

Policy Advisory Group Meeting 7
 Integrated Water Resources Strategy
 November 8, 2011 – Meeting Notes
 Oregon Water Resources Department
 Salem, Oregon

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Audience

Anita Winkler, Oregon Water Resources Congress
 April Snell, Oregon Water Resources Congress
 Beth Patrino, Legislative Staff
 Cathy Kellon, Ecotrust
 David Pilz, The Freshwater Trust
 Erika Stokes, West Multnomah SWCD
 Gil Riddell, Assoc. of Oregon Counties
 Helen Moore, Water for Life
 Leslie Bach, The Nature Conservancy
 Mark Bateman, Segue Point LLC
 Mark Landauer, Special Districts Assoc. of Oregon
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 Robin Freeman, League of Oregon Cities
 Stacy Vynne, The Resource Innovation Group
 Steven Rosenlund, NW Mineral Prospectors
 Terrence Conlon, U.S. Geological Survey
 Willie Tiffany, City of Hillsboro

Agenda Item I, Introductory Remarks on behalf of the Water Resources Commission

Water Resources Commissioner Jeanne LeJeune welcomed everyone and expressed the Commission's gratitude for the time and efforts of the Policy Advisory Group. Commissioner LeJeune noted with appreciation the members' efforts to come together for the common good, putting special interests aside. She encouraged this to continue. Commissioner LeJeune also emphasized the importance of local participation and support for future implementation of the Strategy.

Agenda Item II, Introductions and Agenda Review

Ms. Cynthia Solie, meeting facilitator, led members, staff, and the audience through introductions. Ms. Solie outlined the agenda items, explaining that members would have an opportunity to provide feedback on the recommended actions. Members could expect to be asked whether general agreement could be reached on the revised recommended actions in the IWRS.

Agenda Item III, Review July 19, 2011 Meeting Notes

Members reviewed the meeting notes from the July 19, 2011 meeting. A member suggested including the first comment listed for Action 3.A. (on Page 9) under the discussion comments regarding key, high priority actions listed on Page 34. The Project Team agreed to revise the meeting notes.

Agenda Item IV, Update on IWRS Work since the July PAG Meeting & Overview of Next Steps

Dr. Brenda Bateman, IWRS Project Manager, gave a presentation on recent and upcoming activities, covering the following:

Public Input on Draft Recommended Actions. The Project Team accepted comments on the draft recommended actions, released in late June, through the end of August. Comments were received from nearly 50 different individuals and organizations. There was an equal mix of instream and out-of-stream perspectives represented and every action received at least one comment. Many comments were directed at actions related to data needs, hydropower development, funding, storage, and instream protections.

Staff Efforts. Staff will spend the next couple of months revising the draft recommended actions, based on input from the public, stakeholders, the Commission, and other agencies. Staff are also planning to add several new guest essays featuring innovative techniques and technologies currently underway in Oregon.

Meeting Objectives. The Project Team revamped draft Recommended Actions #9 through #12, based on input provided over the summer from the three advisory groups, the Water Resources Commission, public comments, and stakeholder workshops. During today's meeting, the PAG will review and discuss these revamped actions, and will be asked for a "thumbs up," similar to the July meeting when members discussed Recommended Actions #1 through #8.

Upcoming Calendar. The PAG is scheduled to meet again on Thursday, March 8, 2012 to review all of the Recommended Actions in the twelve issue areas. This upcoming meeting will give members an opportunity to come to consensus any remaining recommended actions. Important upcoming dates include:

December 30, 2011:	Deadline for release of IWRS "Discussion Draft"
January 26, 2012:	Water Resources Commission Workshop
1 st Quarter 2012:	WRC notify other Boards & Commissions; WRC hold hearings
March 8, 2012:	PAG Meeting #8
March 15, 2012:	Close public comment on Discussion Draft
April 19, 2012:	Water Resources Commission workshop
August 2, 2012:	Possible adoption by Water Resources Commission
Summer/Fall 2012:	Preparation for 2013 Legislative Session

Agenda Item V, Review of Draft Recommended Actions #9 and #10

The Policy Advisory Group began this agenda item with discussion of draft recommended actions 10.A. and 10.B under "Place-Based Approaches." Comments, along with links to the revised draft actions presented to the PAG, are provided below.

#10: Place-Based Approaches

[Jump to Action 10.A.](#)

Comments on Action 10.A. (regional (sub-basin) water resource planning)

1. If there is a belief that regional planning is important, there should be a way to make it happen. This action should describe the policy and financial incentives needed to encourage place-based efforts.
2. Articulate more clearly whether this approach encompasses Agricultural Water Quality Management Plans, TMDLs, etc.
3. The description of place-based approaches does not discuss the physical aspect of water resources. Link regional water resource planning activities to addressing data needs/gaps (Action 1.A.).

4. There are too many studies and sideboards out there already. This process should encourage streamlining to facilitate more on-the-ground projects.
5. This action should not be directed at state-required planning or state-funded planning. The action should focus on locally initiated work. The complex problems have been identified; however, gridlock remains and basin stakeholders need to move forward with or without the State.
6. Support the concept of regional planning because of the unique regional issues. The State's leadership should extend beyond technical assistance. The State should set the sideboards and lead the discussions. If the State does not move in that direction, and it moves toward more "locally initiated planning," the sideboards need to be much stronger. The mandates within HB 3369 need to carry forward into any planning exercise. Specifically, this includes the funding sideboards that are described in the bill. Any planning exercise must treat instream and out-of-stream needs equally. This action must include stronger language concerning public involvement. The legal sideboards need to be more clearly articulated. If the planning process is not led by the State, groups coming in for funding should seek approval from the Water Resources Commission.
7. This action needs more repetition of the concept of integration. Specifically, the State should provide funding to communities that undertake integrated approaches to groundwater, water quality (TMDLs, SB 1010), etc. The IWRS framework should encourage least-cost planning, similar to the energy arena. Some aspects of regional planning should be mandatory.
8. A least-cost approach does not always get you to your goals; there are other factors to consider.
9. What will happen to the State's basin plans as part of this action? Would Action 10.A. lead to a new, mandatory approach to basin planning?
10. As part of providing technical assistance, the State should also develop a clearinghouse of information regarding available funding sources and successful projects.
11. Insert the term "integrated" into the heading of the action and the description.
12. Any discussion about TMDLs dictating flows should be treated with caution. If an entity or basin must address TMDL flow requirements, it could be used as a roadblock for future projects. Including the concept of "integration" could be used against communities that are trying to accomplish good projects. Integrated projects should be on a wish list for the future, not necessarily to implement now.
13. Gathering information on how a TMDL relates to flows is a tool that enables an entity to make decisions about whether to pursue treatment activities, protect river flows, or pursue other options for improving water quality.
14. The use of a TMDL flow calculation as a tool for meeting water quality is a good one. There are many ways, beyond protecting flow, to protect and improve water quality (e.g, wetlands, off-stream projects). Be very clear in how the IWRS describes TMDLs and flow protection, otherwise it may lead to confusion among boards and commissions or could be used a way to prioritize flow protection above existing water rights.
15. When it comes to cost for protecting or improving water quality, agriculture cannot compete with cities. This is very concerning for the agricultural community.
16. The spirit of a place-based approach reflects those efforts that engage local communities under the dual objectives of economic and environmental gain. This action should allow room for both flexibility and action. Look at Washington's Flow for Flexibility Program as an example that is driven by community interest. This program puts water instream while putting land into production.
17. Stakeholders in the Deschutes Basin have a lot of experience with place-based strategies, where many of these are instream-focused. Some projects implemented had unintended consequences and will

need to be fixed over time. Identifying the needs is relatively simple, and chasing funds for pet projects is not extremely difficult. The key to success is a commitment to meet over time and to continue staying at the table. The question a basin needs to ask is, “What is the portfolio of strategies that will help the entire community meet its needs in the least cost?” The strategy itself uses a least-cost approach, not the individual projects. Expanding the problem statement within a basin will help lead to an integrated solution, and a more comprehensive answer.

