



Staff Report

TO: Water Resources Commission

FROM: Ivan Gall, Director

DATE: December 12, 2025

SUBJECT: Agenda Item G
Water Resources Commission

WATER PROJECT GRANTS AND LOANS AND IRRIGATION MODERNIZATION FUNDING RECOMMENDATIONS AND PROGRAM UPDATES

I. Introduction

This report provides updates to the Water Project Grants and Loans program and describes the multi-agency Technical Review Team (TRT) evaluation process, funding recommendations, and public comments received for the second 2025 funding cycle of Water Project Grants and Loans and Irrigation Modernization Funding. The Commission will be asked to award funding.

II. Integrated Water Resources Strategy Recommended Action

- 13.C – Invest in Planning, Feasibility Studies, and Project Implementation

III. Background

In 2013, the Oregon Legislature passed Senate Bill 839 establishing the Water Project Grants and Loans (WPGL) funding opportunity. This program provides funding for water projects that have economic, social, and environmental public benefits. After adopting rules in June 2015, the Commission has awarded WPGL grants each year. In July 2023, the statute was changed to require two funding cycles per year, and the Department began following this schedule in 2024.

In 2023, House Bill 5030 authorized \$50 million for irrigation modernization projects that leverage federal funding associated with Natural Resources Conservation Service authorized watershed plans, U.S. Bureau of Reclamation WaterSMART grants, or U.S. Environmental Protection Agency grants that are eligible to be on the Department of Environmental Quality's Intended Use Plan. Per House Bill 5030, the projects must also produce the economic, environmental, and community benefits described in the authorizing statute for WPGL (ORS 541.673).

The Irrigation Modernization Funding opportunity is run through the existing WPGL program and applications are evaluated using the same scoring criteria document. Irrigation modernization projects are evaluated in the same manner as WPGL projects with one exception: as directed by House Bill 5030, for irrigation modernization projects involving surface water rights where

the project conserves water, priority shall be given to projects that legally protect a portion of the conserved water instream commensurate with the amount required under the approach described in ORS 537.470 (the Allocation of Conserved Water Program). The Commission awarded Irrigation Modernization Funding grants in June and December 2024 and June 2025.

IV. Program Updates

House Bill 3364, passed during the 2025 legislative session, introduced several updates to the WPGL program:

- The public comment period for applications has been reduced from 60 days to 30 days to streamline the review timeline.
- For applicants required to have a Water Management and Conservation Plan, the plan must be approved prior to the funding decision, rather than approved at the application deadline.
- Eligible expenses have been expanded to include long-term monitoring of compliance with Seasonally Varying Flows (SVF).
- The bill clarifies that SVF conditions may be applied to the underlying water right, rather than only to aquifer storage and recovery or aquifer recharge permits.
- The funding recommendation process has been revised: previously, the TRT made funding recommendations directly to the Commission. Under the new process, TRT recommendations go to the Department, which then considers both the TRT input and public comments before making final funding recommendations to the Commission.

In addition, the bill established a reporting requirement to the Legislature and the Commission every eight years for the Place-Based Planning Fund, Feasibility Study Grants, Water Project Grant and Loans, and the Well Abandonment, Repair and Replacement Fund.

V. 2025 Funding Cycle 2

Application materials for the second 2025 funding cycle were posted in April 2025 and the application deadline for WPGL and Irrigation Modernization Funding was July 16.

Water Project Grants and Loans

The Department received six complete applications for WPGL projects requesting a total of \$2,867,712 in grant funding. Currently there is \$607,529 in unobligated WPGL funds available for the Commission to award. The Department anticipates another \$4 million to be available in June 2026 after the Lottery Revenue Bonds are sold in May 2026. A portion of these funds are available for provisional award, contingent on the upcoming bond sale. A portion of these funds have been provisionally awarded to the North Unit Irrigation District (NUID) for their Bend Headworks Fish Screen Replacement project. In October, the Department approved a one-time budget increase of \$197,192 for that project, which is a 10% increase of the initial grant awarded by the Commission in December 2024.

