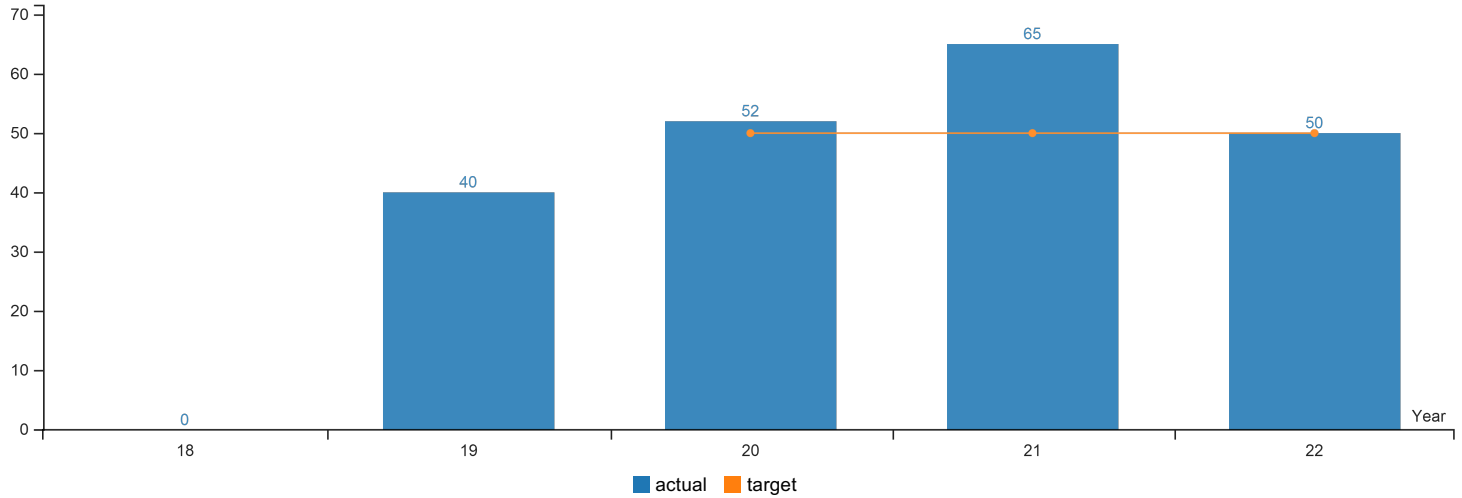
During the 2022 reporting period, 26 percent of high priority watersheds had flows added, where needed, for fish. The modest upward trend in the percentage from the prior reporting year is due to an increase in the amount of water voluntarily put instream in the 342 high priority watersheds. The amount of water placed instream can fluctuate from year-to-year based on water user interest in leasing water instream and the location of water rights proposed for instream lease. Since this KPM was created in 2002, the Department has permanently protected a total of 1,554.11 cubic feet per second (cfs) of water instream. This total is comprised of the following: 1) instream transfers at 411.88 cfs; 2) allocations of conserved water at 342.23 cfs; and 3) converted hydroelectric rights at 800.0 cfs. An additional 2,427.76 cfs was protected instream through temporary instream leases in 2021.

Factors Affecting Results

The 2022 reporting period was the calendar year 2021. Streamflow restoration efforts depend on the voluntary actions of water right holders to place water instream. Success on this measure relies on the hard work of our conservation partners, our staff, and a general increased comfort level with dedicating water instream among water users. Streamflow restoration benefits from well-established, active conservation partners - 31 percent of Oregon's flow restoration transactions involve a third party such as The Freshwater Trust, Deschutes River Conservancy, or Trout Unlimited, while the remaining 69 percent of flow restoration activities occur directly between the water right holder and the Department.

KPM #2	PROTECTION OF INSTREAM WATER RIGHTS - Ratio of regulatory orders issued to protect senior water rights when the senior water right is an instream right to all regulatory orders issued to protect senior water rights.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
PROTECTION OF INSTREAM WATER RIGHTS					
Actual		40%	52%	65%	50%
Target			50%	50%	50%

How Are We Doing

In calendar year 2021 (report year 2022), staff reported a total of 8,841 regulatory actions. Regulatory actions are actions by staff that cause a change in water use behavior. Of the 8,841 total regulatory actions taken in 2021, 4,401 – 50 percent of the total – were conducted to regulate for instream water rights. The 2022 report year target is 50 percent, which was met.

KPM #2 was modified in 2019, so calendar year 2018 data (report year 2019) are the first data to be reported under the new KPM. As a result, no target was set for the 2019 report.

Factors Affecting Results

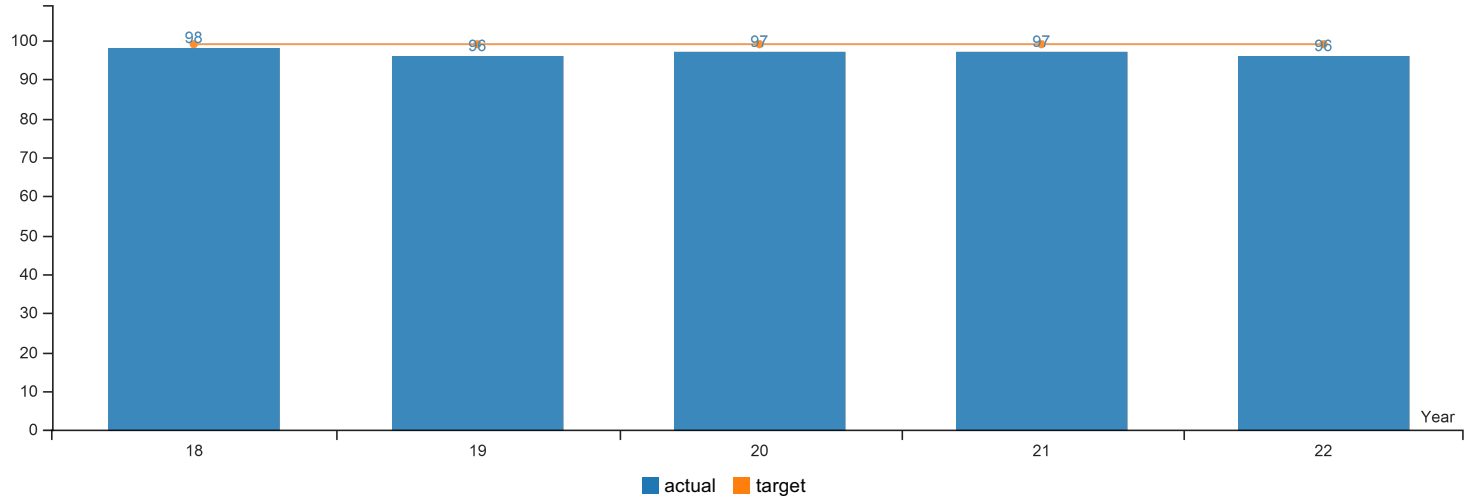
Watermasters and assistant watermasters are responsible for monitoring and protecting instream water rights. These staff are also assisted by regional hydrographic technicians, who conduct numerous streamflow measurements in support of instream water right monitoring. Watermasters report monitoring and regulatory actions taken each calendar year for each stream into the Field Activity Database (FAD), beginning in calendar year 2018. The 2022 report year results contain data from activities conducted January 1, 2021 to December 31, 2021.

Instream water rights are often junior to other surface water rights, but many are regularly monitored by the Water Resources Department. One notable exception is in the Klamath Basin, where instream water rights held by the Klamath Tribes are the most senior rights in the basin and lead to a significant number of regulatory orders to protect the senior instream flows. Flows for some streams with instream water rights are met throughout the season and do not require regulation on their behalf. In years with high stream flows the total number of streams regulated is likely to go down, while in years with lower stream flows the total number of streams regulated is likely to go up because of greater demand and less supply. The number of streams regulated varies with the amount and timing of rainfall in any given year, temperatures, as well as staff resources. This KPM is specific to regulation for instream water rights.

The Department has been working diligently to adapt to limited water availability as a result of ongoing drought and be responsive to both instream and out-of-stream needs. Watermasters have been receiving calls for water on systems that are not frequently regulated or calls for water earlier in the irrigation season, which leads to more regulatory actions for out-of-stream uses. Complaints alleging illegal water use have continued to rise which also takes field staff time.

KPM #3	MONITOR COMPLIANCE - Percent of total regulatory actions that found water right holders in compliance with water rights and regulations.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
Percent of Total Regulatory Actions That Found Water Rights Holders in Compliance with Water Rights and Regulations					
Actual	98%	96%	97%	97%	96%
Target	99%	99%	99%	99%	99%

How Are We Doing

During the 2022 reporting period (2021 calendar year), Department Watermasters and assistant watermasters reported 8,841 regulatory actions. Regulatory actions are actions by staff that cause a change in water use behavior. Staff also reported 23,153 compliance checks to determine if water right holders were complying with the law or a regulatory action. 96 percent of the compliance checks undertaken found water use occurring consistent with a regulatory order or water laws. This metric does not reflect compliance with water right conditions or reflect compliance with Oregon water laws - as this only reflects known and tracked activities and responses to regulatory orders. With approximately 89,500 water rights and several hundred thousand wells, plus an unknown number of unauthorized uses, it is not possible to assess, with certainty, overall compliance. Since staff cannot and do not cover all the area within their district, there may be users that are not in compliance or individuals using water without authorization that have not been identified by the watermasters and captured in this metric. Obtaining proof of unauthorized use can be difficult. However, recent increases in staff both from the 2021 Legislative Session and the December 2021 Special Session (SB 5561) have increased Field Services Division capacity. This increase in capacity is assisting the Department with both timely response to complaints as well as allowing for more proactive investigations of sites where unpermitted water use may be occurring.

In addition, during the 2022 Legislative Session the legislature also passed HB 4061 which provided additional tools regarding cannabis and unlawful water use, as well as water hauling associated with this industry. The Department will be pursuing rules updates to assist us in implementing changes to ORS 540.990.

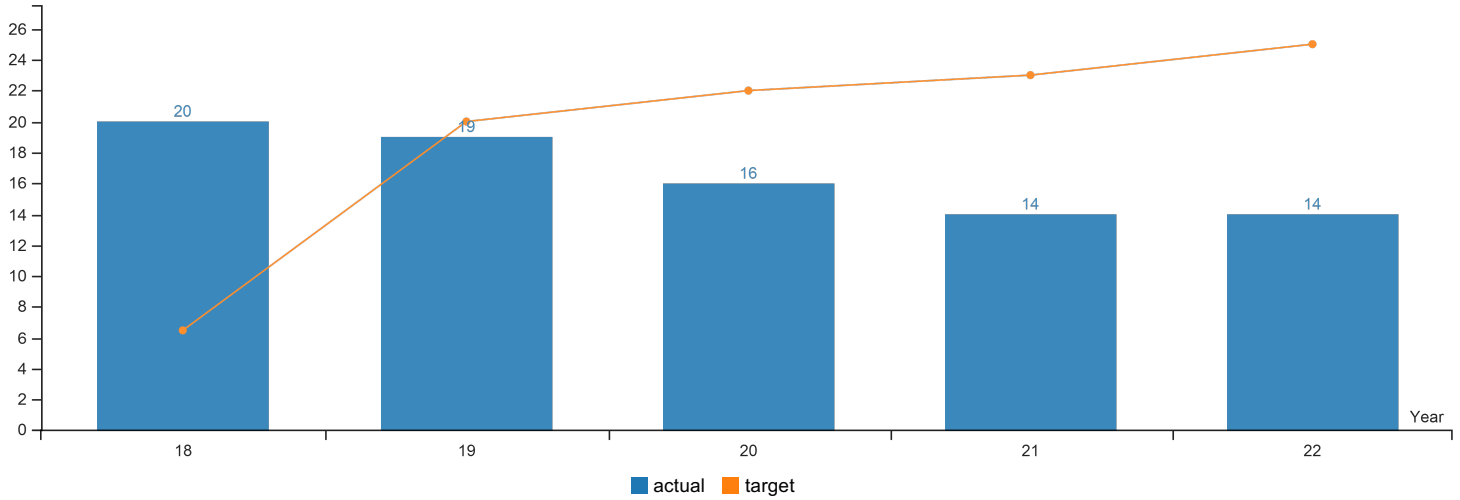
Factors Affecting Results

The Field Services Division has been using the Field Activity Database (FAD) since 2018. Continued refinement to this tool, clarifications in data entry and ongoing quality control and assurance have led to a better understanding of how to capture work that is done in the field by Department staff. Continued training, education and Department protocols on FAD utilization have increased understanding of workloads around the State.