18. Although the Deschutes basin has had several projects and solutions on the table, the basin lacks the analytical capacity to model potential impacts of projects. To some extent, a state-funded water resources modeler is available in the basin; however, he does not have the bandwidth to take on this type of work at the local level. The State should set up a framework where if local entities want financial or technical assistance, then they should create a strategy that will address the needs creatively. The State could provide the modeling capacity for water management in the basin, based on inputs from the local community. This action is not aimed at creating a state mandate for planning. Those regions that choose to tackle their own problems should be those that receive public resources.
19. Based on our experience in the Umatilla Basin, a “blended place-based approach” has worked well. Attempting to carve out a role for the State is dicey, as they have to comply with hundreds of pages of statutes. Our basin struggled to identify the needs at the local level. The Water Resources Department mentored us, watching in the beginning and creating the sideboards by providing a reality check of the statutory obligations. The local community and the State both got what they wanted. Afraid of two things: (1) do not want to set anyone up to lose (“state or local must...”), (2) it is implicit that basins are always subject to legal constraints and available resources. If we ask too much of the State, we will all lose because they do not have the capacity to do this work in every basin. It needs to be a collaborative process, period. If not, just forget it. Identify the best practices and provide flexibility. Understand that a place-based approach does not exclude certain interests. That is the purpose of the sideboards. We are also not talking about supplanting the role of any particular party. The PAG should not argue over the details of what is on the page. More experience is needed; otherwise, we may box ourselves in.
20. Support SB 1010, it is an important part of agriculture; however, it does not address everything.
21. For those who do not want to see the State take a leadership role in regional planning, how do you anticipate addressing issues that are difficult to handle at the local level?
 - This question is a fair one. For thirty years, progress was not made in the basin until we started using a collaborative model. If folks collaborate, they can get their problems addressed. We are now in the habit of talking for one another and can anticipate concerns. A place-based approach does not mean an exclusive planning process that includes only the local values, local political desires. It must be designed as something bigger, where voices are not excluded.
 - Cannot address everything at once. The local plan should include restoring streamflow, even at a basic level, and must be a balanced plan, with both instream and out-of-stream needs addressed. If there are issues too hard to handle, then the time is not ripe. Let the local stakeholders figure out what works for them economically, politically, environmentally, etc.
22. There haven’t been more Umatilla or Deschutes types of projects because of insurmountable political, economic, and/or legal barriers. Have we made the types of incentives necessary to support collaboration, as part of the IWRS? Determine what barriers exist and any associated incentives.
23. Barriers were not the issue in the Umatilla and Deschutes Basins; there were crises that forced collaboration. The tribes have taken a leadership role in both basins. Both basins have been fortunate enough to have local leaders in place, as well as available federal funding.

24. If developing a regional plan makes a basin eligible for funding, state the requirements of what should be included the plan. For example, a regional plan should include instream and out-of-stream needs, water quality and water quantity, water conservation assessments and targets, assessment of whether new storage needs to take place, a public involvement plan, etc.
25. The IWRS should be cautious about prescribing solutions to local communities. The missing piece is an analysis with a set of alternatives that will meet challenges at the lowest cost, with impacts that are understandable.
26. The “sideboards” are exploring, in an integrated fashion, a way to meet stakeholder needs and address issues.
27. The statutes and administrative rules serve as sideboards. No one is asking to be exempt from the laws or rules as part of a place-based approach; basins just need a pathway to weave their way through the various statutes and rules.
28. Not a huge fan of the “least-cost” approach because you just end up paying for it later, particularly if you are not paying attention to the triple bottom line.
29. Incentives are not always money. Incentives can be the ability for a basin to deal with issues in a more flexible manner. If you do not offer a more flexible approach, you may not move forward.
30. The incentive may simply be the recognition that you are moving in the right direction.
31. The State’s role is to develop the pathway. The concern is, what do others have to invest in the process? For example, if the public is involved, what will their investment entail? Sometimes, it is too easy for the public to sidetrack a process.
32. Will people see this action as a way to extract the proverbial pound of flesh, by stating a basin must go through this place-based planning process?
33. What we are talking about here is not just place-based, but more room for local governance. The Washington Department of Ecology refers to the Walla Walla Management Partnership as a “self governance mechanism.” It involves requirements, and incentives. It delegates responsibility to the basin to resolve conflicts. The challenge is, however, the State of Washington cannot further protect river flows that are legally protected in Oregon. Setting the sideboards too early does not make sense in unique local settings where constraints are often different. If we are really talking about “local governance,” as part of a place-based approach, refer to it as such and be mindful of the responsibilities that come with it.
34. A place-based approach, as described in this action, does not appear to promote a local governance structure. This action appears to focus more on the planning process. The State should be very clear in its language, and must retain its existing authorities and regulatory obligations.
35. Local governments do not want the regulatory role. However, an existing, often overlooked, statute assigns the planning function to the counties, which could act as a convener. Secondly, the Water Resources Department and the Water Resources Commission have powers to initiate these discussions within the basin planning process. The room and authority to pursue a place-based approach exists. The Water Resources Department should be responsible for playing the leadership role.
36. Focusing on the process of undertaking a place-based approach is helpful, but ultimately misses the point. The economic and environmental outcomes should be identified first. Identifying who participates is a later detail.
37. Agree; focus on the outcomes first. Also, agree with earlier comment that the sideboards are already in place with existing rules and regulations. Our focus should be to bring the special interests together, to collaborate, integrate discussions, and get projects done.

38. The local role is to determine the outcomes; it cannot be dictated for communities.
39. A reasonable process must be established in order to sort out the issues and define the outcomes. Outcomes may be different, depending on the discussion and process.
40. It is not clear who would be the lead person or agency in a regional planning process. The action lists ten different entities, but it is likely more would be involved. Would it be county commissioners, soil and water conservation districts, or some other entity? Who would be responsible for setting the agenda, transcribing the minutes, and hosting the conversation?
41. The lead party will differ by community, depending on who has the capacity to host the conversation. Currently, no one local organization has the funding, technical, and administrative capacity to do all of this. Role of the State is to support local work, provide small investments to jumpstart the conservation, ensure an integrated approach, and provide the resources for completing the job.
42. During the July meeting, the PAG discussed the redundancy of various terms. TMDLs and temperature issues are already well represented in Actions 1-8, and are redundant in this action.
43. Need better wording in this action regarding the development of new water supplies. The phrase used in this action: “regional (sub-basin) water resource planning involves more than the development of new water supplies,” places water resource development in a negative light.
44. Based on a members’ question, the Project Team clarified that potential framework language in the action will likely move to an appendix.
45. Clarify what this is action does not represent. This may help others support the action.

In general, the PAG supports the idea of “place-based planning,” but not all members were comfortable with including it as an action in the IWRS, as currently written. Some members felt additional details need to be developed before the action could be fully supported.

[Jump to Action 10.B.](#)

Comments on Action 10.B. (transboundary discussions)

1. Are there goals for these transboundary discussions?
2. When the State feels it is appropriate, it could revise this action to speak to the goals. For example, advocate for moving water supply and ecosystem services to tier #1 in the Columbia River Treaty.
3. Bullet 2 regarding allocating winter water from the Columbia River should include the phrase, “as appropriate.”
4. Combine all Columbia River issues into one bullet. The first two bullets on Columbia River issues are too narrow; the issues are broader than this. The Columbia River fishery is a transboundary issue missing from this action.
5. Need to reflect tribal interests in the action.
6. There are issues described in this action that are true for other locations throughout the state. Difficult to see how this action fits into the IWRS.
7. The Klamath Basin Restoration Agreement does not belong here. Re-set the title of the action to focus on other states or countries, rather than specific projects.
8. Agree; do not list the projects as bulleted items. Focus the action on protecting Oregon’s interests and the management of water in Oregon, and make a comparison to how it is managed in Idaho (not mentioned here), in California, and Washington.

9. Listing the projects is problematic. Focus on the title, not the sub-bullets. It is already expected that Oregon will participate in transboundary discussions.
10. Agree that it is not just participating, but also about protecting Oregon's management of water. The action should be more specific about the goal of bringing our neighboring states up to Oregon's management standards, or vice versa.
11. Mention the Northwest Power and Conservation Council.
12. Agree that the IWRS should coordinate with neighboring states. Salmon run all the way up the Columbia and into tributary streams. To the extent that we manage with different styles, you risk jeopardizing the system. Strive for net environmental gain and parity between neighbors.

The PAG supported the concept of Action 10.B, with some clarification and suggested changes.

#9: Funding

[Jump to Action 9.A](#)

Comments on Action 9.A. (fund regional water resource planning)

1. Frustrated that Action 9.A. and 9.B. speak to planning and implementation before gathering the data and information that is need in order to make decisions at the state level. Re-organize Actions 9.A., 9.B., and 9.C.
2. Does this action modify SB 1069 eligibility requirements, directing stakeholders to engage in regional, integrated planning first (Action 10.A)? *Response: this is a policy question to be determined.*
3. There should be conditionality in these funding actions (feasibility, planning, implementation, etc). Basins should evolve to a place where in order to be eligible for funding, they have meet the guidelines and framework laid out in the IWRS.
4. The first bullet emphasizes the importance of collaboration, which is both essential and expensive. If a stakeholder is able to end run the process and go straight to the Legislature for money, collaboration will not take place. It is critical to establish the collaborative forums. This action should speak to that need.
5. By placing regional planning into the funding section, we are prioritizing regional approaches above all other needs / approaches. Since this is the first iteration of the IWRS, should funding be limited to regional planning efforts only?

Members were not asked to reach agreement on including Action 9.A. in the IWRS, due to the concerns raised during the discussion of place-based planning efforts (Action 10.A.)

