



Water Project Grants and Loans and Irrigation Modernization Funding Evaluation Process

Kim Fritz-Ogren, PCI Section Manager

Adair Muth, Grant Manager

Janna Guzman, ODFW Water Planning Coordinator

Steve Parrett, DEQ Integrated Water Resource Specialist

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Recommended Action: 13.E - Invest in Implementation of Water Resources Projects

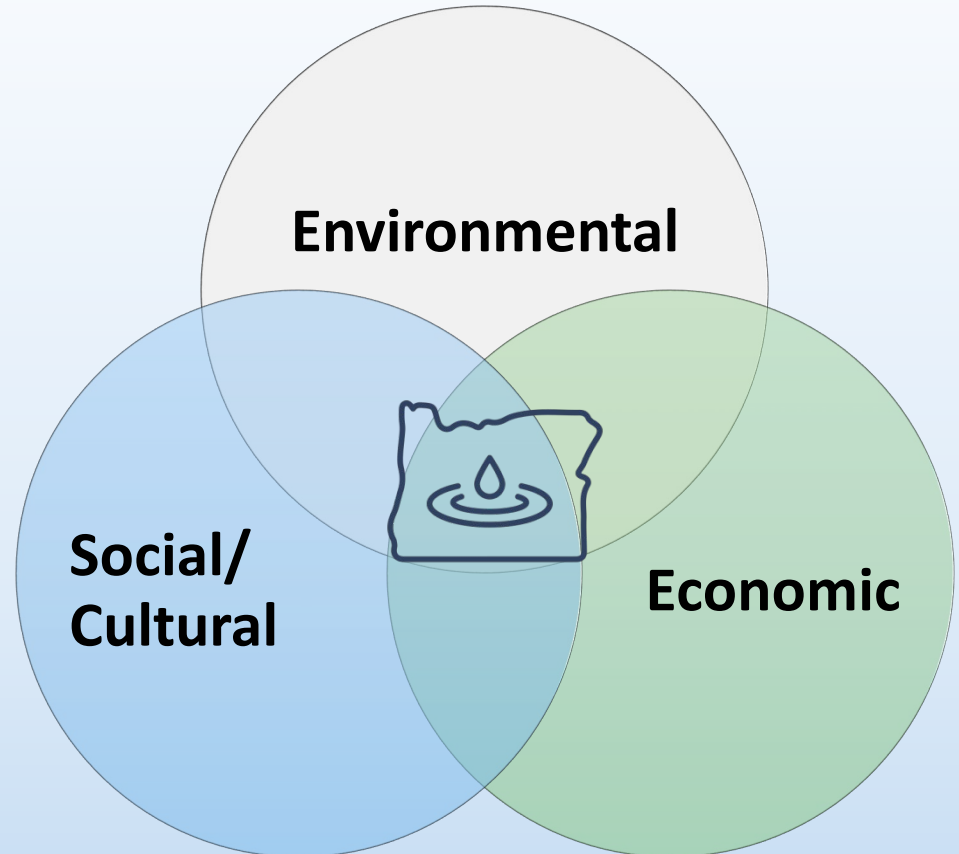


Water Project Grants and Loans

Purpose

Provide funding for Water Supply projects that:

- Meet instream and out-of-stream needs and
- Achieve Public Benefits in three categories