Table 1 shows available funds. The Commission may make provisional awards for WPGL with Lottery Bond proceeds from the May 2026 sale.

Irrigation Modernization Funding

The Department received three complete applications for Irrigation Modernization Funding requesting a total of \$7,100,536. Currently there is \$4,303,179 in unobligated Irrigation Modernization funds for the Commission to award, representing the final allocation from the \$50 million in Lottery Revenue Bonds designated for these projects.

Table 1 – Funding Availability

Funding Program	Currently Available	May 2026 Bond Sale*
Water Project Grants and Loans	\$607,529	\$3,802,808M
Irrigation Modernization	\$4,303,179	Not applicable

**Funds must be spent within three years of the bond sale.*

Public Comment and Tribal Engagement on Applications

The Department solicited written comments on complete applications during a 60-day public comment period from July 31 through September 28, 2025. The Department received five public comments in support of the Big Butte Creek Water Acquisition and Irrigation Efficiency Project, two comments in support of the Oxbow Ranch Irrigation Modernization Project and two comments that raised concerns with the Falcon Cove Beach South Spring Intake Project (Attachment 1).

The Department contacted affected Tribes directly to solicit comments on complete applications where project work would be conducted on lands where the Tribe may have an interest. Affected Tribes were invited to serve as members of the TRT, submit comments for consideration by the TRT, or submit comments for consideration by the Department and Commission. The Department did not receive any comment from Tribes on the applications.

VI. Grant Application Review Process

TRT Review

A multi-agency TRT evaluated the applications and developed funding recommendations. The TRT consisted of staff from the Departments of Environmental Quality, Fish and Wildlife, Business Development, Agriculture, and Water Resources, as well as the Oregon Health Authority and Regional Solutions.

The TRT discussed the public benefits of each project, considered the public comments, and scored each application. Scoring was based on the potential economic, environmental, and social/cultural public benefits described in the applications. The TRT scored applications during the meeting and assessed the outcomes, which afforded the TRT members the opportunity to discuss the merits of the project proposals and ensure consistent application of

the criteria. See Attachment 2 for the TRT project ranking, evaluation summaries, and funding recommendations. See Attachment 3 for applicable rules on public benefit scoring and Attachment 4 on the Departments Scoring Criteria document.

Public Comment and Tribal Engagement on Funding Recommendations

The TRT rankings and recommendations were published on the Department's website and distributed via the funding opportunity listserv for a 3-week public comment period, which took place from October 20 through November 10. The Department also provided a second opportunity for Tribes to comment. The Department received three public comments on the TRT rankings and funding recommendations (Table 2 and Attachment 5). No comments were received from Tribes.

Table 2 – Public Comments Received

Submitted By	Regarding Application	Topic
Klamath Drainage District	Klamath Drainage District Irrigation Modernization Project	Request to amend application for partial funding
Oregon Water Resources Congress	Klamath Drainage District Irrigation Modernization Project	Support for application
Madison Ranches, Inc	Field 95 Aquifer Recharge Expansion Project	Comments on TRT review

The Department is evaluating comments received on the Field 95 Aquifer Recharge Expansion Project and will present its evaluation and recommendations at the Commission meeting. The Department's evaluation and recommendation on the Klamath Drainage District Irrigation Modernization Project is below in section VII.

VII. 2025 Funding Award Recommendations

Water Project Grants and Loans

Based on the TRT evaluation, four WPGL applications received scores that met the funding criteria, with a total funding request of \$2,390,712. Based on the currently available funding, the Department recommends immediately funding the project ranked #1 (Table 3). Since additional funds should be available after the bond sale, and since there are other TRT-recommended applications, the Department also recommends provisionally awarding funding to projects ranked #2 through #4 (Table 4).