[Jump to Action 9.B.](#)

Comments on Action 9.B. (fund implementation of projects emerging from regional water resource planning)

1. HB 3369 was not universally supported. It is not an appropriate mechanism for funding regional water resource planning.
2. Need a broader construct than the HB 3369 grant and loan program. The bill was rushed and not well constructed. Need to contemplate funding all the components of the Strategy. Set up a mechanism that supports both big and small investments, local and state efforts, etc.

3. The title of the action focuses on completing regional (sub-basin) planning to receive funding for implementation, however, there may be ongoing projects or other projects that may have merit, but are not a part of a regional effort. Do not foreclose on those projects.
4. Eventually, we will want to transition to funding regional planning/place-based approaches. However, that does not preclude us from funding existing projects.
5. Support Actions 9.A. and 9.B because there are good watershed-level efforts that require a modest, but critical investment from the State. Creating a priority for projects at the watershed scale is where you can most successfully argue for funding. Actions 9.A. and 9.B. are very important and should not take second priority to the broader revenue discussions for agencies.
6. Many of the sideboards and qualifications that the PAG discussed for developing a place-based or regional plan should carry over into funding for projects.

Members were not asked to reach agreement on including Action 9.B. in the IWRS, due to the concerns raised during the discussion of place-based planning efforts (Action 10.A.).

[Jump to Action 9.C.](#)

Comments on Action 9.C. (fund state level activities)

1. It would be better to fund the drinking water program specifically, rather than creating a “public purpose charge” that collects fees through utilities and re-distributes those funds.
2. The PAG will not come to consensus for bulleted items #4 (water rights management fee), #6 (exempt-use well fee), and several others. The PAG may reach consensus on using the General Fund, considering the public benefit of water-related projects. New taxes should not be created to pay for natural resource projects.
3. This work needs to be paid for. Using water cannot be free anymore. We have kicked the can down the road for too many generations. We cannot demand more resources and then refuse to pay. Although this will not be easy, we must find a way. An honest conversation about funding should occur, without simply saying, “I won’t pay.”
4. The PAG should determine if consensus could be reached on the need for a new source of funding beyond the General Fund, federal funds, and lottery funds of today. If there is agreement for a new source of funding, then we need to develop a proposal before the 2013 Legislative Session.
5. Agencies should include all of the funding ideas they think should be on the table. The Water Resources Commission’s efforts to enhance revenue are incredibly valuable and should be reflected in this action.
6. Turn the action from a list of funding options into a strong policy statement. Something like, “We need to fund water management activities appropriately, which includes an adequate level of the General Fund.” Suggest supporting this statement in another essay and indicate what other states have put in place for water management. Oregon is way behind, compared to other states. Seek funding activities that have a nexus with the actual need. All of these funding options should be on the table for future discussion because Oregon is not in any position to take any options off the table.
7. It is meaningless to have an IWRS that cannot be implemented. The PAG should develop a strong statement that captures our funding need, rather than simply throwing the agencies to the wolves. If agencies are left speak alone, it looks like a statement of self-interest, rather than a policy. The PAG could state something like, “We feel strongly about the goals and actions in the IWRS and recognizes they will be meaningless if not properly funded.”
8. Everyone in Oregon needs water to live, conduct business, etc. Water belongs to the public and its management should be supported by the General Fund. Maybe the PAG could establish a baseline,

choosing a percentage of this work to be funded by the General Fund. The remaining balance of the budget should be comprised of other sources, according to their nexus to other water issues. We haven't been doing ourselves or the agencies any favors by just asking the agencies to fight for their budgets on their own.

9. Agree that funding is needed; however, many of the options listed in the action are narrow. The funding solution has to be broad enough that everyone pays equally, not just the industries or companies that use water.
10. The funding bulletin does a good job of showing the funding trends over time. Water, which belongs to the people of Oregon, deserves more attention. Additionally, funding should support those agencies that are critical for supporting the economy.
11. Our organization participated in these discussions last year and feels that the other groups around the table need to provide more support for this type of funding in the Legislature. Need more of the General Fund, but also additional sources of money as well.
12. Start with 3% as an opener for a percentage of the General Fund. This is a big part of how the State operates in the long term. Future works needs to be financially supported.
13. Move assertively and collaboratively. What are the necessary first steps? What are the most important pieces to fund? What are the planning units (18 administrative basins and the state)? Need to be strategic about what the request is. Create the expectation that long-term funding is needed.
14. The natural resources agency directors have an opportunity to go into the 2013 Legislature together and explain that Oregon is not a leader on funding natural resources, the issues are getting short shrift, and our neighboring states are spending hundreds of millions of dollars on water alone (unlike Oregon). Agency directors need to walk in there with the support of stakeholders, explaining that the goals and objectives of the IWRS cannot be accomplished with the current funding trend.
15. By requesting more of the General Fund, you are simply cutting into other programs.
16. Focus on an outcome-based approach. Agencies should explain what could be delivered with adequate funding.
17. All of the revenue options on the list are focused on developing additional revenue, with the exception of the last item ("dedicated funding source for non-point source pollution programs"). This item is more of an expense, rather than a revenue source.
18. Oregon is already at a tipping point with boating and fishing licenses/fees (bulleted item 9). Use caution not to overtax any one group.
19. Do not go beyond the 50% cost recovery for agency transactions (permits, transfers, etc.).
20. Need to add a septic fee to this list.

Rather than seek agreement on this action, the PAG decided to seek consensus on a strong policy statement on funding. See "Continued Discussion Agenda Item V, Funding" below for those statements and discussion points.

[Jump to Action 9.D.](#)

Comments on Action 9.D. (fund IWRS)

1. For the four funding-related actions, place IWRS funding first (Action 9.D.), followed by Actions 9.C (fund state level activities), 9.A. (fund regional planning) and 9.B. (fund implementation of regional plans.) Keep all of the four actions in the IWRS, so long as it is laid out logically.
2. Agree; prioritize this action above the other funding actions.

3. If funding the IWRS is listed first, do not remove Action 9.B.
4. Agree that the agencies should organize the actions logically, and caution not to foreclose on any activity. Still pay for projects, but under the old tools (SB 1069, HB 3369).
5. Implementation of the IWRS is a priority, but it is not the PAG's role to dictate funding for the agencies.
6. If the agencies are to implement their part of the IWRS, money should be set aside, especially considering the budget reductions that have already occurred.
7. Implementation will be less effective if there are no dedicated resources to this project.
8. The IWRS should be funded with new sources, rather than through a funding shift from existing programs.
9. Instead of limiting this action to two staff, recommend, "continuing or increasing staff levels" to carry out the IWRS. Positions beyond policy will be needed, for example, to collect data, provide assistance, etc.
10. Agree that it should be more than two staff. Cross-reference the funding actions to more than just place-based approaches, reminding the public that all of the work in the IWRS should be funded.

The PAG supported the concept of Action 9.D. in the IWRS, with the suggested changes.

Agenda Item VI, Working Lunch Provided for PAG Members and All Participants

The Confederated Tribes of the Umatilla Indian Reservation have organized their scientific and regulatory work at the Department of Natural Resources around the concept of "First Foods," the first of which is water. During the lunch hour, CTUIR's Natural Resources Director and Policy Advisory Group member Eric Quaempts gave a presentation discussing the traditional concept of "First Foods" and how it has helped the Tribe's organize their approach to natural resource management.

Continued Discussion – Agenda Item V, Funding

Following lunch, Commissioner Jeanne LeJeune provided an update on recent efforts to diversify the Water Resources Department's budget. Commissioner LeJeune stated that the Commission feels it is extremely important to find stability and certainty for all of the work of the Department and other natural resource agencies. She encouraged PAG members to develop a strong statement on funding, and not to focus on developing the funding details, which is an ongoing discussion of the Commission.

Mr. Brett Brownscombe from the Oregon Governor's Office encouraged PAG members to continue moving forward in their discussion and to use consensus as their strength. Mr. Brownscombe felt that a strong statement on funding from a diverse group of interests and perspectives, such as the PAG, would provide the agencies and the Legislature the direction needed to move forward.

The Policy Advisory Group continued their discussion on funding. Ms. Solie led the discussion, asking members to seek agreement on several statements made earlier. The PAG reached consensus on the following general statements:

1. The goals and actions of IWRS are meaningless without adequate funding.
2. The IWRS and natural resource agencies need adequate commitment of funding from the General Fund.
3. Other funding sources will be needed as well.

4. The Strategy should include a list of potential funding ideas to consider, using language, “including but not limited to...” [Note: the PAG does not endorse any specific funding idea on the list nor does it endorse the entire list itself.]
5. The percentage of the General Fund for natural resource agencies should be increased, based on the established need to do better managing natural resources. The Department’s could select the percentage (rather than the PAG), based on right sizing natural resource agencies, relative to other state agencies and programs.

