

Oregon Water Resources Department – Phase 2 2013-15 Budget Presentation to:

Joint Ways & Means Natural Resources Subcommittee
Senator Chris Edwards & Representative Ben Unger, Co-Chairs
Presented by Phil Ward, Director
April 23, 2013



2013-15 GOVERNOR'S BALANCED BUDGET

- 2013-15 Governor's Balanced Budget:

	2011-13 Legislatively Adopted Budget	2013-15 Governor's Balanced Budget
General Fund	\$ 20,614,684	\$ 25,109,984
Other Funds, including fees	10,403,841	13,146,316
Other Funds (grants and loans)	18,758,324	24,816,940
Lottery Fund (Debt Service)	706,751	1,623,026
Federal Funds	1,195,479	1,275,645
Total Funds	\$ 51,679, 079	\$ 65,971,911
Full-Time Equivalent (FTE)	144.59	159.42

2013-15 GOVERNOR'S BALANCED BUDGET

Changes Since Round 1:

- **HB 2257** (“Change the name on a water right certificate”) pulled...
delete package #207
- **SB 217** (“Annual Water Right Management Fee”) pulled...
delete package #108

2013-15 GOVERNOR'S BALANCED BUDGET

Pkg. 101 – Reinstate Water-Use Reporting Program (1 FTE; \$175K in General Fund) Related to Integrated Water Resources Strategy Recommended Action #2b

- Re-instates position removed in 2009.
- Helps water users—public entities and those with permit conditions—who are required to report their water use.
- Measuring and reporting the amount of water diverted helps the state understand, characterize and manage Oregon's water resources.

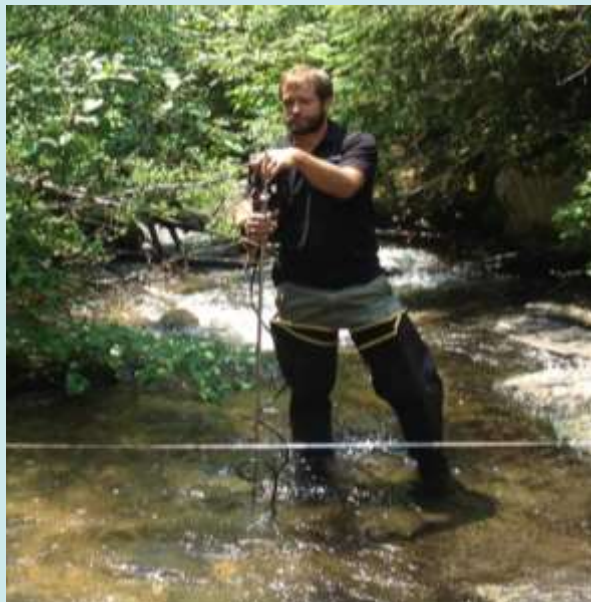


2013-15 GOVERNOR'S BALANCED BUDGET

Pkg. 102 – Instream Protections (2 FTE; \$367K in General Fund)

Related to IWRS Action #3a, #11b

- The 2 FTE at the Department are for hydrologists.
- Partner with Oregon Department of Fish & Wildlife to determine and protect additional instream flows to support instream needs.



2013-15 GOVERNOR'S BALANCED BUDGET

Pkg. 103 – Re-Capitalize the Measurement Cost Share Fund (\$40K in General Fund) Related to Integrated Water Resources Strategy Recommended Action #2b

- Continues implementation of our “2000 Measurement Strategy.”
- This requires measurement devices on significant point of diversion in high priority watersheds.
- The cost to install measurement devices can be significant.
- Cost-share dollars are critical to the success of the program.



2013-15 GOVERNOR'S BALANCED BUDGET

Pkg. 201 – Implement Oregon's Integrated Water Resources Strategy (1FTE; \$209K in General Fund)

Related to Integrated Water Resources Strategy Recommended Action #13a

- Implement & coordinate Oregon's 2012-17 Integrated Water Resources Strategy
- Work with federal partners for stored water from Willamette System
- Assist communities with water resource planning at the local level



2013-15 GOVERNOR'S BALANCED BUDGET

Pkg. 202 – Conduct Basin Groundwater Investigations (\$250K in General Fund) Related to Integrated Water Resources Strategy Recommended Action #1a

- Understanding the relationship between surface water and groundwater is critical
- Determining location and characteristics of groundwater is necessary for economic development and streamflow protection
- These dollars provide cost-share with the U.S. Geological Survey
- Previous budget for this item has been up to \$1.2 million

Deschutes Basin Ground-Water Study

In Cooperation with the Oregon Water Resources Department; the Cities of Bend, Redmond, and Sisters; Deschutes and Jefferson Counties; and the Confederated Tribes of the Warm Springs Reservation of Oregon

[Objective](#)

[Approach](#)

[Data](#)

[Glossary](#)

[Publications](#)

[Related Links](#)

The upper Deschutes Basin is among the fastest growing regions in Oregon. The rapid population growth has been accompanied by increased demand for water. Surface streams, however, have been administratively closed to additional appropriation for many years, and surface water is not generally available to support new development. Consequently, ground water is being relied upon to satisfy the growth in water demand.