Table 3 – WPGL Grant Recommended for Immediate Funding

Project Name	Funding Request	Total Cost of Project	Funding Recommendation
Oxbow Ranch Irrigation Modernization Project	\$564,800	\$1,146,288	\$564,800
Total	\$564,800	\$1,146,288	\$564,800

Table 4 – WPGL Grants with Provisional Recommendation for Funding

Project Name	Funding Request	Total Cost of Project	Funding Recommendation
Big Butte Creek Water Acquisition and Irrigation Efficiency Project	\$462,056	\$801,442	\$462,056
Twickenham Irrigation Efficiency	\$958,856	\$1,491,515	\$958,856
Hagenah Irrigation Efficiency Project	\$405,000	\$850,572	\$405,000
Total	\$1,825,912	\$3,143,529	\$1,825,912

Irrigation Modernization Funding

Based on the TRT evaluation, three Irrigation Modernization Funding applications received scores that met the funding criteria with a total funding request of \$7,100,536. All three projects met the minimum public benefit category scores required to be recommended for funding, however, there is insufficient funding to fund all three of these projects. The TRT discussed several options, including only recommending funding project #2, which requested \$4,266,300, but felt strongly that the top-ranked project should be funded. The TRT also found that the project ranked #3 provided sufficient public benefits to warrant funding and therefore recommended funding projects ranked #1 and #3.

As noted in Table 2 above, the Department received public comment from the #2 ranked applicant, Klamath Drainage District (KDD), requesting partial funding for their project with the remaining Irrigation Modernization dollars. The applicant proposed to reduce the scope of the project to remove a fish screen and reduced their request from \$4,266,300 to \$1,468,943. The updated scope emphasizes water delivery, energy efficiency, and habitat improvements. Following review of KDD's proposal, the Department recommends immediately funding the projects ranked #1 and #3, and partially funding #2 (Table 5).

This funding recommendation for WPGL and Irrigation Modernization Funding takes into account the public benefits provided by these applications, respects the planning efforts of the applicants, and proactively mitigates project delays by enabling earlier access to funds. This funding recommendation also fully allocates the one-time \$50M Irrigation Modernization funding. If approved by the Commission, staff will work with recipients to develop grant agreements. Release of grant funds is contingent on applicants obtaining all applicable local, state, and federal permits and regulatory approvals, as well as meeting match fund requirements.

Table 5 – Irrigation Modernization Funding Grants Recommended for Immediate Funding

Project Name	Funding Request	Total Cost of Project	Funding Recommendation
C-1 Piping Project	\$2,498,000	\$10,409,000	\$2,498,000
Lone Pine Irrigation Modernization Phase 2 - Year 2	\$336,236	\$3,337,224	\$336,236
Klamath Drainage District Irrigation Modernization Project*	\$1,468,943	\$5,883,943	\$1,468,943
Total	\$4,303,179	\$19,630,167	\$4,303,179

* Funding amount requested reduced during public comment period.

VIII. Alternatives

The Commission may consider the following alternatives:

1. Adopt the Department's funding recommendation contained in Tables 3, 4, and 5 of this report to immediately fund one WPGL application (\$564,800), provisionally fund three WPGL applications (\$1,825,912) for a total WPGL award of \$2,390,712, and immediately fund two Irrigation Modernization Funding applications (\$2,834,236), and partially fund one Irrigation Modernization application (\$1,468,943) for a total Irrigation Modernization Funding award of \$4,303,179.
2. Adopt a modified funding recommendation.
3. Direct the Department to further evaluate the applications and return with a revised recommendation.

IX. Recommendation

The Director recommends Alternative 1, the Department's funding recommendation contained in Tables 3, 4, and 5 of this report to immediately fund one WPGL application (\$564,800), provisionally fund three WPGL applications (\$1,825,912) for a total WPGL award of \$2,390,712, and immediately fund two Irrigation Modernization Funding applications (\$2,834,236), and partially fund one Irrigation Modernization application (\$1,468,943) for a total Irrigation Modernization Funding award of \$4,303,179.

