



# 2025-2027 Budget Presentation

**Joint Committee on Ways and Means  
Subcommittee on Natural Resources**

**Ivan Gall, Director**

**February 18-20, 2025**

# Agenda

1. Introduction to OWRD
2. History of Oregon water law
3. Agency programs and activities
4. Key Performance Measures
5. 2025-2027 Governor's Recommended Budget
6. Agency proposed legislation

# Agency Introduction

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**Assuring sufficient & sustainable water supplies are available to meet current & future needs**

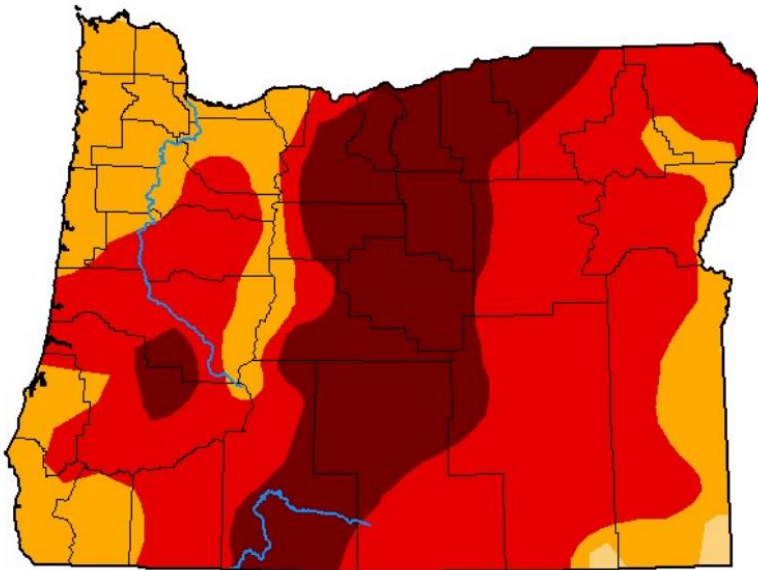
# Our Mission

Serve the public by practicing & promoting responsible water management.

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

# Our Work is More Important Than Ever

## U.S. Drought Monitor Oregon



September 14, 2021

(Released Thursday, Sep. 16, 2021)

Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
<b>Current</b>	0.00	100.00	100.00	99.34	76.69	26.59
<b>Last Week</b> 09-07-2021	0.00	100.00	100.00	99.08	76.69	26.59
<b>3 Months Ago</b> 06-15-2021	0.00	100.00	98.99	77.03	36.90	4.78
<b>Start of Calendar Year</b> 12-29-2020	8.57	91.43	83.53	68.71	27.74	0.00
<b>Start of Water Year</b> 09-29-2020	6.50	93.50	84.77	65.53	33.59	0.00
<b>One Year Ago</b> 09-15-2020	6.33	93.67	83.70	64.18	31.84	0.00

Intensity:



The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:

Brad Rippey  
U.S. Department of Agriculture



[droughtmonitor.unl.edu](http://droughtmonitor.unl.edu)

The New York Times

**UNCHARTED WATERS**

## America Is Using Up Its Groundwater Like There's No Tomorrow

Overuse is draining and damaging aquifers nationwide, a New York Times data investigation revealed.

SCIENTIFIC AMERICAN

FEBRUARY 15, 2022 | 3 MIN READ

## Western 'Megadrought' Is the Worst in 1,200 Years

An exceptionally dry year in 2021 pushed the 22-year-long drought to the top of the record books

BY CHELSEA HARVEY & E&E NEWS

# Water Connects Us All



# What We Do



**Water data & analyses**



**Water right transactions**



**Public safety & managing water**



**Collaboration & investments**

# Foundations of Water Law

- Common Law Doctrine
- 1909 Water Code: Prior Appropriation

Below: Notice of water appropriation from 1878.

*Shirrot Tail Gulch*

*Notice*

*I do hereby gress that I the undersigned have this day taken up and claim five hundred inches <sup>of water of the</sup> of the Gulch known as Shirrot Tail Gulch and all its tributaries for Mining Mechanical and Agricultural purposes*

*Dated May 30<sup>th</sup> 1878*

*Baker County*

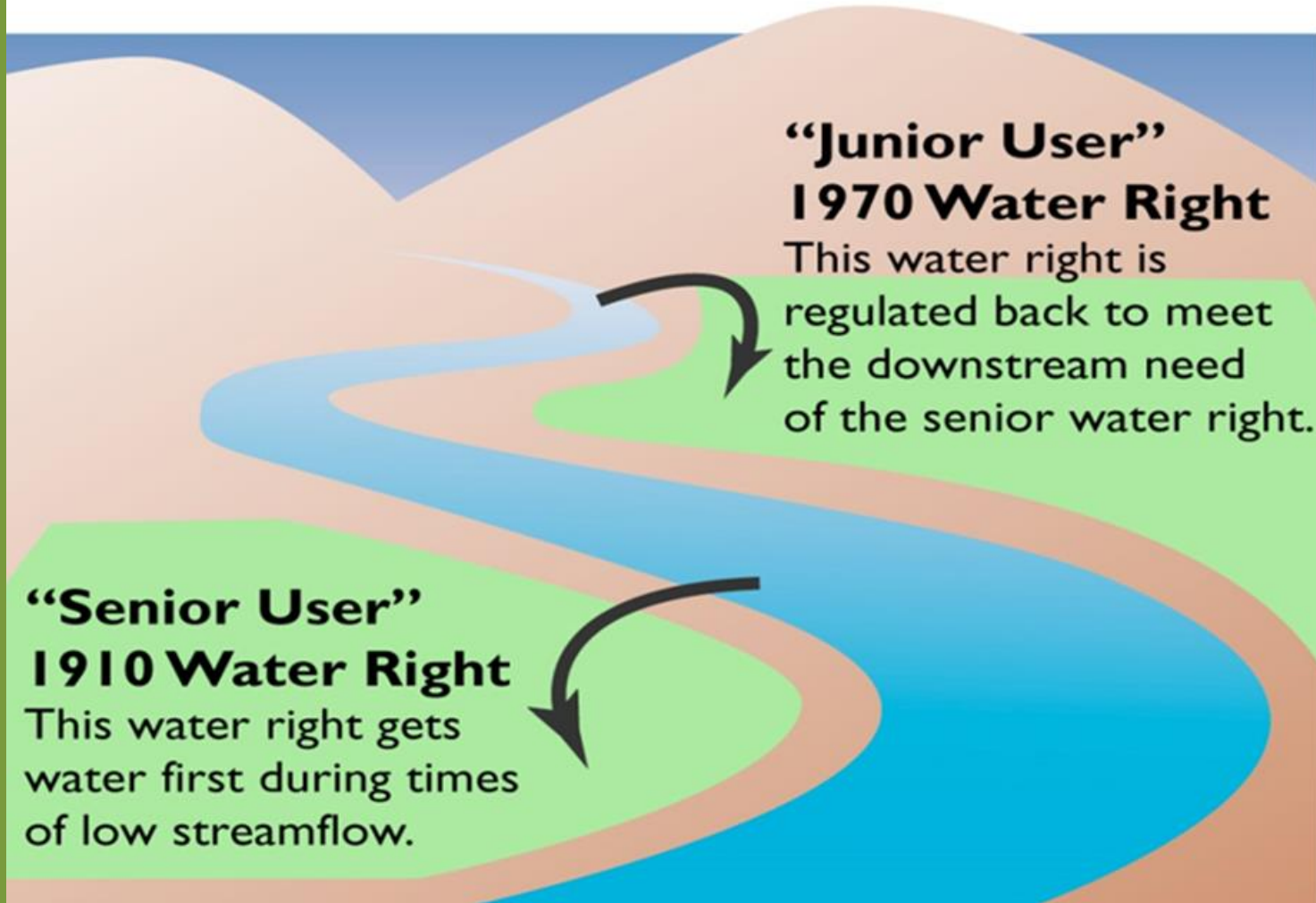
*Oregon*

*Wm Blain*



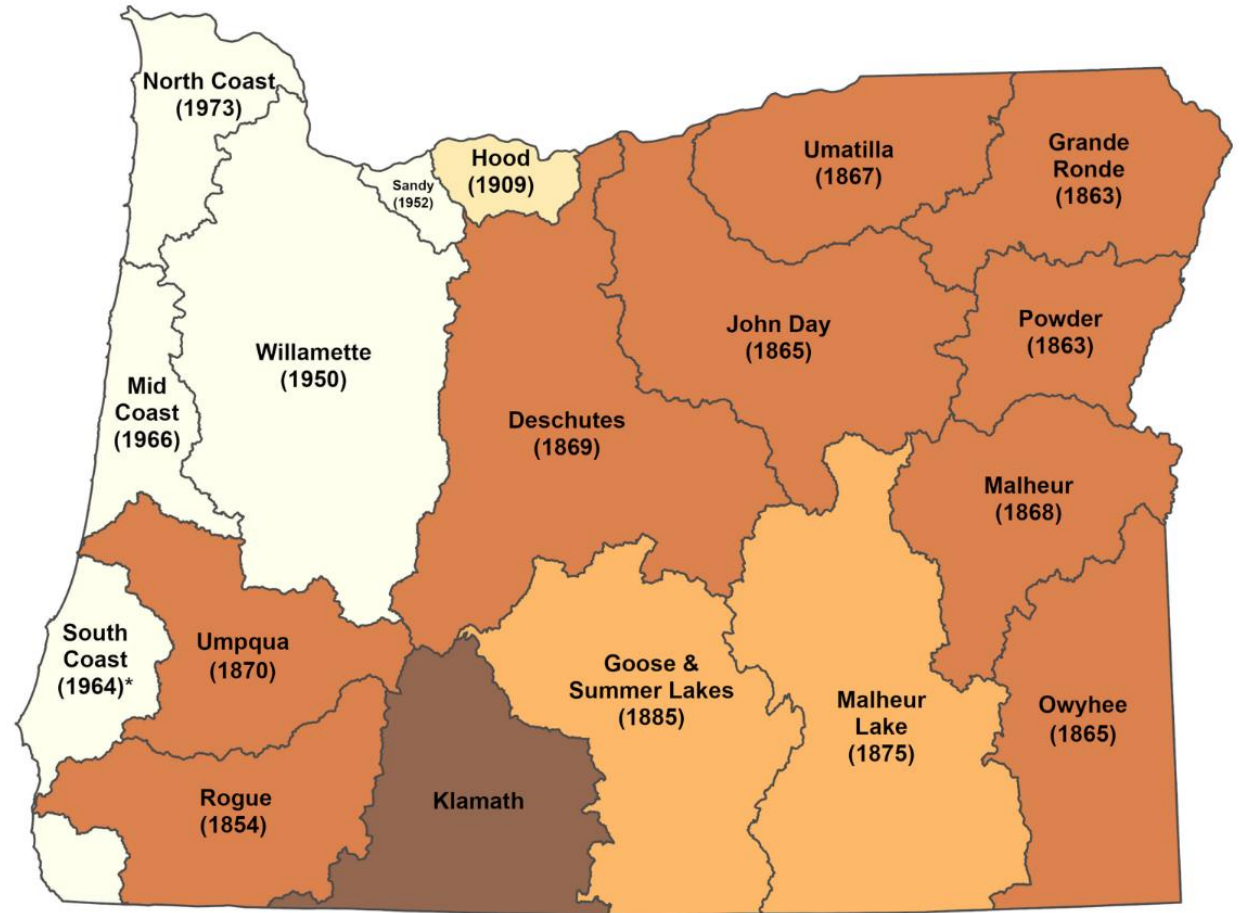
# 1909 Water Code: Prior Appropriation

*First in time,  
first in right.*



# Prior Appropriation: *Water is finite*

Earliest priority date  
in each basin for  
which surface water  
rights are regulated  
(2018-2020)