The growing reliance on ground water, and the increased development of the resource, has raised concerns among basin residents, water users, and natural resource agencies. The most common questions pertain to the capacity of the resource to accommodate increased use and the potential for ground-water pumping to diminish streamflow.



2013-15 GOVERNOR'S BALANCED BUDGET

Pkg. 203 – Build Field Services Capacity (1.83 FTE; \$342K in General Fund)

Related to Integrated Water Resources Strategy Recommended Action #2c,10

- Provides a Watermaster for Wallowa County – currently there is not one
- Provides an Assistant Watermaster in Klamath County to help implement the Klamath Adjudication



2013-15 GOVERNOR'S BALANCED BUDGET

Pkg. 204 – Water Supply Development Program (2 FTE in GF; \$10 M in L.B. Bonds) Related to Integrated Water Resources Strategy Recommended Action #2c, 10

- Funding available to pursue water supply development opportunities, potentially partnering with neighboring states, the Federal Government, and others
- Staff roles include: Engineering, Water Right/Legal and Fiscal Responsibilities
- Additional debt services calculated at approximately \$900K
- Tied to SB 839, “Establishment of a Water Supply Development Fund”



2013-15 GOVERNOR'S BALANCED BUDGET

Pkg. 205 – Water Development Loan Fund – Umatilla Project (\$10 M in G.O. Bonds) Related to Integrated Water Resources Strategy Recommended Action #10b

- Loan funds first put into place in 2009
- Loan available, of up to \$10 million with repayment occurring over 30 years
- Additional debt services calculated at approximately \$700K



2013-15 GOVERNOR'S BALANCED BUDGET

Pkg. 206 – Feasibility Study Grants (0.5 FTE, \$750K in L.B. Bonds)

Related to Integrated Water Resources Strategy Recommended Action #13c

- In previous sessions the Oregon Legislature granted \$2.5 million to 35 Oregon communities to study the feasibility of water conservation, reuse & storage projects
- Debt service is approximately \$140K



2013-15 GOVERNOR'S BALANCED BUDGET

Pkg. 208 – Extend Water Transaction Fee Schedule (\$966K in fees)

Related to Integrated Water Resources Strategy Recommended Action #13b

- HB 2259-3 would remove the sunset on the Department's fee schedule for water right transactions.
- Authorizes the Water Resources Commission to increase fees each year by 2% or CPI, whichever is lower.
- With amendments, the bill slightly decreases customer service and staffing levels from where they are today (reduction of less than one FTE).



2013-15 GOVERNOR'S BALANCED BUDGET

- *Long Term Vacancies as of 4-1-13:*

Positions	Function	Reason for Vacancy
3	Well Inspectors	Fee Revenue declines
1	Hydrogeologist	Fee Revenue declines
4	IT and Admin Support	Fee Revenue declines
8	WR Application Staff	Fee Revenue declines

2013-15 GOVERNOR'S BALANCED BUDGET

- **General Fund Reduction Plans:**

First 5%

Priority	Description	FTE	Dollars
1	Statewide Administrative Savings		124,978
2	Groundwater Studies		125,000
3	Oregon Plan for Salmon and Watersheds Activities	1.00	179,082
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5	Intergovernmental Liaison/Water Mgt and Conserv Plan Coord	1.00	177,712
6	Hydrographic Data Entry	1.00	127,754
7	Tribal Water Rights / Rules / Environmental Justice / Sustainability Manager	1.00	227,351
			1,140,959

2013-15 GOVERNOR'S BALANCED BUDGET

- **General Fund Reduction Plans:**

Next 5%

Priority	Program	FTE	Dollars
8	Regional Customer Service and Office Support	1.00	127,754
9	Geographic Information Systems Position	1.00	205,799
10	Regional Transfer Application Processor	1.00	179,082
11	Microcomputer and Network Support (Eastern Oregon)	1.00	170,576
12	Water Availability Modeler	1.00	228,201
13	Water Right Extension Processor-Adjudication	1.00	137,139
14	Groundwater Hydrogeologist	1.00	179,082
			1,227,633

A scenic view of a river with rapids flowing through a lush green forest under a clear blue sky. The water is dark blue with white foam from the rapids. The banks are lined with dense green trees and bushes. A semi-transparent grey banner is overlaid across the middle of the image.

Thank You