

Oregon Water Resources Department

2021-23 Governor's Recommended Budget



	2017-19 Legislatively Approved	2019-21 Legislatively Adopted	2019-21 Legislatively Approved 1/21	2021-23 Modified Current Service Level	2021-23 Governor's Recommended
General Fund (GF)	\$32,150,986	\$36,722,794	\$35,217,839	\$40,088,994	\$40,104,341
Other Funds (OF) including Fees	\$12,922,692	\$13,301,841	\$14,413,830	\$12,167,624	\$12,365,697
Other Funds - Grants/Loans	\$53,942,169	\$85,849,252	\$85,849,252	\$60,100,000	*\$80,997,925
Lottery Funds - Debt Service	\$3,953,969	\$7,566,502	\$7,563,194	\$13,470,490	\$14,289,736
Federal Funds	\$1,905,917	\$875,519	\$1,148,011	\$725,000	\$716,840
Total Funds	\$104,875,733	\$144,315,908	\$144,192,126	\$126,552,108	\$148,474,539
Positions / Full-Time Equivalent (FTE)	170/167.59	177/171.79	178/172.67	168/162.68	170/165.44

*Other Funds - Grants and Loans includes Lottery Revenue Bond proceeds in the amount of \$60.1 million in carry forward from the 2019-21 biennium and \$20.5 million in new bonding (plus the cost of issuance).

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Governor's Recommended Budget – Water Resources Department Budget Packages

Package 087 – State Data Center - \$215k GF – Provides \$215k of the \$340k estimated ongoing information technology costs associated with the Department's migration to Data Center Services.

Package 090 – Equitable Water Access and Indigenous Energy Resiliency – \$1.5m GF; Request 1.0 FTE – Provides funding for equitable water access and Indigenous energy resiliency as recommended by the Racial Justice Council. Investments focus on conducting community led assessments of water needs of Black, Indigenous, Latino, Latina, Latinx, Asian, Pacific Islander, Native American, and Tribal communities; convening a Justice, Equity, Diversity, and Inclusion Advisory Group as part of the IWRS; and assessing and facilitating implementation of best practices to advance diversity, equity and inclusion within the Department's programs and processes. [Integrated Water Resources Strategy \(IWRS\) Actions: Understand instream and out-of-stream needs; 5.B, 13.A.](#)

Package 101 – Protecting Public Safety and Water Supplies – \$1.9m GF; 3.52 FTE – Protects public safety through the evaluation of dams and improves agency preparedness for emergencies, resiliency to natural hazards and climate change, and employee health and safety. Provides 2 engineers to assess dams for seismic, flood and other safety risks; \$400k for an Oregon flood methodology for dams, and \$600k for engineering analyses on dams. Includes 1 position for coordination, planning and outreach on earthquakes, drought, floods, climate change, and dam failures, and work on Natural Hazards Mitigation, Climate Adaptation, the Governor's Climate Executive Order, the Continuity of Operations Plan, and planning for and responding to potential dam failures. Includes a position for a safety and training program to support statewide initiatives and to comply with ORS 654.010, the Governor's EO on Employee Wellness, and Oregon OSHA regulations. [IWRS Actions: 5.A, 5.B, 5.5A, 5.5B, 5.5C, 7C, 8C, 13.B.](#)

Package 103 – Fund Legal Expenses to Prevent Service Impacts – \$800k GF – Provides funding to address sustained increased costs for DOJ services and to prevent impacts on Department services due to budget shortfalls, as experienced in prior biennia. See [Budget Note Report on Contested Cases and Litigation](#). [IWRS Actions 13.B.](#)

2021-23 Governor's Recommended Budget Continued

Package 104 – Maintain Water Rights & Dam Safety Services – \$565k OF Revenue, \$527k OF limitation, 2.50 FTE – The current fee schedule provides ~\$300k to support 0.95 FTE in the Dam Safety program and ~\$2.4 million to fund 21.42 FTE: 17.93 FTE in the Water Right Services Division, 0.5 FTE in the Groundwater Section, 2.0 FTE Water Right Data Techs, and 1.0 Field Water Right Processing position. Consistent with its past approach, proposes to increase fees by approximately 17.39 percent for the 2021-2025 biennias, per the Department of Administrative Services estimates of cost inflation for state agencies. The fee increase will allow the Department to continue to serve farmers, water supply providers, entities seeking to restore streamflows, and others on their water rights proposals at a reduced staffing level, and to support the dam safety program. Retains 2.50 of the 8.83 FTE reduced in POP 070. [IWRS Actions 13.B](#).

Package 105 – Maintain Hydroelectric Services at Agencies – \$1.3m OF Revenue – This package and associated legislation will change the hydroelectric project fees that support hydroelectric programs at Department of Environmental Quality, Department of Fish & Wildlife, and the Water Resources Department. The proposal will address disparities in fees paid among projects and address agency revenue shortfalls at all three agencies due to increased costs. [IWRS Actions 13.B](#).

Package 108 – Fund Feasibility Studies & Projects – \$21.7m OF – Provides a \$500,000 in Lottery Revenue Bond proceeds for Feasibility Study Grants to provide funds to investigate the viability of water conservation, storage, and reuse projects. Recapitalizes the Water Supply Development Account with \$20 million in Lottery Revenue Bond proceeds in order to fund for Water Projects Grants & Loans for water projects that provide economic, environmental, and social benefits to meet Oregon's ongoing instream and out-of-stream water needs. Includes cost of issuance. [IWRS Actions 10.E, 13.D, 13.E](#).

REDUCTIONS

Package 070 – Water Right Revenue Shortfalls – \$1.7m OF Reduction (8.83 FTE) – Reduces 8.83 FTE of 17.93 fee funded FTE in the Water Right Services Division due to anticipated revenue shortfalls. The number of water right applications and other transactions has been less than anticipated, and has declined instead of increasing, leading to reduced revenues to support positions. See POP 104. Reductions will lead to longer processing times and reduce capacity to work on much needed modernization efforts.

Package 090 Reductions – \$2.46m GF Reduction (3.26 FTE) – Reduces three positions (3 FTE): a water data technician, an assistant watermaster, and a NRS 2 groundwater hydrogeologist. Reduces 2 partial positions (.26 FTE): Grant Coordinator and Field Services Executive Support. Reduces agency budget for rent expenses by \$275k to permanently reduce Department's office space with increased teleworking, removes \$165k GF for gaging stations, \$382k GF for feasibility study grants, \$301k for groundwater studies, and \$778k for observation wells.

Package 092 – Reductions through Vacancy Savings – \$909k GF Reduction – This package increases the vacancy savings targets for the Department to five percent, which will result in delayed hiring of staff and reduced services.

Other Packages

Package 091 – Elimination of Inflation – \$184k GF Reduction – Removes standard inflation.

Package 096-099 – DAS Charges Adjustment – \$637k GF Reduction – Adjusts statewide services charges.

Carry Over Limitation for Reauthorization of Projects Previously Authorized in 2019

Proposes to fund projects previously authorized that did not receive funding due to cancellation of the bond sale following COVID 19 impacts on lottery revenues: Wallowa Lake Dam, \$14 million; Newport Big Creek Dams, \$4 million; and Deschutes Basin Board of Control piping projects to conserve water, \$10 million. Includes \$15 million previously authorized for Water Projects Grants & Loans to fund water projects that provide economic, environmental, and social benefits to meet Oregon's ongoing instream and out-of-stream water needs. [IWRS Actions 10.E, 13.E](#).