Attachments:

1. Public Comments on Applications
2. TRT Ranking and Funding Recommendation
3. Excerpt from Division 93 Rules on Scoring
4. Scoring Criteria Document
5. Public Comments on Funding Recommendations

Louisa Mariki
503-979-9160

Adair Muth
971-301-0718

From: Christine Gleason <cgleason@roguech.org>
Sent: Wednesday, September 10, 2025 3:00 PM
To: GRANTS Owrd * WRD
Subject: Writing to support Big Butte Creek project in Butte Falls

You don't often get email from cgleason@roguech.org. [Learn why this is important](#)

To whom it may concern,

I understand a project has been sent forward to you for review from Trout Unlimited on behalf of a irrigation modernization project in Butte Falls, the Big Butte Creek Water Acquisition and Irrigation Efficiency Project. As someone who appreciates balancing agricultural uses and environmental needs, I support this project. I am the Economic Development Commissioner for the Butte Falls Community Forest and am interested in conserving the natural resources in and around the Community Forest for recreation, wildlife habitat, and fire resiliency. Gaining efficiency on the described parcel, and returning that water to the local stream and subsequent Rogue River, benefits all parties and all uses. I strongly endorse this project and hope to see it funded when grant awards are announced later this year.

Sincerely,

Christine Gleason, Ed.D.

Upper Rogue Transportation Project Coordinator

Butte Falls Community Forest Commissioner of Economic Development

RVMPD Committee Member



1221 Disk Drive, Medford, OR 97501

Office 458-225-5572

Cell (receives text) 541-973-7497

From: Rhianna Simes <rhianna@growing-assets.com>
Sent: Thursday, September 11, 2025 2:14 PM
To: GRANTS Owrdr * WRD
Cc: Christine Gleason
Subject: WPGL public comment - Big Butte Creek

You don't often get email from rhianna@growing-assets.com. [Learn why this is important](#)

Hello

I am writing to express my support for the Trout Unlimited's Connect 3 Farm project. This project is exemplary and should be selected due to its significant impact on the environment, and the community.

As the project summary outlines, this is a well planned project with many significant impacts. Butte Falls is an underserved area where Connect 3 Farm is working hard to bring local food/ farming, economic development, and environmental restoration together. This is a project that gets a lot done and has A LOT of community support.

Project Summary: The proposed project at Connect 3 Farm would enhance irrigation efficiency by converting 45 acres from flood to center-pivot irrigation and piping 2,300 feet of unlined ditch. One hundred percent of the water conserved through piping would be dedicated to instream through the Oregon Water Resources Department's Allocation of Conserved Water Program. Additionally, 26 acres of water rights (0.431 cfs) would be permanently transferred instream to benefit sensitive aquatic species, including state-listed Spring Chinook, ESA-listed SONCC Coho salmon, summer and winter steelhead, cutthroat trout, and Pacific Lamprey. The goal of the project is to improve irrigation efficiency and production for the irrigators and community by upgrading the irrigation system infrastructure while supporting streamflow restoration. This project supports both agricultural productivity and ecological restoration.

As a local farmer, community member, and nonprofit consultant - I support the amazing work that Connect 3 Farm is working to do. Funding this proposal would help them keep moving in a direction that is good for the earth, good for the people. and good for the region - with positive impacts for generations!! Please fund Connect 3 Farm's project with Trout Unlimited.

-Rhianna Simes, M.S.Ed.
 Verdant Phoenix Farm
 Oregon Tilth Certified Organic OT- 043754
rhianna@verdantphoenix.com
 & Growing Assets for Nonprofit Excellence
rhianna@growing-assets.com
growing-assets.com

From: Craig Harper <craigharper714@gmail.com>
Sent: Wednesday, September 24, 2025 2:19 PM
To: GRANTS Owrd * WRD
Subject: Hamann Irrigation Modernization Grant

You don't often get email from craigharper714@gmail.com. [Learn why this is important](#)

Hello OWRD Grant Review Team.

I am writing to give my personal support for the Hamann family's irrigation modernization grant application. The project as proposed will significantly enhance fish and habitat in Big Butte Creek and the Rogue River. It will increase flow in a critical salmonid habitat stream and improve water quality.

I urge you to fund this important project. Thanks!

