# Agency Summary

## Agency Summary Narrative

### History

Because the availability of water has been integral to Oregon's development, the Water Resources Department and water laws have roots tracing back to Oregon's early history. Before 1909, water claims were staked like mining claims and recorded in the county courthouse. Many claims were not recorded, however, and disputes regularly arose over rights to use water.

In 1909, the Legislative Assembly adopted the State Water Code. Under the Code, all water belongs to the public for use by the people for beneficial purposes. With a few exceptions, farms, business owners, cities, and other users must obtain a state permit or water right to use water from any source, including streams, groundwater, and lakes. The State Engineer’s Office was responsible for issuing water right permits.

Oregon’s Water Code is built upon the doctrine of “Prior Appropriation,” meaning the first person to obtain a water right on a stream will be the last person to be denied water in times of low stream flow. The doctrine offered settlers the assurance that a water right, once granted, would remain with the land and that new rights would not be exercised at the expense of existing rights.

In 1955, the Legislative Assembly adopted the Groundwater Act, authorized the establishment of minimum perennial streamflows, and created the State Water Resources Board to serve as Oregon's water policy and planning department. The State Engineer was appointed to the Board; however, the Board maintained its own administrative and planning staff.

In 1975, the Legislative Assembly created the Water Policy Review Board and merged the State Engineer's Office and the State Water Resources Board to create the Water Resources Department. Policy responsibilities were transferred to the Water Policy Review Board. In 1985, the Water Policy Review Board was renamed the Water Resources Commission. In 1987, the Legislative Assembly passed the Instream Water Rights Act, recognizing instream public beneficial uses such as for fish and wildlife, recreation, and pollution abatement.

As directed by the Legislature in House Bill 3369 (2009), the Water Resources Commission adopted the state’s first Integrated Water Resources Strategy (IWRS) in 2012. The IWRS serves as a blueprint to help Oregon meet its instream and out-of-stream water needs and is generally updated every five years. The document covers water quantity, water quality, and ecosystems, with recommendations that go beyond the Water Resources Department’s programs. The most recent update was adopted in the fall of 2017, with the next update likely to be released in 2023/2024.

## Where We Are Today

The Water Resources Commission, a seven-member citizen board, oversees Department activities. The Commission is responsible for setting Department policy, consistent with state law, and making grant award decisions for the agency. Commission members are appointed by the Governor to four-year terms, subject to confirmation by the Oregon Senate. The Commission includes a citizen appointed from each of five regions of the state, as well as the eastside and a westside at large. The Department's Director, who manages the agency's day-to-day activities, is also appointed by the Governor for a four-year term, subject to confirmation by the Oregon Senate.

The mission of the Water Resources Commission and Department is to serve the public by practicing and promoting responsible water management. The Commission has co-equal goals of directly addressing Oregon's water supply needs and also restoring and protecting streamflows and watersheds in order to ensure the long-term sustainability of Oregon's ecosystems, economy, and quality of life. The Commission and Department recognize the need to be strategic in its work and forward-looking, while simultaneously addressing very pressing water needs in some of Oregon's communities.

The Department is focused on providing timely decisions on water right-related applications and transactions; distributing water in the field in accordance with the water rights of record; collecting and analyzing groundwater and surface water resources data to support responsible management, decision-making, and planning; protecting public health, safety and water resources through well construction and dam safety inspections; and helping individuals, businesses and communities identify solutions to their water supply needs.

As our water resources have become fully appropriated and the state is faced with increasing challenges associated with a changing climate and population growth, helping to meet Oregon's current and future instream and out-of-stream water needs has become an important focus of the Department in recent years. This is reflected by the funding programs that have been authorized by the Legislature to support place-based planning, feasibility studies, and water project implementation grants and loans, as well as recent investments in complex basin coordinators.

Options for understanding our water resources, our future needs, the coming pressures, and solutions to meet our water needs are outlined in the 2017 IWRS. The Department is focused on implementation of the recommended actions in the IWRS. Consistent with the 2016 Secretary of State's Audit, the Department has also adopted an agency specific 2019-2024 Strategic Plan, which supports implementation of the IWRS and identifies the Department's strategic priorities for the next five years.

## Environmental Factors

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

Drought conditions, climate, population growth, changing demands and increasingly limited water supplies increase the challenges faced by staff in permitting, distributing, and managing water across the state. Responding to increased water conflicts and legal disputes in recent years has taken significant staff time and resources. Further, budget constraints limit the Department's ability to study, measure and analyze the state's water resources—key information needed to support responsible water management. Staff resources are also limited, thereby constraining the Department's ability to protect existing water rights through regulation, to support communities and expeditiously address complex policy questions, to provide water resource data to the public, and to process requests for water right changes to meet new and changing water demands. However, in 2021, the Legislature provided a significant influx of resources, which will help the Department to make progress in many of the areas of responsibility. While there is still much more work to be done, as evidenced by the significant number of recommended actions in the IWRS, these investments position the Department to make progress in more areas. More details on department environmental factors are outlined below.

### 19th Century Laws to Meet 21st Century Needs: An increasingly Complex System

Oregon faces a number of challenges today in meeting the water needs of communities, agriculture, industry, as well as for recreation, fisheries, and other instream values. Water law is an old body of law that is complex. Rights that pre-date the water code are still in place today, meaning the Water Resources Department manages and distributes water for water rights that are in some cases over 150 years old. Over time the laws have grown increasingly more complex and, in some cases, difficult to understand, often based on an extensive body of case-law. This makes administration of the laws a challenge, particularly as many of the statutes age and the history explaining the original purposes behind some of the provisions is lost with time. These challenges can slow decision-making and increase the likelihood of disputes and litigation. As new needs emerge and there is insufficient water to meet all demands, potential solutions to water challenges often stretch the limits of the existing laws.

### Limited Water Supplies and Increases Demands, Increases the Importance of Data Decision-Making: Funding Constraints Limit Data

Most of the state's surface waters are fully allocated during the summer months. As surface water supplies have become fully allocated, Oregon has increasingly relied on groundwater resources. This has resulted in groundwater level declines in several areas of the state, meaning that the amount of groundwater stored in aquifers is decreasing. In some locations in the state, groundwater aquifers are no longer capable of sustaining additional development, and withdrawals may be impacting streams and senior surface water users. The network of stream gages and surface water data is important in the management of Oregon's water. However, funding for maintenance, equipment updating, and data processing has not kept pace with the need. Groundwater is a complex resource; therefore, the Department uses a number of data sources, as available, to understand it. These include in-depth basin-scale studies, water-level measurements from observation wells, geologic maps, well logs, local and regional studies, and other technical data. Unfortunately, in some parts of the state, significant work remains to characterize groundwater resources. At current capacity, it will take the Department decades to complete studies in basins its prioritized. Due to continued concerns about the Department making decisions without data, the Department is currently beginning to scope out a new groundwater allocation policy at the direction of the Water Resources Commission.

### Impacts of Climate Change on Water Supplies: Drought is Increasingly Occurring and Impacting Agency Workloads

Although drought is not an abnormal occurrence in Oregon, it has been occurring frequently in recent years. Oregon and the western United States are in the worst megadrought on record. A megadrought is a period of extreme dryness that lasts for decades. Although there have been individual years of wet conditions over the past two decades, on average conditions have been drier than any other 22-year period in the past thousand years. In 2015, Oregon experienced severe-to-extreme drought across the entire state, resulting in 25 counties receiving a drought declaration – more than any other year since 1992, when a statewide declaration was issued. Drought conditions have been occurring in much of the state during almost every year since the notable 2015 drought. In the future, a suite of tools will need to be implemented in order to better respond to and prepare for drought. As climate change continues to impact snowpack and increases the amount of precipitation arriving as rain instead of snow, Oregon will need to find ways to mitigate and adapt to these changes to help meet current and future water needs in basins across the state.

### Demand for Water Resources is Anticipated to Increase

Projected increase in both population and a longer, warmer growing season, is anticipated to lead to more demand from agricultural, commercial, residential, and industrial water users by 2050. Although not studied, needs for ecosystems are also likely to increase, given that many face limited supplies today.

### Need to Invest in Meeting Water Needs

Oregon communities, along with Oregon's fish and wildlife, are already facing limited water supplies. Surface water is almost completely allocated, and as we rely increasingly on our groundwater resources, groundwater levels have dropped precipitously in some areas of the state. Water scarcity jeopardizes public health, welfare, and quality of life, as well as the health of ecosystems. The Commission and Department recognize the need to address very pressing and critical water needs in Oregon's communities, while simultaneously engaging in longer-term strategic initiatives to better understand factors affecting the resource and proactively address challenges. In recent years, funding for planning, evaluating project feasibility, and investing in water projects has been a major driver in the Department's budget.

### Aging Infrastructure and a Lack of Investment Pose Challenges to Water Security

Aging infrastructure will require a consistent and sustained effort to address. Dams represent one category of the aging infrastructure portfolio in Oregon that underscores the magnitude of investment necessary to ensure safe storage of water. A 2012 report by a subcommittee of the Association of State Dam Safety Officials estimated "that the cost to rehabilitate non-federally regulated dams in Oregon could cost $685 million. This includes dams in all hazard rating categories." In addition, aging community water supply systems across the state need maintenance, updates, or replacement across the state. Many of these community water systems are in underserved rural areas of the state and need assistance in the planning and development of water supply and infrastructure needs for their long-term health, security, and prosperity.

### Basins Across the State Are Facing Complex Water Issues and Require Assistance

Across the state, basins are facing complicated water resource challenges requiring state involvement and participation to identify and implement solutions. Northeastern Oregon, Southcentral Oregon (in addition to the Klamath), the Deschutes Basin, the Klamath Basin, the Harney Basin, and the Willamette Basin all require support from the Department to address their water resources challenges that are in addition to regular, day-to-day water management activities.

Other areas such as Southwestern Oregon have also required occasional heightened support to address challenges such cannabis and hemp and will likely faced increased challenges as new groundwater permits seek to obtain mitigation.

## Increased Legal Expenses and Potential Impacts on Agency Services

Water scarcity and increasing competing demands for the resource, when combined with the complexity of water law, has led to increased Department costs for legal services provided by the Oregon Department of Justice for nearly a decade. The Department's legal costs have exceeded the allotted budget since the 2011-13 biennium. For three of the last four biennia, the Department has achieved savings administratively to address legal services expenses, primarily by holding vacant General Fund positions open longer. However, as the expenses have increased, the impacts on the Department's programs and services have also increased and the Department has sought assistance from the legislature. In 2019, the Department prepared a report on the Department's litigation and contested cases as required in a budget note. The 2021 legislature increased the agency's base budget for legal expenses by $800,000 to assist with the increased activity.