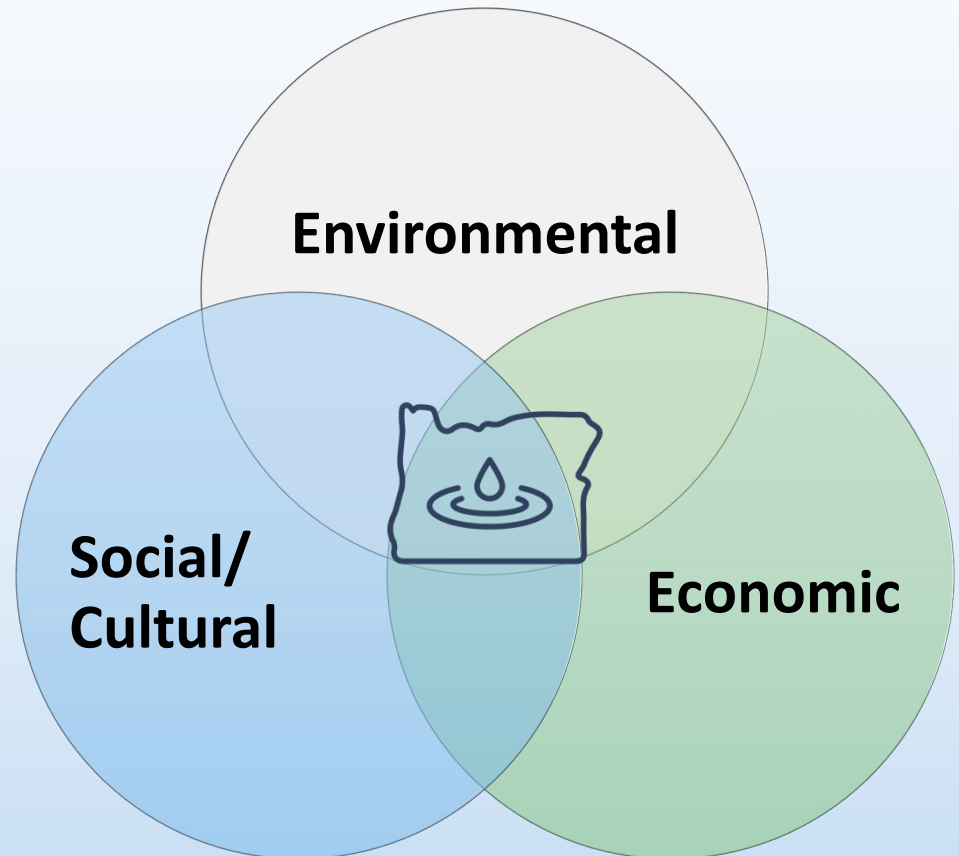


Irrigation Modernization Funding

Purpose

Provide funding for Water Supply projects that:

- Improve water use efficiency of irrigation systems on currently irrigated agricultural lands
- Achieve Public Benefits in three categories



Irrigation Modernization Funding History

HB 5030 – \$50M to Water Supply

2023 — Development Account to issue grants for
Irrigation Modernization projects

- Provide **state match** needed to access federal funding available for irrigation modernization projects.
- Use **existing grant program (Water Project Grants and Loans)** for efficiency.

Key Differences

WPGL

- Cost match requirement
 - 25% required for grants
 - In-kind or cash match

Irrigation Modernization

- Must have specific Federal match:
 - Natural Resources Conservation Service
 - U.S. Bureau of Reclamation
 - U.S. Environmental Protection Agency
- Priority to projects that legally protect a portion of the conserved water instream commensurate with amount required under Allocation of Conserved Water program

Review Process and Responsibilities

Program development

Receive applications

Contact affected Tribes

60-day public comment period

Application evaluation

Public comment period

Funding awards

Evaluation and improvement

- **Commission:** Adopt rules to establish a system for scoring and ranking of projects (ORS 541.669)
- **Commission:** Design the minimum criteria for the project scoring and ranking system to meet target outcomes in ORS 541.677 (ORS 541.669(1) and ORS 541.673)
- **OWRD:** Set a minimum score for an application to proceed (OAR 690-093-0090(3))

Review Process and Responsibilities

Program development

Receive applications

Contact affected Tribes

60-day public comment
period

Application evaluation

Public comment period

Funding awards

Evaluation and
improvement

- **OWRD:** Review applications for eligibility and completeness, return incomplete applications (ORS 541.669(2))

Review Process and Responsibilities

Program development

Receive applications

Contact affected Tribes

60-day public comment
period

Application evaluation

Public comment period

Funding awards

Evaluation and
improvement

- **OWRD:** Send complete and eligible applications to Affected Tribes (ORS 541.669(3))

Review Process and Responsibilities

Program development

Receive applications

Contact affected Tribes

60-day public comment
period

Application evaluation

Public comment period

Funding awards

Evaluation and
improvement

- **OWRD:** Post applications for a 60-day public comment period prior to review of applications (ORS 541.669(2))

Review Process and Responsibilities

Program development

Receive applications

Contact affected Tribes

60-day public comment
period

Application evaluation

Public comment period

Funding awards

Evaluation and
improvement

- **OWRD:** Facilitate evaluation of applications (ORS 541.669(3))
- **OWRD:** Serve on Technical Review Team (TRT) and score/rank applications (ORS 541.669(3))

Review Process and Responsibilities

Program development

Receive applications

Contact affected Tribes

60-day public comment
period

Application evaluation

Public comment period

Funding awards

Evaluation and
improvement

- **TRT:** Conduct initial scoring and ranking of applications (ORS 541.669(3))
- **TRT:** Use the total score from the score sheet provided by OWRD to rank all applications (OAR 690-093-0090(4))
- **TRT:** Make funding recommendations to the Commission (ORS 541.669(3))

Review Process and Responsibilities

Program development

Receive applications

Contact affected Tribes

60-day public comment
period

Application evaluation

Public comment period

Funding awards

Evaluation and
improvement

- OWRD: Post TRT funding recommendations for public comment (ORS 541.669(3))