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

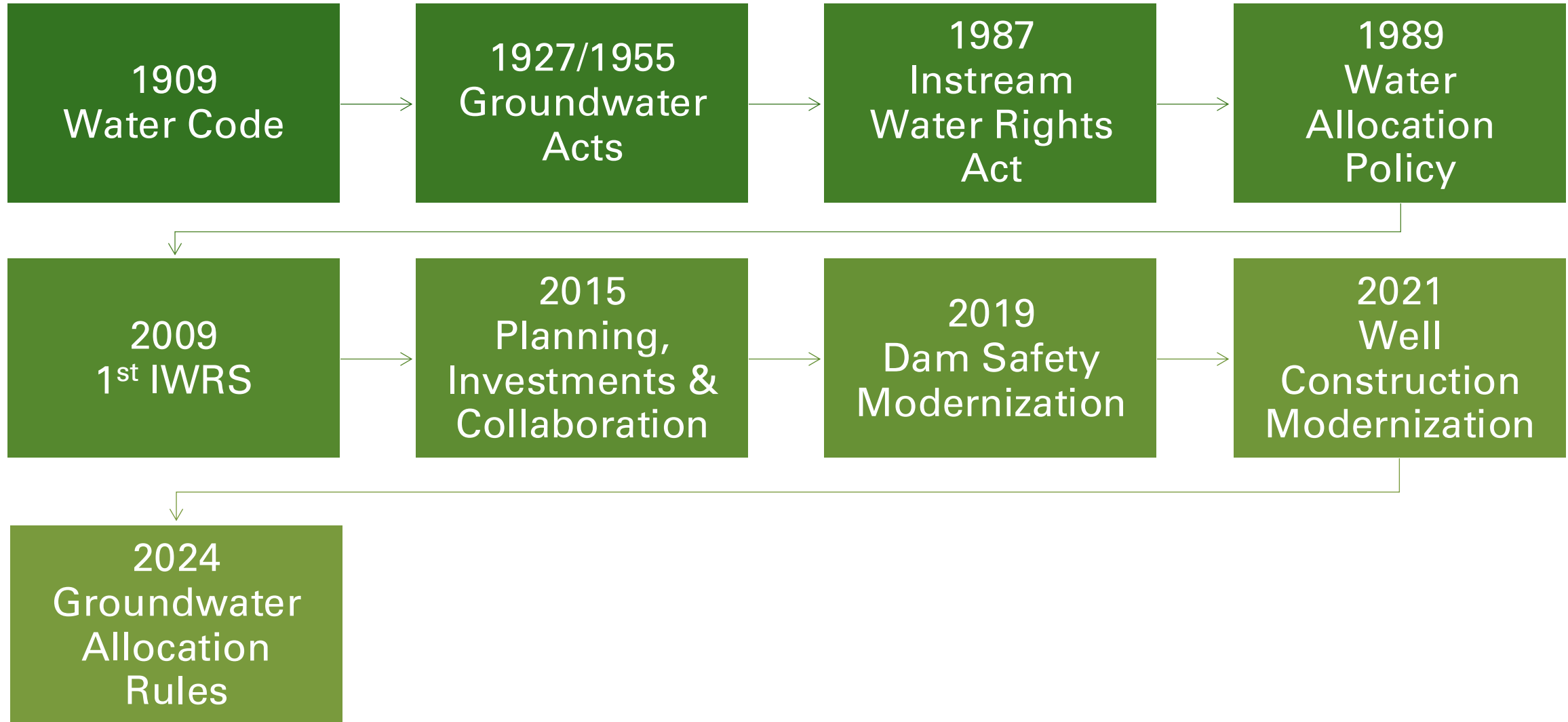


\*Regulatory years fall outside standard years selected for this map.

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

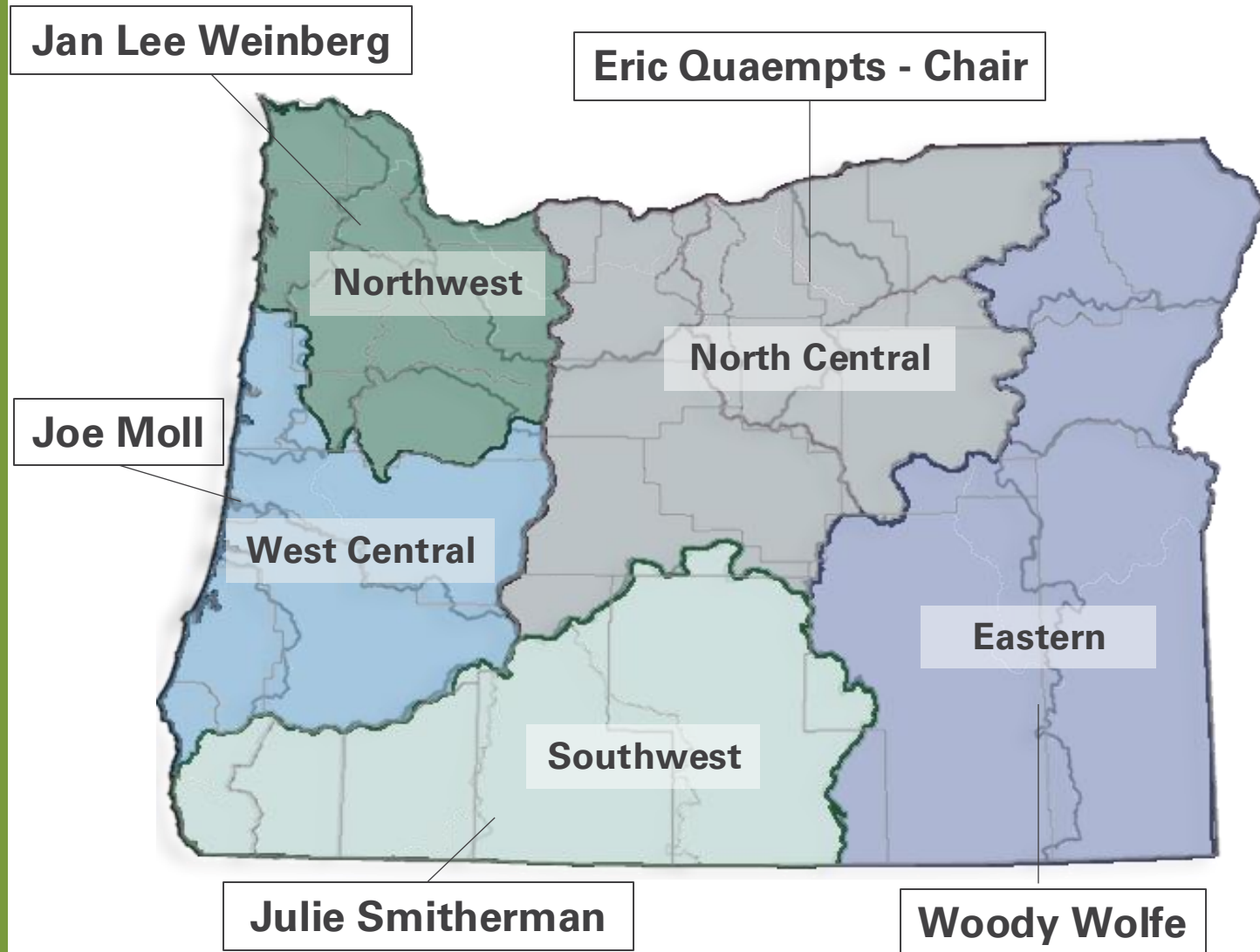


# Advancements in Water Policy



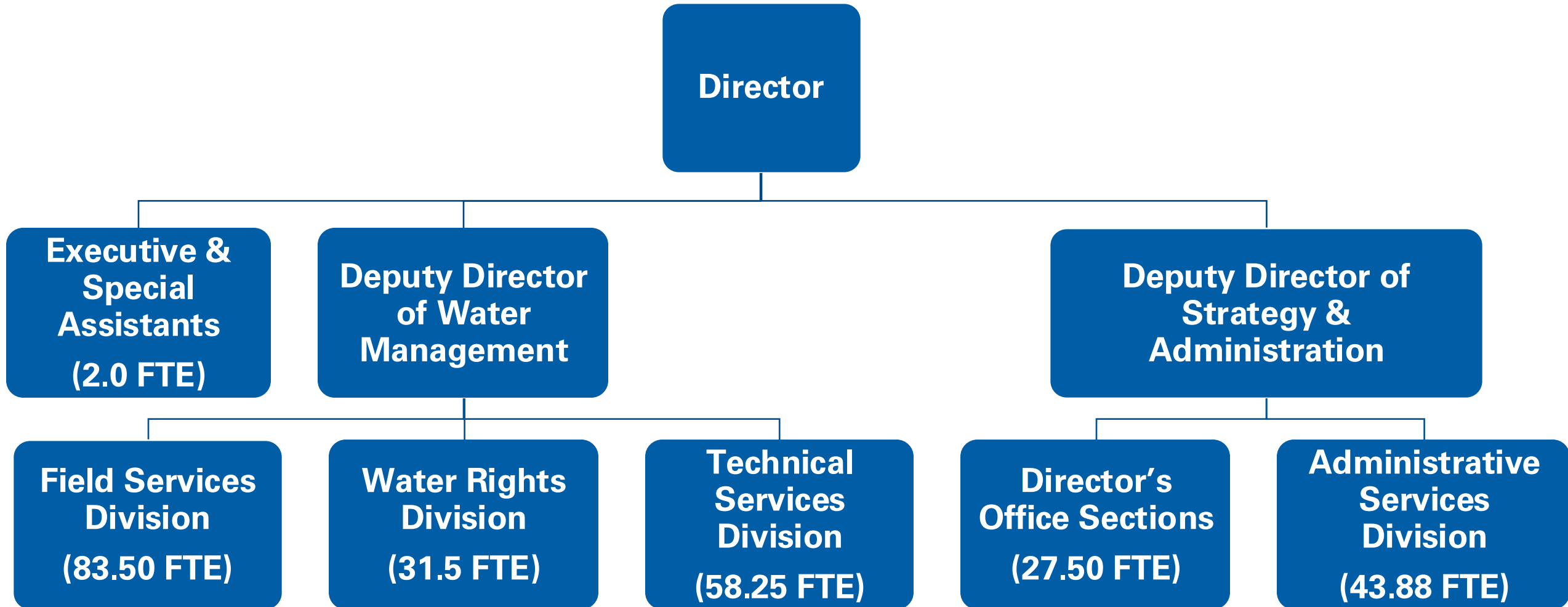
# Agency Governance

- Seven-member Commission
- Commission adopts rules, approves funding & provides oversight of agency direction