## Agency Process Improvement Efforts

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

Over the past several years the Departments process improvement efforts have included the following:

Groundwater Information System (GWIS): The Department's Information Services and Groundwater Staff completed work to redesign and integrate groundwater-related data into a centralized database system. Internal staff and the general public now have better access to groundwater-related data through web-based tools and web services. Incremental updates to GWIS are ongoing. In 2021, GWIS was expanded to enable Groundwater Section staff to review groundwater level measurements. This quality control process enables analyses of large quantities of water level data, such as in Groundwater Basin Studies. In 2022, GWIS was expanded to track automated water level transducer instruments and information to allow for equipment lifecycle management and troubleshooting.

Field Activity Database: The Field Activities Database is used by field staff to record and archive field activities, to monitor and regulate for instream water rights, senior out-of-stream uses, and illegal uses. Metrics compiled in the database help us report on Key Performance Measures (KPM), monitor year-to-year and long-term trends, and better account for field staff workload over time. Field staff now enter data every other week compared to once per year, allowing for more frequent data queries as needed. This also database continues to get refined to address new issues, like tracking illegal cannabis and dry domestic wells; however, the Department is working towards a new database that would provide greater features and tools for staff efficiency and better integration into other work of the department.

Tracking of Groundwater and Well Construction Technical Reviews: The Groundwater and Well Construction Review Tracking System was modified to facilitate communication between Department staff and with applicants. Each night, review queues are updated for each staff person to prioritize review work. The process now automatically estimates the month when each review will be completed based on staff capacity. This allows water right transactions applicants to better understand how long their application may take to get a review.

Groundwater Concerns Map: The Groundwater section published a map that will be regularly updated to communicate groundwater quantity resources concerns. Recent progress in integrating data across the Department enables new evaluations of the impacts of groundwater development. A data-driven assessment was made in 2021 that compiled a number of indicators to evaluate a concern about groundwater resources in each Public Land Survey System township (36 square miles) across the state. The resulting map and data set are available to the public on the Department's website, and the analysis is being re-run and published periodically to incorporate the most current data.

Reference level setting: Most groundwater permits specify that a reference groundwater level shall be set as a baseline against which future groundwater level declines may be compared. These reference levels have previously been set as part of the certification process, which typically happens many years after the start of water use. The delay has meant that fewer than 20% of reference levels are tracked in the Water Rights Information System, hindering the Department's evaluation of the current status of groundwater resources. An updated process now allows Groundwater section staff to establish reference levels consistent with permit language as pertinent data become available. Further, water level data are automatically compared against established reference levels to detect exceeded permit conditions, and these are made available to Department staff and integrated into the Groundwater Concerns Map.

Bulk water level upload: The Department routinely receives large quantities of water level data in digital, tabular format, and until recently each water level measurement had to be entered individually into the Groundwater Information System. An updated process allows upload of spreadsheets of water level data associated with routine monitoring or with pumping tests, saving significant staff time and reducing data entry errors.

Well Inspection Entry: The Department has updated the data entry portal that the Department's well inspectors use in the field to enter and track their well inspections. This updated portal gives inspectors the ability to capture more information related to the specific wells being inspected and assists the Department in ensuring that accurate and complete information is recorded. This portal allows the inspectors to attach GPS coordinates and photos to their inspections, as well as generate reports, and to track the locations of their inspections on a map.

IT Help Desk Ticketing System: The Information Services Section is deploying a new ticketing system to replace the old one which has aged out of support and lacks modern capabilities. The new ticketing system will increase the productivity of support staff and improve the handling of service desk requests.

Data Center Migration: The Information Services Section is wrapping up a migration of data center resources and infrastructure to the State's Data Center. This migration helps to provide OWRD with improved reliability and redundancy around our hosted servers, systems, and network infrastructure. It further reduces the agency need to perform costly server upgrades and reduces risk and downtime.

M365 Rollout: The Information Services Section is wrapping up a rollout of M365 services in collaboration with the Department of Administrative Services, Enterprise Information Services. These new cloud-based services including tools such as OneDrive, SharePoint and MS Teams are expanding the ability for the agency to perform and execute work leveraging the cloud. Cloud technology has been of significant help during the agency's response to the pandemic.

Mobile Device Management: The Information Services Section has implemented a new Mobile Device Management system, which greatly reduces the labor around managing mobile devices like smartphones. Smartphones have become a critical tool for field services and the increase in smart mobile devices has an increased security and labor risk. The Mobile device management system has greatly reduced both of those concerns, allowing the agency help desk to manage over 200 smartphones.

New Software Patching System: The Information Services Section has implemented a new software management and patching solution. This system replaces an older, more laborious, and manual process to patch PCs for security vulnerability. The new system automates patching and software management on a higher level, allowing existing staff to manage more systems and more software than could be performed previously.

Information Technology Strategic Planning: The Information Services Section has started work on a new IT Strategic Plan. This work will allow the IS department to better manage technological resources of the agency for the next 10-20 years. It will provide guidance around future IT investment and support better decision making around information technology.

Transition to Workday and Training: With the implementation of Workday, Human Resources processes are now mostly electronic, reducing paperwork. Human Resources staff continue to train managers on how to use the different applications in Workday. Agency staff are also participating in the transition of time tracking and the payroll to Workday scheduled to occur in December 2022.

Fiscal Modernization: The Department has explored adding the ability for customers to pay for fees using electronic checks as a payment option for existing online payment stores. A project team was formed and made recommendations on how it should be implemented once IT resources become available. Project is on hold as IT is focused on implementing HB 2145 (2021).

Dam Safety Modernization: In 2019, the Department passed legislation that modernized the State's dam safety statutes, which had been relatively unchanged since 1929. In late 2019 through mid-2020, the Department worked to revise its rules to implement the statutory changes and has since focused on implementation of the statute and rule requirements. In addition, recently, the Dam Safety Program modernized dam safety inspections with the use of data collection software called Survey123. Inspection results will now be tracked in the program's database resulting in increased efficiency and accuracy of dam safety inspections.

Certified Water Right Examiner (CWRE) Training on Youtube: During the pandemic the annual CWRE Workshops that the Department has conducted for over 20 years were cancelled. Department staff created a series of YouTube training videos, so that CWRE's could receive training during the pandemic.

Revamp of Recruitment Job Postings Template and DEI-EJ Interview Questions: The Human Resources staff worked with the agency's DEI Team and managers to implement recruitment improvements. The agency revamped its job posting template to better attract candidates and share the agency's mission, as well as more clearly articulate its values around diversity, equity, and inclusion. The agency also implemented standardized interview questions pertaining to diversity, equity, and inclusion, and environmental justice.

Pump test program process improvements: In 2021, the Department transitioned from a highly paper-based process to a more electronic process for evaluating and analyzing pump tests and pump test data. The pump test tracking system has been linked to the Water Right Information System (WRIS), allowing others to see the status of a pump test review, and has also been linked to the new groundwater review tracking system, allowing review requests to be prioritized with other water right review items in individual staff review queues. In addition, the previous process for analyzing data with a Microsoft Excel template was replaced by in-house custom software that is integrated with the Department's Groundwater Information System and utilizes rigorous statistics.

New Well Construction Exam Study Material: The Well Construction Section (WCC) has created a number of videos that are available from the Department's website that offer information and training to applicants interested in becoming Oregon licensed well constructors, or others interested in Oregon's well construction standards. The videos cover a wide range of topics and offer applicants another method to learn the material prior to sitting for the exam.

Well Construction Statue Modernization: The Department's well construction program has struggled over the years to protect groundwater resources and to serve well owners and the well drilling community, due in part to limited resources, inadequate funding, and inefficient practices due to our statutory authorities. In 2020, the Department decided to run legislation to modernize the program. The Department engaged in countless hours of negotiations with members of the Oregon Groundwater Association, and eventually the bill passed the Oregon Legislature. The Department has started to implement the bill (see below), and it will take several years to implement with the final piece of legislation going into effect in 2024.

Exempt Use Well Mapping and Invoicing: The Well Construction Section worked with the Information Services and Fiscal Sections in order to transition the exempt use well registration and mapping requirements from the owner of the property where the well is drilled to the well constructor performing the work, as required by HB 2145 (2021). This change allowed staff to modify how the registration fee was collected as well as to create mapping tools that offer a simple way for well constructors to comply with the new requirements.

Well Report Review Updates: The Well Construction Section worked with Information Services to develop a centralized database system that is used to review and track well report reviews for all of the well reports submitted after July 1, 2022, in order to implement HB 2145 (2021). The new system also links the well inspection database and start card database and gives staff the ability to track deficiencies and deficiency resolution.

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

Agency Initiatives – 2019-2023

Oregon's Integrated Water Resources Strategy (IWRS) provides a framework for understanding and meeting Oregon's current and future instream and out-of-stream water needs. Key IWRS recommended actions focus on creating additional capacity within the Department's existing programs to improve public safety, water management and decision-making, while also providing resources to meet future instream and out-of-stream water needs. Continued implementation of the IWRS is essential for securing Oregonian's water future in order to support resilient economies, ecosystems, and communities.

Some of the Department's initiatives are outlined in the process improvements section above. The Department's recent work has been focused on carrying forward actions identified in the Strategic Plan (see above sections), the Integrated Water Resources Strategy, as well as the increased investments and new legislation from the 2021 legislative session. It is important to note that these are multi-year efforts that the Department anticipates will need to extend into future biennia. See the Department's Strategic Plan for a discussion on agency priorities for the next five years. The items below implement many of these priorities.

Improving the Safety of Dams in Oregon to Protect the Public and Water Supplies: In 2018-2021, the Department, prioritized revamping its dam safety program – working to modernize the program as well as obtain resources to advance our understanding of risks to dams. The Department worked with the Legislature to pass legislation in 2019, followed by rulemaking. In 2021, the department requested, and the legislature made additional investments in the program and for assessments of dams. The Department is currently working to conduct the assessments, develop a flood methodology, and other work authorized with funding by the 2021 legislature.

Improving the Well Construction Program to Better Protect the Public and Groundwater Supplies: In 2020, to present, the Department began efforts to modernize the well construction program, working with the Legislature in 2021 to pass legislation (HB 2145), and invest in the program. Implementation of the legislation has already started and will continue through 2024, including adoption of rules.