The percentages can vary from year-to-year, based on water supply conditions, staffing resources, or economic factors. Weather and drought can have a significant effect on both the compliance rate and total number of compliance checks since it can affect the intensity of water distribution efforts in a basin. In years of average or above average precipitation, the number of streams regulated is likely to go down and/or experience regulation later in the season. Dryer years lead to more regulation, and complaints. Increased staffing affects this measure through greater opportunity to monitor compliance, conduct outreach, enforce on non-compliance and ultimately educate water users about water laws. The Department continues to respond to a high volume of illegal water use complaints generated by the cannabis industry. Most notably in the southwest region and in the Klamath and Deschutes basins.

KPM #4	STREAM FLOW GAGING - Percent change from 2001 in the number of WRD operated or assisted gauging stations.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
Percent Change from 2001 in Number of OWRD-Operated or Assisted Gaging Stations					
Actual	20%	19%	16%	14%	14%
Target	6.50%	20%	22%	23%	25%

How Are We Doing

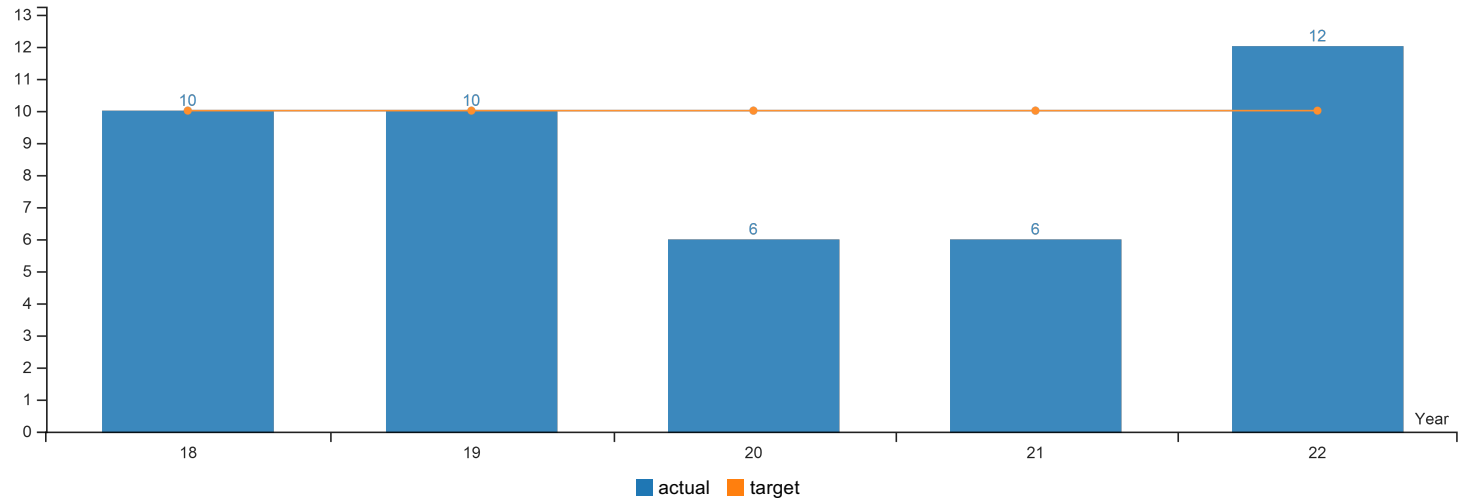
During the 2022 reporting period of July 1, 2021 through June 30, 2022, the Department added one gage, and dropped one gage, with no net change in the number of gages compared to the previous reporting year. The Department operated a total of 246 gages during these periods, a 14 percent increase over the 2001 benchmark (215 gaging stations) but remains under the targeted 25% goal.

Factors Affecting Results

Since 2013, the Legislature has provided some funding for the maintenance and installation of additional stream gages; this funding resource was reduced during the 2019 2nd Special Legislative Session. The Department has faced challenges in ensuring that it has a sufficient number of hydrographers and field staff to provide quality assurance of the data and to maintain the statewide gage network. Staffing levels have not been commensurate with the continuous workload associated with collecting, maintaining, processing, and analyzing the data from these stations. The 2019 Legislature approved additional hydrographics staff as part of a groundwater basin study package; however, the Department was not able to fill the positions until December of 2021 due to budget reductions during the 2019 2nd Special Legislative Session and COVID restrictions on spending through 2020 and early 2021. Both positions were internal hires and the Department is still in the process of hiring actual new capacity for the team. The Department received ARPA dollars to purchase equipment for new and existing gages, these dollars are being used to install new gages in the 2022 to 2023 year, particularly in support of basin studies and state-wide investigations, though they have not yet been installed as of the writing of this report.

KPM #5	ASSESSING GROUND WATER RESOURCES - Percent change from 2001 in the number of wells routinely monitored to assess ground water resources.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
Percent Change from 2001 in Number of Wells Routinely Monitored to Assess Groundwater Resources					
Actual	10%	10%	6%	6%	12%
Target	10%	10%	10%	10%	10%

How Are We Doing

During the current reporting cycle (July 1, 2021 to June 30, 2022), WRD staff routinely monitored 393 wells in the State Observation Well Network, compared to 350 in 2001 and 370 in the 2021 report. This is an increase of 12 percent over 2001. The State Observation Well Program includes designated observation wells that measure various aquifers across the state and for which the Department strives to maintain long-term water level records. In addition to those wells that are tracked by this KPM, the Department also collects data from observation wells associated with special projects (e.g., the Harney Basin Groundwater Study), groundwater administrative areas (e.g., the Stage Gulch Critical Groundwater Area), permit condition wells, and wells monitored by other science and regulatory partners. In the same reporting period, the Department collected 3,023 water level measurements from 1,235 observation wells across the state, including 142 observation wells equipped with automated data-logging pressure transducers that collect water level data several times per day and produce high-frequency time-series data sets. Other licensed professionals collected 1,563 water level measurements at another 1,307 wells during the spring of 2021, and these were reported to the Department as required by various water right permit conditions. The Department archives and provides this and other groundwater related data to the public via the Groundwater Information System database and web interface.

Factors Affecting Results

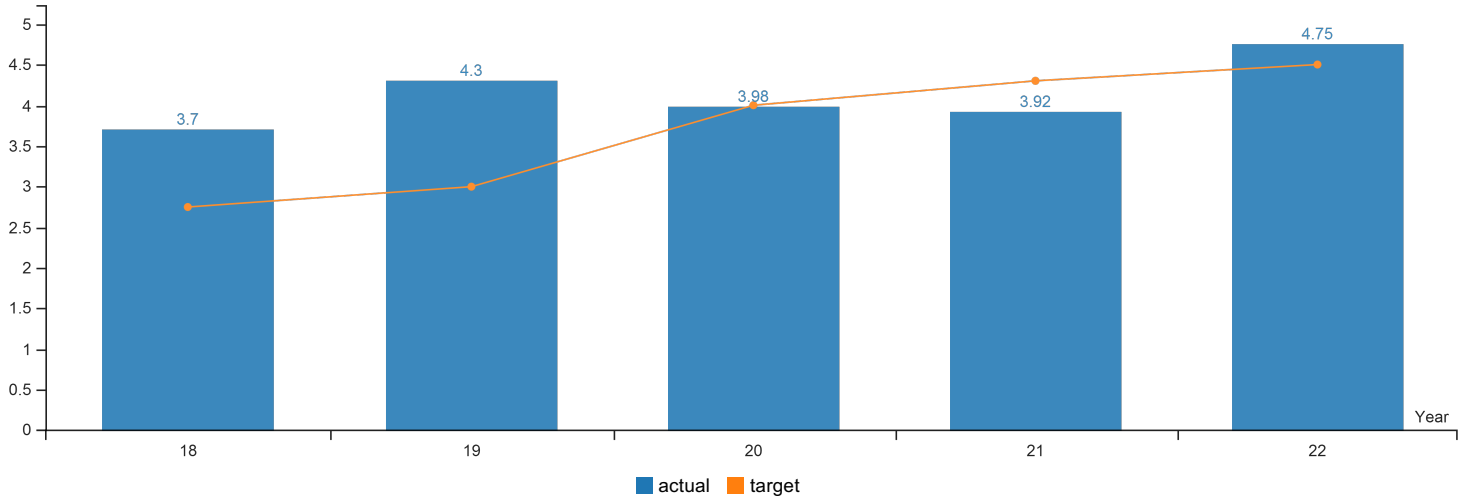
The percentage of monitored wells increased as the Department added new wells to the State Observation Well Network and identified replacements for others that had previously been dropped. Many of the new wells have been monitored regularly over a long period by the Department in support of the U.S. Geological Survey's National Groundwater Monitoring Network, which shares many goals with the State Observation Well Network.

Since 2013, the Legislature has included dedicated funding for observation wells in the Department's budget. Apart from the 23 new observation wells drilled by the Department in the last decade, State Observation Wells were largely installed by private and other public entities. This can create long-term access issues to wells, as the Department must rely on private well owners for continued

participation in the network and the ongoing maintenance. When the Department loses access to a private observation well, the Department tries to find or drill a suitable replacement well in the same general area targeting the same aquifer. As a result, the number and location of State Observation Wells varies somewhat from year to year. Continuing to expand the network of dedicated observation wells drilled and owned by the State of Oregon will help ensure continued access to long-term groundwater level data. The 2021 Legislature funded a significant expansion of groundwater monitoring across the state expanding both existing wells and drilling of observation wells. While the drought-driven demand for licensed drillers has delayed the completion of the new wells, the State Observation Well Network is anticipated to expand.

KPM #7	EQUIP CITIZENS WITH INFORMATION - Number of times water management related data was accessed through the WRD's Internet site.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
Number of Times Water Management-Related Data Were Accessed Through the Internet (in millions)					
Actual	3.70	4.30	3.98	3.92	4.75
Target	2.75	3	4	4.30	4.50

How Are We Doing

In the 2022 reporting period (July 1, 2021 – June 30, 2022), the Department exceeded the established goal of 4.5 million hits on our public facing web applications that serve agency reports and data.

Factors Affecting Results

This measurement increased significantly after the last two years of declines. It is unclear to what extent the pandemic may have contributed to declines in the 2020 and 2021 reporting periods or whether 2019 and 2022 should be considered anomalies. The agency has also seen an increase in workloads associated with funding and legislation from the 2021 session, which has resulted in some increase in information posted to the website, which may account for some of the increase.