**Kathy Kihara - East-Side at Large**  
**Janet Neuman - West-Side at Large**

# Current Organizational Structure



# Oregon's 2017 Integrated Water Resources Strategy

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



## ( 1 ) Understand Water Resources Today

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

Improve Water Quality & Quantity Information

Further Understand Our Water Management Institutions

### Understanding Water Resources / Supplies / Institutions

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

← OBJECTIVES →

← CRITICAL ISSUES →

← RECOMMENDED ACTIONS →

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

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

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

### Understanding Oregon's Out-of-Stream Needs/Demands

- 2.A Regularly update long-term water demand forecasts
- 2.B Improve water-use measurement & reporting
- 2.C Determine 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

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

Economic Development

Water & Energy

Climate Change

Extreme Events

Population Growth

Water & Land Use

Water-Related Infrastructure

Education & Outreach

### Water & Energy

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

### Climate Change

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

### Extreme Events

- 5.SA Plan and prepare for drought resiliency
- 5.SB Plan and prepare for flood events
- 5.SC 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 and green infrastructure

### Water-Related Infrastructure

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

### Education and Outreach

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

← OBJECTIVES →

← CRITICAL ISSUES →

← RECOMMENDED ACTIONS →

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

Place-Based Efforts

Water Management & Development

Healthy Ecosystems

Public Health

Funding

### Place-Based Efforts

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

### Water Management & Development

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

### Healthy Ecosystems

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

### Public Health

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


### Funding

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



Oregon Water  
Resources  
Department  
Strategic Plan  
2019-2024

# Strategic Plan



Modernize policies & program practices  
to align with the IWRS



Work to secure Oregon's water future



Foster a forward-looking team

# Harnessing Momentum

- Water scarcity drives the need to adapt
- New leadership & new opportunities
- Cross-agency collaborations
- Increased staff & policy investments → big impacts
- A foundation of customer service & engagement
- Strengthening relationships with the 9 Sovereign Tribes



# Director's Office

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# Director's Office

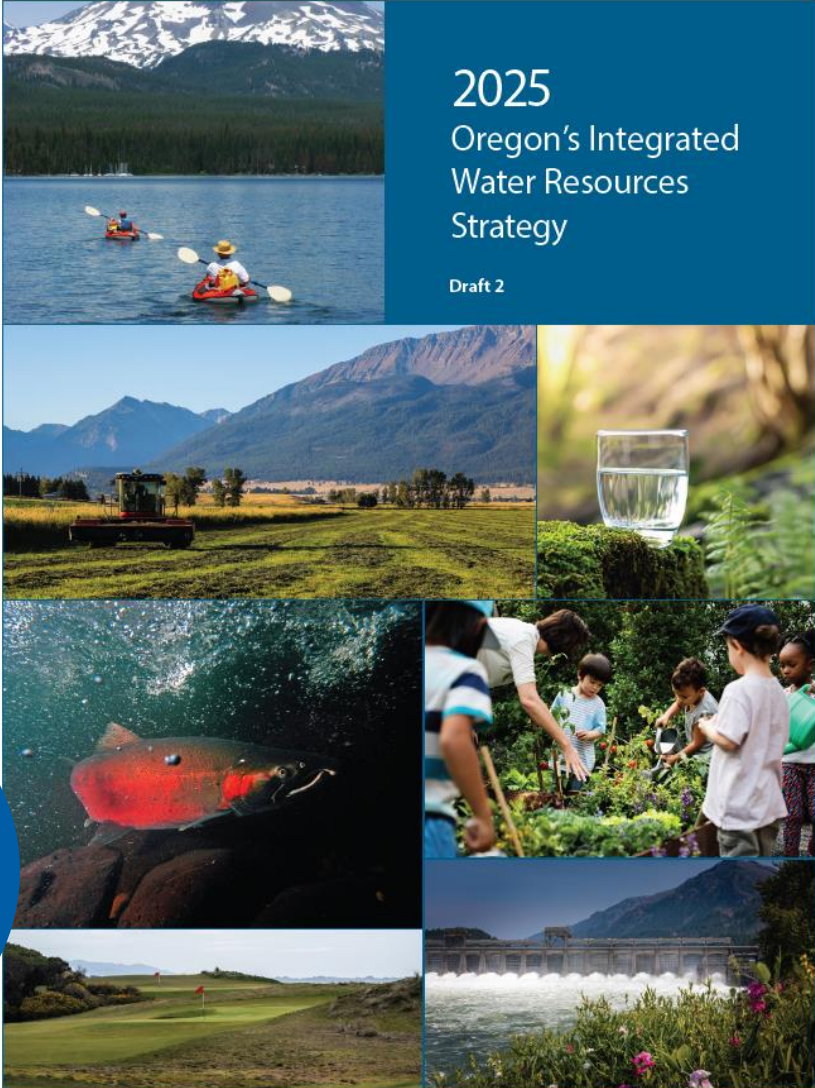
- Management & Strategic Direction
- Policy Development
- Planning, Collaboration & Investments

- IWRS & Strategic Plan
- Government-to-Government
- Leadership on DEI & environmental justice
- Special projects & strategic direction
- Legal coordination
- Water Resources Commission support

# 2025 Integrated Water Resources Strategy

- Prevent things from getting worse
- Optimize: highest & best use
- Help communities prepare & adapt

**2,000+**  
Individual  
participants



# Updating the Strategic Plan

- Defines goal driven direction & resource allocation
- Identifies:
  - Agency priorities
  - How we will accomplish the priorities
  - How we will track & evaluate progress accomplishing priorities
- Aligns with new IWRS goals & focus

# Director's Office

- Management & Strategic Direction
- Policy Development
- Planning, Collaboration & Investments

- Policy research & development
- Legislative coordination & engagement
- Rulemaking
- Communications & media

60+

Rulemaking  
engagement  
activities



# Director's Office

- Management & Strategic Direction
- Policy Development
- Planning, Collaboration & Investments

Helping Oregonians plan for & address solutions for instream & out-of-stream water supply needs.



Strategic Investments



Adaptive Planning



Cooperative Partnerships

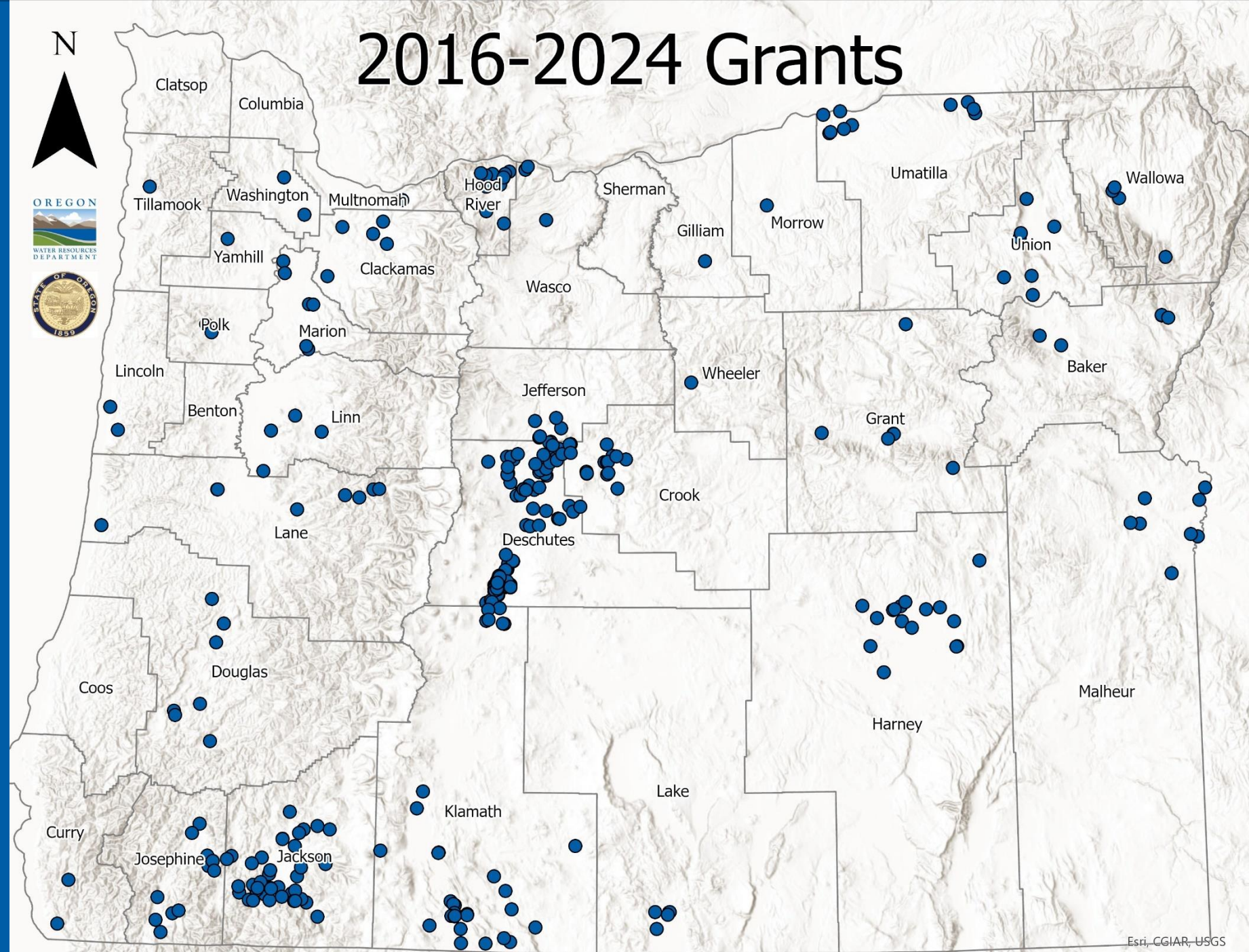


Accessible Information



Effective Coordination

# Funding Assistance



# 2016-2024 Grants

# Administrative Services Division

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# Administrative Services Division

- Business Services
- Employee Services
- Information Technology

## Fiscal Services

- Accounting
- Budget
- Contracting & procurement

## Support Services

- Records management
- Agency support services
- Facilities
- Sustainability
- Continuity of operations

↑ 113%

Public records requests since 2019

# Administrative Services Division

- Business Services
- Employee Services
- Information Technology

## Human Resources

- Recruitment & selection
- Onboarding
- Training & development
- Legal compliance
- Performance management
- Workforce planning