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

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

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

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

Centering Equity: The agency formed its DEI Team in 2021 and has been working to learn how it can do a better job of centering equity in its programs. The agency will also be working to implement proposals with the $1 million in funding for equitable water access, and to implement House Bill 3293 (2021) relating to water project community engagement plans. The agency is also working to translate some of its documents into other languages. In addition, the agency is implementing Racial Equity Impact Statements required for its budget, statements to identify our rules effects on racial equity, and other required actions.

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

Backlog Reductions: As of July 1, 2022, the water right application backlog is 809, the transfer backlog is 326, and the certificate backlog is 1126. The Department received American Rescue Plan Act funding to begin work to reduce water right application, transfer, and certificate backlogs. This work is proposed to continue into next biennium. In addition, the protest backlog is currently 253. With General Fund dollars provided by the 2021 Legislature, the Department has referred 35 protested files to the OAH for a hearing and 6 protested files have been resolved without a hearing. This is the most work accomplished in any one-year period since 1995.

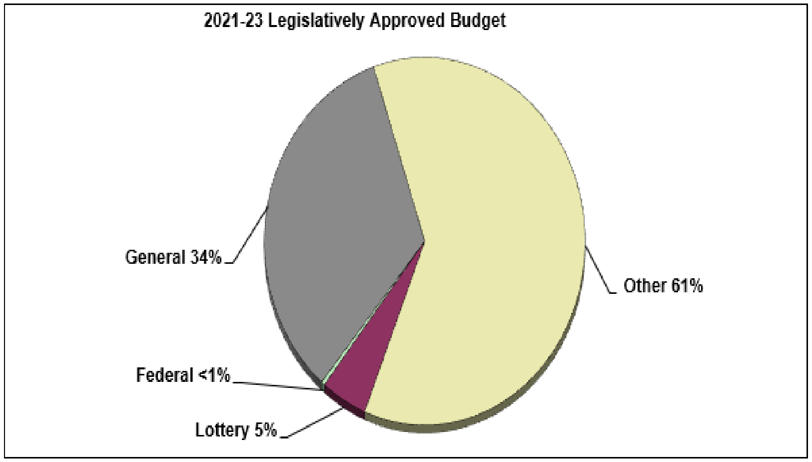
Policy Development: The Department has identified policy development as an area where it has lacked capacity for years leading to a backlog of needed rulemakings, but also limiting the agency's ability to address identified issues requiring legislation. As a result, the agency is seeking ways to bolster the policy team's capacity to advance policy work. In addition to completing much needed rulemakings, the section will also be seeking to conduct the policy work directed by the legislature, including the workgroup on transfers of stored water (HB 3103), stakeholder engagement to determine long-term funding mechanisms for fee-based programs.

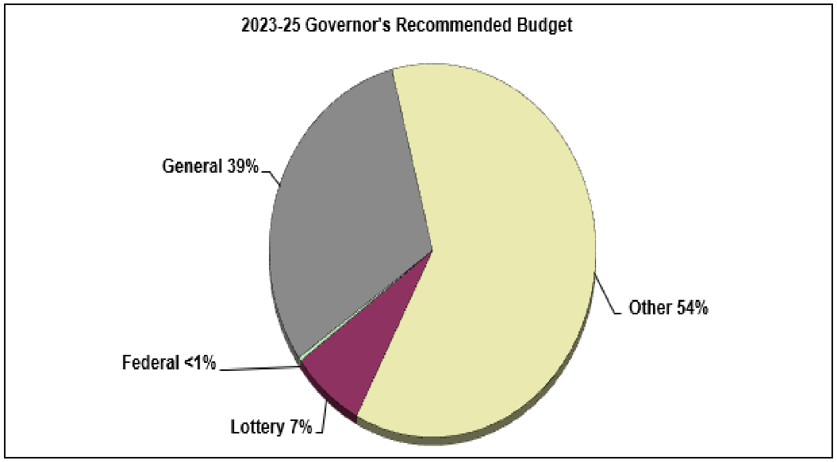
The Department is also engaged in the State's efforts to address climate change, both through the Climate Adaptation Framework as well as Governor's Executive Order 20-04 processes, as well as contracting for a statewide drought vulnerability assessment. The Department is also working to modernize many administrative aspects as discussed in the process improvements above.

Budget Summary Graphics

| | 2021-23 Legislatively Approved Budget | | | | | |
|---|---|---|---|---|---|---|
| | General | Other | Lottery | Federal | Total | FTE |
| Administrative Services | 10,039,961 | 1,966,408 | 9,499,510 | 25,000 | 21,530,879 | 32.52 |
| Field Services | 20,325,967 | 3,245,713 | - | 75,000 | 23,646,680 | 78.64 |
| Technical Services | 23,347,065 | 113,240,155 | - | 587,366 | 137,174,586 | 59.95 |
| Water Rights & Adj | 4,468,463 | 7,130,364 | - | 25,000 | 11,623,827 | 30.84 |
| Director's Office | 10,908,349 | 13,607 | - | 25,000 | 10,946,956 | 14.87 |
| Total | 69,089,805 | 125,596,247 | 9,499,510 | 737,366 | 204,922,928 | 216.82 |

| | 2023-25 Governor's Recommended Budget | | | | | |
|---|---|---|---|---|---|---|
| | General | Other | Lottery | Federal | Total | FTE |
| Administrative Services | 10,259,906 | 2,065,197 | 15,073,140 | 25,000 | 27,423,243 | 34.50 |
| Field Services | 19,733,022 | 3,175,681 | - | 75,000 | 22,983,703 | 84.50 |
| Technical Services | 15,197,290 | 8,736,305 | - | 553,315 | 24,486,910 | 57.48 |
| Water Rights & Adj | 5,190,563 | 5,582,465 | - | 25,000 | 10,798,028 | 34.84 |
| Director's Office | 13,669,763 | 109,131,607 | - | 25,000 | 122,826,370 | 24.89 |
| Total | 64,050,544 | 128,691,255 | 15,073,140 | 703,315 | 208,518,254 | 236.20 |



## Mission Statement and Statutory Authority

Statutory Authority: Oregon Revised Statutes (ORS), Chapters 536, 537, 538, 539, 540, 541, 542, 543, 543A, 549, and 555, and Oregon Administrative Rules (OAR), Chapter 690.

Mission Statement: The mission of the Water Resources Commission and Department is to serve the public by practicing and promoting responsible water management through two key goals:

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

## Agency Strategic or Business Plans

### Oregon's Integrated Water Resources Strategy

The Integrated Water Resources Strategy (IWRS) is a blueprint to help the State of Oregon better understand and meet its instream and out-of-stream needs, considering water quantity, water quality, and ecosystems. The IWRS has four primary objectives. Each is followed by a set of recommended actions designed to meet these objectives.

Objective 1: Understand Water Resources Today

Oregon needs to fill the knowledge gap – gathering, processing and sharing water resources information, so that the State can better characterize its water resources to sustain Oregon's economy and jobs, as well as a healthy environment.

To address this objective, the IWRS recommends the following actions:

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

The Department measures the following indicators and Key Performance Measures (KPMs) to track progress:

- Percent change from 2001 in the number of WRD-operated or assisted gaging stations (KPM #4)
- Percent change from 2001 in the number of WRD-operated monitoring wells (KPM # 5)
- Number of times water management-related data were accessed through WRD's internet site (KPM #7)
- Number of groundwater basins for which the Department has completed groundwater studies

- Number of streamflow measurements taken each year

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

Oregon needs a better grasp of current and future needs – both instream and out-of-stream. Without a better characterization of current water use and future water quantity, water quality, and ecosystem needs, the state cannot adequately plan to meet these needs into the future.

To address this objective, the IWRS recommends the following actions:

- 2.A Regularly update long-term water demand forecasts
- 2.B Improve water-use measurement and 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
- 3.A Determine flows needed (quality and quantity) to support instream needs
- 3.B Determine needs of groundwater dependent ecosystems

The Department measures the following indicators to track progress:

- Percent of watersheds that need flow restoration for fish that had a significant quantity of water put instream through WRD administered programs (KPM #1)
- Percent of water users with an annual water-use reporting requirement that have submitted their reports to the Department (KPM #13)
- Number of significant diversions with measurement devices installed (KPM #8)

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

Oregon must anticipate changes that may affect both water resources and water needs into the future, such as climate change, population growth and shifts, and other challenges.

To address this objective, the IWRS recommends the following actions:

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

- 5.A Support continued basin-scale climate change research efforts
- 5.B Assist with climate change adaptation and resiliency strategies
- 5.5A Plan and prepare for drought resiliency
- 5.5B Plan and prepare for flood events
- 5.5C Plan and prepare for a Cascadia subduction earthquake event
- 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
- 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
- 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

The Department measures the following indicators to track progress:

- Number of dams inspected annually
- Number of high-hazard dams in poor or unsatisfactory condition
- Number of dams with detailed technical assessments completed (e.g., seismic, structural, flood)
- Improved assessment and integration in hazard mitigation plans, drought contingency plans, and other efforts to identify drought impacts, risks, and vulnerabilities on instream and out-of-stream sectors

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

Oregon needs to integrate and coordinate both the long-term planning and day-to-day management of Oregon's water resources among local, state, federal, and tribal governments, as well as with other state partners.