The Policy Advisory Group did not reach agreement on the following statements:

- Funding should be tied to specific outcomes.
Note: Staff explained that the Legislature expects this for any type of agency funding request today.
- Other funding should be related to specific elements of the Strategy (show the nexus).
Some members disagreed with this statement as written, but felt support could be reached, if worded differently (see bulleted item below).
- Other funding sources should be equitable and rationally connected to elements of the Strategy.
Some members did not support the statement because it could place a ceiling on certain activities. Agriculture, for example, uses a lot of water, but cannot provide funding commensurate with that volume of water, which creates a disparity. Also, state agencies have general needs that may be difficult to connect to the Strategy (e.g., the need for watermasters).
- Expand or grow the General Fund, instead of advocating for a larger percentage (or slice) of a shrinking General Fund budget. All Oregonians should share in the funding burden.
A member asked how this statement differed from “other funding sources are needed.” Another felt that if we really want to fund the IWRS, we need to accept the revenue options already on this list. Although many members felt that agreement could not be reached on this statement today, it could be something addressed in the long-term. The immediate need is to find funding for the IWRS actions.

Agenda Item VII, Review of Draft Recommended Actions #11 and #12

The Project Team presented re-vamped recommendations in the issue areas #11 (Water Resource Development), and #12 (Public Health and Ecosystem Health.) For #11, a PAG member suggested separating the recommended actions into two sections (water management and water resource development). The suggestion was also made that a water management section, or any new section, should include a strong focus on conjunctive management of groundwater and surface water, focusing on issues such as interaction, exempt groundwater uses, declining aquifers, scenic waterway mitigation, critical groundwater areas, septic issues, etc. Currently, conjunctive management is found as bits and pieces of the Strategy, but some members felt it deserves its own chapter.

Other comments on specific actions, and links to the November 8 version of the actions, are provided below.

#11: Water Resource Development

[Jump to Action 11.A.](#)

Comments on Action 11.A. (water-use efficiency & water conservation)

1. If one considers return flows to streams and aquifers, agriculture does not consume much of the water it diverts. The language sounds too terminal. Strike language, or revise.
2. All consumers return water, regardless of sector. Substitute “user” for “consumer.”
3. Add federal planning programs. Include USDA-NRCS.
4. It is a factual statement that agriculture controls most water rights. Re-focus language on “water rights.”
5. This list (conservation, storage, and re-use) is a nice list of important actions. The question is, “so what?” Does this mean each basin will choose solutions on their own? If one basin chooses storage, will the State support it?
6. Concerned that the actions in sections 11 and 12 are not inclusive of other natural resource agencies. Most of these actions are limited to OWRD. OWEB, for example, is missing.
7. In the section that mentions agricultural water management and conservation plans (bullet two), expand language to include irrigation districts.

The PAG supports the concept of Action 11.A. in the IWRS, with suggested changes.

[Jump to Action 11.B.](#)

Comments on Action 11.B. (built storage)

1. Incorporate existing state policy on storage (ORS 536.238).
2. Add the phrase, “as needed” or, “as appropriate.”
3. Regarding bullet 2, are there tributaries where no known fish are located? *Response: Yes, but not many.*
4. Regarding bullet 4, are the Willamette and Crooked River Basins the only places with unallocated water? *Response: Yes, these are the only two federal systems in Oregon with unallocated water.*
5. Ensure that natural storage is included as part of these actions. It is an important tool for meeting TMDL’s, etc. (*Note: natural storage is included in Action 12.D.*)
6. The action focuses on above-ground, off-channel reservoirs; are on-channel reservoirs off the table? *Response: The opportunities for additional on-channel reservoirs that will not affect listed fish species are minimal. Where no known fish are listed, locations tend to be tiny, headwater streams, which would not likely be appropriate for built reservoirs.*
7. “Improving access to built storage,” without the available data to show what is needed and where is concerning. Many of these bullets seem to be conclusions without the needed datasets. Using the language “as needed” may help alleviate these concerns.
8. Similar assumptions have already been made in other actions. All of these tools need more information, more effort, and improvements (e.g., water conservation).
9. HB 3369 specifically said, “Additional water resources need to be identified and developed,” meaning investigating where that can occur and how should be part of the IWRS. The existing water investment grant specifies funding projects aimed at water conservation, re-use, and storage.
10. It is not the State’s role to dictate which project a community chooses.

The PAG supported the concept of Action 11.B. in the IWRS, with suggested changes.

[Jump to Action 11.C.](#)

Comments on Action 11.C. (water re-use)

1. “Add drinking water source protection” to the first bullet. This would make it a stronger water quality statement.
2. The language used to describe storage in Action 12.B. differs from the language used to describe re-use in this action. For storage, the emphasis is on development, whereas for re-use, terms like “conduct, ensure, and encourage” are used. In comparing the two actions, the language used to describe re-use is preferable. Storage should be considered before launching into development.
3. There is an evolving issue when comparing storage to re-use. Water re-use sounds good, but it is not as far along as other water supply tools.
4. The agencies’ role should be to make sure the tools, permits, and rules work well for helping communities determine ways to meet water needs.
5. The first few words in the action (such as “ensure” and “conduct”) are strong words. Consider striking “encourage” in the last bullet.

The PAG supported the concept of Action 11.C. in the IWRS, with suggested changes.

[Jump to Action 11.D.](#)

Comments on Action 11.D. (improve processing – applications, transfers, certificates)

1. Streamlining and improving is important, but particularly, the Water Resources Department must have the capacity to process transfer applications and work with communities to meet their water needs. The State should expect to see a huge increase in the volume of transactions to implement any regional water management effort. The transfer process is crucial for the groundwater mitigation program in the Deschutes Basin. The Department is doing a great job of reducing the existing backlog of applications, but the process can still take two years or more.
2. This action could be stated to prioritize the Department’s work on improving tools for existing water rights/users, considering there will not be much opportunity for new water rights.
3. The Department should conduct a technical analysis of its application and review process to improve its understanding of the existing roadblocks. The transactions of today are a little unwieldy.
4. Add language to this action clarifying that these processes apply to both instream and out-of-stream transactions.
5. Support the action of updating the state’s water right database (bullet 2). Once the database is improved, the Department can begin notifying surrounding neighbors of pending applications.
6. The notification is already completed through the Department’s weekly, online public notice.
7. During a transfer of one use to another (also true for re-use), there can be a change in consumptive use, which affects water availability. Note the need to update the Department’s water availability database accordingly.

The PAG supported the concept of Action 11.D. in the IWRS, with the suggested changes.

Comments on Action 11.E. (increase field presence, enforcement capacity)

1. Moderate the action’s overall tone, emphasizing education and technical assistance. From personal experience, watermasters are there to educate water users, and to provide assistance, rather than to play a policing role.
2. Moderating the tone of the title is okay, as long as all of the activities that are currently listed in this action remain.
3. The action focuses on protecting “senior” water rights. Remove the word “senior,” because sometimes, the junior users also need protection.
4. Add other enforcement agencies that implement the Clean Water Act provisions (ODA, ODF, DEQ, DOGAMI, etc.).

The PAG supported the concept of Action 11.E. in the IWRS, with suggested changes.

#12: Public Health and Ecosystem Health

Comments on Action 12.A. (improve safety of drinking water)

1. For bullet 1, re-focus action on the need to improve the State’s ability to provide consultation and education to public water suppliers, rather than “increase the capacity of OHA.”
2. For bullet 2, be cautious not to imply that the public is receiving unsafe drinking water. Focus the language on providing more support for small drinking water systems by ensuring compliance with safe drinking water standards.
3. For bullet 3, place the focus on collaboration among agencies, rather than the capacity of the Oregon Health Authority.
4. For bullet 4, revise the action to place more emphasis on including drinking water as part of the existing emergency response system. As written, the action implies that a statewide emergency response system does not already exist.
5. Increasing domestic well testing (bullet 5) is fine, but what is more important is providing well owners with the resources for interpreting the tests and determining the best course of action. The emphasis of this bullet should be on educating water users.
6. The need for instream protections seems to have moved down on the list of actions. *(Note: the numbering or lettering of actions implies no ordering of priority.)*

The PAG supported the concept of Action 12.A. in the IWRS, with suggested changes.

Comments on Action 12.B. (reduce use/exposure to toxics & other pollutants)

1. Bullet 2 needs some clarification regarding the relationship between the Pesticide Stewardship Program, plans developed under FIFRA, and the Water Quality Pesticide Management Team.

2. The reference to hazardous and contaminated sites is written as though nothing is being addressed. Revise the language to say, “Continue to identify and address hazardous and contaminated sites...”
3. The items listed under public health/ecosystem health should rise to the top. This whole section is important.
4. For bullet 2 regarding purchasing practices, add “other products that may include toxics” to the list.
5. For bullet 3 regarding the prevention of blue-green algae, revise the reference to phosphorus: “control phosphorus beyond background levels.”
6. To clarify bullet 6, the Environmental Council of the States (ECOS) resolution regarding the Toxic Substances Control Act is supported by the State of Oregon.
7. Pull back on supporting national stakeholder groups.