**226+**

Positions filled since Aug. 2021

## Payroll & Benefits Administration

- Shared payroll services

OREGON

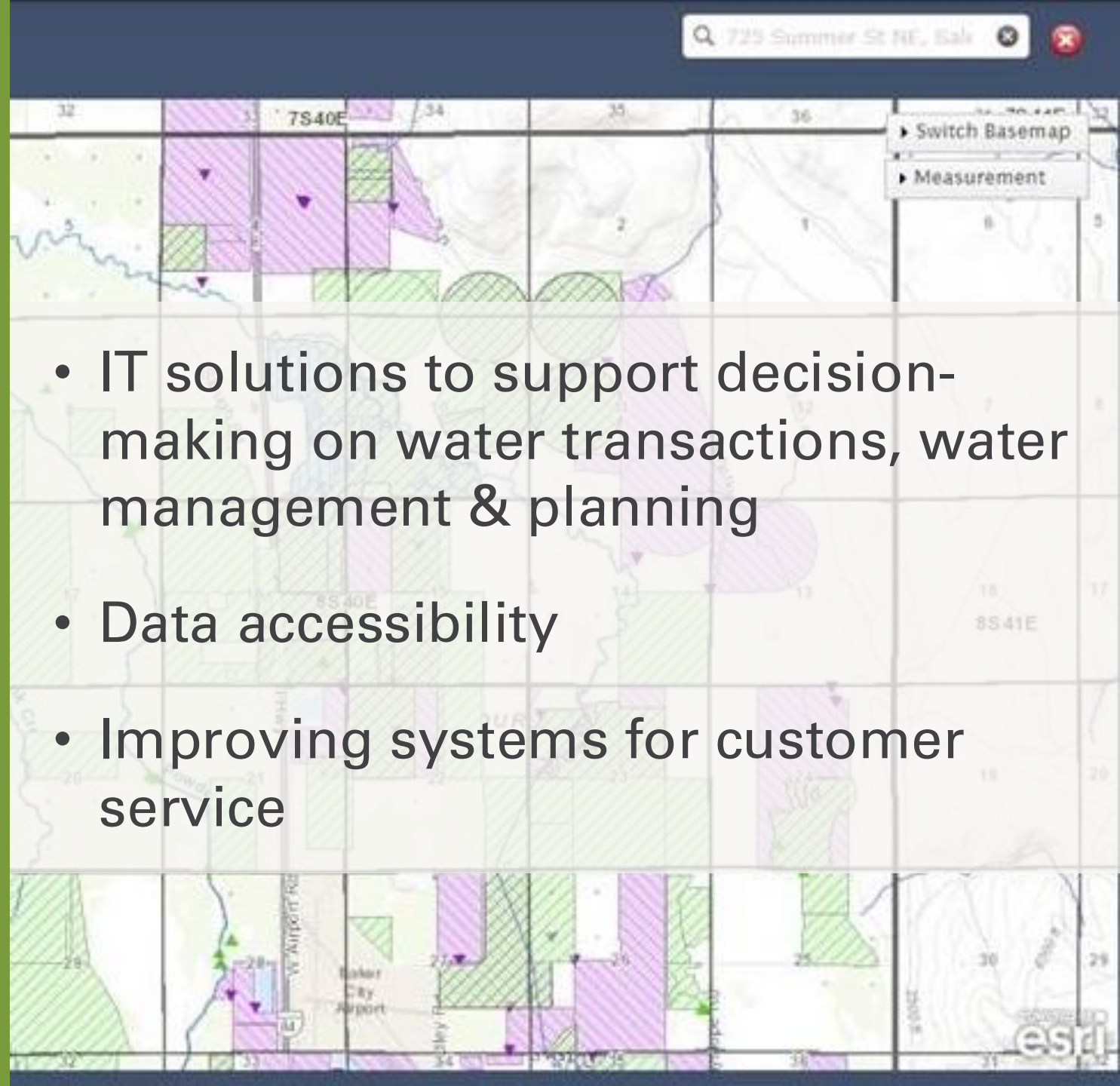


WATER RESOURCES  
DEPARTMENT

# Administrative Services Division

- Business Services
- Employee Services
- Information Technology

- IT solutions to support decision-making on water transactions, water management & planning
- Data accessibility
- Improving systems for customer service



# Water Right Services Division

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# Water Rights Services Division

- Water right transactions, adjudications & customer service
- Hydroelectric licensing
- Conservation & Planning



14x  
more

Protest  
referral

## Key Water Right Transaction Final Orders for 2023 & 2024 Combined

Water right applications	423
Transfers	369
Certificates	991
Protests resolved	54

# Water Rights Services Division

- Water right transactions, adjudications & customer service
- Hydroelectric licensing
- Conservation & Planning



- Manages Oregon's hydroelectric licensing & reauthorization
- Interagency coordination with ODFW & DEQ



OREGON



WATER RESOURCES  
DEPARTMENT

# Water Rights Services Division

- Water right transactions, adjudications & customer service
- Hydroelectric licensing
- **Conservation & Planning**

## Conservation-Related Final Orders issued in 2023 & 2024

Instream leases	201
Allocation of conserved water	17
Water management conservation plans	59

OREGON



WATER RESOURCES  
DEPARTMENT

# Technical Services Division

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# Technical Services Division

- Dam Safety
- Well Construction
- Surface Water Science
- Groundwater Science

- Inspecting 900+ state-regulated dams for safety
- Dam safety engineering analyses to improve safety & resiliency
- 78 High Hazard (HH) Dams
  - Technical Assistance for Emergency Action Plans (EAPs)
  - Leading & coordinating EAP exercises
- Design reviews & approvals
- FEMA grant administration

↑ 49%

Dam Safety  
Inspections  
(all dams)  
since 2019

17

HH Dam  
EAP  
exercises  
since 2023

# Technical Services Division

- Dam Safety
- Well Construction
- Surface Water Science
- Groundwater Science

- Ensure proper well construction & abandonment
- License well drillers & provide continuing education
- Technical assistance to drillers & well owners

↑ 92%

Well inspections since 2019

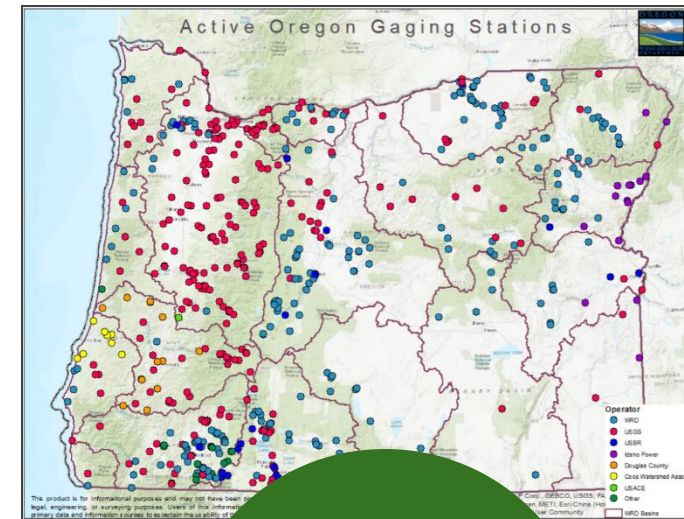
↑ 250%

Technical well report reviews since 2022

# Technical Services Division

- Dam Safety
- Well Construction
- Surface Water Science
- Groundwater Science

- Collecting data to inform water management
- Analyzing new water rights & transfers
- Monitoring water conditions & trends
- Compiling water use reports
- Monitoring water conditions (drought)
- Translating science into policy



**7,400+**  
Measurements  
& samples  
annually



# Developing Water Management Data & Tools

- Water budgets for all administrative basins
- Water Availability Reporting System update
- Satellite-based estimates of evapotranspiration
- Surface water gage & observation well installation, maintenance, & measurement
- Storage & distribution reports
- Basin studies
- Data access for Oregonians

# Field Services Division

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# Region & Watermaster Offices

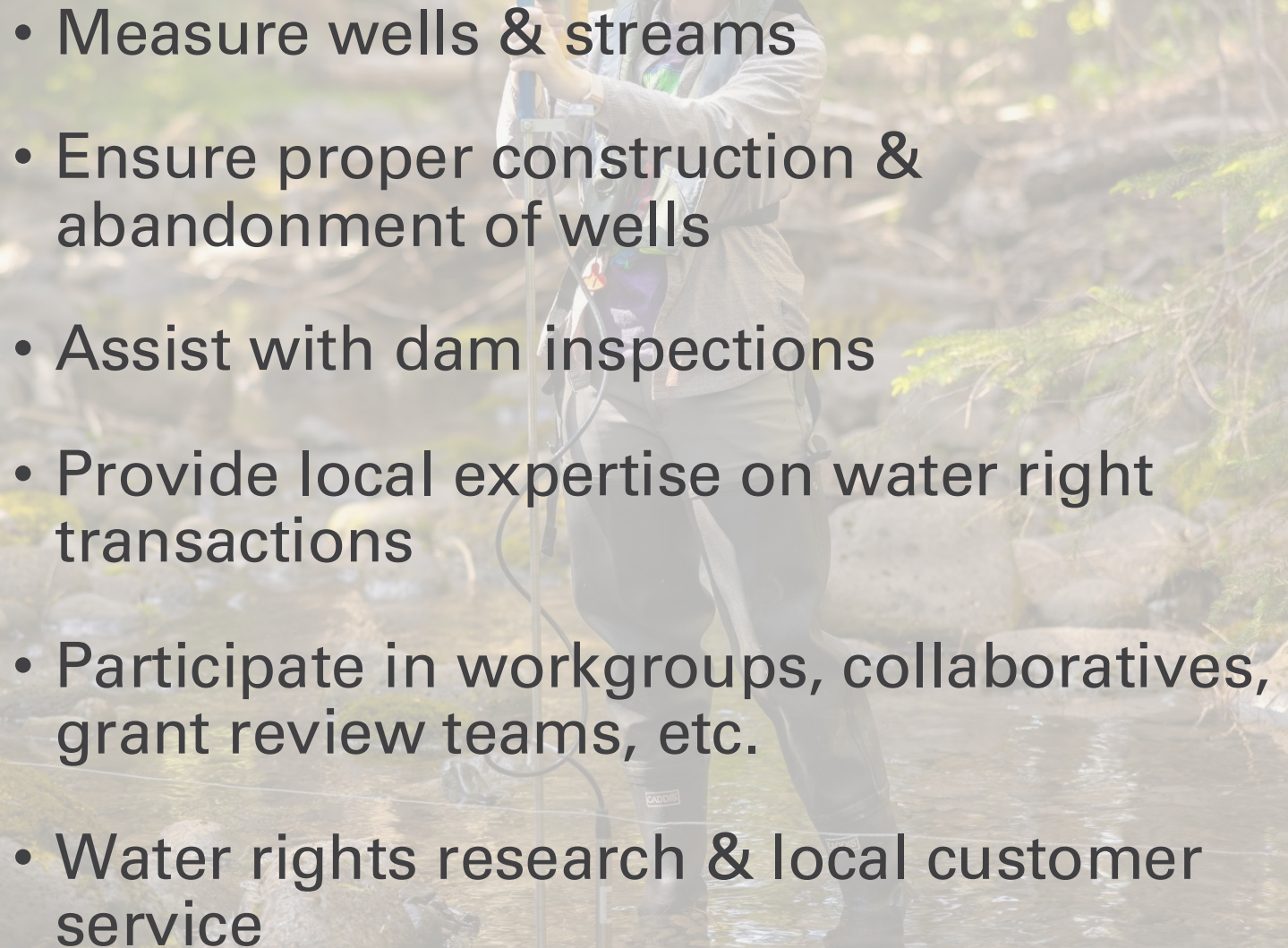


— Region Boundaries      — Watermaster District Boundaries



# Field Services Division

- Local assistance
- Water management & regulation
- Enforcement
- Region specific work