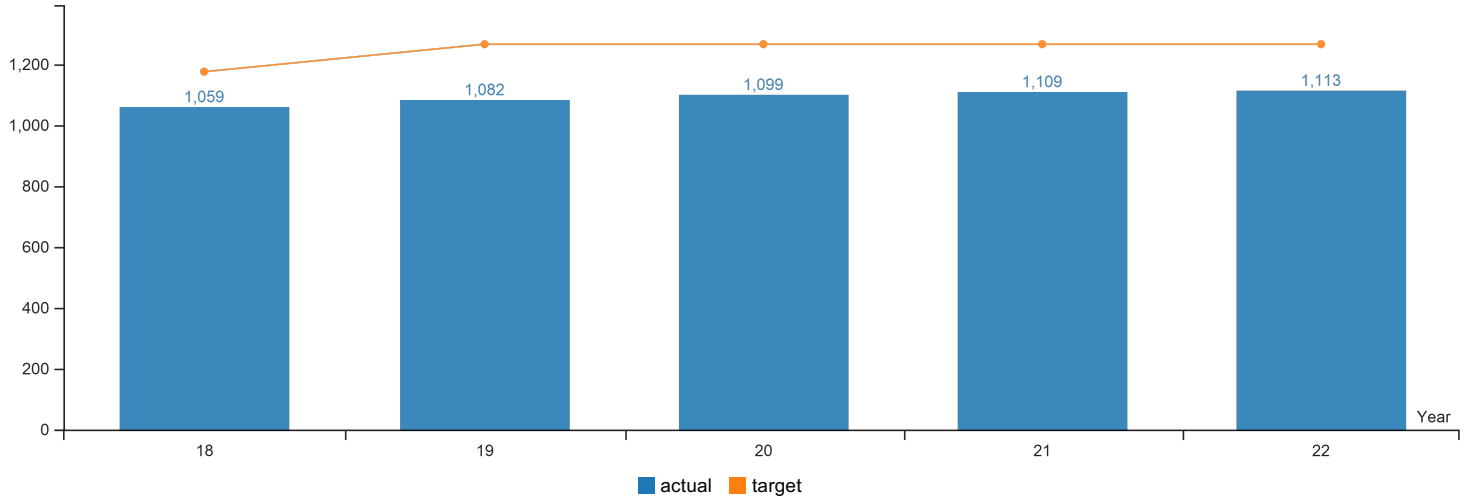
There have been a number of new web applications that have been released but are not monitored in this KPM to ensure continuity and parity with historical information; this approach, however, underestimates the amount of traffic to the Department's website and use of its applications. In addition, the Department launched an updated website in September 2018, which was focused on making data easier for the public to find. The following year, there was a significant increase in web traffic, which the Department speculated was potentially driven by the fact that people were unfamiliar with the website and having to spend more time trying to find information.

The Department also believes that other factors have also posed challenges for growing this metric. First, the Department has historically had very limited communications staff capacity and budget, which means that there has been limited bandwidth to drive the public to the site or to help the public understand where data is located. In 2021, the legislature funded two communications positions. The agency anticipates that as these positions are fully trained and procedures are developed for this new function within the agency, that they will be able to develop more content to keep the public informed about agency activities via our website. The agency, however, has also not had the capacity to work on SEO (Search Engine Optimization) in order to obtain information about how easily our

agency is found when water-related keywords are searched for online. In addition, the agency needs to continue to work to update its web interfaces in order to provide data that is more accessible to the public. This metric also does not capture the full use of the agency’s data as third parties may obtain the Department’s data and provide access to it on their own sites.

KPM #8	NUMBER OF SIGNIFICANT DIVERSIONS WITH MEASUREMENT DEVICES INSTALLED - To fully implement the Water Resources Commission's 2000 Water Measurement Strategy
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
Number of Significant Diversions with Measurement Devices Installed					
Actual	1,059	1,082	1,099	1,109	1,113
Target	1,175	1,265	1,265	1,265	1,265

How Are We Doing

Work on the Significant Points of Diversion Program (SigPODs) began in 2000. To date, staff, working with landowners, have installed 1,113 measuring devices on SigPODs, including 3 devices installed or confirmed installed in the 2021 calendar year (report year 2022). In addition to the measurement devices installed on SigPODs, staff have field checked another 699 significant diversions that are currently not in use. This number changes with time, because a water user may go several years without using water and then irrigate for a season to preserve the water right. Doing so may require the installation of a measuring device. As a result, one significant diversion will move from the "not in use" category to the "devices installed" category. Approximately 501 of the original 2,385 significant diversions still need measuring devices installed.

Factors Affecting Results

The 2022 KPM reporting cycle includes progress through calendar year 2021. The timing of data submittal and entry by staff or landowners may result in small changes from year-to-year on reported numbers.

Staff turnover, high volumes of complaints about unauthorized use, ongoing drought and subsequent regulation has increased regulatory workloads on field staff, which limited progress on this metric. Installation of measuring devices typically often occurs before or after the irrigation season, and is also dependent on weather, particularly freezing conditions. Significant outreach and education are needed to help the landowner with measuring device installation. Success with measuring device installation is directly related to time spent by Department field staff, primarily watermasters and assistant watermasters, working with landowners. In addition, as more watermaster districts complete the work monitored by this KPM, the number of additional devices installed under this KPM will decline reflecting fewer staff working on it. COVID-19 pandemic and subsequent quarantine protocols as well as water users concern about exposure also played a factor in slow progress on this metric. The Department believes that it will make additional progress on this metric and broader water use measurement with additional funding provided by the 2021 legislature, which increased

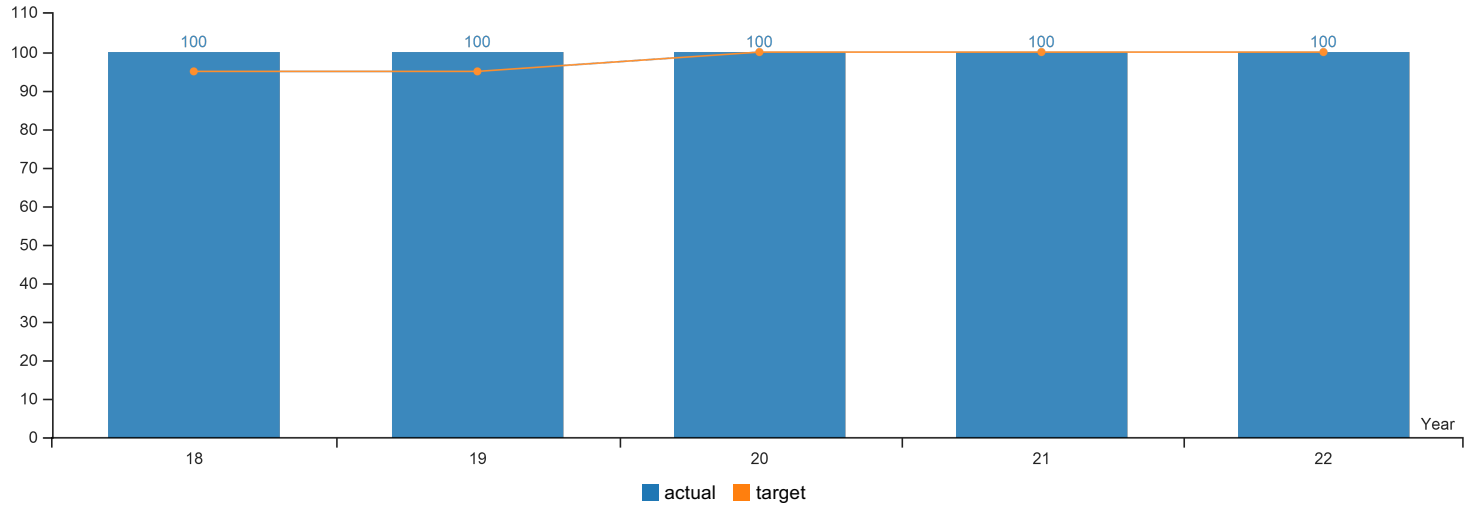
assistant watermaster staff and funding for measurement.

This KPM does not account for measuring devices installed as a result of Department actions, as the significant points of diversion are a subset. Much of the installation of new measurement devices is not captured by this metric as the Department has focused on requiring devices where there is noncompliance, complaints, or suspicions of unauthorized use.

The Department is also seeking to update its cost-share measurement program; however, it has been focusing on launching other new funding programs first. The Department's cost-share measurement fund facilitates the voluntary installation of measuring devices. The Department provided a report to the House Water Committee on water measurement and reporting in January 2021. The Department is interested in working on a new plan for increasing water use measurement, which may result in proposed changes to this KPM in the future to more broadly reflect the work of the agency on water use measurement.

KPM #9	PROMOTE EFFICIENCY IN WATER MANAGEMENT AND CONSERVATION PLAN REVIEWS - Percent of water management and conservation plans that received a preliminary review within 90 days of plan submittal.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
Percent of Water Management and Conservation Plans That Received a Review within 90 Days of Submittal					
Actual	100%	100%	100%	100%	100%
Target	95%	95%	100%	100%	100%

How Are We Doing

For the twenty-one (21) water management and conservation plans received by the Department with target dates for preliminary review between July 1, 2021, and June 30, 2022, 100 percent of the plans were reviewed within the 90-day goal. This is a continuation of the accomplishments achieved since 2014 when staff first reached 100 percent success rate with the KPM.

Of note, water management and conservation plan updates from the municipalities continue to be of improved quality, and they are demonstrating increased efficiency in managing water, preparing for emergencies (water curtailment plans), and planning for stable, long-term water supplies consistent with their comprehensive plans.

Factors Affecting Results

Achieving the 100 percent performance target during this reporting period was the result of hard work, effective time management, and strategically prioritizing the 90-day plan reviews over other work, such as reviewing revised plans, issuing final orders, and sending out upcoming plan due date reminders. Similar to the previous reporting period, program staff were unable to assist with processing of instream lease applications as traditionally done in the past, and one 90-day plan review was completed by staff outside of the program to maintain performance for this KPM at 100 percent. Further, beginning on June 1, 2022, the six-year veteran staff person responsible for completing plan reviews accepted a job rotation opportunity in another section of the department, and spent the month of June training a new staff person to help ensure continued success with this KPM into the future.