Sincerely,
Craig Harper, 541-778-1729



August 14, 2025

Oregon Water Resources Department
725 Summer St. NE, STE A
Salem, OR 97301
Via email to OWRD.Grants@water.oregon.gov

Re: Wild Salmon Center support for Trout Unlimited applications in the Water Project Grants and Loans (second 2025 funding opportunity)

Dear WRD Staff and Technical Review Team,

Wild Salmon Center would like to express our support for both Trout Unlimited (TU) applications in the current funding round for the Water Project Grants and Loans program. Each of the purposed projects would provide meaningful instream benefits for fish, water quality, recreational opportunities, and the local communities in the Rogue Basin.¹

The Big Butte Creek Water Acquisition and Irrigation Efficiency Project will enhance on-farm irrigation efficiency, pipe 2,300 of unlined ditch, and dedicate 100% of the conserved water (approximately 0.17 cfs) instream.² This project will permanently transfer an additional 0.431 cfs instream to benefit aquatic organisms in the Upper Rogue Basin. Big Butte Creek was identified in the Upper Rogue Coho Strategic Action Plan as a high priority focal area. Flow restoration was identified as a critical long-term strategy in this basin and will directly benefit Southern Oregon/Northern California Coast (SONCC) Coho, a threatened species listed under the Endangered Species Act. The application requests \$462,056 for a total of 0.6 cfs permanently transferred instream.

The Oxbow Ranch Irrigation Modernization Project will modernize irrigation infrastructure with expected improvements to agricultural productivity and will transfer 100% of the conserved water (0.735 cfs, 313.22 ac-ft) instream.³ The existing diversion currently dewateres Deer Creek creating a low flow barrier to the movements of aquatic organisms. An anticipated benefit of this project is re-watering the source stream from the point of diversion (POD) downstream for 15 miles. Conserved instream water will have significant positive impacts for aquatic organisms. The application requests \$564,800 for a total of 0.735 cfs permanently transferred instream.

¹ Oregon Water Resources Department, Water Project Grants and Loans, Project Summaries – 2025 Funding Cycle 2 (available [here](#)).

² https://www.oregon.gov/owrd/programs/FundingOpportunities/FundingCycleHistory/TroutUnltd_BigButteCrk.pdf

³ <https://www.oregon.gov/owrd/programs/FundingOpportunities/FundingCycleHistory/TroutUnltd-OxbowIrrMod.pdf>

Wild Salmon Center appreciated the opportunity to support the projects sponsored by Trout Unlimited. Flow restoration is a critical component of a larger recovery effort for threatened SONCC Coho and other imperiled aquatic species in the Rogue Basin.

Thank you for this opportunity to provide comments, and please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Elder', is positioned above a thin horizontal line.

Dr. Tim Elder
Senior Manager for Habitat Restoration
Wild Salmon Center
telder@wildsalmoncenter.org
541-944-7453



WaterWatch of Oregon

Protecting Natural Flows In Oregon Rivers

Item G - Attachment 1

September 27, 2025

Grants Analyst
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, OR 97301
Via email to OWRD.Grants@water.oregon.gov

Re: Comments in support of both Trout Unlimited Proposed Water Projects, OWRD Water Project Grant and Loan Funding Cycle 2

Dear WRD Staff and Technical Review Team,

WaterWatch is a river conservation group dedicated to protecting and restoring stream flows for the fish, wildlife and people that depend upon them. WaterWatch worked to negotiate/craft SB 839 and the ensuing rules that govern OWRD's Water Project Grant and Loan Program. Ensuring that public funding requires an environmental public benefit was key to this work. Importantly, for a project to claim an environmental benefit related to restoring streamflows, the governing statute requires a "measurable improvement of protected streamflows", meaning the project must include a pathway to legally protect water instream (e.g. dedicating water instream via the Conserved Water Act, permanent flow augmentation rights, or permanent instream transfers)

With that background, WaterWatch urges support to both Trout Unlimited (TU) applications in the current funding round for the Water Project Grants and Loans program because each of the projects would provide permanent instream benefits. Specifically, we support the following two projects:

The Big Butte Creek Water Acquisition and Irrigation Efficiency Project: This project would enhance on-farm irrigation efficiency, pipe 2,300 of unlined ditch, and, importantly, dedicate 100% of the conserved water (approximately 0.17 cfs) instream. It would also permanently transfer an additional 0.431 cfs instream to benefit listed fish in the Upper Rogue Basin. The application requests \$462,056.