- 
- A woman wearing a white jacket, a light-colored cap, and dark pants is standing in a shallow stream. She is holding a yellow surveying instrument (a total station or level) mounted on a tripod. The background shows a forest with trees and rocks in the stream.
- Measure wells & streams
  - Ensure proper construction & abandonment of wells
  - Assist with dam inspections
  - Provide local expertise on water right transactions
  - Participate in workgroups, collaboratives, grant review teams, etc.
  - Water rights research & local customer service

# Field Services Division

- Local assistance
- Water management & regulation
- Enforcement
- Region specific work

↑ 56%

Staff initiated  
investigations  
since 2021

↓ 66%

Community based  
complaints since  
2021

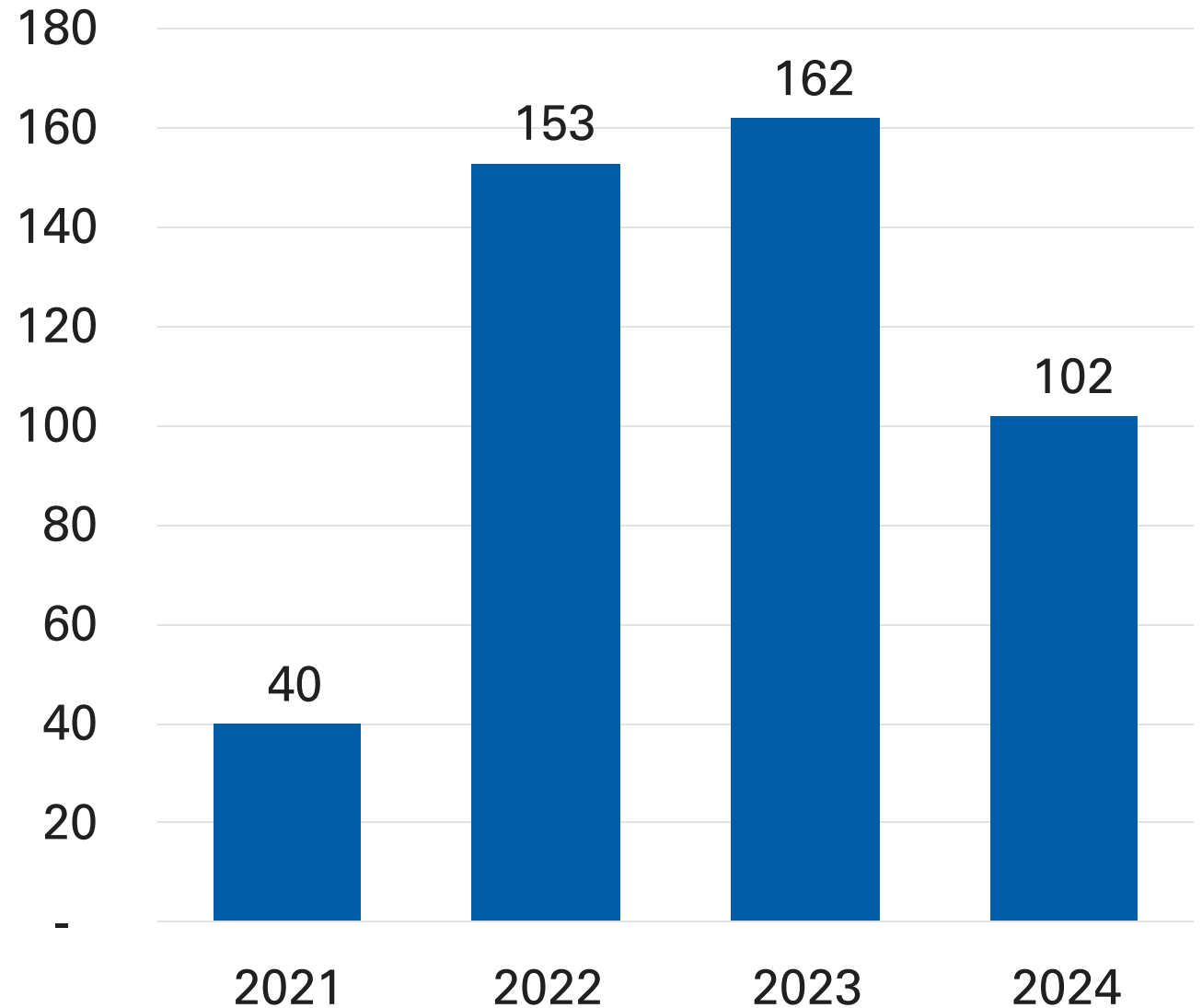


# Field Services Division

- Local assistance
- Water management & regulation
- Enforcement
- Region specific work



## Notices of Violation Issued



# Field Services Division

- Local assistance
- Water management & regulation
- Enforcement
- Region specific work



# Interagency Collaboration

- Integrated Water Resources Strategy
- New water rights and extensions
- Hydroelectric
- Water planning
- Evaluation of grants
- Drought, climate, natural hazards
- Data collection, including groundwater studies
- State scenic waterways
- Complex issues, policy & projects
- Shared services: payroll, IT, HR, fiscal, contracts

# Modernization & Performance Measures

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2019 - 2025

# Agency Modernization

- IWRS & Strategic Plan update
- Increased public & complex issue engagement
- Grant program expansion
- Significant rulemaking progress
- IT Strategic Plan & infrastructure projects
- Recruitment, onboarding & retention planning
- Public records modernization
- Water right capacity & customer service improvements

# Agency Modernization

- Well Construction modernization
- Dam Safety modernization
- Expand data collection & publication
- Standardized enforcement processes
- Cannabis enforcement & compliance policies
- Field structural changes to better serve customers
- Field Activity Database improvements

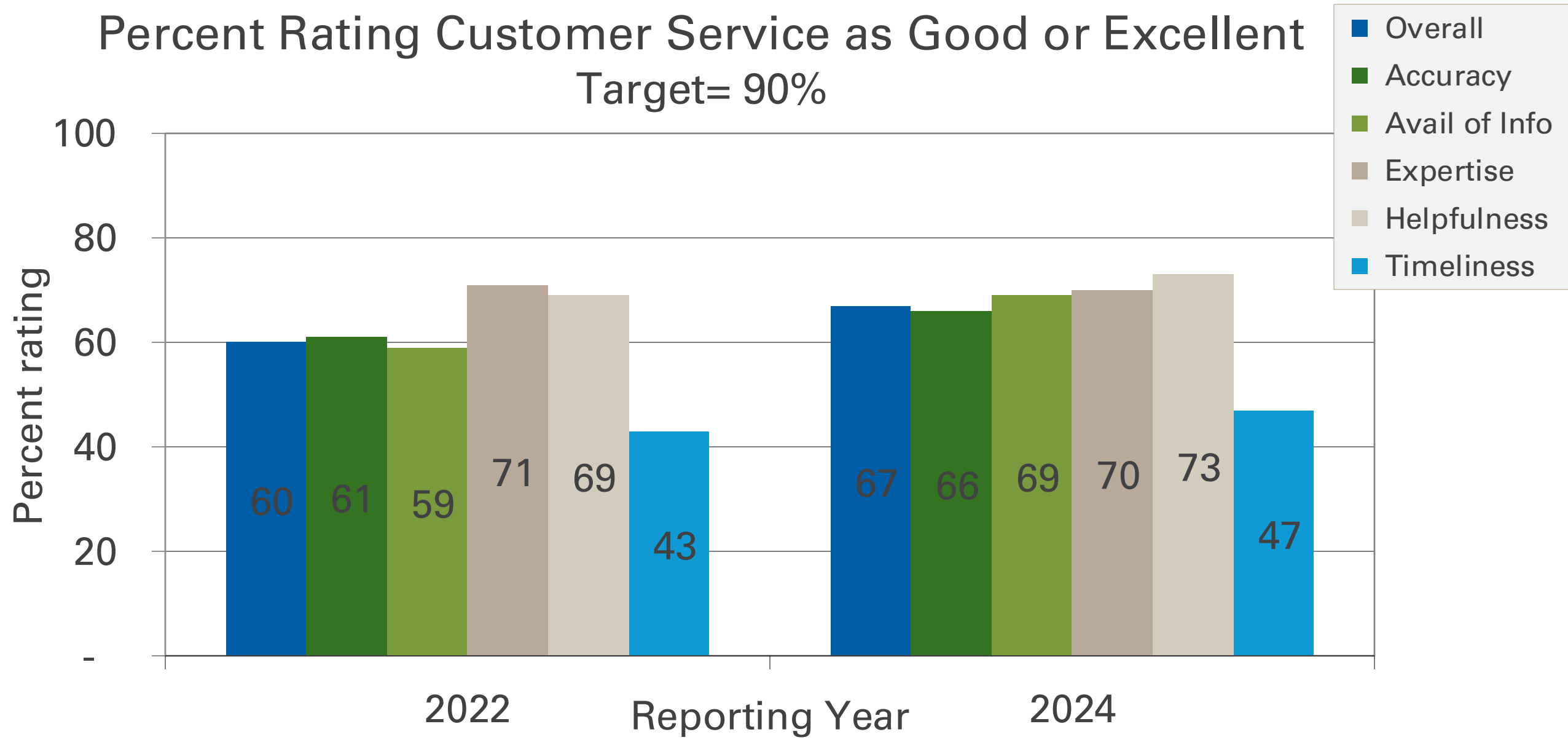
# Key Performance Measures

#	Description	Target	Actual
1	Flow restoration	32%	26%
2	Protection of instream rights	50%	34%
3	Monitor compliance	99%	99%
4	Streamflow gaging (since 2001)	25%	17%
5	Assessing groundwater resources	15%	20%
7	Equip citizens with information	4.75M	7.25M
8	Significant diversions w/ measurement devices	1,265	1,123
9	Water management & conservation plan reviews	100%	100%
10	Water right application processing	55%	35%
11	Transfer application processing	40%	12%
13	Water use reporting	85%	78%