Outreach to municipalities and others has significantly helped the Department meet its performance goals for this program. The Department continues to collaborate with the League of Oregon Cities (LOC) on a recurring feature called, "*The Conservation Corner"* for LOC's newsletter. These articles highlight such things as practical water management activities and programs, water conservation

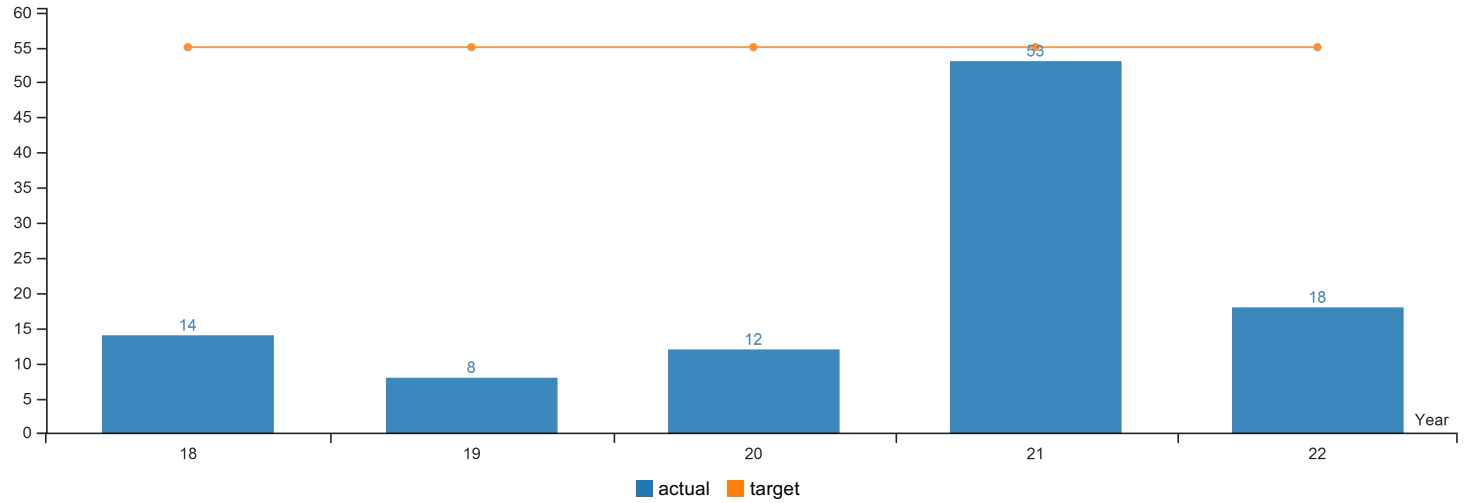
tips, guidance on preparing for emergency water shortages, and grant funding opportunities.

Guidebooks providing direction and aid in the preparation of water management and conservation plans, water conservation fact sheets, and guidance on curtailment plan preparation are available on the Department's website. Staff regularly communicate with and assist entities that are in the process of developing a new or updated water management and conservation plan.

In 2018, the Water Resources Commission adopted amendments to the water management and conservation plan rules under OAR Chapter 690, Division 086, which were aimed at addressing some of the challenges faced by municipal water suppliers serving a population of less than 1,000 people or with fewer than 300 service connections. The revised rules encourage implementation of water conservation actions, while providing a streamlined set of rules for smaller communities that may not have the resources, funding, or staff necessary to fully prepare a WMCP. To date, several entities have taken advantage of the revised rules that otherwise may not have submitted a plan without the new rules.

KPM #10	PROMOTE EFFICIENCY IN WATER RIGHT APPLICATION PROCESSING - Percent of water right applications that receive an initial review within 45 days of application filing.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
Percent of Water Right Applications That Receive an Initial Review within 45 Days of Application Filing					
Actual	14%	8%	12%	53%	18%
Target	55%	55%	55%	55%	55%

How Are We Doing

The Department conducted an Initial Review within 45 days from the date the application was filed for 18 percent of water right applications for this reporting period. This represents a decline from the previous year (2021) but exceeds our performance in 2018, 2019, and 2020. The target for this KPM is 55 percent.

Factors Affecting Results

In the previous reporting period (July 2020 through June 2021), the Department saw a significant increase in the percent of applications with an initial review completed within 45 days in large part due to the types of applications received in that timeframe. In late 2020, the Department received 158 instream water right applications. Because these applications are similar to one another and water availability data was readily available for approximately 100 applications, the Department was well positioned to process the Initial Reviews within the KPM target deadline.

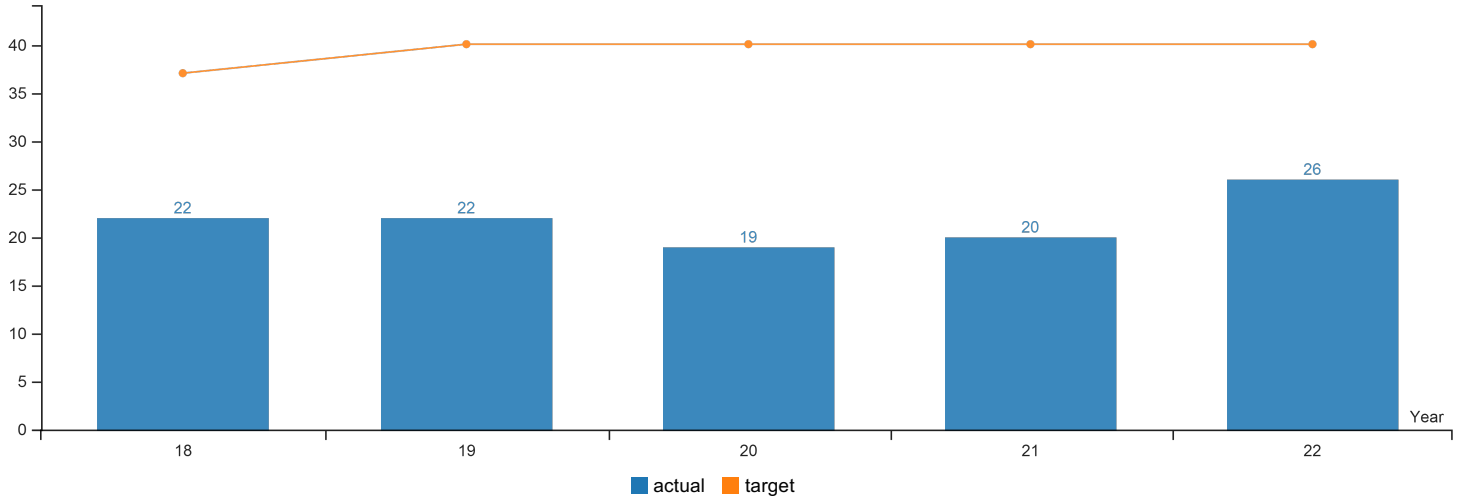
This was not the case for this reporting period (July 1, 2021 through June 30, 2022), as the Department did not receive instream water right applications during this reporting period. In addition, applications for surface water and storage tend to have a less complicated initial review, and therefore, the Department is typically able to review these more quickly. The Department was able to conduct an initial review of all but 1 (95 percent) of surface water right applications and all (100 percent) applications to store water in a reservoir or pond within the KPM target deadline. In comparison, only 13 percent of groundwater applications received during this reporting period were processed within the KPM target deadline. This exceeds the Department's performance over the previous two reporting periods (3 percent and 6 percent, respectively); however, it is notably lower than for other application types.

The Department's overall performance is largely impacted by the fact that groundwater applications involve an additional technical review that is unique for each application, and typically takes longer than the 45 days established for this KPM. This longer review timeline reflects the challenge the Groundwater Section faces in balancing groundwater permit and transfer application reviews with

duties like groundwater supply data collection and analysis, groundwater basin studies and water budgets, responding to groundwater interference complaints, processing drought applications (these are a high priority which are typically issued within 45 days but are not counted in this KPM) and providing technical input to various planning activities. With additional resources provided by the legislature in 2021, the Department anticipates that, once new staff are hired and trained, the existing backlog can be reduced and this KPM will improve.

KPM #11	PROMOTE EFFICIENCY IN TRANSFER APPLICATION PROCESSING - Percent of transfer final orders issued within 120 days of application filing.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
Percent of Transfer Final Orders Issued within 120 Days of Filing					
Actual	22%	22%	19%	20%	26%
Target	37%	40%	40%	40%	40%

How Are We Doing

A total of 192 transfer final orders were issued during the time-period July 1, 2021, through June 30, 2022, 50 of which were issued within 120 days of the transfer application being filed. This equates to 26 percent, which is the highest percentage performance achieved for this KPM over the last 5 reporting periods. The Department has experienced a large, but generally shrinking backlog of transfer applications, dating as far back as 1993. A focus on reducing the number of pending applications (326 as of July 1, 2022) is a key component to help make progress on this KPM. Our goal is to reduce the number of pending applications to less than 212, at which point staff will be able to take on processing of new applications as soon as they are filed.

Factors Affecting Results

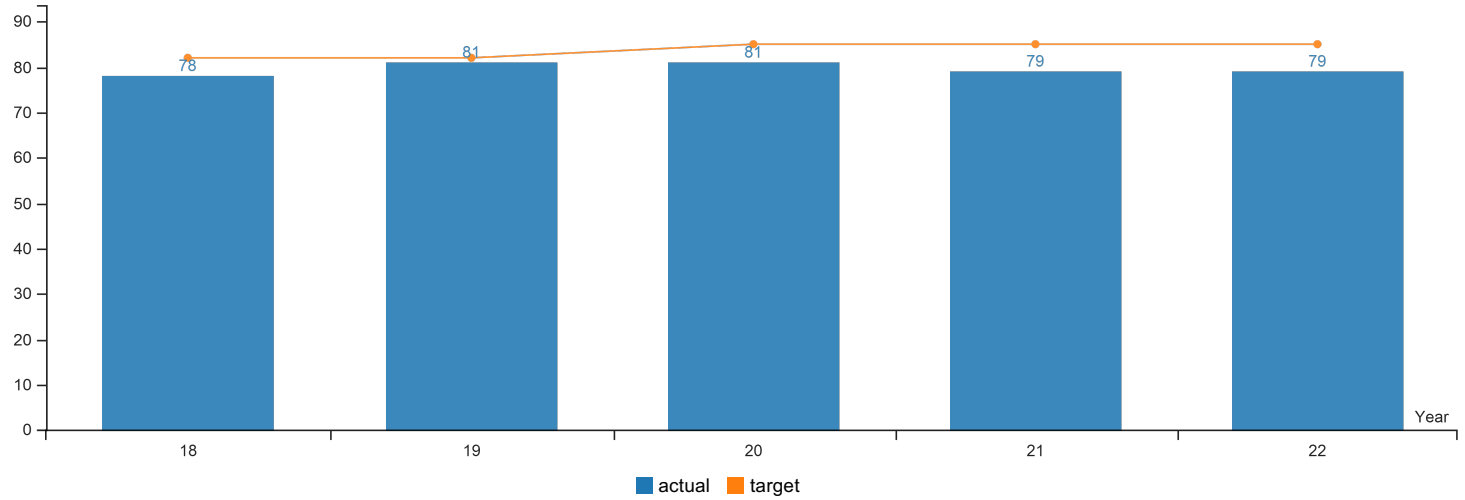
During the 1990s, the Department developed a significant backlog of pending transfer applications (reaching a high of 760), partly due to the number of incomplete and incorrect applications that were filed. During that time, the Department focused efforts on reviewing the more straightforward applications, with the more complex transfers falling behind. This caused the average time from receipt of an application to issuance of the final order to increase. In recent years, transfer staff have focused their efforts on reducing the number of applications pending for more than three years (34 as of July 1, 2022, compared to 28 as of July 1, 2021). While some positive progress was made on KPM #11 during the 2022 reporting period, this tactic has played a role in a reduced percentage for this KPM in several of the past five reporting periods. Typically, transfer applications that are still pending after three years contain more difficult and complicated proposals which take more time to evaluate and process. As the backlog is reduced, the percentage of final orders that can be issued within 120 days of filing will increase.

In 2009-2010, the Department analyzed the causes of delay in transfer processing, and as a result, streamlined the work process and re-designed the application forms to make the forms more user-friendly. This resulted in fewer application deficiencies, which increases the chances that a new application can be processed within 120 days. The Department continues to adjust procedures as additional efficiencies are identified.