The PAG supported the concept of Action 12.B. in the IWRS, with the suggested changes.

[Jump to Action 12.C.](#)

Comments on Action 12.C. (implement water quality pollution control plans)

1. All three bulleted items (TMDLs, non-point sources, and septic challenges) represent a policy package that DEQ introduced during the last legislative session to help deal with coastal lake issues and other on-site system issues.
2. For bullet 2 (addressing non-point sources), instead of stating “continue to regulate...” consider referring to the SB 1010 program by name.
3. For bullet 2, consider replacing, “regulate” with, “continue to implement existing statutes and regulations...”
4. For bullet 2, add, “assist and help.”
5. At one point, there was the notion that DEQ would use TMDLs as a bigger watershed-planning tool. The TMDL process is one of the few instances where DEQ can take a detailed look at a watershed. Cross-reference the TMDL process as a tool for integrated watershed planning [Action 10.A].
6. Currently, DEQ is developing water quality status and action plans, by looking at all of DEQ’s programs (e.g., septic, groundwater, cleanup efforts, monitoring, TMDLs), to develop a comprehensive view of the basin.
7. Focus on implementation of TMDLs, not just the development. Implementation is the important part.
8. Might be a good place to explore more integration between DEQ and OWRD (e.g. flows in the John Day). How can agencies’ and others integrate during the course of this project? In water-use applications, there is a water quality component during review (DEQ comments on applications). How could the review process be more strongly integrated?
9. The Water Resources Department is not ready to serve as a designated management agency; however, there is a coordinated approach in the permitting process. The Department is also responsible for ensuring permit conditions recommended by DEQ are followed.
10. In this action, note ecosystem services are a cost-effective way to meet TMDL requirements. Ecosystem services markets should be mentioned here, too.
11. Consistency across agencies with respect to water quality and water quantity is needed. If ODFW applies for an instream right, it may not fully cover DEQ’s water quality needs. This presents a good opportunity for further coordination among the agencies.

The PAG supported the concept of Action 12.C. in the IWRS, with the suggested changes.

[Jump to Action 12.D.](#)

Comments on Action 12.D. (improve watershed health, resiliency, and capacity for natural storage)

1. The State's policy regarding "no net loss" of wetlands is missing from this action. It should be included.
2. This action is an opportunity to highlight OWEB's role in promoting voluntary participation in restoration projects.
3. "Promoting the maintenance of forestland..." does not speak the importance of health or functionality of forests. A hammered forest does not protect water quality.
4. This actions speaks to wetlands, forests, and floodplains, however, it does not highlight the importance of cumulative riparian health. Wetlands, forests, and floodplains are only a subset of watershed resilience.

The PAG supported the concept of Action 12.D. in the IWRS, with the suggested changes.

[Jump to Action 12.E.](#)

Comments on Action 12.E. (pursue additional instream protections)

1. The programs aimed at increasing streamflows were not carried over to this draft; add them back into this action.
2. Having a hard time with instream flows & development of TMDLs. Building a TMDL with an instream protection is rare. The assumptions are more complex and focus more on pollutant loading. This action needs a clearer definition.
3. When DEQ develops a TMDL, the current flow within the system is measured to determine the pollutant load. If there is a portion of that flow that is unallocated and can be protected with an instream right, it is appropriate to protect it.
4. The use of instream water rights in the TMDL process is an evolving policy that DEQ has been discussing internally.
5. For designating scenic waterways or establishing additional instream water rights, suggest adding the phrase, "where appropriate."
6. The Scenic Waterway Act already calls upon the Oregon Parks and Recreation Department to provide periodic lists of proposed scenic waterways to the Governor's Office.
7. The agencies need to develop an integrated, coordinated effort for establishing instream flows.
8. A currency around instream flow is being developed with regard to ecosystem services markets. The hope is to have a flow protocol in place early in 2012. This is where flow will play a role in TMDLs directly. This is an evolving currency area for those involved in ecosystem services.
9. The instream suite of flows (base, peak, ecological, and other flows) is very controversial and still being worked on. Exclude reference to the "suite of flows" and let the existing workgroups continue.
10. Disagree; keep that language in. The discussions behind the passage of HB 3369 intended to have this language in there. Legal authority for protecting the suite of flows has been in place since the adoption of the Instream Water Right Act. Suggest using "as needed" language here, too. Rules have been in place since the 1990s to adopt instream water rights related to anadromous fish (Div. 410 rules).

11. Ecological flows described in HB 3369 are directly tied to grant and loan programs, not the development of the IWRS. Discussion on the suite of flows is necessary; however, striking the mention of the “suite of flows” will help the PAG to move forward, and will not generate controversy for the IWRS.
12. Clarify this action – are we looking to establish new instream water rights, along with additional flows? Describe what is in place already and what needs further protection.
13. This is an established need (the suite of flows and their benefits).

The PAG supported the concept of Action 12.E. in the IWRS, with the suggested changes.

[Jump to Action 12.F.](#)

Comments on Action 12.F. (prevent/eradicate invasives)

1. This action is where boat licenses are already funding a particular portion of the IWRS. This is a reason not to include it on the broader funding list of options described in Action 9.C.

The PAG supported the concept of Action 12.F. in the IWRS.

[Jump to Action 12.G.](#)

Comments on Action 12.G. (protect/restore instream habitat & habitat access for fish & wildlife)

1. For bullet 1, revise language to include building upon existing planning and restoration efforts.
2. There are two serious impediments to restoration projects, one of them being the lack of a water quality standard for restoration projects. Many restoration projects are held up due to a short-term water quality issue (e.g., sediment, turbidity associated with construction or de-construction). The other impediment is the position of the U.S. Army Corps of Engineers, which states that all levees in the lower Columbia are federally authorized and require congressional approval to remove them, even when there are willing property owners involved. This position often kills tidal restoration projects. The State needs to work with federal delegation on this issue.

The PAG supported the concept of Action 12.G. in the IWRS, with the suggested changes.

[Jump to Action 12.H.](#)

Comments on Action 12.H. (ecosystem services markets)

1. The language in the first bullet should state, “Build upon and refine...” This change would emphasize the need to continue developing, defining, and exploring the role of ecosystem services markets. The action does not need to be tied to SB 513 (2009).
2. List the Oregon Watershed Enhancement Board in this action. OWEB will play a role in many of the actions surrounding ecosystem health.
3. The idea of “supporting” water quality trading projects (bullet 2) causes some heartburn. The action should focus on gathering more information and developing plan for ecosystem service markets.

The PAG supported the concept of Action 12.H. in the IWRS, with the suggested changes.

Agenda Item VIII, Other Business

A Policy Advisory Group member mentioned that the natural resource agencies must prepare their agency reduction lists later this month.

The next scheduled PAG meeting is set for Thursday, March 8, 2012.

Agenda Item IX, Public Comment

Stacy Vynne, Program Director with the Resource Innovation Group, described an effort currently underway to develop a Willamette Valley Resilience Compact with local cities and counties. The Compact is being developed to address issues related to energy, food, public health, emergency management, climate change, water resources, specifically floodplain restoration, storage, and enhancing and protecting water quality. After local governments sign onto the Compact, regional plans and projects will be developed. Ms. Vynne also mentioned that a summit would be held on December 12, 2011 at Willamette University, and several elected officials from city and county governments have been invited. Members were encouraged to contact Ms. Vynne with any questions regarding development of the Willamette Valley Resilience Compact.

Agenda Item X, Meeting Recap and Feedback

Dr. Bateman mentioned that Project Team staff would spend the next couple of months revising the draft recommended actions. The Project Team plans to release a new version of the recommend actions in late December as part of a discussion draft, which will be made available for public comment in the first quarter of 2012.

Agenda Item XI, Adjourn

The meeting adjourned shortly before 4:00 p.m.

#9 Funding

(Note: these actions are in a different order than previous and subsequent versions)

[Return to Comments](#)

Draft Action 9.A Fund Communities That Are Conducting Regional (Sub-basin) Water Resource Planning

- Provide funding incentives that encourage communities to conduct regional (sub-basin) water resource planning (See Action #10A). Re-capitalize a grant fund to help communities conduct water resource planning described under Action #10A. Formerly called the Oregon Water Supply and Conservation Initiative (OWSCI) at the Water Resources Department, this fund was last capitalized in 2007¹. [OWRD]
- Provide funding incentives that help communities evaluate the feasibility of specific water resource projects, developed through regional (sub-basin) water resource planning (See Action #10A). Re-capitalize a grant fund to help communities conduct feasibility studies for projects identified through regional (sub-basin) water resource planning under Action #10A. The state's SB 1069 Grant Program for Water Conservation, Re-Use, and Storage was last capitalized for the 2013-15 biennium for \$1.2 million. [OWRD]

[Return to Comments](#)

Draft Action 9.B Fund Implementation of Projects Emerging from Regional (Sub-basin) Water Resource Planning

- Provide grant funding to assist with the implementation of water resource projects developed through regional (sub-basin) water resource planning (see Action #10A). Re-capitalize a grant program to help communities implement projects identified through water resource planning efforts described in Action #10A. Such projects could include water conservation, re-use, or storage projects with multiple benefits² [OWRD]. **Policy Question: Should this be a new grant fund, or is the Water Investment Grant Fund established by HB 3369 (2009) an appropriate mechanism? If the projects are not conservation, re-use, or storage (i.e., they involve septic systems, stormwater, restoration, acquisition or other efforts), then the Water Investment Grant Fund is not a broad enough mechanism.**
- Provide low interest loans to assist with the implementation of water resource projects developed through regional (sub-basin) water resource planning (see Action #10A). Re-capitalize a loan program to help communities implement projects identified through water resource planning efforts described in Action

¹ Additional potential funding sources include the Department of Land Conservation and Development Technical Assistance Grants, Oregon Infrastructure Finance Authority grants and loans (Special Public Works Fund, Waste-Wastewater Financing, Community Development Block Grants, and Safe Drinking Water Loan Fund), U.S. Department of Agriculture's Rural Utilities Service, U.S. Department of Interior's System Optimization Review Grants, and the non-profit Rural Community Assistance Corporation.