# Key Performance Measures

Percent Rating Customer Service as Good or Excellent

Target= 90%



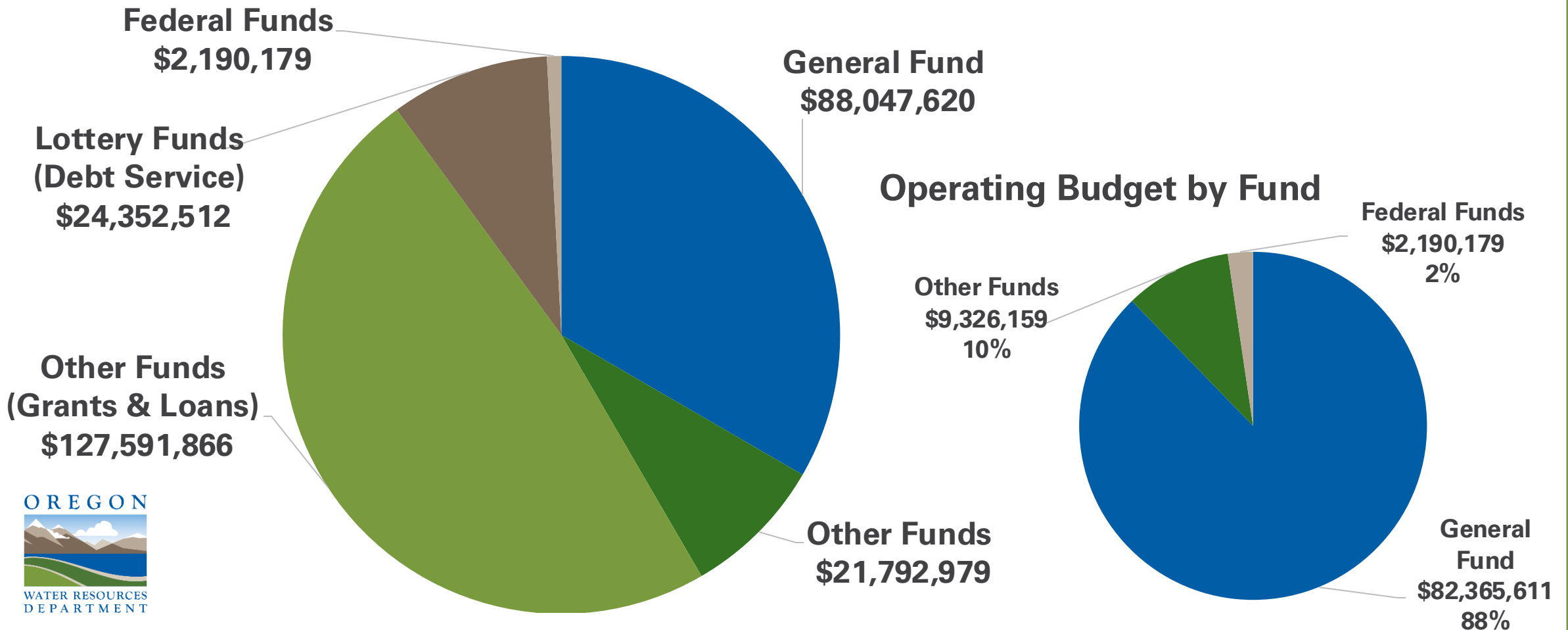


# Agency Budget Information

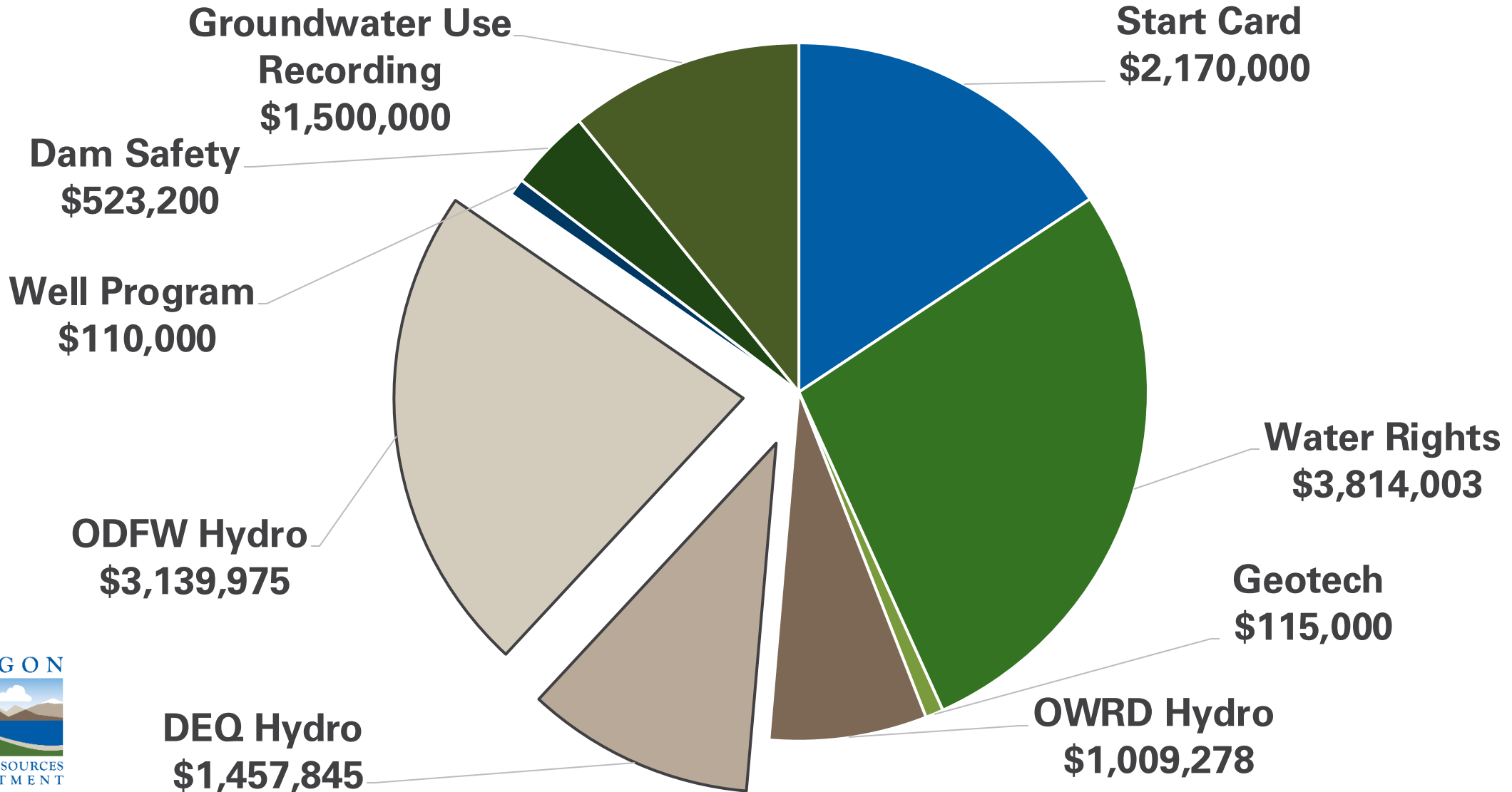
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# Governor's Recommended Budget

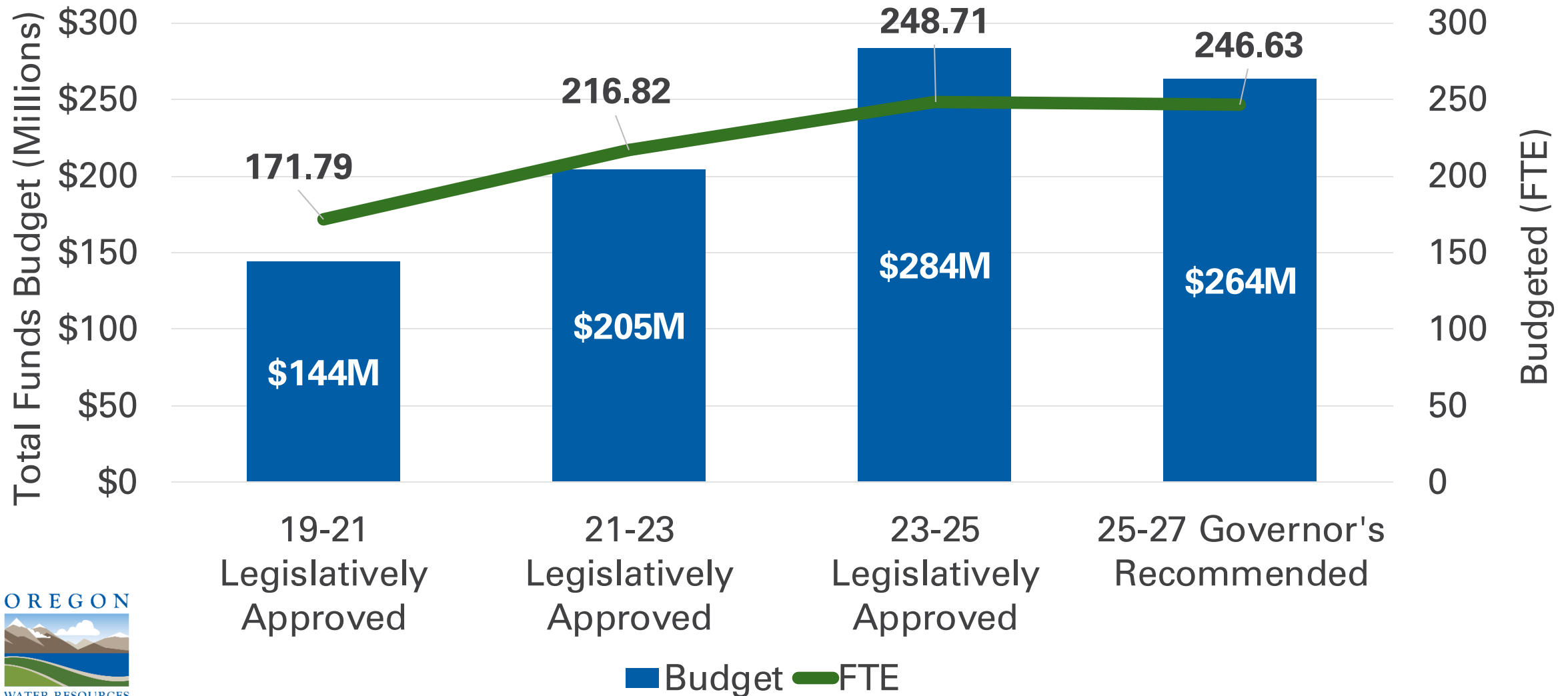
**Total Funds: \$263,975,156**  
**250/246.63 FTE**