To address this objective, the IWRS recommends the following actions:

- 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

- 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 and water quality permitting programs
- 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
- 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
- 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

The Department measures the following indicators to track progress:

- Percent of water right applications that receive an initial review within 45 days of application filing (KPM #10)
- Ratio of regulatory actions taken on behalf of instream water rights (KPM #2)
- Percent of water transfer final orders issued within 120 days of application filing (KPM #11)
- Number of enforcement actions handled by the Department
- Percent of total regulatory actions that found water right holders in compliance with water rights and regulations (KPM #3)
- Number of water supply projects that receive assistance from Department's Planning, Collaboration, and Investments Program
- Number of grants or loans provided for water planning, feasibility studies, household wells, and project implementation/construction
- Percent of watersheds that need flow restoration for fish that had a significant quantity of water put instream through WRD administered programs (KPM #1)
- Amount of water put instream from transfers, leases, and allocation of conserved water
- Completion of plans for areas piloting place-based integrated water resources planning

2019-2024 – Agency Strategic Plan

The 2017 IWRS identifies 18 critical issues Oregon faces and provides over 50 recommended actions for how to address those issues. These issues and actions span multiple agencies and jurisdictions. The IWRS is the umbrella document that spells out "what" generally needs to happen to understand our water resources and meet Oregon's water needs, but it does not provide the finer details of implementation. The Oregon Water Resources Department Strategic Plan is a supporting document to the IWRS and identifies the strategic direction of the Department over the next five years. Specifically, the plan includes the following priorities and objectives for the agency:

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

- Advance responsible groundwater and surface water management (IWRS Recommended Actions 1.A, 1.B, 1.C, 2.B, and 10.F)
- Modernize water transactions systems and processes (IWRS Recommended Actions 2.E and 10.G)
- Increase protection of public safety and health (IWRS Recommended Actions 5.5 and 7.C)
- Improve instream protections and increase water conservation (IWRS Recommended Actions 10.A and 11.B)

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

- Understand Oregon's expected future water supply (IWRS Recommended Actions 1.A, 1.B, 1.C, and 5.5A)
- Equip basins to plan for their water future (IWRS Recommended Actions 9.A, 9.B, 9.C, and 13.C)
- Invest in Oregon's build and natural water infrastructure (IWRS Recommended Actions 10.E, 11.A, 13.D, 13.E)
- Priority: Foster a forward-looking team dedicated to serving Oregonians with integrity and excellence
- Maintain technical excellence and improve customer service by investing in training for staff
- Improve agency communications

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

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

## Criteria for 2023-25 Budget Development

The Department developed its 2023-25 budget proposal based on the budget and legislative concept instructions provided by the Department of Administrative Services, detailing the content and format of agency budgets. The proposal is based on the Department's mission to serve the public by practicing and promoting responsible long-term water management. This budget proposal identifies the resources necessary to carry out the Department's co-equal goals of stewardship and supply. In addition, it focuses on implementing the statewide Integrated Water Resources Strategy, the Department's Strategic Plan Initiatives, recommendations contained in the 2016 Secretary of State's Audit, the Department's continuing and proposed work identified in its Executive Order 20-04 related to climate change adaptation, and continuing work to carry out the Department's core functions in a manner that is forward-looking, and advances the principles of equity, inclusion, and diversity.

While the number of budget requests is significant, the Department decided that it was important to put forward the proposals to continue to communicate what and how investments will help the Department better serve the public and meet the water needs of Oregonians to the Governor and Legislature as recommended by the 2016 Secretary of State's Audit. New budget investments are intended to provide a menu of options.

The Agency Request Budget includes investments in key areas to advance our understanding and management of groundwater and surface water resources, invest in critical services within the Department, and meet Oregon's water resources needs to support healthy communities, ecosystems, and economies. In accordance with IWRS, the Department's Strategic Plan, the Agency Request Budget includes investments in key areas to: improve foundational agency wide functions, such as information technology, fiscal services, public records management, and water rights processing; support planning, collaboration and solutions, including investments in Department funding programs; promote public engagement and center equity; invest in water data, climate change resiliency and adaptation, and public safety; and continue to address local water issues, including specific investments in the Deschutes, Malheur, and Umatilla basins.

Acknowledging that the Department believes that all these proposals are important and essential, the budget packages were prioritized based on the following considerations:

1. Finishing work from 2021 investments and fixing funding gaps in existing programs were generally prioritized higher: While still critical to advancing the Department's mission, new projects and investments were prioritized lower. This includes prioritizing continuing the work of existing positions from the 2021 session that were limited duration, continuing projects funded by the 2021 session such as the water rights and protest backlog reduction efforts, addressing revenue gaps in existing programs that results in broader agency impacts, and carryover for unspent funds from 2021. It also includes shoring up gaps in sections that provide the foundation for the entire agency's success, such as investments in information technology, accounting, and public records processing work.

2. Equity: Centering equity was an important factor in the development of budget proposals and prioritization.

3. Prioritizing statewide benefits: Investments that benefit the state as whole were generally prioritized higher than those focused on a specific region. Investments in statewide data, projects, and funding programs serve more Oregonians.

## State Owned Buildings and Infrastructure

The Department owns a piece of land in Jefferson with an approximate replacement value of $50,000.

## Agency IT Strategic Plan

The Department does not currently have an IT Strategic Plan. Resources to assist the agency with this effort are being requested in Agency Request Budget package 104.

## IT Project Prioritization Matrix/Initiatives

The Department does not currently have any IT projects or initiatives more than $150,000.

Summary of 2023-25 Biennium Budget (BDV104)

### Summary of 2023-25 Biennium Budget

**Water Resources Dept**
**Water Resources Program**
**2023-25 Biennium**

**Governor's Budget**
**Cross Reference Number: 69000-000-00-00-00000**

| Description | Positions | Full-Time Equivalent (FTE) | ALL FUNDS | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds |
|---|---|---|---|---|---|---|---|---|---|
| 2021-23 Leg Adopted Budget | 209 | 196.81 | 190,674,321 | 58,566,215 | 9,499,510 | 121,883,596 | 725,000 | - | - |
| 2021-23 Emergency Boards | 32 | 20.01 | 14,248,607 | 10,523,590 | - | 3,712,651 | 12,366 | - | - |
| **2021-23 Leg Approved Budget** | **241** | **216.82** | **204,922,928** | **69,089,805** | **9,499,510** | **125,596,247** | 737,366 | - | - |
| **2023-25 Base Budget Adjustments** | | | | | | | | | |
| Net Cost of Position Actions | | | | | | | | | |
| Administrative Biennialized E-Board, Phase-Out | (6) | 12.36 | 5,472,663 | 5,377,050 | - | 128,382 | (32,769) | - | - |
| Estimated Cost of Merit Increase | | | - | - | - | - | - | - | - |
| Base Debt Service Adjustment | | | 5,573,630 | - | 5,573,630 | - | - | - | - |
| Base Nonlimited Adjustment | | | - | - | - | - | - | - | - |
| Capital Construction | | | - | - | - | - | - | - | - |
| **Subtotal 2023-25 Base Budget** | **235** | **229.18** | **215,969,221** | **74,466,855** | **15,073,140** | **125,724,629** | 704,597 | - | - |
| **Essential Packages** | | | | | | | | | |
| 010 - Non-PICS Pers Svc/Vacancy Factor | | | | | | | | | |
| Vacancy Factor (Increase)/Decrease | - | - | (100,406) | (129,262) | - | 28,856 | - | - | - |
| Non-PICS Personal Service Increase/(Decrease) | - | - | 348,753 | 344,820 | - | 5,215 | (1,282) | - | - |
| **Subtotal** | - | - | **248,347** | **215,558** | - | **34,071** | (1,282) | - | - |
| 020 - Phase In / Out Pgm & One-time Cost | | | | | | | | | |
| 021 - Phase-in | - | - | 138,303 | 138,303 | - | - | - | - | - |
| 022 - Phase-out Pgm & One-time Costs | - | - | (48,242,444) | (13,100,103) | - | (35,142,341) | - | - | - |
| **Subtotal** | - | - | **(48,104,141)** | **(12,961,800)** | - | **(35,142,341)** | - | - | - |
| 030 - Inflation & Price List Adjustments | | | | | | | | | |
| Cost of Goods & Services Increase/(Decrease) | - | - | 982,774 | 982,774 | - | - | - | - | - |
| State Gov't & Services Charges Increase/(Decrease) | | | 424,558 | 455,858 | - | (31,300) | - | - | - |

## Summary of 2023-25 Biennium Budget

**Water Resources Dept** | **Governor's Budget**
**Water Resources Program** | **Cross Reference Number: 69000-000-00-00-00000**
**2023-25 Biennium**

| Description | Positions | Full-Time Equivalent (FTE) | ALL FUNDS | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds |
|---|---|---|---|---|---|---|---|---|---|
| **Subtotal** | - | - | **1,407,332** | **1,438,632** | - | **(31,300)** | - | - | - |
| 040 - Mandated Caseload | | | | | | | | | |
| 040 - Mandated Caseload | - | - | - | - | - | - | - | - | - |
| 050 - Fundshifts and Revenue Reductions | | | | | | | | | |
| 050 - Fundshifts | - | - | - | - | - | - | - | - | - |
| 060 - Technical Adjustments | | | | | | | | | |
| 060 - Technical Adjustments | - | - | - | - | - | - | - | - | - |
| **Subtotal: 2023-25 Current Service Level** | **235** | **229.18** | **169,520,759** | **63,159,245** | **15,073,140** | **90,585,059** | **703,315** | - | - |

03/16/23 | Page 2 of 28 | BDV104 - Biennial Budget Summary
10:46 AM | | BDV104

## Summary of 2023-25 Biennium Budget

**Water Resources Dept**
**Water Resources Program**
**2023-25 Biennium**

**Governor's Budget**
**Cross Reference Number: 69000-000-00-00-00000**

| Description | Positions | Full-Time Equivalent (FTE) | ALL FUNDS | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds |
|---|---|---|---|---|---|---|---|---|---|
| **Subtotal: 2023-25 Current Service Level** | **235** | **229.18** | **169,520,759** | **63,159,245** | **15,073,140** | **90,585,059** | 703,315 | - | - |
| 070 - Revenue Reductions/Shortfall | | | | | | | | | |
| 070 - Revenue Shortfalls | - | - | - | - | - | - | - | - | - |
| **Modified 2023-25 Current Service Level** | **235** | **229.18** | **169,520,759** | **63,159,245** | **15,073,140** | **90,585,059** | 703,315 | - | - |
| 080 - E-Boards | | | | | | | | | |
| 081 - June 2022 Emergency Board | - | - | - | - | - | - | - | - | - |
| **Subtotal Emergency Board Packages** | - | - | - | - | - | - | - | - | - |
| Policy Packages | | | | | | | | | |
| 090 - Analyst Adjustments | - | - | (1,975,897) | (1,975,897) | - | - | - | - | - |
| 091 - Additional Analyst Adjustments | (3) | (3.00) | (2,206,298) | (2,206,298) | - | - | - | - | - |
| 092 - Statewide AG Adjustment | - | - | (101,400) | (100,264) | - | (1,136) | - | - | - |
| 093 - Statewide Adjustment DAS Chgs | - | - | (365,241) | (307,297) | - | (57,944) | - | - | - |
| 101 - Facilitate Interagency Work & Implement IWRS | 1 | 1.00 | 371,011 | 371,011 | - | - | - | - | - |
| 102 - Address Agency-Wide Foundational Support Gaps | - | - | - | - | - | - | - | - | - |
| 103 - ODFW Review and Scenic Waterway Revenue Gaps | - | - | - | - | - | - | - | - | - |
| 104 - IT Foundation, Modernization & Strategic Plan | - | - | - | - | - | - | - | - | - |
| 105 - American Rescue Plan Act Carry Over | - | - | 15,900,000 | - | - | 15,900,000 | - | - | - |
| 106 - Water Planning Funding, Support, and Data | - | - | - | - | - | - | - | - | - |
| 107 - Feasibility Studies, Water Projects, & Wells | - | - | 23,265,276 | 1,000,000 | - | 22,265,276 | - | - | - |
| 108 - Water Rights and Protest Backlog Reduction | 5 | 4.00 | 851,985 | 851,985 | - | - | - | - | - |
| 109 - Adapt to Climate Change and Drought | - | - | - | - | - | - | - | - | - |
| 110 - Centering Equity in Agency Programs & Policy | 2 | 1.76 | 449,337 | 449,337 | - | - | - | - | - |
| 111 - Water Use, Supply and Availability Data | 4 | 3.26 | 1,308,722 | 1,308,722 | - | - | - | - | - |