The Oxbow Ranch Irrigation Modernization Project: This project would modernize irrigation infrastructure with expected improvements in agricultural productivity and transfer 100% of the conserved water (0.735 cfs, 313.22 ac-ft) instream. The existing diversion currently dewateres Deer Creek, and one anticipated benefit of the project is re-watering the source stream from the point of diversion (POD) downstream for 15 miles. The application requests \$564,800.

Thank you for the opportunity to provide comments.

Sincerely,

Kimberley Priestley
Sr. Policy Analyst

WaterWatch of Oregon
Main Office: 213 SW Ash St. Suite 208 Portland, OR 97204
Southern Oregon Office: PO Box 261, Ashland, OR, 97520

www.waterwatch.org
Main Office: 503.295.4039
S. OR Office: 541.708.0048

September 14, 2025

Attn: Louisa Mariki
Grants Analyst – Oregon Water Resources Department
Planning, Collaboration, and Investments
725 Summer Street NE, Suite A Salem, OR 97301 | Phone 503-979-9160

Dear Ms. Mariki,

Thank you for the opportunity to provide public comment to the Water Project Grants and Loans and Irrigation Modernization Funding Applications, particularly the Falcon Cove Beach South Spring Intake Project for a total cost of \$95,000.

At first glance, funding of this project makes sense, given that the District would enjoy diversification of water sources, and the South Spring has been operating with a permit since 1975.

However, and before this project is funded, the following three actions/revisions are suggested:

1. A previous loan for a water well in the amount of \$125,000 (Safe Drinking Water Revolving Loan Fund Program for Falcon Cove Beach Water District, Water Production Capacity Increase No. 4732-13641) has not resulted in any appreciable production from the well. The well, which has an installed pumping capacity of **40 gal/min or 57,600 gallons/day, remains shut in** (see supporting section). It should be noted that **this capacity is ~2.9 times** the volume of the tank that would be served by the South Spring.

As a condition for granting this new Grant/Loan, the well should be put on production at reasonable rates (e.g. 5,000 to 10,000 gal/day) for at least 12 months, and then remain active, before funds for additional water capacity are granted.

2. There are some errors in the application, which should be addressed:

Section 24c – The District stated “*Use of the springs allows the well to **recharge more quickly and maintain a higher water table than when they are not in use***”.

This statement is not correct, as the aquifer tapped by the well is independent of the Springs (see supporting section).

Section 25f – The District stated “*The south spring is at a higher elevation than the District’s other two sources, and the relatively low cost of constructing a pipe to access this existing source is an efficient way to help ensure a continued water supply in an emergency. **This source is high enough to allow sufficient pressure for all users without added pumps***”.

This statement is not correct. Several properties are at higher elevation than the storage unit for the South Spring, so a pump would still be needed to service all users (see supporting section).

In terms of system redundancy, using the existing well makes more sense, as any storage tanks that could have been compromised due to a natural disaster such as an earthquake, could potentially be out of commission. Investing in power redundancy for the well and distribution system would make more sense and should be considered as part of this application.

3. It is very concerning that this application lists Short Term Rentals (STR) as a key reason for the financial request. Several of the statements are unsubstantiated by detailed data (i.e. account served, month, sales volume, etc.) nor professionally prepared studies.

The application states, under section 23e, “*The District serves **several Airbnb’s**, and depending on the season, vacation rentals can account for **30 percent of all users**. Replacement/repair of the spring source will enhance use and allow for **continued rental** of these vacation homes”.*

Under section 25c it states “*The project helps ensure visitors to rental properties and Airbnb’s have reliable drinking water. **Vacation rentals in Falcon Cove Beach can account for 30 percent of all users, depending on the season***”.