# Fee Revenue



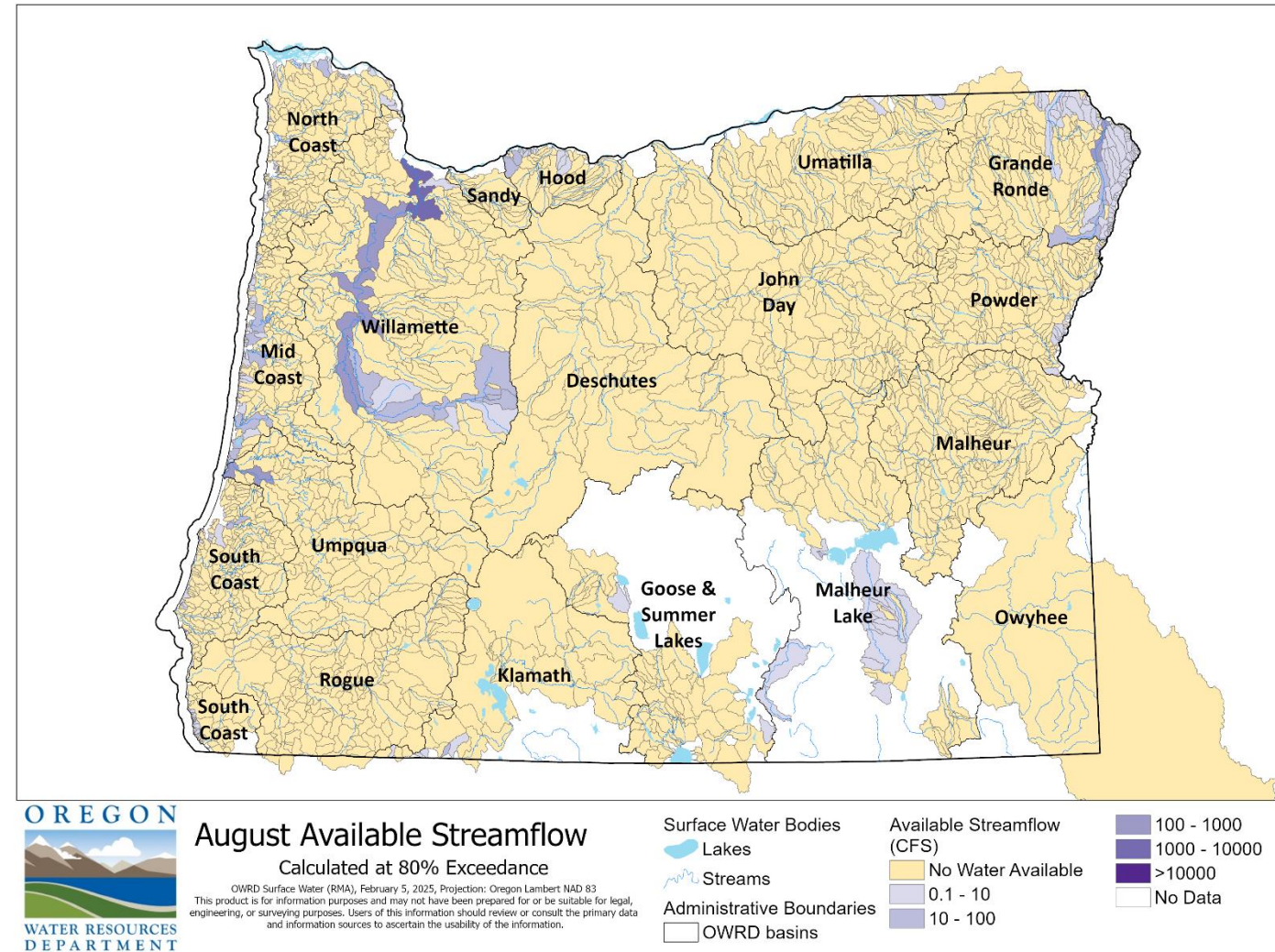
# Budget comparisons year-year



# Budget Drivers

- Water scarcity
- Increased demand
- Instream flow needs
- Increasingly complex management

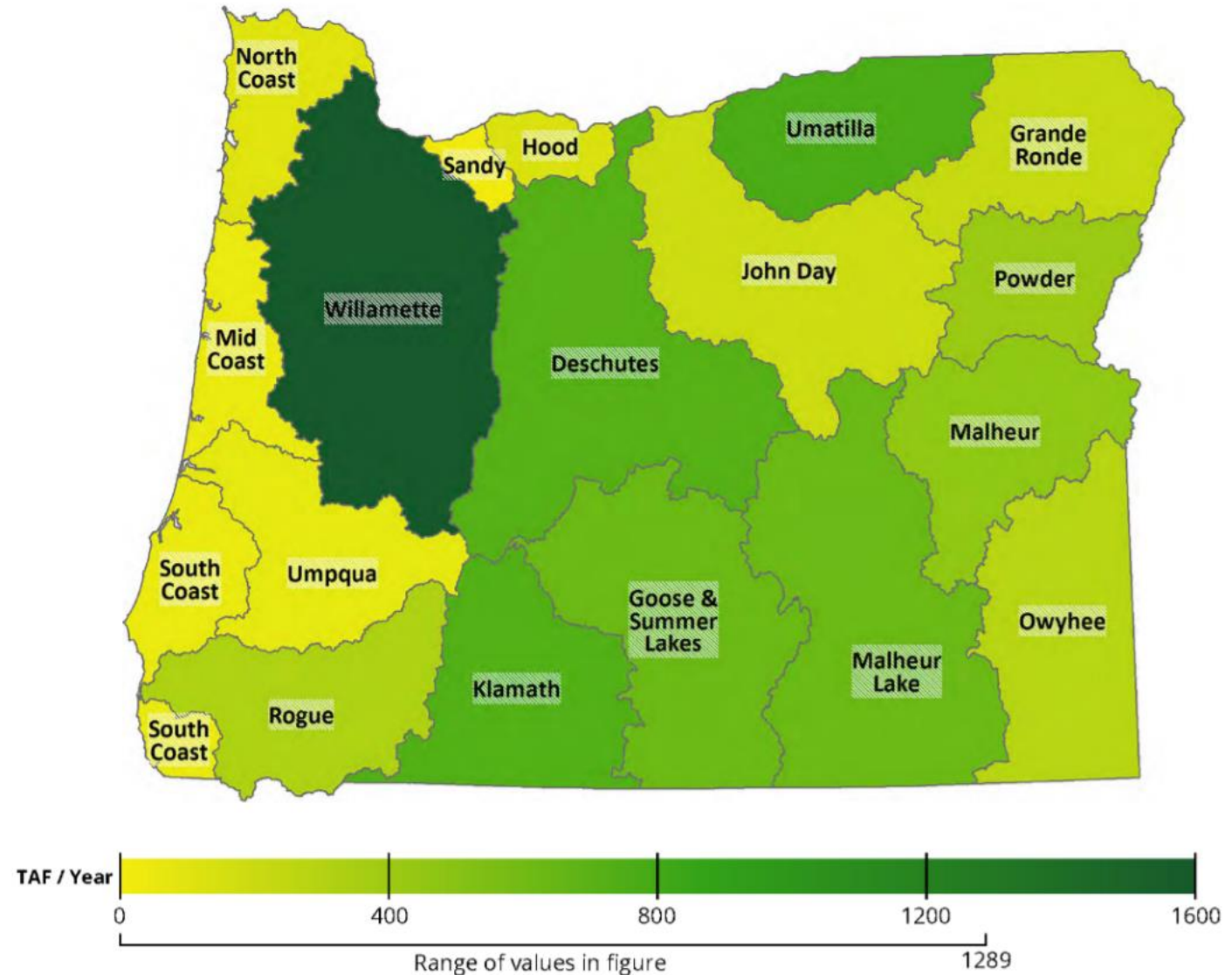
## Surface Water Availability in August



# Budget Drivers

- Water scarcity
- Increased demand
- Instream flow needs
- Increasingly complex management

## Current Demand



# Budget Drivers

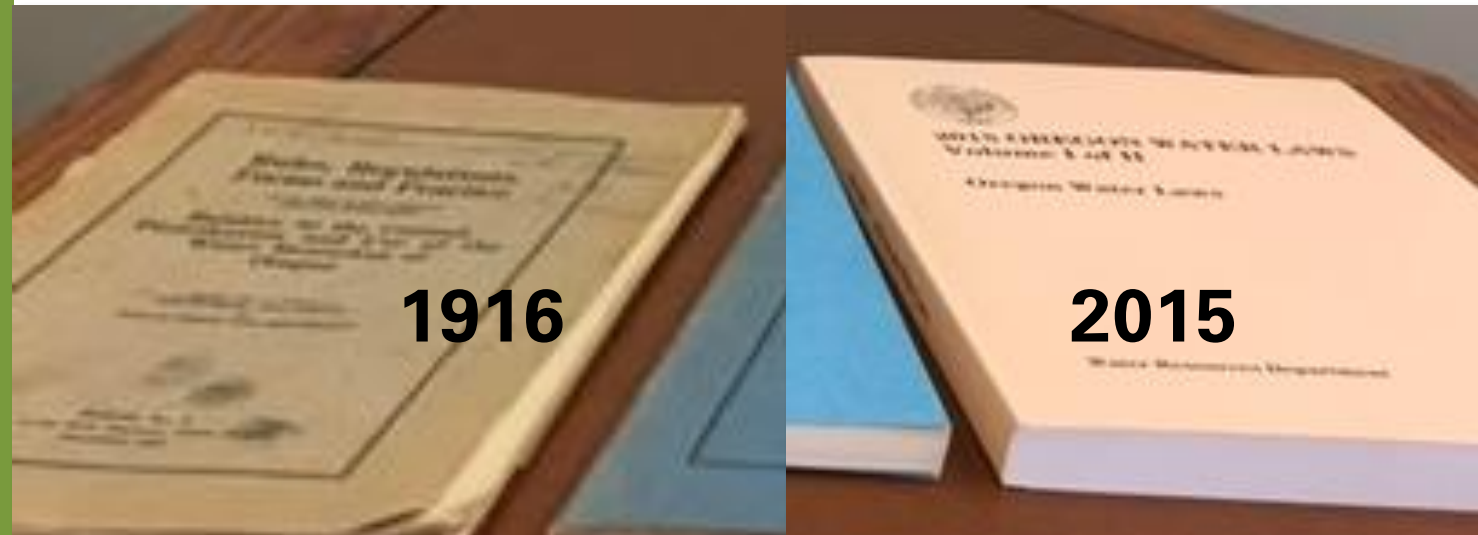
- Water scarcity
- Increased demand
- Instream flow needs
- Increasingly complex management



# Budget Drivers

- Surface & groundwater scarcity
- Increased demand
- Instream flow needs
- Increasingly complex management

- Water rights more than 150 years old; old laws & case law
- Complex technically, legally, & socially
- Increased legal expenses
- Competing interests for limited resource
- Need for engagement, planning, & coordination





# Budget Drivers

- Increased need for data
- IT modernization
- Fee revenue shortfalls & backlogs
- Water infrastructure
- Uneven investment

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



# Budget Drivers

- Increased need for data
- **IT modernization**
- Fee revenue shortfalls & backlogs
- Water infrastructure
- Uneven investment

- Need integrated & accessible data systems
- Old systems in need of modernization
- Lack of capacity for scoping & strategically planning projects

# Budget Drivers

- Increased need for data
- IT modernization
- Fee revenue shortfalls & backlogs
- Water infrastructure
- Uneven investment

- Backlogs in water right transactions & protests
- Increasingly complex workloads
- Fee revenue inadequate to support existing staff or support improved services
  - Increased labor & inflation costs enterprise wide
- Shrinking caseworker workforce

# Budget Drivers

- Increased need for data
- IT modernization
- Fee revenue shortfalls & backlogs
- Water infrastructure
- Uneven investment



# Budget Drivers

- Increased need for data
- IT modernization
- Fee revenue shortfalls & backlogs
- Water infrastructure
- Uneven investment