## Summary of 2023-25 Biennium Budget

**Water Resources Dept** | **Governor's Budget**
**Water Resources Program** | **Cross Reference Number: 69000-000-00-00-00000**
**2023-25 Biennium**

| Description | Positions | Full-Time Equivalent (FTE) | ALL FUNDS | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds |
|---|---|---|---|---|---|---|---|---|---|
| 112 - Supporting Tribal Water Solutions & Relations | - | - | - | - | - | - | - | - | - |
| 113 - Continuing Legislative Basin Investments | - | - | - | - | - | - | - | - | - |
| 114 - Watermaster Staff: Improving Water Management | - | - | - | - | - | - | - | - | - |
| 115 - Supporting Resolution of Complex Issues | - | - | 1,500,000 | 1,500,000 | - | - | - | - | - |
| 116 - Increase Engagement through Communications | - | - | - | - | - | - | - | - | - |
| 117 - Assess and Inventory Levees | - | - | - | - | - | - | - | - | - |
| 118 - Understanding the Lake Abert Watershed | - | - | - | - | - | - | - | - | - |
| 119 - Studying Springs in Deschutes Basin | - | - | - | - | - | - | - | - | - |
| 120 - Improving Data Accuracy and Availability | - | - | - | - | - | - | - | - | - |
| **Subtotal Policy Packages** | **9** | **7.02** | **38,997,495** | **891,299** | **-** | **38,106,196** | **-** | **-** | **-** |
| | | | | | | | | | |
| **Total 2023-25 Governor's Budget** | **244** | **236.20** | **208,518,254** | **64,050,544** | **15,073,140** | **128,691,255** | 703,315 | - | - |
| | | | | | | | | | |
| Percentage Change From 2021-23 Leg Approved Budget | 1.24% | 8.94% | 1.75% | -7.29% | 58.67% | 2.46% | -4.62% | - | - |
| Percentage Change From 2023-25 Current Service Level | 3.83% | 3.06% | 23.00% | 1.41% | - | 42.07% | - | - | - |

# PROGRAM PRIORITIZATION FOR 2023-25

**Agency Name: Water Resources Department**

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

| 1 | 2 | 5 | 7 | 8 | 9 | 10 | 12 | 14 | 15 | 16 | 17 | 19 | 20 | 22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Priority (ranked with highest priority first) | | Program Unit/Activity Description | Primary Purpose Program-Activity Code | GF | LF | OF | FF | TOTAL FUNDS | Pos. | FTE | New or Enhanced Program (Y/N) | Legal Req. Code (C, D, FM, FO, S) | Legal Citation | Packages included in Agency Request |
| 1 | FSD | **Water Distribution** - Field investigations, outreach to water right holders, distribution of surface water and groundwater according to rights of record, and protection of senior water rights, both instream and out-of-stream. Includes watermasters, assistant watermasters, region managers, and other field staff. | 9 | 19,563,380 | 0 | 1,243,163 | 75,000 | $ 20,881,543 | 72 | 72.00 | Y | S | 536, 537, 538, 539, 540, 542 | 103, 114 |
| 2 | TSD/FSD | **Public Safety in Water-Related Infrastructure** - Dam safety and well construction programs, development of well construction standards, well driller licensing, and general enforcement. Well protections include prevention of waste, contamination, and loss of artesian pressure. Includes dam safety inspectors, well construction specialists, well inspectors, and enforcement staff. | 9 | 2,548,268 | 0 | 6,852,742 | 298,564 | $ 9,699,574 | 19 | 18.21 | N | S | 536, 537, 540 | 114, 117 |
| 3 | WRSD | **Water Right Transactions** - Processing of new water right applications, permit extensions, certificates, limited licenses, and water right records and research. Also includes protest coordinator, Water Management and Conservation Plans, and processing requests for changes (i.e., leases, allocations of conserved water, or transfers). Transfers can include a change in place of use, type of use, or point of diversion. Transactions include both instream and out-of-stream. | 6 | 4,407,196 | 0 | 3,441,786 | 25,000 | $ 7,873,982 | 30 | 28.67 | N | S | 536, 537, 538, 540, 541, 542 | 103, 108, 109 |
| 4 | TSD/ASD/FSD | **Hydrologic Data Development, Analysis, and Publication** - Measuring the physical water resources of the state, including streamflow (surface water), water levels in wells (groundwater), and reservoir elevations (storage). Analysis includes reporting of water diverted and used, development of groundwater studies, groundwater-surface water interaction, surface water analysis, and water availability. Publication includes electronic platforms and portals for surface water and groundwater data, water right information management,and Geographic Information Systems (GIS) mapping. Includes water measurement analyst, hydrographers, hydrotechs, hydrologists, and hydrogeologists. | 9 | 15,460,731 | 0 | 2,996,227 | 0 | $ 18,456,958 | 51 | 51.00 | N | S | 536, 537, 540, 541, 542 | 106, 109, 111, 118, 119, 120 |

# PROGRAM PRIORITIZATION FOR 2023-25

| *Agency Name: Water Resources Department* | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2023-25 Agency-wide Prioritization | | | | | | | | | | | Agency Number: 69000 | | | |
| 1 | 2 | 5 | 7 | 8 | 9 | 10 | 12 | 14 | 15 | 16 | 17 | 19 | 20 | 22 |
| Priority (ranked with highest priority first) | | Program Unit/Activity Description | Primary Purpose Program-Activity Code | GF | LF | OF | FF | TOTAL FUNDS | Pos. | FTE | New or Enhanced Program (Y/N) | Legal Req. Code (C, D, FM, FO, S) | Legal Citation | Packages included in Agency Request |
| 5 | DO | **Water Resource Conservation, Development, and Solutions**- Programs to assist individuals and communities to address instream and out-of-stream water needs now and into the future through place-based planning, feasibility studies, and water projects (such as conservation, efficiency, storage, water re-use). Includes Water Resources Development Program staff. | 6 | 5,439,449 | 0 | 73,500,000 | 0 | $ 78,939,449 | 12 | 11.13 | N | S | 541 | 106, 107, 109, 115 |
| 6 | DO | **Director's Office** - Policy and legal oversight, public records requests, public information / media, tribal and intergovernmental relations, staffing the Water Resources Commission, coordinating with the Oregon Legislature, rulemaking, public hearings, special projects, and Integrated Water Resources Strategy implementation and updates. | 9 | 4,918,769 | 0 | 154,383 | 25,000 | $ 5,098,152 | 11 | 11.00 | N | S | 182, 183, 184, 536, 537, 538, 540, 541, 542, 543, 543A | 101, 102, 106, 107, 109, 110, 111, 112, 115, 116 |
| 7 | WRSD | **Hydroelectric Program** - Coordinating on hydroelectric project re-authorization and FERC licensing, reviews non-FERC applications. | 6 | 0 | 0 | 648,591 | 254,751 | $ 903,342 | 2 | 2.00 | N | C, S | 536, 537, 541, 543,543A, Art XI-D | |
| 8 | WRSD | **Adjudication** - Undertakes the processes to confirm pre-1909 surface water rights, as well as federal and tribal reserved water right claims. | 6 | 476,493 | 0 | 0 | 0 | $ 476,493 | 1 | 1.00 | N | S | 537, 539 | |
| NR | ASD/FSD/TSD | **Central Administrative Costs** - Accounting, Budgeting, Human Resources, Support Services, Contracts, Facilities, front counter assistance, system administration (information technology, application developers, webmaster, risk management and firewalls, and business continuity). Includes fixed S&S costs. | 6 | 10,344,959 | 0 | 1,748,167 | 25,000 | $ 12,118,126 | 37 | 34.17 | N | C, S | 541, Art XI-I(1) | 102, 104, 106, 107, 108, 109, 111, 113, 114, 120 |
| NR | ASD | **Debt Service** | 6 | 0 | 15,073,140 | 0 | 0 | $ 15,073,140 | 0 | 0.00 | N | D | | |
| | | | | 63,159,245 | 15,073,140 | 90,585,059 | 703,315 | $ 169,520,759 | 235 | 229.18 | | | | |

Reduction Options for 2023-25 (107BF17)

## 10% Reduction Options (ORS 291.216)

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| 69000-000-00-00-00000 (All) | Standard Inflation - Reduction in the amount of package 030 general fund standard inflation. | $ 100,000 | $ - | $ - | $ 100,000 | - | | 1 |
| ~~69000-000-00-00-00000 (All)~~ | ~~Increased Vacancy Savings / S&S Reduction Reduced spending on miscellaneous services and supplies or increased vacancy savings targets. Services & Supplies categories are yet to be determined however reductions could include things like reduced spending in office supplies, limiting travel to only essential travel, limiting Commission meetings to virtual only, reduce the footprint of rented office or storage space. Reductions in S&S or increased vacancy targets means the Department will be delayed in implementing the services provided to the public entrusted to the Department by the Legislature.~~ | ~~$ 150,000~~ | ~~$ -~~ | ~~$ -~~ | ~~$ 150,000~~ | ~~-~~ | | ~~2~~ |
| ~~69000-010-04-03-00000 (SWH)~~ | ~~Evapotranspiration funding - Reduced technical support for implementation of the historical (1985-2021) evapotranspiration data for the HB2018 funded water budget studies and co-authoring of reports. Items could include reductions to the number of sensors, locations, and methodology which would increase confidence in ET with input from stakeholders.~~ | ~~$ 325,000~~ | ~~$ -~~ | ~~$ -~~ | ~~$ 325,000~~ | ~~-~~ | | ~~3~~ |