Supporting documentation for the District’s President (page 32 – July 14, 2025 RE: Letter of support for OWRD WPGI grant application for FCB South Spring Intake Project) states “**About one third of these homes are short-term rentals, which increases the demand for water, especially during the summer months**”

Past and previous commissioners for the FCBW District have a well-documented record with Clatsop County against STRs.

This includes calling for a water moratorium, the need to drill a well, providing multiple public comments against STRs, lobbying for the implementation of STR caps (e.g. Ordinance 25-10), supporting the May 2023 referendum against STRs (Measure 4-221 this was defeated at the ballot), declaring STRs commercial operations subject to increased water rates, the latest effort exemplified by two District Commissioners being part of the current steering committee to explore incorporation of Falcon Cove Beach and other communities with objectives that include regulating the STRs currently under unincorporated areas of Clatsop County, and the reallocation of transient lodging taxes to finance operating the newly incorporated city.

To avoid future confusion and unintended consequences, STR statements in this application should be removed, as the rehabilitated Spring would serve all users.

It would also make sense to explicitly state that the matching funds of US \$20,000 required for this Grant/Loan will be funded equitably by all District users, and not just owners of STRs. This would avoid burdening selected users, such as STRs or others, during future District Budget cycles.

It would also greatly benefit our community, if the detailed usage data (i.e. per account, per month, with personal information such as address/owner withheld) since 2017 is released free of charge, so that usage statements can be independently verified.

For the record, I am not a Short-Term Rental owner, and I want to reiterate that I am in support of funding this opportunity, as a long-term back-up plan with 3 water sources, as long as the District makes use of the previously funded well first.

I seriously considered not providing public comment to this application given the long-standing tension and animosity in our community between “residents” and “non-residents”. I want our community to return to a middle ground of coexistence. This application, in its current form, is divisive and ignores pre-existing commitments of developing water capacity. The District should focus on delivering water to all users in our community and should refrain from regulating land use.

I would like to thank the Oregon Water Resources Department for the opportunity to provide public comment.

Respectfully yours,
Guido Paparoni
Cove Beach Property Owner

Supporting Documentation

1) FCBWD Water Use by existing sources (Well, North Spring and South Spring)

This well is not being used at all – Permit G 18524. The well can provide 20 acre-feet per year (~ twice the current community water use) and has an installed pumping capacity of 40 gal/minute or 57,600 per day. The well remains shut-in since it was added to the distribution system.

Water Use Report Based on Water Right

Permit: G 18524 *
FALCON COVE BEACH DOMESTIC WATER SUPPLY DISTRICT 79387 RAY BROWN
RD ARCH CAPE, OR 97102

Records per page: 10 [View All](#)

Water Year*	Report ID	Facility	Acre-feet (AF) of Water Used												Total Water Used	Irrigated Acres
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
2024	68571	WELL 1 (CLAT 55068/L132105)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2023	68571	WELL 1 (CLAT 55068/L132105)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.73	0.00	0.73
2022	68571	WELL 1 (CLAT 55068/L132105)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.01	0.00	0.02

*The water year is named for the calendar year in which it ends. Example: the 2018 water year begins Oct. 1, 2017 and ends Sep. 30, 2018.

https://apps.wrd.state.or.us/apps/wr/wateruse_query/wr_wur_wris_report.aspx?snp_id=205100

This is effectively the only water source currently in production - North Spring Historical production – Permit S 28972.
The District currently uses between 10 and 12 acre-feet per year from its North Spring source.