Review Process and Responsibilities

Program development

Receive applications

Contact affected Tribes

60-day public comment period

Application evaluation

Public comment period

Funding awards

Evaluation and improvement

- **OWRD:** Present funding recommendations to Commission on behalf of TRT
- **Commission:** Use the evaluation system to assign final scorings and rankings to the projects (ORS 541.673(1))
- **Commission:** Award funding from the account to the projects that have the greatest public benefit and will best achieve the target outcomes (ORS 541.677(1))
- **Commission:** Make funding decisions at least twice each year (ORS 541.669(1))

Review Process and Responsibilities

Program development

Receive applications

Contact affected Tribes

60-day public comment
period

Application evaluation

Public comment period

Funding awards

Evaluation and
improvement

- **OWRD:** Document the ranking of all applications and make it publicly available after the funding decision (ORS 541.669(5))
- **OWRD:** Enter into grant agreements with recipients and manage grants (ORS 541.656(2) and OAR-690-093-0160)

Review Process and Responsibilities

Program development

Receive applications

Contact affected Tribes

60-day public comment
period

Application evaluation

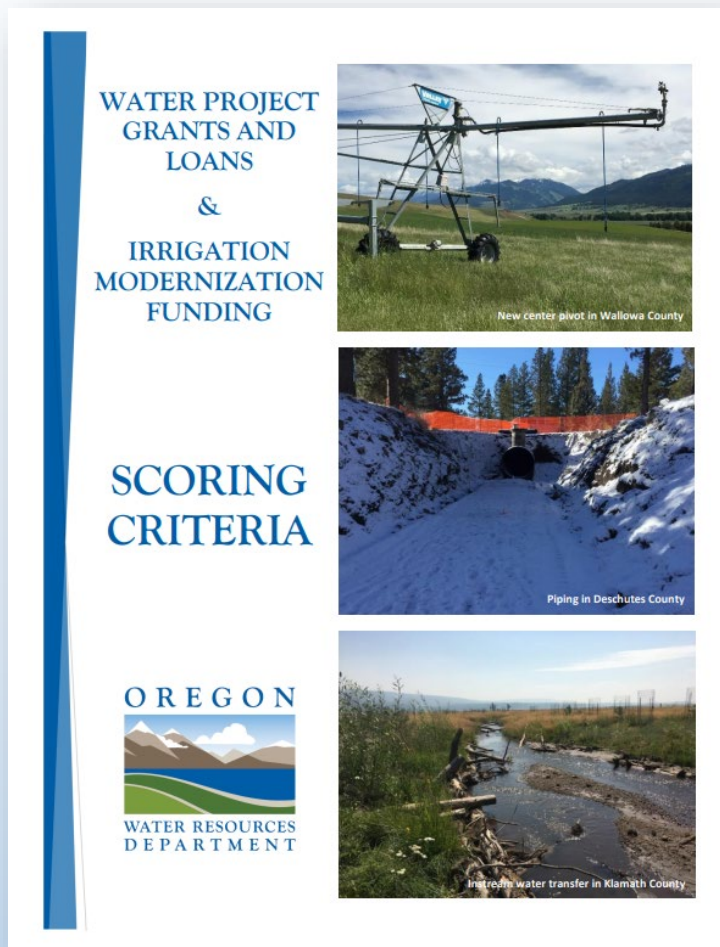
Public comment period

Funding awards

Evaluation and
improvement

- **OWRD:** Review program on a biennial basis (ORS 541.677(2))

Scoring Criteria




Each public benefit category to be given equal importance:

- 6 economic questions (ORS 541.673(2))
- 6 environmental questions (ORS 541.673(3))
- 6 social/cultural questions (ORS 541.673(4))


Preference Points

WATER PROJECT
GRANTS AND
LOANS
&
IRRIGATION
MODERNIZATION
FUNDING




New center pivot in Wallowa County

SCORING
CRITERIA



Piping in Deschutes County



Instream water transfer in Klamath County

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WPGL and Irrigation Modernization:

- Legally protected streamflow
- Collaboration

Irrigation Modernization only:

- Legally protected streamflow commensurate with amount required under Allocation of Conserved Water program

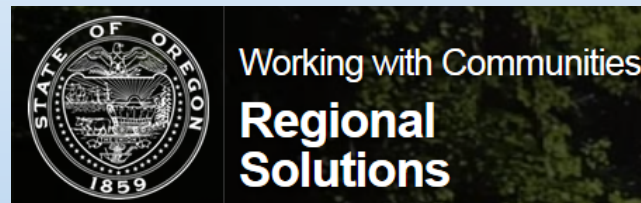
Scoring Scale & Minimum Score

12	Exceptional benefit
6	High benefit
3	Medium benefit
1	Minor benefit
0	No benefit
-1	Minor negative impact
-3	Medium negative impact

- OWRD set a minimum public benefit category score of “7” to be funded
- A category score of “7” signals that the public benefits are more than “Minor”
- Each category must meet the minimum score



Technical Review Team





TRT Review Process – ODFW's Role and Expertise

ODFW Mission: To protect and enhance Oregon's fish and wildlife and their habitats for use and enjoyment by present and future generations.