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| ~~69000-010-07-03-00000 (PCI)~~ | ~~Water Measurement Cost Share Funding - Water use measurement helps the Department to manage and understand the resource. The cost to install weirs, flumes, meters, or other appropriate measurement devices can be significant, up to several thousand dollars for meters and as much as $25,000 for large flumes or weirs. Water users cite the expense of installation as a barrier to installing measuring devices. This fund provides for a cost share on the expense of purchasing and installing water use measurement devices. This reduction would result in fewer measurement devices installed, increase the need for time-consuming measuring device regulatory orders and compliance checks, and decrease water management efficiency.~~ | ~~$ 106,511~~ | ~~$ -~~ | ~~$ -~~ | ~~$ 106,511~~ | ~~-~~ | | 4 |
| 69000-010-07-03-00000 (PCI) | Feasibility Study Grants - Local communities often find it difficult to secure feasibility study funding as part of their project development. Such studies help determine the environmental, engineering, economic, and social implications of proposed water supply projects. Reducing the funding would impact the ability of the grant program to provide funding for these studies, reducing the ability to assess future water conservation, reuse or storage projects, and to meet water needs. | $ 390,633 | $ - | $ - | $ 390,633 | - | | 5 |

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| ~~69000-010-07-03-00000 (PCI)~~ | ~~Facilitation Funds - This reduction will remove 2/3rds of the funds allocated for facilitation. Reduced funding for facilitation services will mean that Department staff will take on these duties in addition to their regular work, potentially delaying the work in the Willamette and Deschutes Basins.~~ | ~~$ 200,000~~ | ~~$ -~~ | ~~$ -~~ | ~~$ 200,000~~ | ~~-~~ | | ~~6~~ |
| ~~69000-010-04-02-00000 (GWH)~~ | ~~Groundwater Investigation Funds - Competition for groundwater increases every year. Impacts from climate change, weather conditions, and groundwater development are measured at state observation wells throughout the state and are critical to help assess Oregon's groundwater resources and understand groundwater levels. These wells contribute to Oregon's long-term record of groundwater data. Insufficient information about groundwater supplies can lead to overallocation of the resource, impacting people that rely on groundwater as well as streams. This action would reduce the funding available for the maintenance and establishment of monitoring wells and would slow data collection supporting groundwater studies around Oregon.~~ | ~~$ 447,830~~ | ~~$ -~~ | ~~$ -~~ | ~~$ 447,830~~ | ~~-~~ | | ~~7~~ |

# BUDGET NARRATIVE

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| ~~69000-010-07-02-00000 (Policy)~~ | ~~Outreach Funds - Reductions to the outreach funding would mean less money to support outreach associated with development of groundwater budgets and associated data development in HB 2018. This means that the Department may not be able to develop as many informational materials or hold as many public participation events. The public may be less informed about the work and have less opportunity for input.~~ | ~~$ 250,000~~ | ~~$ -~~ | ~~$ -~~ | ~~$ 250,000~~ | ~~-~~ | | ~~8~~ |

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| ~~69000-010-04-03-00000 (SWH)~~ | ~~Gaging Station Funding - The Water Resources Department operates over 250 stream and reservoir gages throughout the state, maintaining a 100-year record for many of them. This network of stream gages is important in both the management of Oregon's surface water and groundwater resources. It is used by a variety of organizations for making daily decisions, distributing water, protecting and monitoring instream flows, forecasting floods, designing infrastructure such as bridges and culverts, planning for recreational activities, understanding how much water is available for new uses, and tracking long-term trends such as climate change and drought. This action reduces funding for the installation and maintenance of gaging stations. Reductions to this funding stream reduce our ability to maintain and repair stream gage infrastructure that is roughly worth $3 million. Some gaging stations may not be able to be repaired.~~ | ~~$ 163,496~~ | ~~$ -~~ | ~~$ -~~ | ~~$ 163,496~~ | ~~-~~ | | ~~9~~ |
| 69000-010-01-03-00000 (IS) | Water Rights Data Technician - This position is primarily focused around updating and fixing errors with legacy water right data. Losing this position will reduce the section's ability to proactively fix errors in WRIS data. This will impact on the agency's ability to use WRIS data for regulation and interference research. | $ 154,281 | $ - | $ - | $ 154,281 | 1 | 1.00 | 10 |

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| ~~69000-010-03-00-00000 (FSD)~~ | ~~Two Assistant Watermasters - A reduction in assistant watermaster staff in the Field Services Division will impact the Department's ability to respond to complaints of illegal water use, well-to well interference, and timely regulate and distribute water to meet the demand of senior water right holders. Recent increases in assistant watermaster staff were provided to the Department in December 2021 to address unauthorized water use associated with increased cannabis in Oregon.~~ | ~~$ 368,182~~ | ~~$ -~~ | | ~~$ 368,182~~ | ~~2~~ | ~~2.00~~ | ~~11~~ |
| 69000-010-07-03-00000 (PCI) | **Engagement Coordinator** - A reduction in this position will reduce agency capacity to inform and engage the public in the development of groundwater budgets and other associated data. This may reduce public confidence in the data. It will also reduce the agency's capacity to engage the public and water users on water issues in the southwestern part of the state. | $ 231,678 | $ - | $ - | $ 231,678 | 1 | 1.00 | 12 |
| 69000-010-03-07-00000 (ENF) | **Enforcement & Compliance Support Specialist** - Reducing the number of enforcement and compliance specialists in the Field Services Division will slow down the processing of formal enforcements against illegal water users, which impacts the Department's ability to gain compliance with Oregon water laws. | $ 206,070 | $ - | $ - | $ 206,070 | 1 | 1.00 | 13 |

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| 69000-010-04-03-00000 (SWH) | **Hydrographer** - Reduces department's ability to address streamgage records processing backlog; this impacts the processing of data used for basin studies, and other scientific work, as well as accessibility of final data for the public. | $ 206,070 | $ - | $ - | $ 206,070 | 1 | 1.00 | 14 |
| 69000-010-04-02-00000 (GWH) | **Groundwater Investigation Funds** - This eliminates funding to create water budgets under HB 2018, meaning the Department would not be able to pursue this work and would not develop or refine its understanding of basin water budgets. This will reduce the available information to the Department to make informed decisions about water allocation and management. | $ 784,675 | $ - | $ - | $ 784,675 | - | | 15 |
| 69000-010-03-00-00000 (FSD) | Assistant Watermaster - A reduction in assistant watermaster staff in the Field Services Division will impact the Department's ability to respond to complaints of illegal water use, well-to-well interference, and to timely regulate and distribute water to meet the demand of senior water right holders. Recent increases in assistant watermaster staff were provided to the Department in December 2021 to address unauthorized water use associated with increased cannabis in Oregon. | $ 184,091 | | | $ 184,091 | 1 | 1.00 | 16 |

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| 69000-010-04-02-00000 (GWH) | **Hydrogeologist** - Department hydrogeologists are responsible for groundwater data collection, review of applications for new groundwater rights and transfers of existing rights, well interference investigations, basin study support, and responding to complaints between well users. Each staff person develops expertise in the geology and hydrogeology of one or more basins in Oregon, where they focus their efforts. Removal of this position will increase the backlog and processing time of groundwater applications and transfers, reduce collection of groundwater data, and increase the response time for questions and complaints from groundwater users and policy makers. | $ 241,171 | $ - | $ - | $ 241,171 | 1 | 1.00 | 17 |
| 69000-010-07-03-00000 (PCI) | **Technical Analyst** - This will reduce the Department's ability to respond to technical assistance requests, particularly from planning groups and groups working on complex basin issues. This will reduce collaboration and undermine trust and relationships the Department has been working to build. It will also reduce information accessible to the public. | $ 206,070 | $ - | $ - | $ 206,070 | - | 0.75 | 18 |

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| 69000-010-06-04-00000 (TACS) | **WR Transfer Specialist** - A reduction in this position will reduce agency capacity to process water right transfers and associated transactions processed by the transfers and conservation section. This will increase processing times and public frustration with the Department, as well as reduce water users ability to make changes to their water rights to meet their needs. | $ 231,678 | $ - | $ - | $ 231,678 | 1 | 1.00 | 19 |
| 69000-010-03-07-00000 (ENF) | **Enforcement & Compliance Program Specialist** - Reducing the number of enforcement and compliance specialists in the Field Services Division will slow down the processing of formal enforcements against illegal water users, which impacts the Department's ability to gain compliance with Oregon water laws. | $ 231,678 | $ - | $ - | $ 231,678 | 1 | 1.00 | 20 |
| 69000-010-01-03-00000 (IS) | **GIS Application Developer** - This reduction would mean less resources available for GIS and mapping. This position also does application development. Reductions in our Information Services Section impact the Department's ability to maintain existing systems, modernize operations, collect and interpret data for management decisions, and provide information to water users, the public, planning groups, and others. | $ 228,049 | $ - | $ - | $ 228,049 | 1 | 1.00 | 21 |

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| 69000-010-04-02-00000 (GWH) | Groundwater Investigation Funds - This substantially delays rate of progress on the Walla Walla groundwater study and reduces federal cost share match. Leaves $200k. This will mean that the agency takes longer to complete the Walla Walla groundwater study, and will not have this data timely for decisionmaking. | $ 241,114 | $ - | $ - | $ 241,114 | | | 22 |
| 69000-010-04-02-00000 (GWH) | Two Hydrogeologists - Department hydrogeologists are responsible for groundwater data collection, review of applications for new groundwater rights and transfers of existing rights, well interference investigations, basin study support, and responding to complaints between well users. Each staff person develops expertise in the geology and hydrogeology of one or more basins in Oregon, where they focus their efforts. Removal of this position will increase the backlog and processing time of groundwater applications and transfers, reduce collection of groundwater data, and increase the response time for questions and complaints from groundwater users and policy makers. | $ 214,173 | $ 320,652 | | $ 534,825 | 2 | 2.00 | 23 |