Other factors causing this KPM's actual percentage to be lower than the target percentage are: 1) longer processing times to complete groundwater reviews for groundwater transfer applications due to workloads within the Groundwater Section and the more technical nature of groundwater reviews; 2) loss of two permanent transfer caseworkers during this reporting period to other positions within the Department; and 3) increased utilization of the District Temporary Transfer Pilot Project which significantly reduces the number of easy-to-process temporary district transfer applications. In June 2022, a new modernization coordinator position was filled to coordinate implementation of needed modernization efforts in the transfers section. Recruitment is currently underway to fill the two vacant permanent transfer caseworker positions. In addition, ARPA funding provided by the legislature will allow for two additional limited-duration transfer caseworkers. The Department anticipates it will make progress on this KPM in the future.

KPM #13	INCREASE WATER USE REPORTING - the percent of water users with an annual water-use reporting requirement that have submitted their reports to the Department.
	Data Collection Period: Oct 01 - Sep 30

** Upward Trend = positive result*



Report Year	2018	2019	2020	2021	2022
Percent of water users with an annual water-use reporting requirement that have submitted reports to the Dept.					
Actual	78%	81%	81%	79%	79%
Target	82%	82%	85%	85%	85%

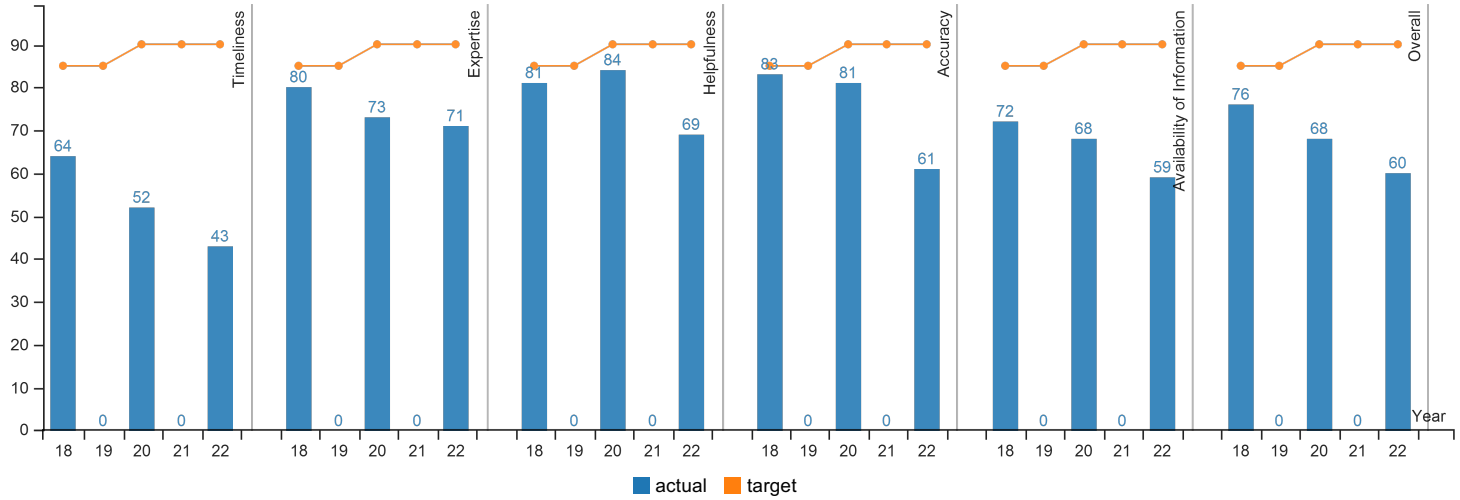
How Are We Doing

The percent of water users submitting water-use reports as required for the 2022 reporting period was 79 percent, within six percent of the target.

Factors Affecting Results

The 2022 reporting period contains results from the water year (October 2020 - September 2021) with reports due to the Department by the end of the 2021 calendar year. Success on this metric is directly tied to the Water Use Reporting Coordinator position. During 2007, the Department had no Water Use Reporting Coordinator because of budget constraints and received only 20 percent of the required reports. In 2008, the Program Coordinator position was re-authorized and raised reporting results to 65 percent. In the 2009-11 Budget, the Water Use Reporting Coordinator position was again eliminated. The percent of reports received subsequently ranged from 17 to 27 percent during the 2009-2012 water years. Re-establishing the position in 2013 has allowed customers to receive reminders, technical assistance, and prompt customer service responses, which has again driven up the rate of compliance. Agency staff continue to evaluate and improve the online reporting program and user interface, which helps customers who are trying to submit or use the data and may help the Department achieve additional increases in compliance. Some water right holders either do not have the resources (equipment, staff time, etc.) or do not have a system to pass on knowledge of the requirement when personnel changes, leading to a lapse in compliance. In 2021, the Department analyzed the data of non-reporters for the 2020 reporting period and found that of the 19 percent not in compliance, 38 percent were federal entities, 28 percent were non-governmental, 20 percent were irrigation or special districts, 12 percent were cities or counties, and 2 percent were state entities.

KPM #14	CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.
	Data Collection Period: Jul 01 - Jun 30



Report Year	2018	2019	2020	2021	2022
Timeliness					
Actual	64%		52%		43%
Target	85%	85%	90%	90%	90%
Expertise					
Actual	80%		73%		71%
Target	85%	85%	90%	90%	90%
Helpfulness					
Actual	81%		84%		69%
Target	85%	85%	90%	90%	90%
Accuracy					
Actual	83%		81%		61%
Target	85%	85%	90%	90%	90%
Availability of Information					
Actual	72%		68%		59%
Target	85%	85%	90%	90%	90%
Overall					
Actual	76%		68%		60%
Target	85%	85%	90%	90%	90%

How Are We Doing

According to the survey results, customer satisfaction has declined in each category between 2020 and 2022. Overall satisfaction decreased, with sixty percent of respondents rating their satisfaction with the agency's overall customer service as "good" or "excellent" in the 2021/2022 survey period compared to sixty-eight percent in the 2019/2020 survey period.

Survey respondents were further requested to identify if they ultimately received the decision or response they were requesting. Seventy-nine percent of the respondents affirmed they did receive a favorable response.

Factors Affecting Results

The Department is concerned by the decline in customer satisfaction reflected in the survey results and acknowledges that we have challenges to overcome. Many of the final order recipients who participated in the survey filed their application during or before the COVID-19 pandemic. The downward trend in satisfaction across the survey results may be, in part, a reflection of the disruptions to the working environment during the pandemic. Other challenges include the accessibility of information about application processing steps and timelines, staff responsiveness to inquires, processing timelines for groundwater files, and staff shortages. We are instituting some changes that may lead to short- to medium-term delays but we expect will set us up to provide improved customer service in the future.

The Department understands that some stakeholders would like more accessible information on application processing steps and timelines. The Department is working on improved documentation about the various application processes, which may result in providing process flow charts and estimated timeframes on the website and/or as part of the application packet.

The Department understands that we need to improve responsiveness to stakeholder inquiries. We continue to work on coaching staff on communicating with external stakeholders. We will reinforce and provide more detailed expectations for all division staff on production goals and providing timely responses to customer inquiries. We will refine and update our staff desk manuals to improve staff understanding of water right processes. We will discuss survey results with staff to help them understand stakeholder concerns, solicit their input, and implement new strategies for improving customer service.

Applications for new groundwater uses and transfers that include changes to the location of one or more wells require a groundwater review. With growing water scarcity issues, these reviews have grown more complex. In addition, at the direction of the Commission, the Department is evaluating its groundwater allocation policy, which requires substantial staff resources. Furthermore, the Groundwater Section is working on their own backlog reduction and hiring/training new staff, while balancing other duties like groundwater supply data collection and analysis, groundwater basin studies and water budgets, responding to groundwater interference complaints, processing drought applications, and providing technical input to various planning activities. With additional resources provided by the legislature in 2021, the Department anticipates that, once new staff are hired and trained, the existing groundwater review backlog can be reduced and this KPM will improve.

Application fee increases are not keeping up with the costs of staffing the division, resulting in fewer staff processing applications which leads to delays and the resulting dissatisfaction of our stakeholders. Based upon additional funding provided by the legislature in 2021, the Department is in the process of hiring and training additional limited duration caseworkers to focus on reducing the backlog of pending applications and improve processing timelines across the Water Rights Services Division. While we do not expect the limited duration caseworkers to master all application and certificate types during the limited duration timeframe, we intend to train them to become experts in select application and certificate types so that each person maximizes efficiency in their reviews.

OREGON
WATER RESOURCES DEPARTMENT

Link to the Governor's Recommended Budget within the OWRD website:

https://www.oregon.gov/owrd/programs/policylawandrules/LegislativeAndBudget/Pages/default.aspx

PROGRAM PRIORITIZATION FOR 2023-25

Agency Name: Water Resources Department

2023-25 Agency-wide Prioritization **Agency Number: 69000**

1	2	5	7	8	9	10	12	14	15	16	17	19	20	22
Priority (ranked with highest priority first)		**Program Unit/Activity Description**	**Primary Purpose Program-Activity Code**	**GF**	**LF**	**OF**	**FF**	**TOTAL FUNDS**	**Pos.**	**FTE**	**New or Enhanced Program (Y/N)**	**Legal Req. Code (C, D, FM, FO, S)**	**Legal Citation**	**Packages included in Agency Request**
Agcy	**Prgm/ Div**													
1	FSD	**Water Distribution** - Field investigations, outreach to water right holders, distribution of surface water and groundwater according to rights of record, and protection of senior water rights, both instream and out-of-stream. Includes watermasters, assistant watermasters, region managers, and other field staff.	9	19,563,380	0	1,243,163	75,000	$ 20,881,543	72	72.00	Y	S	536, 537, 538, 539, 540, 542	103, 114
2	TSD/FSD	**Public Safety in Water-Related Infrastructure** - Dam safety and well construction programs, development of well construction standards, well driller licensing, and general enforcement. Well protections include prevention of waste, contamination, and loss of artesian pressure. Includes dam safety inspectors, well construction specialists, well inspectors, and enforcement staff.	9	2,548,268	0	6,852,742	298,564	$ 9,699,574	19	18.21	N	S	536, 537, 540	114, 117
3	WRSD	**Water Right Transactions** - Processing of new water right applications, permit extensions, certificates, limited licenses, and water right records and research. Also includes protest coordinator, Water Management and Conservation Plans, and processing requests for changes (i.e., leases, allocations of conserved water, or transfers). Transfers can include a change in place of use, type of use, or point of diversion. Transactions include both instream and out-of-stream.	6	4,407,196	0	3,441,786	25,000	$ 7,873,982	30	28.67	N	S	536, 537, 538, 540, 541, 542	103, 108, 109