^{2,3} Funding for implementation could include state and federal funding sources listed above, as well as USDA's Rural Development Programs for grant monies that states can turn into loans, U.S. Army Corps of Engineer's Floodplain Management Services Program, and grants from the Oregon Watershed Enhancement Board.

#10A. Such projects could include water conservation, re-use, or storage projects with multiple benefits³. [OWRD] **Policy Question: Should this be a new loan fund, or is the Water Development Fund established by HB 3369 (2009) an appropriate mechanism? If the projects are not conservation, re-use, or storage, then the Water Investment Grant Fund is not a broad enough mechanism.**

- Establish a clearinghouse of information related to available funding / incentive programs. See examples in footnotes. [OWRD – DEQ – OBDD – OHA – Federal Partners]

[Return to Comments](#)

Draft Action 9.C Fund Water Resource Management Activities at the State Level

- Fund those water resource management activities for which the state has responsibility, including technical assistance for the projects above, data collection and processing, and oversight (water distribution, regulation, and environmental protection). These core activities are underfunded. Bringing agencies up to basic capacity levels will provide a foundation upon which to build core water programs, and will cost several million dollars. Potential funding mechanisms, suggested during open houses and other events, include:
 - Securing more of the state’s General Fund
 - Securing more federal funds
 - Securing more lottery funds
 - A new water right management fee
 - A new “public purpose charge” (assessed to all drinking water utility customers). See example from the energy sector: Oregon law requires customers of Portland General Electric and Pacific Power to pay a three percent public purpose charge. The Energy Trust receives and invests some of these funds to support energy-efficiency projects and assist with the above market costs of new renewable resources.
 - A new “exempt use well fee” (assessed to those with their own wells...not supplied by utilities)
 - Hybrid idea: public purpose charge AND exempt use well fee to reach both utility and non-utility customers (see Maryland’s Chesapeake Bay Protection Fund).
 - Another hybrid: water right management fee AND exempt use well fee to reach both water right permit holders and non-permit holders.
 - Increased recreation fees (added to existing boating or fishing licenses)
 - Increased rates for permit applications, reimbursement authority, etc.
 - Dedicated funding source for non-point source pollution programs.

Policy Question: can the group come to any consensus on funding options?

[Return to Comments](#)

Draft Action 9.D Fund Development and Implementation of Oregon’s Integrated Water Resources Strategy for the first five years (2012-17).

- Fund Development and Implementation of the IWRS. For the past two biennia, the Oregon Legislature has funded the development of Oregon’s Integrated Water Resources Strategy with two limited duration personnel. Oregon Statute (ORS 536.220(3)(e)) calls for an update to the Strategy every five years. Other states have dozens of staff dedicated in a full-time capacity to these tasks. Recommend continuing two personnel to help with development and implementation of Oregon’s IWRS over the next five years.

#10 Place-Based Approaches

(Note: These actions are worded differently than previous and subsequent versions)

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Draft Action 10.A Facilitate Regional (Sub-Basin) Water Resource Planning

(combined 10.A. & 10.C. from previous version)

- Provide technical assistance to communities who are interested in undertaking water resource planning. Technical assistance may include providing facilitation and communication services, collecting and providing data, providing engineering or other guidance, and developing a step-by-step guidance manual that lays out the framework of a local plan. Regional (sub-basin) water resource planning involves more than the development of new water supplies. It involves a holistic look at water sharing and water partnerships, involving water suppliers, wastewater and stormwater managers, water re-use facilities, and inter-sectoral partnerships among agricultural, municipal, industrial, and environmental interests. (See Actions 9.A. and 9.B for funding assistance.) [OWRD – DEQ – ODFW – ODA – state and local partners]

The state has an important role in facilitating these discussions and providing information to local decision-makers, helping to identify and evaluate water resource management options without abrogating any of its regulatory or decision-making authorities.

Potential framework of a local plan **[add more detail and move to an appendix]:**

- Which local organizations or partnerships have the institutional capacity to host these conversations?
- Are the right parties at the table? Have we included water suppliers, stormwater and wastewater managers, irrigated agriculture, private businesses, conservation and restoration organizations, watershed councils, soil & water conservation districts, city and county planners, and relevant state and federal agencies? How will this group preserve public access to discussions and decision-making?
- What are our water quantity and quality needs now, compared to our needs in the future? This includes both instream and out-of-stream needs, as well as stormwater, wastewater, and septic system challenges. What is the status of water quantity, water quality, and ecological resources today? Where will these resources fall short in the future (looking out 50 to 100 years), given our current institutional and infrastructure arrangements?
- How could this group (sub-basin) meet, over time, its identified instream and out-of-stream goals? How would it propose to fit into the Integrated Water Resources Strategy?

Potential sideboards of Regional (Sub-Basin) Water Resource Planning **[add more detail and move to an appendix]:**

- This approach is not an off-ramp from meeting already existing regulatory requirements.
- This approach must include public involvement.
- Local communities may have a cost-share requirement, in exchange for state funding, data, or technical assistance.
- Local communities may have a data collection requirement, to address key information gaps.
- **Policy Question: are these the types of sideboards PAG members had in mind?**

[Return to Comments](#)

Draft Action 10.B Participate in Transboundary Discussions Regarding Long-Term Water Resource Management

- Columbia River Basin Water Management Program. Explore, with the State of Washington, Oregon’s potential participation in projects of (Washington’s) Columbia River Basin Water Management Program. This program was launched in 2006 to pursue development of water supplies to benefit both instream and out-of-stream uses. [OWRD – ODFW – DEQ]
- Winter Water from the Columbia River. Continue Oregon’s commitment to allocate winter water from the Columbia River for irrigated agriculture and economic development. [OWRD – ODFW – DEQ – ODA]
- Columbia River Treaty. Continue to participate in Columbia River Treaty negotiations, which have historically focused on hydropower, navigation, and flood control. [OWRD – ODFW – DEQ]
- KBRA. Continue implementation of the Klamath Basin Restoration Agreement (signed in 2010). [OWRD – ODFW – DEQ]

#11 Water Resource Development

(Note: These actions are worded differently than previous and subsequent versions)

Each of the techniques and tools numbered below should be considered and evaluated as part of the regional (sub-basin) planning efforts described in Action #10.A.

[Return to Comments](#)

Draft Action 11.A Increase Water-Use Efficiency and Water Conservation

- Establish and maintain an on-line water-use efficiency and conservation clearinghouse. Highlight and describe “Best Management Practices,” as well as state and federal funding opportunities, technical resources, and conservation programs⁴. Provide documentation that builds the business case for water-use efficiency and conservation, through the use of techniques such as basic maintenance, piping and lining, soil moisture sensors, modified irrigation schedules / practices, etc. Coordinate these efforts with energy conservation programs and grants, described in Action #4. [OWRD]
- Prioritize agricultural water efficiency. Using more than 80 percent of Oregon’s diverted water, agriculture is the largest consumer of water in Oregon; increasing efforts in this sector could result in significant water savings statewide. Encourage more irrigators to develop Agricultural Water Management and Conservation Plans, using guidelines from the Water Resources Department. The Bureau of Reclamation offers competitive grants to facilitate this type of work, other grant sources could include the Oregon Water Resources Department OWSCI grants, Oregon Department of Energy tax credits, or Oregon Department of Agriculture efficiency grants. [OWRD - ODOE – ODA]
- Expand outreach and participation in water conservation and efficiency programs. Improve awareness of and participation in the state’s water conservation programs, particularly the Allocation of Conserved Water Program. Recent surveys show that irrigators and technical assistance are not aware of this program nor the benefit of applying a portion of the conserved water to previously dry lands, if some of the conserved water is also placed instream. [OWRD – ODA]
- Conduct a statewide water conservation potential assessment . Assess which streams could benefit most, hydrologically, from water conservation efforts and identify which projects are most likely to yield the highest water efficiencies per dollar invested. The Water Resources Department and Department of Fish and Wildlife already have identified stream reaches that are most in need of improved stream flows. The next step is to identify which of those are places where conservation practices are likely to directly

⁴ State agencies with water conservation programs include OWRD, ODA, DCBS / Building Codes’ Reach Program, and ODOE. Federal agencies with water-related conservation programs include Natural Resources Conservation Service (USDA), Bureau of Reclamation, Bonneville Power Administration, and US Environmental Protection Agency.

benefit stream flows and where irrigators can successfully use the Allocation of Conserved Water Program to apply their water savings to new lands.