# BUDGET NARRATIVE

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| 69000-010-01-01-00000 (BS) | **Administrative Specialist -** This position is part of a team of administrative professsionals created to support critical agency wide and division support needs. Reducing one of these positions means that agency wide and division support functions like expenditure tracking, purchasing, scheduling, meeting support, or fiscal processing will be delayed. | $ 83,760 | $ 75,782 | $ - | $ 159,542 | 1 | 1.00 | 24 |
| 69000-010-07-03-00000 (PCI) | **Reduce Harney CREP funding -** Leaves ~$130k. The Department has found groundwater to be overappropriated in the Greater Harney Valley, which will necessitate reductions in groundwater use. The Harney CREP provides an avenue for incentives for voluntary reductions of groundwater use. This is a key effort in helping the agricultural community transition to their new water future and critical for supporting the local economy during this transition. A reduction in these funds will limit how many acres can be enrolled in the program and will limit the voluntary incentive to reduce groundwater use. | $ 369,715 | $ - | $ - | $ 369,715 | | | 25 |
| 69000-010-04-04-00000 (WCC) | **Well Program Specialist -** Affects department's ability to meet to 120 day review timeline for well reports and complete follow up on identified well construction deficiencies. Reduces the Department's ability to work with well drillers and the public. | $ - | $ 241,171 | $ - | $ 241,171 | 1 | 1.00 | 26 |

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| 69000-010-01-01-00000 (BS) | **Loan Specialist -** Reduction eliminates position responsible for the inactive Water Development Loan Program. No funding exists currently for this position. The agency has funded this position using vacancy savings to assist with Procurement and Contracting work that is a vital support for Department programs. | $ - | $ 307,864 | $ - | $ 307,864 | 1 | 1.00 | 27 |
| 69000-010-06-06-00000 (WRADM) | **Executive Support Specialist -** This position is responsible for coordinating purchases, travel, employee leave, division timesheets, monthly production reports, division staff meetings and provides general support for the Division Administrator and the Water Right Services Division. In addition this position coordinates the annual Certified Water Right Examineer Workshops held in four locations around the staff each fall. These workshops have attendance of approximatey 200 water right professionals each year and generate $20,000 in other fund revenue per year. | $ - | $ 184,091 | $ - | $ 184,091 | 1 | 1.00 | 28 |

| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| 69000-010-06-01-00000 (WR) | **Water Rights Caseworker** - This is one of 4 water right application processers. These caseworkers process new water right applications. The elimination of this position would cause processing to slow down in this area. The process is designed to take six to nine months. If this position were eliminated processing would slow by three to six months during the biennium. | $ - | $ 184,091 | $ - | $ 184,091 | 1 | 1.00 | 29 |
| 69000-010-06-01-00000 (WR) | **WR Customer Service** - This position is pending a permanent finance package to a Public Service Rep 4. The position is one of two primary customer service positions at the Department and responds to emails, phone calls and walk-in traffice at the front counter at the Salem office. This position also reviews new water right applications for completeness. If this position is not retained the Departmet will require several other positons to do this work which will negatively impact the Division's ability to process applications for water rights and transfers. | $ - | $ 159,542 | $ - | $ 159,542 | 1 | 1.00 | 30 |
| 69000-010-06-03-00000 (HYDRO) | **Hydroelectric & Water Rights Analyst** - This position is one of two positions that supports the Department's Hydroelectric program. Elimination would reduce the Department's ability to participate in FERC processes, coordinate with other agencies, and timely process and respond to hydroelectric producers and the public. | $ - | $ 235,313 | $ - | $ 235,313 | - | 0.87 | 31 |

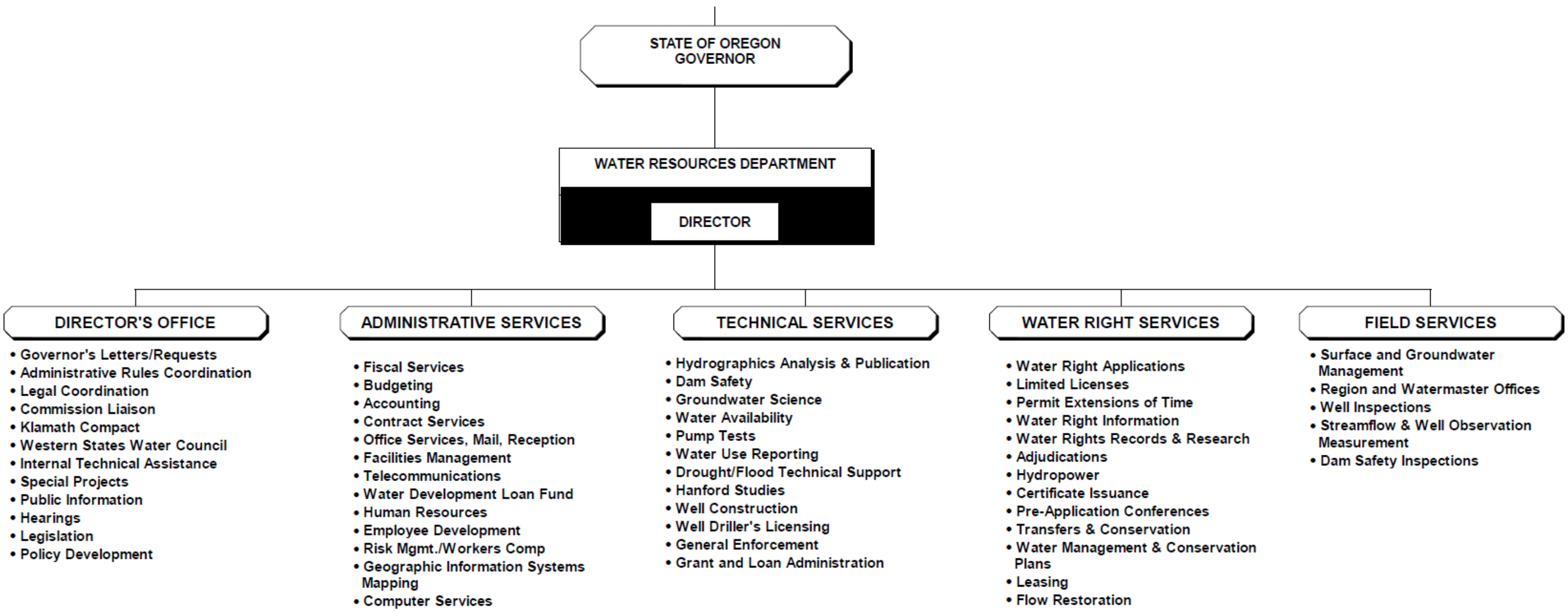
| WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN | DESCRIBE THE EFFECTS OF THIS REDUCTION. IDENTIFY REVENUE SOURCE FOR OF, FF. INCLUDE POSITIONS AND FTE FOR 2023-25 AND 2025-27 | GF | OF | FF | Total Fund | POS | FTE | RANK |
|---|---|---|---|---|---|---|---|---|
| 69000-010-06-00-00000 (WRSD) | **Special Payments Reduction -** This reduction would reduce the limitation for special payments in the Department. Doing so would likely mean the Department would need to return to the Legislature or Emergency Board to request limitation increases in the future for any funds awarded that exceed our current limitations. | $ - | $ - | $ 24,000 | $ 24,000 | - | | 32 |
| 69000-010-07-00-00000 (DO) | **Special Payments Reduction -** This reduction would reduce the limitation for special payments in the Department. Doing so would likely mean the Department would need to return to the Legislature or Emergency Board to request limitation increases in the future for any funds awarded that exceed our current limitations. | $ - | $ - | $ 24,000 | $ 24,000 | - | | 33 |
| 69000-010-01-00-00000 (ASD) | **Special Payments Reduction -** This reduction would reduce the limitation for special payments in the Department. Doing so would likely mean the Department would need to return to the Legislature or Emergency Board to request limitation increases in the future for any funds awarded that exceed our current limitations. | $ - | $ - | $ 22,332 | $ 22,332 | - | | 34 |
| | | **$ 6,315,925** | **$ 1,708,506** | **$ 70,332** | **$ 8,094,763** | **19** | **20.62** | |

Reductions included Governor's Recommended Budget:

- $2.9m GF reduction, which increases the Department's Vacancy Savings target to 10.3% of budgeted salaries and wages.
- Reduces funding for evapotranspiration projects in the amount of $325k (partial reduction of 2021 SB 5561 cannabis package).
- Reduces the Water Measurement Cost Share base budget funding by $106,511. This only impacts the biennial addition of new GF to the account. ~$140k Other Fund remains in the account, plus ARPA carryover in POP 105.
- Reduces outreach and facilitation funds by $450k (from 2021: HB 2018 and Complex issues).
- Reduces groundwater study and observation well funding for by ~$448k.
- Reduce gaging station funds by $163k.
- Eliminates two assistant watermasters ($368k GF) and an evapotranspiration hydrologist ($206k GF) that was related to cannabis (from 2021 SB 5561)
- Other reductions include adjustments to shared statewide administrative costs including Department of Administrative Services assessments and Attorney General costs in the amount of ~$408k GF and ~$58k Other Fund.

# Organizational Charts

## Organizational Chart 2021-23



## 2023-25
## WATER RESOURCES DEPARTMENT

**DIRECTOR'S OFFICE**
- Governor's Letters/Requests
- Rules Coordination
- Legal Coordination
- Commission Liaison
- Klamath Compact
- Western States Water Council
- Internal Technical Assistance
- Special Projects
- Public Information
- Hearings
- Legislation
- Policy Development
- Integrated Water Resources Strategy
- Communications
- Tribal Liaison
- Environmental Justice
- Planning
- Water Project Funding
- Grant & Loan Programs
- Intergovernmental Coordination
- Complex Issues

**ADMINISTRATIVE SERVICES**
- Contracting
- Procurement
- Financial Reporting Budgeting
- Accounting
- Contract Services
- Office Services
- Mailroom
- Facilities Management
- Telecommunications
- Water Development Loan Fund
- Payroll
- Human Resources
- Employee Development
- Risk Management
- Workers Comp
- Information Technology
- Application Development
- GIS Mapping
- Data Processing

**TECHNICAL SERVICES**
- Hydrographic Analysis & Publication
- Dam Safety
- Dam Safety Inspections
- Groundwater Science
- Water Availability
- Pump Tests
- Water Use Reporting
- Drought/Flood Technical Support
- Hanford Studies
- Well Construction Standards
- Well Driller Licensing

**WATER RIGHTS SERVICES**
- Water Right Applications
- Limited Licenses
- Permit Extensions of Time
- Water Right Information
- Water Rights Records & Research
- Adjudications
- Hydropower
- Certificate Issuance
- Pre-Application Conferences
- Leasing
- Flow Restoration Transfers
- Water Management & Conservation Plans

**FIELD SERVICES**
- Surface Water Management and Distribution
- Groundwater Management and Distribution
- Investigate unauthorized water uses
- Region and Watermaster Offices
- Well Inspections
- Streamflow & Well Observations Measurement
- Low and Significant Hazard Dam Safety Inspections
- Installation of Water Use Measuring Devices
- Respond to public complaints about water use or wells

## Program Descriptions

The Department is organized into five divisions: Administrative Services, Field Services, Technical Services, Water Rights Services, and the Director's Office. Department headquarters and the Northwest Regional office are located in Salem. The Department also has four other regional offices and 17 smaller field offices throughout Oregon.