1	2	5	7	8	9	10	12	14	15	16	17	19	20	22
Priority (ranked with highest priority first)		**Program Unit/Activity Description**	**Primary Purpose Program-Activity Code**	**GF**	**LF**	**OF**	**FF**	**TOTAL FUNDS**	**Pos.**	**FTE**	**New or Enhanced Program (Y/N)**	**Legal Req. Code (C, D, FM, FO, S)**	**Legal Citation**	**Packages included in Agency Request**
4	TSD/ASD/FSD	**Hydrologic Data Development, Analysis, and Publication** - Measuring the physical water resources of the state, including streamflow (surface water), water levels in wells (groundwater), and reservoir elevations (storage). Analysis includes reporting of water diverted and used, development of groundwater studies, groundwater-surface water interaction, surface water analysis, and water availability. Publication includes electronic platforms and portals for surface water and groundwater data, water right information management,and Geographic Information Systems (GIS) mapping. Includes water measurement analyst, hydrographers, hydrotechs, hydrologists, and hydrogeologists.	9	15,460,731	0	2,996,227	0	$ 18,456,958	51	51.00	N	S	536, 537, 540, 541, 542	106, 109, 111, 118, 119, 120
5	DO	**Water Resource Conservation, Development, and Solutions**- Programs to assist individuals and communities to address instream and out-of-stream water needs now and into the future through place-based planning, feasibility studies, and water projects (such as conservation, efficiency, storage, water re-use). Includes Water Resources Development Program staff.	6	5,439,449	0	73,500,000	0	$ 78,939,449	12	11.13	N	S	541	106, 107, 109, 115
6	DO	**Director's Office** - Policy and legal oversight, public records requests, public information / media, tribal and intergovernmental relations, staffing the Water Resources Commission, coordinating with the Oregon Legislature, rulemaking, public hearings, special projects, and Integrated Water Resources Strategy implementation and updates.	9	4,918,769	0	154,383	25,000	$ 5,098,152	11	11.00	N	S	182, 183, 184, 536, 537, 538, 540, 541, 542, 543, 543A	101, 102, 106, 107, 109, 110, 111, 112, 115, 116
7	WRSD	**Hydroelectric Program** - Coordinating on hydroelectric project re-authorization and FERC licensing, reviews non-FERC applications.	6	0	0	648,591	254,751	$ 903,342	2	2.00	N	C, S	536, 537, 541, 543,543A, Art XI-D	
8	WRSD	**Adjudication** - Undertakes the processes to confirm pre-1909 surface water rights, as well as federal and tribal reserved water right claims.	6	476,493	0	0	0	$ 476,493	1	1.00	N	S	537, 539	
NR	ASD/FSD/TSD	**Central Administrative Costs** - Accounting, Budgeting, Human Resources, Support Services, Contracts, Facilities, front counter assistance, system administration (information technology, application developers, webmaster, risk management and firewalls, and business continuity). Includes fixed S&S costs.	6	10,344,959	0	1,748,167	25,000	$ 12,118,126	37	34.17	N	C, S	541, Art XI-I(1)	102, 104, 106, 107, 108, 109, 111, 113, 114, 120
NR	ASD	**Debt Service**	6	0	15,073,140	0	0	$ 15,073,140	0	0.00	N	D		
				63,159,245	15,073,140	90,585,059	703,315	$ 169,520,759	235	229.18				

Agency Span of Control as of 03-15-2023 @ 12:00 PM

Agency	Agency Max Supervisory ratio	Total # EEs on 03-15-23*	Total # Non-supervisory EEs on 03-15-23	÷	Total # Supervisory EEs on 03-15-23	Total # EEs not assigned a Representation on 03-15-23 **	1	:	Adjusted Actual Ratio on 03-15-23	Actual ratio
Bureau of Labor and Industries	(1:8)	158	141	÷	17	0	1	:	8	8.29
Department of Administrative Services	(1:10)	1113	994	÷	119	0	1	:	8	8.35
Department of Agriculture	(1:8)	867	812	÷	55	0	1	:	15	14.76
Department of Consumer and Business Services	(1:11)	1018	929	÷	88	1	1	:	11	10.56
Department of Corrections	(1:10)	5310	4863	÷	442	5	1	:	11	11.00
Department of Environmental Quality	(1:10.25)	894	817	÷	76	1	1	:	11	10.75
Department of Fish and Wildlife	(1:6)	1453	1265	÷	185	3	1	:	7	6.84
Department of Human Services	(1:8.39)	12516	11411	÷	1095	10	1	:	10	10.42
Department of Justice	(1:11.88)	1687	1558	÷	127	2	1	:	12	12.27
Department of Public Safety Standards and Training	(1:27)	399	384	÷	13	2	1	:	30	29.54
Department of Revenue	(1:11)	1244	1140	÷	102	2	1	:	11	11.18
Department of State Lands	(1:8)	128	116	÷	12	0	1	:	10	9.67
Department of Transportation	(1:11)	5627	5189	÷	437	1	1	:	12	11.87
Employment Department	(1:11)	3441	3185	÷	256	0	1	:	12	12.44
Forestry Department	(1:7)	1521	1345	÷	174	2	1	:	8	7.73
Higher Education Coordinating Commission	(1:7)	212	191	÷	19	2	1	:	10	10.05
Oregon Business Development Department	(1:9)	191	169	÷	22	0	1	:	8	7.68
Oregon Department of Education	(1:9)	1234	1115	÷	116	3	1	:	10	9.61
Oregon Health Authority	(1:8.6)	6490	5909	÷	578	3	1	:	10	10.22
Oregon Housing and Community Services	(1:9)	440	398	÷	42	0	1	:	9	9.48
Oregon Liquor Control Commission	(1:11)	427	394	÷	33	0	1	:	12	11.94
Oregon State Department of Police	1:12	1727	1545	÷	172	10	1	:	9	8.98
Oregon Youth Authority	(1:9)	1084	978	÷	103	3	1	:	9	9.50
Parks and Recreation Department	(1:8)	911	821	÷	90	0	1	:	9	9.12
Public Employees Retirement System	(1:10)	438	402	÷	36	0	1	:	11	11.17
Public Utility Commission of Oregon	(1:5)	140	119	÷	21	0	1	:	6	5.67
State of Oregon Military Department	(1:10)	510	463	÷	47	0	1	:	10	9.85
Water Resources Department	(1:8)	264	239	÷	25	0	1	:	10	9.56
Veteran Affairs	??	105	89	÷	16	0	1	:	6	5.56
Department of Energy	??	101	89	÷	12	0			7	7.42
Oregon Department of Emergency Management	??	109	98	÷	11	0			9	8.91

BUDGET NARRATIVE

* This total number includes positions which were flagged by Workday as NOT having a Repr code assigned. Each position was reviewed and assigned to a supervisory or non supervisory categc
** These numbers are showing up in Workday as not having a Repr code assigned. They were reallocated to a supervisory or non-supervisory category and folded into the Total on column C.

Ratio within Maximum supervisory ratio

Ratio not within Maximum supervisory ratio

Supervisory Ratio

PROPOSED SUPERVISORY SPAN OF CONTROL REPORT

In accordance with the requirements of ORS 291.227, Oregon Water Resources Department presents this report to the Joint Ways and Means Committee regarding the agency's Proposed Maximum Supervisory Ratio for the 2023-25 biennium.

Supervisory Ratio for the last quarter of 2017-2019 biennium for budgeted positions was 1:10.56 per the Agency Span of Control as of 8/9/19.

The agency adjusted actual supervisory ratio as of 07/01/2021 was 1:10. The actual supervisory ratio as of 07/01/2021 was 1:9.61.

The Agency actual supervisory ratio as of Current Service Level (CSL) is calculated using the following calculation;

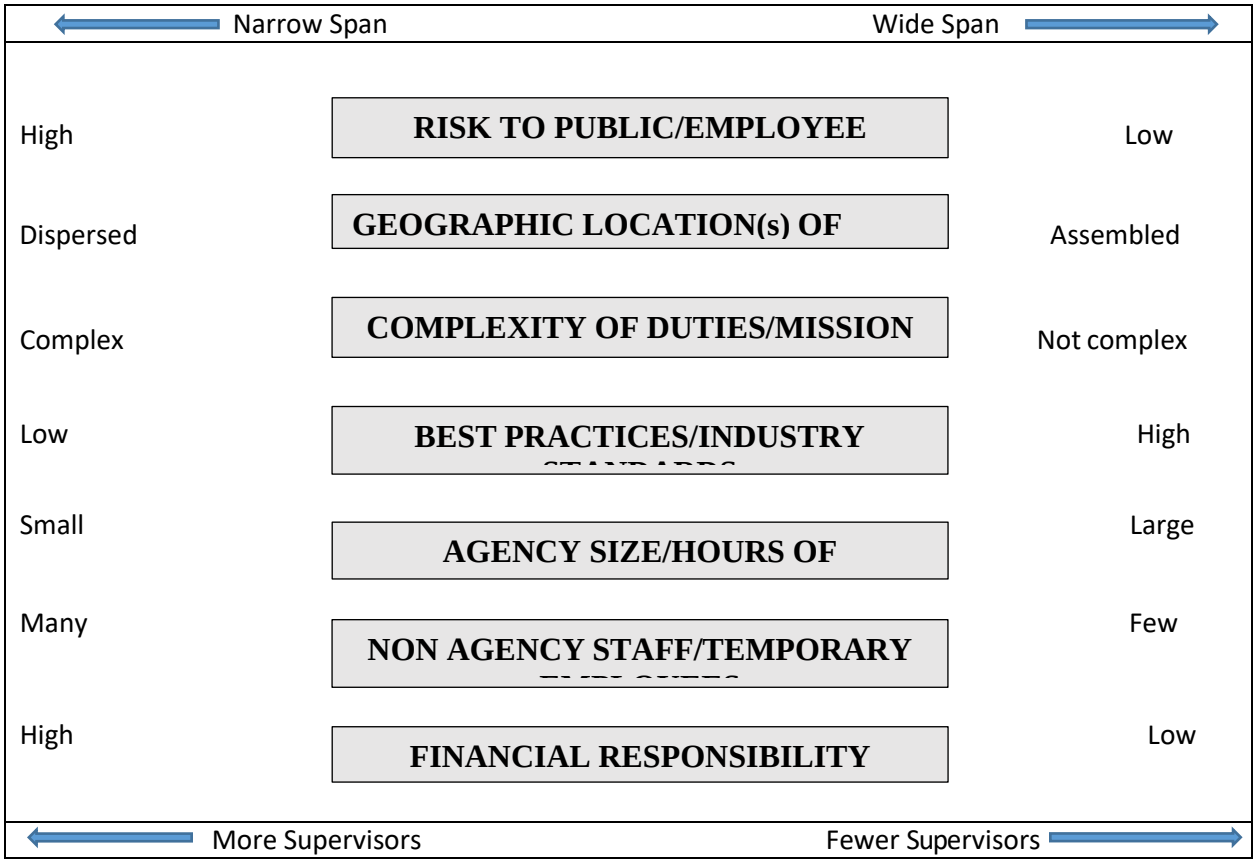
24	=	25	-	1
(Total supervisors)		(Supervisory Positions)		(Agency head)

210	=	210
(Total non-supervisors)		(Non-Supervisory Positions)

The agency has a current service level (CSL) actual supervisory ratio of-

1: 8.75	=	210	/	24
(Actual span of control)		(Total non - Supervisors)		(Total Supervisors)

When determining an agency maximum supervisory ratio all agencies shall begin of a baseline supervisory ratio of 1:11 and based upon some or all of the following factors may adjust the ratio up or down to fit the needs of the agency.


Narrow Span
Wide Span
High
RISK TO PUBLIC/EMPLOYEE
Low
Dispersed
GEOGRAPHIC LOCATION(s) OF
Assembled
Complex
COMPLEXITY OF DUTIES/MISSION
Not complex
Low
BEST PRACTICES/INDUSTRY
High
Small
AGENCY SIZE/HOURS OF
Large
Many
NON AGENCY STAFF/TEMPORARY
Few
High
FINANCIAL RESPONSIBILITY
Low
More Supervisors
Fewer Supervisors

Ratio Adjustment Factors

Is safety of the public or of State employees a factor to be considered in determining the agency maximum supervisory ratio? Explain how and why this factor impacts the agency maximum ratio upwards or downwards from 1:11.