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Draft Action 11.B Improve Access to Built Storage

- Develop additional below-ground storage sites. Encourage increased use of Aquifer Storage and Recovery (ASR) for water storage, where feasible. Support the storage of available winter (surface) water in groundwater aquifers. Areas of the state designated as “groundwater limited” or “critical groundwater areas” may be especially good candidates for underground storage. Encourage regional partnerships that can help meet water quality standards for ASR injection; water treatment techniques can include municipal treatment facilities and Artificial Recharge (AR). Help local communities identify and protect potential below ground storage sites. [WRD – DEQ – OHA – local communities]
- Develop additional above-ground, off-channel storage sites. Support the multi-purpose storage of winter water behind dams constructed on side channels to the mainstem and tributaries where no known fish species exist. Help local communities identify and protect potential above ground storage sites. [DLCD – OWRD – ODFW – ODA – federal partners - local communities]
- Expand the capacity of existing above-ground storage projects, using methods such as raising dam height. [local communities – Federal Agencies – OWRD]
- Allocate and re-authorize existing above-ground storage projects. Re-allocate water stored behind federal dams in the Willamette and Crooked River Basins to include a full range of beneficial uses to meet agricultural, municipal, industrial, environmental, and recreational needs. Develop contracting mechanisms that allow access to such water. [OWRD – USACE – BOR – local communities]

[Return to Comments](#)

Draft Action 11.C Encourage Additional Water Re-Use

- Ensure that Oregon has the right policies and regulations in place to facilitate water re-use, while giving due consideration to the protection of instream flow and water quality. [OWRD – DEQ – ODFW – local communities]
- Conduct a statewide assessment of the potential for water re-use to fulfill current and future water resource needs  . Match the water quality of reclaimed water to appropriate end uses. Assess the impacts on stream flow and water quality.
- Encourage and provide incentives for increased water re-use for municipal, industrial, and agricultural uses.

[Return to Comments](#)

Draft Action 11.D Improve Water Right Permitting, Certificate, and Transfer Processes

- Continue streamlining / improving the water right permitting, certificate, and transfer process. Recent process improvements have enabled the Water Resources Department to reduce backlogs in all facets of the water rights application process. With investments in technical staff, data systems, and on-line platforms, all of these processes could be further improved [WRD – public and private partners].
- Update the state’s water right database. Today, there are no statutory provisions that allow the name on a water right certificate to be changed, even if the holder of the certificate has passed away or sold off

interests. The state needs the ability to modify these certificates and update the related database. Further investment in staff would also enable the Water Resources Department to update records related to water right forfeiture and to make other changes, such as mapping water rights and improving compliance with measurement and reporting conditions. [WRD – public and private partners].

[Return to Comments](#)

Draft Action 11.E Increase Field Presence – Enforcement Capacity

- Increase and maintain field presence among the state’s watermaster corps, field inspectors, and water quality specialists. Field personnel ensure compliance with permit conditions; guard against waste, contamination, and loss of pressure; and protect senior water rights. Because of resource constraints, regulatory presence in the field has been greatly reduced, compared to 20 years ago. The state’s ability to identify and correct problems in local water resource management is dependent on the number of personnel in the field, the technical training they receive, and the equipment (measurement, communications, transportation) available [WRD – DEQ].

#12 Public Health and Ecosystem Health

(Note: These actions are in a different order than previous and subsequent versions)

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Draft Action 12.A. Improve Safety of Oregon’s Drinking Water 🔑

- Assist public water suppliers. Increase the capacity of the Oregon Health Authority to consult with and educate public water suppliers on safe drinking water regulations, contaminant standards, source water treatment options and best practices to prevent drinking water contamination [OHA – EPA - local governments].
- Focus on small public water systems. Improve the safety of drinking water provided to customers of very small public water systems (4 to 14 connections or 10 to 24 people served) by ensuring compliance with safe drinking water standards [OHA – EPA - local governments].
- Protect drinking water sources. Increase the capacity of the Oregon Health Authority to collaborate with other agencies on drinking water source pollution prevention efforts. Provide support of federal funding of Safe Drinking Water Act revolving loan funds for source water protection projects [OHA – EPA – local governments].
- Focus on Water System Security and Emergency Preparedness. Maintain and implement a statewide emergency response system that can quickly respond to drinking water emergencies [OHA – OMD/OEM – local governments].
- Increase Domestic Well Testing. Provide information to parties conducting domestic well testing to increase testing, disclosure of results and reporting. Provide data and information to private water users, helping them to make informed decisions regarding their drinking water [OHA – OMD/OEM – local governments].

Draft Action 12.B. Reduce the Use of and Exposure to Toxics and other Pollutants 

- Finalize and implement the state's Toxics Reduction Strategy. The Toxics Reduction Strategy takes a cross media approach, focusing on air, land, and water. It includes a list of toxic chemicals as well as specific tasks to reduce the use of and exposure such toxics in the next five years. Establish an interagency toxics chemicals reduction team to help implement the above Strategy as part of day-to-day operations at state agencies.
- Implement the Pesticide Stewardship Program, recently approved by the U.S. Environmental Protection Agency for Oregon. This plan sets forth a process for preventing and responding to pesticide detections in Oregon's ground and surface water resources by managing the pesticides that are currently approved for use by EPA in both agricultural and non-agricultural settings. ("Legacy" pesticides, such as DDT/DDE, aldrin, dieldrin, chlordane, and heptachlor are addressed under a separate program.) The overall plan relies on the formation of a Water Quality Pesticide Management Team (*WQPMT*) composed of representatives from DEQ, ODA, ODF, and OHA, who will act as a coordinating advisory team during: 1) selection and prioritization of pesticides; 2) establishment of water quality guidelines and reference points; 3) watershed vulnerability assessments; 4) design and implementation of monitoring efforts; 5) recommendation of management options; and 6) development of communication strategies. [DEQ – ODA – ODF – OHA]
- Establish and fund "take back programs" for unused and outdated chemicals. Establish and continue pharmaceutical take-back programs for communities, pesticide collection programs for farmers and ranchers, and hazardous waste collection events. [DEQ – EPA – public and private sector partners]
- Revise purchasing practices related to toxic chemicals. Public and private entities should consider revising their purchasing practices for soaps, cleaners, and electronic devices to provide preference for manufacturers that commit to reducing toxic chemicals. [public and private organizations]
- Identify and address hazardous or contaminated sites. Sites, facilities, or structures originating with industrial, military, transportation, energy or other uses may be in such condition that they pose a serious or imminent hazard of emitting or discharging substantial amounts of toxics or other pollutants. These should be identified and all immediate legal means and enforcement mechanisms should be employed to prevent such emissions or discharges before they occur. Provide technical and financial assistance to clean-up already contaminated aquifers. [DEQ – EPA – public and private sector partners]
- Continue to support the Environmental Council of the States' Resolution 10-8 (August 2010), asking the U.S. Environmental Protection Agency to update and reform the Toxic Substances Control Act of 1976, to address the legal and procedural hurdles that prevent timely and effective regulatory actions that protect the public against well-known risks, even in those cases where the U.S. EPA has adequate data on a chemical. [DEQ]
- Prevent blue-green algae from forming in lakes, streams and ponds. Blue-green algae, or cyanobacteria, can irritate skin, cause liver malfunction, or affect the nervous system. They thrive in warm, stagnant waters that have significant concentrations of nutrients, particularly phosphorus. Steps should be taken to control phosphorous from entering the water body through fertilizer runoff, septic systems, and other sources. Additional prevention techniques include increasing water flow through the lake or reservoir, artificial circulation of water within the reservoir, and improved watershed management. [DEQ – OHA – EPA – local governments]

Draft Action 12.C. Implement Water Quality Pollution Control Plans 

- Continue to develop and implement Total Maximum Daily Load plans for waterbodies that do not meet water quality standards. Build upon DEQ’s recent completion of 1153 TMDLs in Oregon. Develop TMDLs for waterbodies and pollutants newly added to Oregon’s 303(d) list, in accordance with the federal Clean Water Act. Review and update already existing TMDLs. Revise wastewater permits to meet wasteload allocations and provide oversight to ensure that TMDL implementation measures are implemented and effective. [DEQ and Designated Management Agencies]
- Address Nonpoint Sources of Pollution. Continue to regulate and manage nonpoint sources of pollution across all land uses (e.g., urban, agriculture, forestry) to ensure the protection of surface water and groundwater quality. Build upon the existing work done through Agricultural Water Quality Management Plans⁵ and the Forest Practices Act, particularly related to temperature, sedimentation, and contamination of surface water. Increase monitoring to determine the efficacy of these approaches. [DEQ- ODA – ODF – local governments]
- Assist Communities with Septic Challenges. Failing systems increase the risk of contamination of both surface water and groundwater. Provide technical and funding assistance to landowners who need to replace aging septic systems. Provide technical and funding assistance to communities wishing to address public health or water quality problems associated with individual subsurface sewage disposal systems. [See Action #10A].