Janna Guzman – Water Planning Coordinator
Janna.l.guzman@odfw.oregon.gov
Oregon Department of Fish and Wildlife
73471 Mytinger Ln
Pendleton, OR 97801
971-375-7672

ODFW TRT Review Process



Initial review and identification of questions for local staff (1-2 hours per application)



Send application for local staff to evaluate and provide written feedback (2 hours per application)



In person meeting with local staff (1 hour per staff)



Review sheet and draft score (1-2 hours per application)



In person TRT meetings (2 full days)

~80 hours per agency

Review Criteria



Will the project improve or impact the restoration and protection of native aquatic species?



Scientifically-based analysis of claimed benefits.



Will the project restore or protect water instream?



Will the project result in improvements to ecological conditions in the watershed?

Local Expert Review

Considerations:

- Many POD's
- Water swapping
- Seniority of Rights
- Habitat conservation plans
- Seasonal and temperature considerations
- Life history needs of native fishes and other aquatic species



ODFW Considerations

What makes a good project vs a good application?

Legal protection* of water instream is the only **guarantee** of benefit to instream flow.

What **will** happen as a result of the project versus what **may** happen.

*Not a grant requirement



Department of Environmental Quality



State of Oregon

Department of Environmental Quality

DEQ Mission: To be a leader in restoring, maintaining and enhancing the quality of Oregon's air, land and water.

Steve Parrett

Integrated Water Resource Specialist

Steve.parrett@deq.oregon.gov

Oregon Department of Environmental Quality

503-805-0234

Review Team Meeting Day

- Arrive prepared
- Listen intently
- Ask questions
- Be open-minded
- Share information
- Score accurately
- Honor the process



TRT Scores Public Benefits



Positive and negative impacts



Likelihood of achieving claimed benefits



Change in conditions described



Supporting evidence or documentation

Scoring Criteria Scale

WATER PROJECT
GRANTS AND
LOANS
&
IRRIGATION
MODERNIZATION
FUNDING

SCORING
CRITERIA



12	Exceptional benefit
6	High benefit
3	Medium benefit
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-3	Medium negative impact

Scoring Consistency & Accuracy

High public benefit: 6 points

- The project is likely to achieve public benefits meeting a high standard of quality.
- The outcomes are significant or represent an important advancement.
- The application includes supporting information and evidence describing the anticipated change in conditions as a result of the project.
- The application includes sufficient information to achieve the anticipated public benefit.

Medium public benefit: 3 points

- The project is likely to achieve moderate public benefit.
- The outcomes are likely to achieve an improvement in conditions.
- The application includes supporting information and evidence describing the anticipated change in conditions as a result of the project.

TRT Scoring and Ranking

- TRT members score the six public benefits in each category using scoresheet provided by OWRD
- Total score = three public benefit category median scores + median preference points score
- Projects ranked by greatest public benefit score

Median Economic Score	Median Environmental Score	Median Social Score	Median Preference Score	Total of Median Scores
42	26	31	22	121
27	36	31	22	116
30	21	17	22	90
30	7	17	19	73
27	8	6	3	44
22	11	7	1	41
12	6	16	1	35
<i>Minimum score of 7 required</i>				

TRT Funding Recommendation

- TRT makes funding recommendation based on:
 - Public benefit score, and
 - Available funding
- Projects that do not meet the minimum score in each of the three public benefit categories, as required by OAR 690-093-0090(3), are not recommended for funding

Funding Award

The Commission shall make the final decision based on (ORS 541.673-677 and OAR 690-093-0100):

- Equal importance of each public benefit category
- Awards based on greatest public benefit
- Best achieve target outcomes
 - Funding projects of diverse sizes, types and geographic locations
- Based on changes resulting from project

Discussion Questions



- What thoughts does the Commission have on how OWRD could improve the scoring and ranking process?
- What might be working well that OWRD should continue?
- How can OWRD better support the Commission in fulfilling the Commission's responsibilities?

Thank you

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