Yes, safety is a high concern. The Department houses staff in 22 offices across the state. The Department has divided the state into 23 watermaster districts, which are distributed across five administrative regions. Watermasters, assistant watermasters, and other field and technical staff travel year-round to remote locations, collecting field data, regulating water use and regularly interacting with water users, landowners or other public, some who are angry and threatening. Staff are frequently out of cell coverage during their field assignments. Each of the five regions has only one supervisor. When a supervisor is absent from the office, local staff must work with a supervisor outside of their region who may be a great distance away and unfamiliar with specific issues or safety matters in that region.

A concern for staff safety impacts the ratio downwards (fewer staff per supervisor). It is important that staff have reasonable access to a supervisor when conditions or circumstances warrant supervisory attention.

Is geographical location of the agency's employees a factor to be considered in determining the agency maximum supervisory ratio? Explain how and why this factor impacts the agency maximum ratio upwards or downwards from 1:11.

Yes, the agency staff are located and working across the entire state. Geographic location of field offices places a downward pressure on the span of control. As noted above, the Department has divided the state into 23 watermaster districts (non-supervisory staff), which are distributed within five regional management structures with one supervisor each. The geographic area of these Regions is extensive, and the Department feels that there should be adequate supervisory management assigned to each of these regions in order to respond to the needs of the public and department's employees.

Two examples: The East Region spans 37,237 square miles, with 14 staff and one supervising manager working out of 6 offices located in Enterprise, Canyon City, La Grande, Baker City, Burns, and Vale.

The South Central Region spans 21,919 square miles. The region is comprised of 13 represented staff and one supervising manager with offices located in Bend, Klamath Falls and Lakeview. As it is currently, the Lakeview office is a three hour drive one-way, and the Klamath Falls office is a two-and a half hour drive for the region manager located in Bend. This supervisory position is already included in our base budget. The Department is proposing a policy option package to add a second supervisory manager for this region.

Prior to the supervisory limitation, the Department's span of control was 1:6. Several positions with supervisory authority were modified to non-supervisory, placing additional duties on remaining supervisors, particularly across the region offices.

Is the complexity of the agency's duties a factor to be considered in determining the agency maximum supervisory ratio? Explain how and why this factor impacts the agency maximum ratio upwards or downwards from 1:11.

Yes, highly complex. Workloads are increasing statewide due to the increasing number of water rights, wells, population, homes, and changing water management needs due to increased water scarcity. The State's 23 watermasters, with the help of state and other-funded assistant watermasters, are responsible for management of more than 89,000 water rights in the state, more than 230,000 wells, dam safety inspections, injury analysis of water right transactions, issuance of grants, participation in local planning efforts, and many other activities.

The agency is responsible for many technical aspects of water management, such as groundwater level monitoring, hydrogeological studies, surface water hydrology, dam safety, well construction and enforcement of water law and well construction standards. These technical sections may only include a handful of staff but require a manager with subject-area expertise and supervisory authority to manage the program. For example, having a HR Manager supervise Well Construction staff would be inappropriate and inefficient, as the HR Manager would not have the technical foundation to understand whether the work was being completed properly. This issue presents itself for all these sections that are small but highly specialized.

The agency also seeks to address and resolve often complicated water issues in basins. With climate change, drought, and increased water scarcity, the Department is seeing an increased need to be involved in identifying, facilitating, and implementing solutions. Each basin is unique, however, and resolution of issues is difficult given how important water is to our communities, ecosystems, cultures, economies, and way of life and the fact that it is a finite resource.

Oregon water law statutes date to 1909 and have been amended and appended ever since. This has created a complex and sometimes conflicting body of law that requires astute interpretation. Litigation against the agency and staff is on the rise and results in more of management's attention in resolving lawsuits and other threats against agency actions. This takes attention away from manager's supervisory duties. The Department seeks to reduce the management ratio to allow for more flexibility in supervisory duties.

Are there industry best practices and standards that should be a factor when determining the agency maximum supervisory ratio? Explain how and why this factor impacts the agency maximum ratio upwards or downwards from 1:11.

Not applicable.

Is size and hours of operation of the agency a factor to be considered in determining the agency maximum supervisory ratio? Explain how and why this factor impacts the agency maximum ratio upwards or downwards from 1:11.

This is generally not applicable, as our agency commonly adheres to standard business hours. The exception is for staff conducting field assignments that require extended work hours. Supervisory managers are knowledgeable of staff work assignments and need to be available after hours in the event staff needs assistance.

Are there unique personnel needs of the agency, including the agency's use of volunteers or seasonal or temporary employees, or exercise of supervisory authority by agency supervisory employees over personnel who are not agency employees a factor to be considered in determining the agency maximum supervisory ratio? Explain how and why this factor impacts the agency maximum ratio upwards or downwards from 1:11.

Yes, many. The Water Resources Department's use of interns, temporary, and county-funded employees should be considered as a factor in determining the agency maximum supervisory ratio, as well as the use of the Department's managers to assist with other agencies.

Management of Oregon's water relies, in part, on local entities funding staff in addition to State-funded staff. These locally funded staff are assigned to watermaster and regional offices and they support the water-management business of the agency. Counties provide much of the budget for the locally funded positions. Under current statutes, counties may support assistant watermasters, who work under the supervision of the Department. These county-funded positions create additional field capacity to serve water management needs within specific counties. Currently there are approximately 8 locally funded staff who are supervised by Department managers.

The Department also relies on interns during short periods of time to assist with special projects as funding allows. Currently there are three interns who are supervised by Department managers. Increasing water scarcity and dry domestic wells has increased the need for seasonal help in some field offices.

The Department provides Information Services, Human Resources, Payroll and Fiscal support to the Oregon Watershed Enhancement Board. While the agency is not supervising staff at OWEB, managers and staff provide support to the OWEB that represents another workload and demand on management staff.

Is the financial scope and responsibility of the agency a factor to be considered in determining the agency maximum supervisory ratio? Explain how and why this factor impacts the agency maximum ratio upwards or downwards from 1:11.

Yes, high responsibility. In recent years, the agency has seen a consistent authorization of Lottery Backed Bonds to issue grants, which has increased the financial responsibility and accounting for the agency to ensure that grants are properly administered. This additional fiscal workload takes management's attention away from supervisory duties. The Department seeks to reduce the management ratio to allow for more flexibility in supervisory duties.

Based upon the described factors above the agency proposes a Maximum Supervisory Ratio of 1:8.

Water Resources Department - 690

Vacant Position Information

Vacancies as of December 31, 2022

Agency Initial	SCR	DCR	PPDB Pos No	Position Class Comp	Position Title	Pos Type	GF Fund Split	LF Fund Split	OF Fund Split	FF Fund Split	FTE	2023-25 GF PS Total	2023-25 LF PS Total	2023-25 OF PS Total	2023-25 FF PS Total	2023-25 Total Bien PS BUDGET	Vacant Date	Position eliminated in GRB? Y/N	Reason for vacancy
WRD	69000-010-01-00-00000	69000-010-01-01-00000	1000015	OAO C0118 AP $ 3,483	EXECUTIVE SUPPORT SPECIALIST 1	PF	100%	0%	0%	0%	1.00	$ 145,000	$ -	$ -	$ -	$ 145,000	9/1/2019	N	Abolished in PFP 23-01 which was not keyed in time for GRB.
WRD	69000-010-01-00-00000	69000-010-01-01-00000	1000038	OAO C0103 AP $ 3,215	OFFICE SPECIALIST 1	PF	0%	0%	100%	0%	1.00	$ -	$ -	$ 136,898	$ -	$ 136,898	7/22/2019	N	Left vacant to accrue sufficient fee ending fund balance. Current recruitment in process.
WRD	69000-010-03-00-00000	69000-010-03-05-00000	3000067	OAO C0104 AP $ 3,215	OFFICE SPECIALIST 2	PP	100%	0%	0%	0%	0.42	$ 57,040	$ -	$ -	$ -	$ 57,040	5/23/2019	N	Abolished in PFP 23-01 which was not keyed in time for GRB.
WRD	69000-010-03-00-00000	69000-010-03-03-00000	3000119	OAO C0104 AP $ 3,215	OFFICE SPECIALIST 2	PF	100%	0%	0%	0%	1.00	$ 136,898	$ -	$ -	$ -	$ 136,898	12/31/2019	N	Abolished in PFP 23-01 which was not keyed in time for GRB.
WRD	69000-010-03-00-00000	69000-010-03-05-00000	4000014	MMS X7004 AP $ 5,985	PRINCIPAL EXECUTIVE/MANAGER C	PF	100%	0%	0%	0%	1.00	$ 220,642	$ -	$ -	$ -	$ 220,642	10/24/2021	N	Reclassed to NRS4 Watermaster in PFP 23-01 which was not keyed in time for GRB. Incumbent sitting on unbudgeted position pending PFP completion.
WRD	69000-010-07-00-00000	69000-010-07-03-00000	9915107	OAO C8504 AP $ 6,350	NATURAL RESOURCE SPECIALIST 4	PF	100%	0%	0%	0%	1.00	$ 231,678	$ -	$ -	$ -	$ 231,678	11/15/2021	N	Left vacant to generate GF savings to fund unbudgeted planning position. Incumbent was sitting on non-budgeted position through December 2022.
WRD	69000-010-07-00-00000	69000-010-07-03-00000	9915116	OAO C8504 AP $ 6,350	NATURAL RESOURCE SPECIALIST 4	PF	100%	0%	0%	0%	1.00	$ 231,678	$ -	$ -	$ -	$ 231,678	9/1/2021	N	Position left vacant while program manager filled higher priority positions in the section. Recruitment planned for Spring 2023.
WRD	69000-010-07-00-00000	69000-010-07-03-00000	9915119	MMN X3148 AP $ 7,630	PROFESSIONAL ENGINEER 1	PF	100%	0%	0%	0%	1.00	$ 270,375	$ -	$ -	$ -	$ 270,375	11/6/2020	N	Position was left vacant to generate vacancy savings pending reclassification to NRS3 in PFP 23-01 which was not keyed in time for GRB.
WRD	69000-010-07-00-00000	69000-010-07-02-00000	9919002	OAO C0872 AP $ 6,350	OPERATIONS & POLICY ANALYST 3	PF	100%	0%	0%	0%	1.00	$ 231,678	$ -	$ -	$ -	$ 231,678	N/A	N	Abolished in PFP 23-01 which was not keyed in time for GRB.
WRD	69000-010-04-00-00000	69000-010-04-06-00000	9921002	MMN X3148 AP $ 7,630	PROFESSIONAL ENGINEER 1	PF	100%	0%	0%	0%	1.00	$ 270,375	$ -	$ -	$ -	$ 270,375	N/A	N	Left vacant to fund retiree temp. Temp is sitting on an unbudgeted position.
WRD	69000-010-04-00-00000	69000-010-04-02-00000	9921025	OAO C0437 AP $ 5,503	PROCUREMENT & CONTRACT SPECIALIST 2	PF	100%	0%	0%	0%	1.00	$ 206,070	$ -	$ -	$ -	$ 206,070	N/A	N	Position shifted to ASD in PFP 23-01 which was not keyed in time for GRB. Left vacant to fund PCS1 (on an unbudgeted position) and other position responsible for contracting work (WDLP Loan Spec).
WRD	69000-010-01-00-00000	69000-010-01-03-00000	9970035	OAO C8510 AP $ 3,790	WATER RESOURCE DATA TECHNICIAN 1	PF	0%	0%	100%	0%	1.00	$ -	$ -	$ 154,281	$ -	$ 154,281	8/16/2019	N	Left vacant to accrue sufficient fee ending fund balance. Current offer pending.
											-					-			
Total						**Pos**	**GF**	**LF**	**OF**	**FF**	**FTE**	**GF**	**LF**	**OF**	**FF**	**AF**			
						12	**83%**	**0%**	**17%**	**0%**	**11.42**	**$ 2,001,434**	**$ -**	**$ 291,179**	**$ -**	**$ 2,292,613**			