Draft Action 12.D. Improve Watershed Health, Resiliency, and Capacity for Natural Storage⁶  

- Maintain Forested Areas. Promote the maintenance of forestland, both public and private, in forest uses and promote the establishment of new forests as key elements in promoting high quality water and protection of soil productivity. (See Oregon Department of Forestry’s 2011 “Forestry Program for Oregon” for more details.) [ODF, USFS]
- Assess Wetlands. Develop a rapid assessment methodology, to determine storage capacity and system health of wetlands and streams. Local governments could use these assessments to make permitting decisions, evaluate the effectiveness of mitigation and restoration practices, and bolster their efforts under Statewide Planning Goal 5. [DSL – USACE – US EPA – local government]
- Restore Floodplain Functions. Develop a statewide floodplain policy to set the framework for regulation and permitting work. Implement Action 3.8 in ODFW’s Conservation Strategy to reconnect rivers and streams to their floodplains; restore stream channel location and complexity; remove dikes and

⁵ Oregon’s Agricultural Water Quality Management Program was authorized in SB 1010 (1993) to prevent and control water pollution from agricultural activities and soil erosion, and to meet the state’s water quality standards. Typical agricultural water quality issues include: bacteria from manure; nutrients from manure and fertilizer; sediment from eroding fields and banks; and warm temperatures from tailwater, lack of riparian vegetation, and lack of groundwater inflows.

⁶ Resilience is a key concept in landscape ecology and socioeconomics. Resilience is the capacity to absorb and adapt to disturbance and change – while maintaining essential functions. (Northwest Power Planning Council, *Using a Comprehensive Landscape Approach for More Effective Conservation and Restoration*, September 30, 2011)

revetments; allow seasonal flooding; restore wetland and riparian habitats; and/or remove priority high-risk structures within floodplains, where possible. [DSL, DLCDD, FEMA, local government].

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Draft Action 12.E. Pursue Additional Instream Protections

- Designate Scenic Waterways. Recommend the designation of additional rivers or segments of rivers as scenic waterways, where appropriate to protect recreation, fish, and wildlife uses. [OPRD - WRD]
- Establish Instream Water Rights. Establish new instream water rights, including those that protect a suite of flows (base, peak, ecological and other flows). At completion of a TMDL, where appropriate, the Department of Environmental Quality will prepare and submit to WRD an instream water right application for the flow amount used to calculate the TMDL. Work to resolve the Water Resources Department's protested instream water right applications. [DEQ - ODFW – OPRD – WRD]

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Draft Action 12.F. Prevent and Eradicate Invasive Species

Support efforts by local, state and federal agencies, including the use of boat inspections stations, to prevent the spread of invasive species. Support the Oregon Conservation Strategy's six statewide actions aimed at preventing new introductions, and the scale and spread of infestations. They are:

- Focus on prevention through collaborative efforts and increased public awareness and reporting (OCS Action 2.1).
- Develop early response mechanisms to facilitate swift containment of new introductions, using site appropriate tools (OCS Action 2.2).
- Establish a system to track location, size, status of infestations of priority invasives (OCS Action 2.3).
- Focus on eradication of invasive species in Strategy Habitats and other high priority areas where there is a clear threat to ecosystems and a high probability of success (OCS Action 2.4).
- Develop an invasive species implementation tool that evaluates the ecological impact and management approaches for invasive species identified as priorities in the Conservation Strategy (OCS Action 2.5). [ODA – Ore Invasive Species Council]
- Develop and test additional techniques to deal with invasives and share information with landowners and managers (OCS Action 2.6).

In addition,

- Ballast Water. Implement and enforce ballast water management regulations to reduce the risk of introducing new aquatic invasive species. The discharge of ballast water, used to provide vessel stability, may introduce aquatic non-indigenous species into Oregon waterways, potentially resulting in ecological damage.

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Draft Action 12.G. Protect and Restore Instream Habitat and Habitat Access for Fish and Wildlife

- Build upon existing ecological planning efforts. Continue to implement and build upon the successful collaborative efforts of the Oregon Plan for Salmon and Watersheds, Northwest Power and Conservation Council's Strategy for Salmon, Recovery Plans and Biological Opinions, and the Oregon Conservation Strategy. Look for opportunities to coordinate actions. [Oregon Plan Core Team – local governments – federal partners]

- Remove fish passage barriers and prevent fish from entering diversions. Continue to focus efforts on removing fish passage barriers (e.g., replacing culverts with bridges, installing larger culverts, construction of fish ways, and stabilization of road fill material, installing fish screens, and retiring obsolete and push-up dams). [Oregon Plan Core Team, Watershed Councils, Soil & Water Conservation Districts, public and private partners]
- Expand the geographic range of flow restoration efforts. Today, instream flow restoration activities predominantly occur in a handful of basins, however, streamflow restoration needs have been identified in all 18 basins throughout the state. Develop and implement strategies that target watersheds with the highest instream flow needs, extending streamflow restoration beyond current efforts, on both public and private lands. [Oregon Plan Core Team, Watershed Councils, Soil & Water Conservation Districts, public and private partners]

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Draft Action 12.H. Assist in the Development of Ecosystem Services Markets

- Value and invest in ecosystem services markets. Build upon Senate Bill 513 (2009), which set the stage for ecosystem services markets in Oregon.
- Focus first on water quality. Support and facilitate water quality trading projects that meet regulatory requirements and achieve additional ecosystem credits in a cost-effective manner (e.g., issuing permits that rely upon riparian shade restoration to achieve heat reduction requirements for point source discharges). [DEQ – local communities – private partners]
- Focus next on flow restoration. Assist with ongoing development of protocols/tools for translating flow restoration actions into ecosystem credits. [OWRD – local communities – private partners]

List of Acronyms

Acronym	Description
AR	Artificial Recharge
ASR	Aquifer Storage and Recovery
BiOp	Biological Opinion
BLM	Bureau of Land Management, U.S. Department of the Interior
BMP	Best Management Practice
BOR	U.S. Bureau of Reclamation, U.S. Department of the Interior
BPA	Bonneville Power Administration
CTUIR	Confederated Tribes of the Umatilla Indian Reservation
DCBS	Oregon Department of Consumer and Business Services, Building Codes
DEQ, ODEQ	Oregon Department of Environmental Quality
DLCD	Oregon Department of Land Conservation and Development
DOGAMI	Oregon Department of Geology and Mineral Industries
DRC	Deschutes River Conservancy
DSL	Oregon Department of State Lands
DWA	Deschutes Water Alliance
EPA	U.S. Environmental Protection Agency
ESA	Endangered Species Act
FIFRA	Federal Insecticide, Fungicide, and Rodenticide Act
FEMA	Federal Emergency Management Agency, U.S. Department of Homeland Security
GWMA	Groundwater Management Area (DEQ designation)
IFA	Infrastructure Finance Authority (Oregon)
MGD	Million Gallons per Day
NPDES	National Pollutant Discharge Elimination System
NRCS	Natural Resources Conservation Service, U.S. Department of Agriculture
OAR	Oregon Administrative Rule
OBDD	Oregon Business Development Department
OCS	Oregon Conservation Strategy
ODA	Oregon Department of Agriculture
ODE	Oregon Department of Energy
ODF	Oregon Department of Forestry
ODFW	Oregon Department of Fish and Wildlife
ODOE	Oregon Department of Energy
ODOT	Oregon Department of Transportation
OHA – DWP	Oregon Health Authority (formerly DHS) – Drinking Water Program
OMD - OEM	Oregon Military Department – Office of Emergency Management
OPRD	Oregon Parks and Recreation Department
ORS	Oregon Revised Statutes
OWEB	Oregon Watershed Enhancement Board
OWRD	Oregon Water Resources Department
OWSCI	Oregon Water Supply and Conservation Initiative
SWCD	Soil and Water Conservation District
TMDL	Total Maximum Daily Load
USACE	U.S. Army Corps of Engineers
USDA	U.S. Department of Agriculture
USFS	U.S. Forest Service
USFW	U.S. Fish and Wildlife Service
USGS	U.S. Geological Survey
WRC	Oregon Water Resources Commission
WRD	Oregon Water Resources Department
WRIA	Water Resource Inventory Areas (State of Washington)