- Strain on agency foundations
- Growth & increased profile of water
- Customer service & communications
- Enterprise-wide administrative challenges

# Budget Additions & Reductions

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# Package 101 – Well Construction Services

## \$920k OF Revenue

- Fees supporting services that protect aquifer systems & public health, & provide customer service to well drillers
- Start card fee: 40%
- Well construction licensing fees: ~10%
- Accompanies HB 2808

# Package 102 – Maintain Water Rights & Dam Safety Services

## \$1.7M OF Revenue; 7 FTE

- Fees supporting services for farmers, water supply providers, conservation interests, & to support the dam safety program
- Water right transaction fees: 135%
- Dam safety annual fees: 56%
- Accompanies HB 2803
- POP 070 – 7 FTE reduction if gap not filled



# Package 103 – Harney Conservation Reserve Enhancement Fund

## \$544k OF Expenditure Limitation

- Allows “other funds” to rollover each biennium to allow OWRD to enroll more participants in CREP
- Not new GF appropriation
- Accompanies HB 2813



# Package 104 – Feasibility Studies, Water Projects, & Wells

## \$22.2M Total Funds

- \$1M GF - Feasibility Study Grants
- \$20.2M LRB - Water Projects Grants & Loans
- \$1M GF - Well Abandonment, Repair, & Replacement Fund

# Package 106 - American Rescue Plan Act Carryover

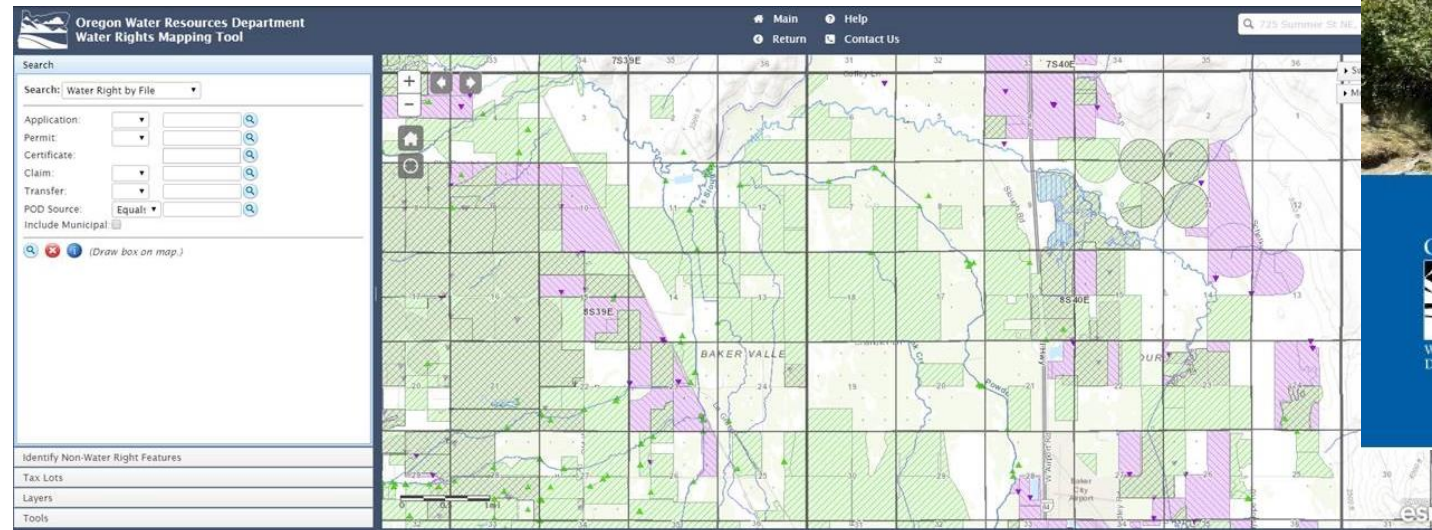
## \$3.35M OF

- \$350k - Place-based planning
- \$600k - Ordnance project in Umatilla County
- \$1.2M - Engineering services for flood methodology & inundation assessments
- \$250k - Surface & groundwater data collection field equipment
- \$800k - Water Measurement Cost Share funds
- \$150k - Fish passage

# Package 107 – Strategic Modernization of IT Systems and Tools

**\$251k GF; 0.88 FTE / 1 Position**

- Business analyst to help modernize IT functions & project management



2024-2029  
OREGON WATER RESOURCES  
IT STRATEGIC PLAN

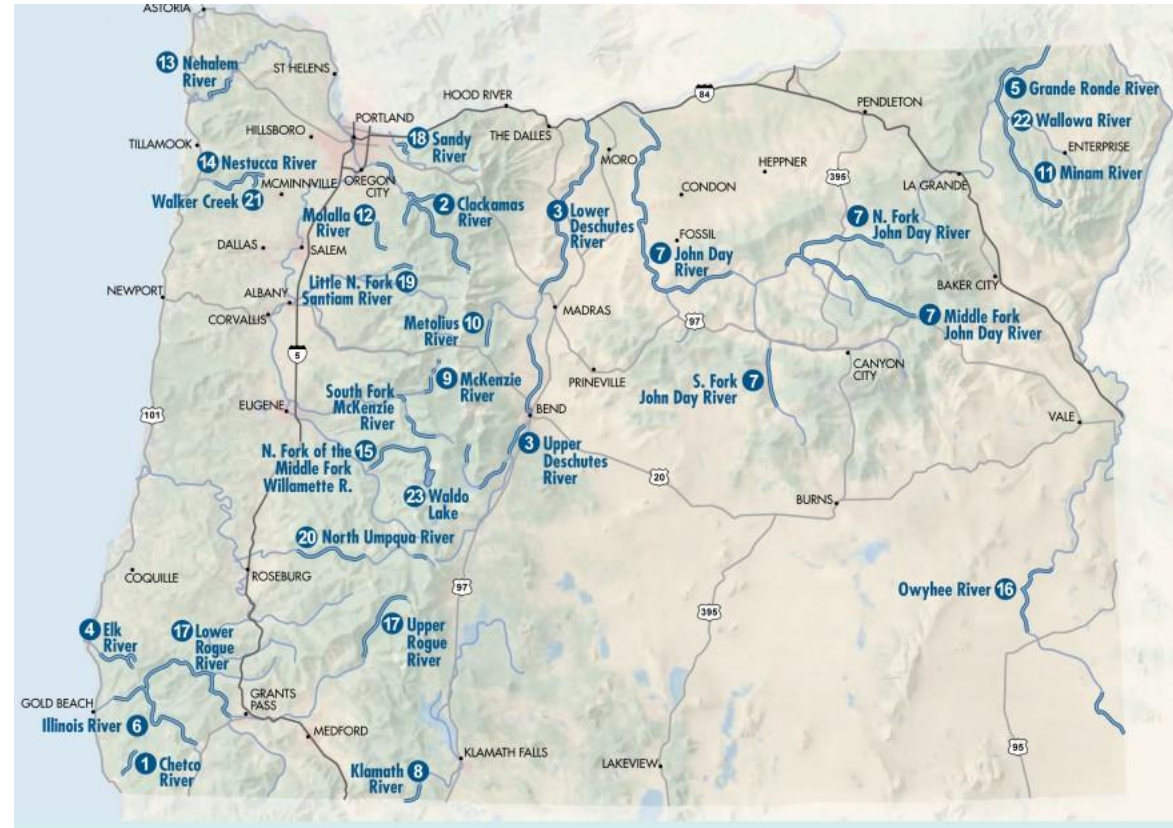


HOW IT WILL SUPPORT AGENCY STRATEGY  
BRAD MELENDY  
IS MANAGER

# Package 110 – State Scenic Waterway Revenue Gap

**\$290k GF**

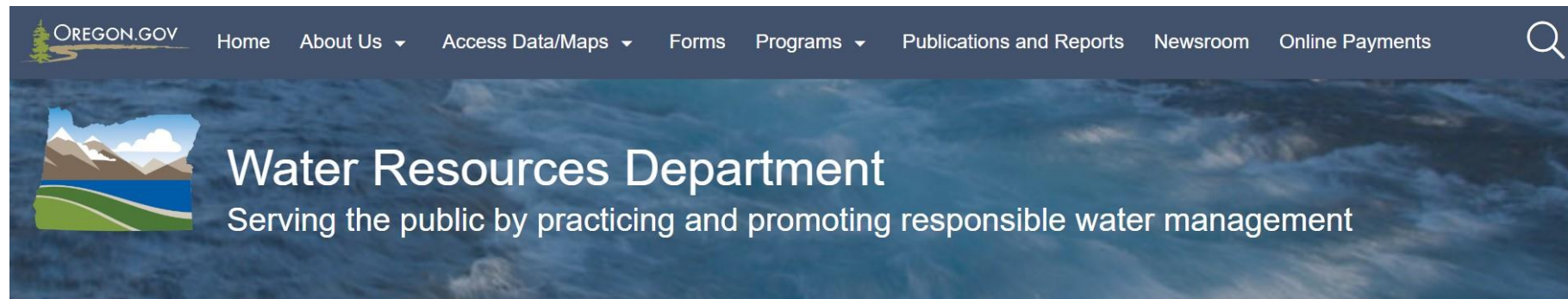
- Backfill GF for six Scenic Waterway positions



# Package 111 – Improving Accessibility of Agency Website

**\$128k GF; 0.5 FTE / 1 Position**

- Web coordinator to update content, design & accessibility of website



# Package 090 – Additions / Carryover

## Water Use Reporting System IT Scoping

- \$100k GF (one-time)

## Legal Expenditures

- \$4.36M GF (one-time)

## Water Project Carryover from 2023-25

- \$370k GF - City of Sodaville water system expansion
- \$1.5M GF - Rogue River Irrigation District Fourmile Creek
- \$1.5M GF - City of Monroe Water, prefilter & automated control infrastructure

# Package 090 – Reductions

## \$2.75M GF

- \$200k - Services & supplies reductions
- \$114k - Evapotranspiration
- \$100k - Agrimet
- \$796k - Groundwater investigations
- \$272k - Streamgaging stations
- \$1M - Complex facilitation
- \$66k - Water Measurement Cost Share funds
- \$200k - Feasibility Study Grants funds



# 10% Non-GRB Reduction Options

- Filled positions
  - Field & Enforcement
  - Surface & Groundwater
  - Well Construction
  - Policy & Solutions
  - Administrative Services
- Services & supplies
- Special payments - Federal funds

# Long-term Vacancy Savings Report

Long-term vacancies fall into two main categories

- Positions held open due to lack of revenue or funding source
- Positions held open to accrue vacancy savings

# Department Legislation

**HB 2803:** Water Right Transaction & Dam Safety Fees

**HB 2808:** Well Construction Start Card & Licensing/Permit Fees

**HB 2813:** Harney Conservation Reserve Enhancement Program

# Conclusion

- Harnessing momentum
- Time of transition
  - New Strategic Plan, IWRS
  - Leadership changes
  - Maintain focus on customer service
- Meeting future needs requires us to work together now



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# Thank you!

**Ivan Gall**

Ivan.K.Gall@oregon.water.gov



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