UPDATED **OTHER FUNDS ENDING BALANCES FOR THE 2021-23 & 2023-25 BIENNIA**

Agency: **Water Resources Department (690)**
Contact Person (Name , **Lisa Snyder (503) 983-5801**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Other Fund Type	**Program Area (SCR)**	**Treasury Fund #/Name**	**Category/Description**	**Constitutional and/or Statutory reference**	**2021-23 Ending Balance in LAB**	**2021-23 Ending Balance Revised**	**2023-25 Ending Balance in CSL**	**2023-25 Ending Balance Revised**	**Comments**
Nonlimited	010-01-00-00000: Water Dev Loan Fund	6900000463: Water Dev Admin & Bond Sinking Fund WDLP Fund Administration	Loan Program - Inactive	Article XI-I(1) ORS 541.750	245,000	240,000	245,000	0	The only activity in this account is interest and Treasury Fees. No WDLP activity. Plan is to close the account in 23-25 if allowable.
Limited	010-04-00-00000: Tech Serv Div	6900000536: Water Resources Department Operating Fund (Start Card Fund)	Operations	ORS 537.763	850,000	1,450,000	1,000,000	1,100,000	Administratively managed funding for cash flow and contingencies. Goal is to have a 6 monthending fund balance. Fee increase causing larger ending fund balance in 2021-23.
Limited	010-06-00-00000: Water Rights Services Div	6900000607: Water Resources Dept Hydroelectric Fund	Operations	ORS 536.015	450,000	700,000	700,000	750,000	Administratively managed funding for cash flow and contingencies. Goal is to have a 6-9 month EFB. Fee increase causing larger ending fund balance in 2021-23. Future fee increases tied to CPI.
Limited	010-07-00-00000: Director's Office	6900000975: Water Measurement Cost Share Prog Rev Fund	Other - Incentive funding for water measurement devices (recipient match required)	ORS 536.021	0	100,000	0	0	Assumption is that all other fund will be spent in the 2023-25 biennium. ARPA appropriated in 2021-23 which is the focus of spending.
Limited	010-06-00-00000: Water Rights Services Div	6900001083: Water Right Operating Fund	Operations	ORS 536.009 ORS 536.050 ORS 537.747	1,179,164	3,300,000	1,064,310	1,250,000	Administratively managed funding for cash flow and contingencies. Goal is to have a 4-9 month EFB. ARPA influx causing larger EFB in 2021-23. Fee workgroup to assess fees in this account due to declining balances.
Limited	010-04-00-00000: Tech Serv Division	6900001318: Geotechnical Fund	Operations	HB 2232 ORS 537.895	400,000	450,000	400,000	400,000	Administratively managed funding for cash flow and contingencies.
Limited	010-07-00-00000: Director's Office	6900001729: Water Conservation Reuse Storage Invest (SB 1069) Feasibility Study Grants 2015-17	Grant Fund		700,000	0	0	0	Assumption to spend out in 2021-23.
Limited	010-07-00-00000: Director's Office	6900001909 & 1910: Water Supply Fund Direct Award - Tax Exempt City of Carlton Panther Creek & Water Loss Projects 2019	Grant Fund	ORS 291.001	2,200,000	0	0	0	Assumption to spend out in 2021-23.
Limited	010-07-00-00000: Director's Office	6900001912: Water Supply Fund Direct Award - Tax Exempt Santiam Water Ctrl 2019	Grant Fund		1,200,000	1,200,000	0	0	Assumption to spend out in 2023-25
Limited	010-07-00-00000: Director's Office	690001913: Water Supply Developemnt Account - Water Supply Grant & Loan Tax Exempt 2019	Grant Fund		2,500,000	9,000,000	0	0	Assumption to spend out in 2023-25
Limited	010-07-00-00000: Director's Office	6900001914: Water Conservation Reuse Storage Invest (SB 1069) Feasibility Study Grants	Grant Fund	SB 1069, 2015-17 ORS 291.001; ORS 541.561		1,500,000	0	0	Assumption to spend out in 2023-25
Limited	010-07-00-00000: Director's Office	6900002133: Domestic Well Remediation Fund	Grant Fund			500,000	0	0	Assumption to spend out in 2023-25
Limited	010-07-00-00000: Director's Office	6900002134: Water Well Abandonment, Repair & Replacement Fund	Grant Fund			3,414,006	0	0	Assumption to spend out in 2023-25. ARPA funds invested in the program in 2021-23.
Limited	010-07-00-00000: Director's Office	6900002161: Water Supply Fund Direct Award - Tax Exempt Deschutes BBC Piping 21-23	Grant Fund			5,000,000	0	0	Assumption to spend out in 2023-25
Limited	010-07-00-00000: Director's Office	6900002162: Water Supply Fund Direct Award Wallowa Lake Dam - Tax Exempt 21-23	Grant Fund			14,000,000	0	0	Assumption to spend out in 2023-25
Limited	010-07-00-00000: Director's Office	6900002163: Water Supply Development Account - Water Supply Grant & Loan Tax Exempt 2023	Grant Fund			30,000,000	0	10,000,000	
Limited	010-07-00-00000: Director's Office	6900002164: Water Supply Fund Direct Award - Tax Exempt Big Creek Dams 21-23	Grant Fund			14,000,000	0	0	
					9,724,164	84,854,006	3,409,310	13,500,000	

Objective: **Provide updated Other Funds ending balance information for potential use in the development of the 2023-25 legislatively adopted budget.**

Instructions:

Column (a): Select one of the following: Limited, Nonlimited, Capital Improvement, Capital Construction, Debt Service, or Debt Service Nonlimited.

Column (b): Select the appropriate Summary Cross Reference number and name from those included in the 2021-23 Legislatively Approved Budget. If this changed from previous structures, please note the change in Comments (Column (j)).

Column (c): Select the appropriate, statutorily established Treasury Fund name and account number where fund balance resides. If the official fund or account name is different than the commonly used reference, please include the working title of the fund or account in Column (j).

Column (d): Select one of the following: Operations, Trust Fund, Grant Fund, Investment Pool, Loan Program, or Other. If "Other", please specify. If "Operations", in Comments (Column (j)), specify the number of months the reserve covers, the methodology used to determine the reserve amount, and the minimum need for cash flow purposes.

Column (e): List the Constitutional, Federal, or Statutory references that establishes or limits the use of the funds.

Columns (f) and (h): Use the appropriate, audited amount from the 2021-23 Legislatively Approved Budget and the 2023-25 Current Service Level at the Agency Request Budget level.

Columns (g) and (i): Provide updated ending balances based on revised expenditure patterns or revenue trends. The revised column (i) should assume 2023-25 Current Service Level expenditures, considering the updated 2021-23 ending balance and any updated 2023-25 revenue projections. Do not include adjustments for reduction options that have been submitted. Provide a description of revisions in Comments (Column (j)).

Column (j): **Please note any reasons for significant changes in balances previously reported during the 2021 session.**

Additional Materials: If the revised ending balances (Columns (g) or (i)) reflect a variance greater than 5% or $50,000 from the amounts included in the LAB (Columns (f) or (h)), attach supporting memo or spreadsheet to detail the revised forecast.

2021-23 ARPA ENDING BALANCES

Agency: **Water Resources Department**
Contact Person (Nam **Lisa Snyder (503)983-5801**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
SCR	**Program Description**	**2021-23 LAB**	**2021-23**		**2023-25 POP**		**Comments**
			Ending Balance	**Amount Obligated**	**Y/N**	**POP #**	
010-07	Umatilla County Ordnance Project	6,000,000	6,000,000	-	Y	105	OWRD has requested project details in order to develop the grant agreement. Funds are projected to be fully expended by June 2025.
010-07	Place Based Planning	1,000,000	1,000,000	-	Y	105	$250,000 allocated to each of the four planning groups. Three of the four grant agreements have been sent to grantee for signatures.
010-07	Water Well Abandonment, Repair, and Replacement Fund	2,000,000	1,500,000	2,000,000	Y	105	As of 12/15/2022 we have received over 150 applications requesting ~$3.5m and have awarded ~$2m in grants. There are also one time general fund dollars that have been added to the account.
010-07	Fish Passage	500,000	500,000	-	Y	105	OWRD evaluated potential projects that meet the criteria for funding. OWRD will be contacting four eligible cities in January 2023 to see if they are interested in the funds and to gather information to determine how to allocate the funding amongst the eligible cities.
010-07	Water Measurement Cost Share Program	1,000,000	900,000	100,000	Y	Inadvertently excluded from POP 105 narrative in budget document	To date ony a small portion of the $1m allocated has been spent. The Department is planning extensive outreach in 2023 to increase awareness and expenditure of funding; that said there is the potential that a portion of the funding will not be spent. OWRD will have a better sense once it begins work on this in earnest in 2023. Funds are projected to be fully expended by June 2025.
010-04	Support Surface Water and Groundwater Data Collection Field Equipment	3,000,000	3,000,000	1,100,000	Y	105	Groundwater data collection: Actively working to solicit bids for expansion of the groundwater observation well network. Challenges in contracting include significant price increases due to supply chain issues and lack of driller availability due to a shortage of drillers and an abundance of work. Surface water data collection: Contracts for purchasing equipment were established in November 2022 and $1 million has been committed to acquiring gage equipment and measurement devices. Additionally, another $100k has been committed to contracts for operation of weather stations. Funds are projected to be fully expended by June 2025.
010-06	Water Right Fee Based Programs Support & Stakeholder Engagement	3,000,000	2,000,000	2,000,000	Y	105	Before hiring staff to work on the project OWRD first had to confirm that the project qualified under the ARPA funding guidelines. Once DAS deposited the funds in our account (May of 2022), we started the recruiting process. Staff for the project were hired in the fall of 2022. As of January 3, 2023, staff are contributing to backlog reduction in three application processing areas: water right permits, transfers and Certificates. A portion of these funds have been used to support Water Right staffing as they process current applications. The fee workgroup will begin meeting in the spring of 2023. Funds are expected to be fully expended by June 2024.
010-04	Engineering Serices for Dam Safety Engineering Alayses	4,000,000	4,000,000	-	Y	105	Due to the number of anticipated contracts associated with these ARPA funds, we worked with DAS on an efficient way to solicit proposals and award contracts. The process was finalized in December 2022. Most contracts are in draft form, and we expect to begin awarding contracts in March 2023. Funds are expected to be fully expended by June 2024.
		20,500,000	18,900,000	5,200,000			

Instructions:

Column (a): Select the appropriate Summary Cross Reference number and name from those included in the 2021-23 Legislatively Approved Budget.
Column (b): List American Rescue Plan Act (ARPA) balances by legislatively approved uses and/or specified transfers to agency programs.
Column (c): Provide the expenditure limitation approved for the ARPA funds transferred to the agency in the 2021-23 Legislatively Approved Budget.
Column (d): Enter the total estimated balance of ARPA funds that will be unspent at the close of the 2021-23 biennium.
Column (e): Enter the amount of the unspent ARPA balance obligated to a project/program through an award, grant agreement, or other contract as of June 30, 2023.
Column (f) and (g): Indicate whether the 2023-25 Agency Request Budget includes a policy option package (POP) to utilize the ARPA funds carrying forward into the 2023-25 biennium, and if so, provide the POP number.
(h) Please provided any additional information related to ARPA ending balances.