The Department's programs are focused on protecting existing water rights, enforcing Oregon's water laws, processing water right applications and transactions, ensuring the safety of dams, protecting groundwater through well construction standards, facilitating voluntary streamflow restoration, increasing understanding of demands on the state's water resources, providing accurate and accessible ground and surface water resources data, licensing hydroelectric facilities, providing funding for planning, feasibility study, and project grants, and facilitating solutions to water supply challenges. The Department's programs are outlined in more-depth in the chapters for each division.

### Administrative Services Division

| Customers | Funding Source | Current Service Level | Governor's Recommended Budget | Case/ Workload |
|---|---|---|---|---|
| Internal WRD staff; Cities; Counties; Consultants; Federal Agencies; State Agencies; Oregon Tribes; Public Interest Organizations; Property Buyers/Sellers; Water Right Holders; General Public; Irrigation Districts | General Fund<br>Other Funds<br>Lottery Funds<br>Federal Funds<br>Positions/FTE | $10.8 M<br>$2.1 M<br>$ 15.1 M<br>$ 0.02 M<br>34 / 33.5 | $ 10.26 M<br>$ 2.1 M<br>$ 15.1 M<br>$ 0.02 M<br>35 / 34.5 | Fiscal transactions, Human Resource and payroll/benefits services, agency support services, budgeting, Information Services, Mapping/GIS, contracts, and procurement, recruiting, critical foundational business support services |

The Administrative Services Division provides information, business, and administrative services to the Department in support of the Department's mission. Division responsibilities include budget preparation and execution, administration of human resource services, accounting and internal control, payroll and benefits, information systems management, Geographic Information Systems (GIS) / mapping, contracting, facilities management, risk management, employee development, mailroom support services, transportation, telecommunication coordination and Water Development Loan Program. The division is divided into three sections:

- Business Services
- Employee Services
- Information Services

Field Services Division

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

The Field Services Division carries out the Department's mission by enforcing the state's water laws and implementing the Water Resources Commission's policies in the field. Staff regulate water uses based upon the water rights of record; inspect the construction and maintenance of wells for the protection of the groundwater resource; inspect the construction and maintenance of low and significant hazard dams for the protection of the public safety and environment; collect hydrologic data, which is made available for use by staff and the public for planning purposes; and assist landowners with understanding and implementing water measurement. The Division also works with numerous watershed planning groups and local land use jurisdictions by providing technical information on surface water and groundwater. Programs include:

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

Technical Services Division

| Customers | Funding Source | Current Service Level | Governor's Recommended Budget | Case/ Workload |
|---|---|---|---|---|
| Cities; Counties; Conservation Groups; Consultants; Federal Agencies; General Public; Internal WRD Staff; Public Interest Organizations; Realtors; Special Districts; State Agencies; Oregon Tribes; Water Right holders; Water Right applicants; Watershed Councils; Well Constructors; Well Owners | General Fund<br>Other Funds<br>Lottery Funds<br>Federal Funds<br>Positions/FTE | $ 15.7 M<br>$ 3.6 M<br>-<br>$ 0.6 M<br>55 / 55.01 | $ 15.2 M<br>$ 8.7 M<br>-<br>$ 0.6 M<br>58 / 57.48 | Dam Inspections and Reviews, Groundwater studies and data, Surface Water Hydrologic Records, Technical Water Right Reviews, Well Construction and Compliance. |

The Technical Services Division supports long-term water management by providing data and technical analysis, water planning and grant support of for water projects, as well as protecting public safety through dam safety and well construction programs. Programs include:

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

Water Rights Services Division

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

Under Oregon law, almost all water users, including agriculture, cities, state and federal agencies, must apply for and receive a water right before initiating water use. The Water Right Services Division is responsible for evaluation of both instream and out-of-stream water right applications, water right changes, and issuance of new water right permits and certificates. The Division distributes weekly public notice of applications and responds to public inquiries. The Division receives and evaluates comments and protests from water right holders, citizens and interest groups concerning water use applications.

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

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

Director's Office

| Customers | Funding Source | Current Service Level | Governor's Recommended Budget | Case/ Workload |
|---|---|---|---|---|
| Cities; Counties; Consultants; Federal Agencies; State Agencies; Watershed Councils; Tribes; Water Right Holders; Public Interest Organizations; Legislators and Congressional Offices; General Public; Irrigation Districts and Special Districts; Conservation Groups; Media; and Community Based Organizations | General Fund<br>Other Funds<br>Federal Funds<br>Positions/FTE | $ 10.5 M<br>$ 77.6 M<br>$ 0.02 M<br>23 / 22.13 | $13.7 M<br>$109.1 M<br>$ 0.02 M<br>26 / 24.89 | Commission meetings and actions, Contested Case hearings, Rules, Citizen Response, IWRS, Legislation, Public Records, Communications, Complex water issues, Grant Programs and Direct Appropriations, Planning Groups Support, Basin Support. |

The Director's Office oversees policy-related functions affecting the entire Department and supports activities of the Water Resources Commission. In this role, the Director's Office ensures internal controls are in place to help improve performance in key program areas. The Director's Office centralizes responsibility for a number of major functions that serve the entire Department, including:

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

**Water Resources Dept** **Agency Number: 69000**

**Agencywide Program Unit Summary** **Version: Y - 01 - Governor's Budget**

**2023-25 Biennium**

| Summary Cross Reference Number | Cross Reference Description | 2019-21 Actuals | 2021-23 Leg Adopted Budget | 2021-23 Leg Approved Budget | 2023-25 Agency Request Budget | 2023-25 Governor's Budget | 2023-25 Leg. Adopted Budget |
|---|---|---|---|---|---|---|---|
| 010-01-00-00000 | Administrative Services | | | | | | |
| | General Fund | 5,295,082 | 9,104,769 | 10,039,961 | 16,041,342 | 10,259,906 | - |
| | Lottery Funds | 7,563,185 | 9,499,510 | 9,499,510 | 16,026,667 | 15,073,140 | - |
| | Other Funds | 21,265,870 | 1,921,651 | 1,966,408 | 2,071,063 | 2,065,197 | - |
| | Federal Funds | 3,284 | 25,000 | 25,000 | 25,000 | 25,000 | - |
| | All Funds | 34,127,421 | 20,550,930 | 21,530,879 | 34,164,072 | 27,423,243 | - |
| 010-03-00-00000 | Field Services | | | | | | |
| | General Fund | 10,780,236 | 16,670,225 | 20,325,967 | 24,162,258 | 19,733,022 | - |
| | Other Funds | 2,842,947 | 3,140,100 | 3,245,713 | 3,144,563 | 3,175,681 | - |
| | Federal Funds | 45,583 | 75,000 | 75,000 | 75,000 | 75,000 | - |
| | All Funds | 13,668,766 | 19,885,325 | 23,646,680 | 27,381,821 | 22,983,703 | - |
| 010-04-00-00000 | Technical Services | | | | | | |
| | General Fund | 9,856,728 | 18,343,025 | 23,347,065 | 19,858,544 | 15,197,290 | - |
| | Other Funds | 3,223,713 | 109,789,787 | 113,240,155 | 8,691,550 | 8,736,305 | - |
| | Federal Funds | 484,175 | 575,000 | 587,366 | 553,315 | 553,315 | - |
| | All Funds | 13,564,616 | 128,707,812 | 137,174,586 | 29,103,409 | 24,486,910 | - |
| 010-06-00-00000 | Water Right Services Division | | | | | | |
| | General Fund | 3,730,612 | 4,341,731 | 4,468,463 | 7,312,125 | 5,190,563 | - |
| | Other Funds | 3,739,774 | 7,018,451 | 7,130,364 | 5,728,910 | 5,582,465 | - |
| | Federal Funds | - | 25,000 | 25,000 | 25,000 | 25,000 | - |

_____ Agency Request _____ Governor's Budget _____ Legislatively Adopted

2023-25 Biennium Page __________ Agencywide Program Unit Summary - BPR010

**Water Resources Dept** | **Agency Number: 69000**

**Agencywide Program Unit Summary** | **Version: Y - 01 - Governor's Budget**

**2023-25 Biennium**

| Summary Cross Reference Number | Cross Reference Description | 2019-21 Actuals | 2021-23 Leg Adopted Budget | 2021-23 Leg Approved Budget | 2023-25 Agency Request Budget | 2023-25 Governor's Budget | 2023-25 Leg. Adopted Budget |
|---|---|---|---|---|---|---|---|
| 010-06-00-00000 | Water Right Services Division | | | | | | |
| | All Funds | 7,470,386 | 11,385,182 | 11,623,827 | 13,066,035 | 10,798,028 | - |
| 010-07-00-00000 | Director's Office | | | | | | |
| | General Fund | 5,545,455 | 10,106,465 | 10,908,349 | 24,534,894 | 13,669,763 | - |
| | Other Funds | - | 13,607 | 13,607 | 109,371,160 | 109,131,607 | - |
| | Federal Funds | - | 25,000 | 25,000 | 25,000 | 25,000 | - |
| | All Funds | 5,545,455 | 10,145,072 | 10,946,956 | 133,931,054 | 122,826,370 | - |
| **TOTAL AGENCY** | | | | | | | |
| | General Fund | 35,208,113 | 58,566,215 | 69,089,805 | 91,909,163 | 64,050,544 | - |
| | Lottery Funds | 7,563,185 | 9,499,510 | 9,499,510 | 16,026,667 | 15,073,140 | - |
| | Other Funds | 31,072,304 | 121,883,596 | 125,596,247 | 129,007,246 | 128,691,255 | - |
| | Federal Funds | 533,042 | 725,000 | 737,366 | 703,315 | 703,315 | - |
| | All Funds | 74,376,644 | 190,674,321 | 204,922,928 | 237,646,391 | 208,518,254 | - |