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MEMORANDUM

TO: Water Resources Commission

FROM: Brenda Bateman, Senior Policy Coordinator and
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SUBJECT: Agenda Item A, May 12, 2011
Water Resources Commission Meeting

Integrated Water Resources Strategy Update and Discussion

I. Introduction

During this agenda item, Commission members will receive a briefing from the Integrated Water Resources Strategy (IWRS) Project Team, and will have an opportunity to discuss and provide input on specific public policy issues. This is an informational item only.

Topics for this session include:
- Public Comments Received on IWRS Issue Papers (November 18, 2010 – March 31, 2011)
- Public Policy Discussion: Workshop and Feedback Loop

II. Public Comments Received on IWRS Issue Papers, Version 2

More than 25 sets of public comments arrived between late November and late March 2011, focusing specifically on the IWRS issue papers. Comments arrived from state and federal agencies, water users, conservation groups, neighborhood and industry associations, and private citizens. The comments were wide-ranging as a result, and covered issues such as:

- Adjudication
- Climate change
- The commoditization of water
- Demand forecasts
- Data needs
- Drought planning
- Ecological needs
- Economic development
- Fish protection
- Forests: zoning and federal ownership
- Gold mining
- Groundwater: quality, storage and data
- Integrated decision-making
- Invasive species
- Land-use decisions
- Markets
- Public education
- Tankless water heaters
- Transboundary competition
- The water-energy nexus
- Water management techniques
- Water quality

Commenters were pleased to see the addition of new topic areas—such as federal storage, conjunctive management of groundwater and surface water, and public health—as they had requested in earlier rounds of review. Comments are attached to this report for your review.

Some thought that key issues were still missing, such as "the commoditization of water," and "transboundary competition." Many provided additional resources or citations, to add depth to specific sections. Several commenters were eager for these papers to begin to describe "recommended actions," and provided a number of suggestions. "Recommended actions" are still in development and will be addressed in papers scheduled for public review later in 2011.

III. Public Policy Discussion: Workshop and Feedback Loop to the PAG

During the February 2011 Commission meeting, Commissioners took the opportunity to identify and discuss" top pick" recommendations, helping the Project Team narrow the scope of potential actions in the Strategy. During the discussion, Commissioners asked for more detailed descriptions of recommended actions. For example, the terms "regional approaches" and "basin efforts" have been used interchangeably but may in fact have very different meetings.

Examples of "regional approaches" considered as part of the Strategy could include:

> *(1) Regionalization of water and wastewater systems*. More than 3,500 public water systems in Oregon provide water to approximately 88 percent of Oregonians. With the many issues these utilities face today (infrastructure needs, increased demand, reliability of water supplies), encouraging water systems to regionalize, both for water and wastewater needs, can lead to long-term efficiency improvements in terms of shared resources, funding, supply, etc. Oregon's administrative rules already recognize that regional cooperation improves water management and helps to facilitate implementation of conservation measures.
>
> *(2) Rewarding regional partnerships.* Recognize and encourage the coordinated, collaborative efforts completed by various communities throughout the state through existing or new loan and grant programs.
>
> *(3) Updating and Integrating the State's Basin Programs.* Build upon the state's basin programs, which take a regional approach to natural resources but define regional borders differently, depending on the agency. The Strategy could encourage agencies, when they are modifying their basin plans, to make an effort to integrate with other state planning efforts.

<u>Workshop Discussion:</u> In today's workshop, Commissioners will be invited to look into this concept of "regional approaches," and advise staff on the development of recommended actions in this topic area.

Guiding Principles. Keep in mind that the IWRS has a set of Guiding Principles, drawn from conversations with commissioners, partners, and stakeholders, and shaped in particular by conversations with the IWRS Policy Advisory Group. These Guiding Principles are meant to

provide assistance in the development of recommended actions, to ensure that results lend themselves to the following:

- **Accountable and Enforceable Actions.** Ensure that actions comply with existing water laws and policies. Actions should include better measurement and enforcement tools to ensure desired results.

- **Balance:** The Strategy must balance current and future instream and out-of-stream needs from all water systems (above ground and below ground). Actions should consider and balance tradeoffs between ecosystem benefits and traditional management of water supplies.

- **Collaboration:** Support formation of regional, coordinated, and collaborative partnerships that include representatives of all levels of government, private and non-profit sectors, tribes, stakeholders, and the public. Collaborate in ways that help agencies cut across silos.

- **Conflict Resolution:** Be cognizant of and work to address longstanding conflicts.

- **Facilitation by the State**: The State should provide direction and maintain authority for local planning and implementation. Where appropriate, the State sets the framework, provides tools, and defines the direction.

- **Incentives:** Where appropriate, utilize incentive-based approaches. These could be funding, technical assistance, partnerships / shared resources, regulatory flexibility, or other incentives.

- **Implementation:** Actions should empower Oregonians to implement local solutions; recognize regional differences, while supporting the statewide strategy and resources. Take into account the success of existing plans, tools, data, and programs; do not lose common-sense approach; develop actions that are measurable, attainable, and effective.

- **Interconnection/Integration**: Recognize that many actions (e.g. land use actions) in some way affect water resources (quality and/or quantity); recognize the relationship between water quantity and water quality; integrated participation of agencies and parties.

- **Public Process:** Employ an open, transparent process that fosters public participation and supports social equity, fairness, and environmental justice. Advocate for all Oregonians.

- **Reasonable Cost**: Weigh the cost of an approach with its benefits to determine whether one approach is better than another, or whether an approach is worth pursuing at all. Actions should focus on reducing the costs of delivering services to the state's residents, without neglecting social and environmental costs.

- **Science-based, Flexible Approaches:** Base decisions on best available science and local input. Employ an iterative process that includes" lessons learned" from the previous round. Establish a policy framework that is flexible. Build in mechanisms that allow for learning, adaptation, and innovative ideas or approaches.

- **Streamlining:** Streamline processes without circumventing the law or cutting corners. Avoid recommendations that are overly complicated, legalistic, or administrative.

- **Sustainability.** Ensure that actions sustain water resources by balancing the needs of Oregon's environment, economy, and communities.

Key Question: Of the three "Regional Approaches" noted on page two, which if any should be taken under the Strategy, in order to comport with these IWRS Guiding Principles? Commission discussion to follow.

IV. Next Steps

During the next couple of months, subscribers to the IWRS listserve will receive a series of one-page briefers about potential recommended actions. They will be asked their opinions about the recommended actions included in the document, and will be asked to provide additional ideas or additional detail.

The Policy Advisory Group is scheduled to meet July 19, 2011 to discuss an initial set of recommended actions, and will be asked to help "scope" these actions, in terms of priority, funding, and other resources necessary for implementation.

A draft Strategy is scheduled for release and public review during Fall 2011.

Attachment 1: Public Comments on IWRS Issue Papers (November 2010 – March 2011)

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