Water Use Report Based on Water Right

Permit: S 28972 *
FALCON COVE BEACH WATER DISTRICT 79387 RAY BROWN RD ARCH CAPE, OR 97102

Records per page: 10 [View All](#)

Acre-feet (AF) of Water Used																
Water Year*	Report ID	Facility	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total Water Used	Irrigated Acres
2024	12635	N SPRING	0.55	0.92	0.56	0.69	0.50	0.55	0.68	0.66	0.84	1.34	1.28	1.14	9.71	
2023	12635	N SPRING	0.88	0.51	0.63	0.37	0.53	0.99	0.60	0.81	0.82	1.07	0.25	0.66	8.11	
2022	12635	N SPRING	0.62	0.72	0.23	0.96	0.51	0.80	0.81	1.35	1.18	0.97	1.11	0.75	10.02	
2021	12635	N SPRING	0.86	0.41	0.58	0.67	0.74	0.97	0.28	1.18	0.64	1.09	0.88	0.52	8.82	
2020	12635	N SPRING	0.41	0.34	0.54	0.37	0.29	0.49	0.62	0.68	0.94	1.90	2.22	1.19	9.99	
2019	12635	N SPRING	0.49	0.50	0.67	0.45	0.41	0.49	0.50	0.87	0.90	0.68	0.88	0.53	7.38	
2018	12635	N SPRING	1.02	0.74	0.76	0.31	0.55	0.55	0.62	0.70	0.72	1.92	1.14	0.77	9.79	
2017	12635	N SPRING	0.69	0.57	0.70	0.61	0.51	1.14	0.90	0.87	1.35	1.78	1.74	1.43	12.30	
2016	12635	N SPRING	0.72	0.72	0.81	1.12	0.53	0.83	1.20	0.72	0.77	1.75	1.38	0.75	11.29	
2015	12635	N SPRING	0.74	0.74	0.74	0.74	0.74	0.79	0.52	0.94	0.93	1.55	1.21	1.21	10.86	
1 2 3 4																

*The water year is named for the calendar year in which it ends. Example: the 2018 water year begins Oct. 1, 2017 and ends Sep. 30, 2018.

https://apps.wrd.state.or.us/apps/wr/wateruse_query/wr_wur_wris_report.aspx?snp_id=43608

This water source is impaired, hence the Grant/Loan application - South Spring Historical production – Permit S 37930. For the last 10 years, the South Spring has historically produced an insignificant amount of water. Spending more money to repair this production does not make fiscal sense when we have a perfectly good well with existing infrastructure that is not being used.

Water Use Report Based on Water Right

Permit: S 37930 *
FALCON COVE BEACH DOMESTIC WATER SUPPLY DISTRICT 79387 RAY BROWN RD ARCH CAPE, OR 97102

Records per page: 10 [View All](#)

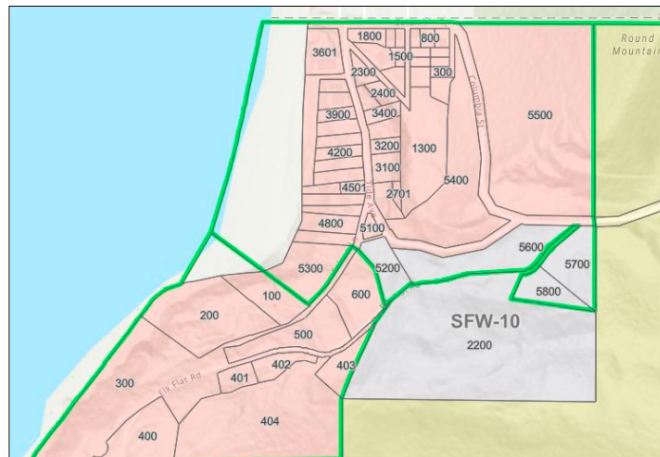
Acre-feet (AF) of Water Used																
Water Year*	Report ID	Facility	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total Water Used	Irrigated Acres
2024	33071	S SPRING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2023	33071	S SPRING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2022	33071	S SPRING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2021	33071	S SPRING	0.10	0.32	0.38	0.00	0.04	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.88	
2020	33071	S SPRING	0.00	0.01	0.09	0.13	0.05	0.05	0.13	0.00	0.00	0.00	0.14	0.14	0.75	
2019	33071	S SPRING	0.10	0.09	0.10	0.11	0.09	0.11	0.09	0.12	0.14	0.00	0.00	0.02	0.96	
2018	33071	S SPRING	0.00	0.00	0.00	0.00	0.00	0.00	0.31	0.17	0.02	0.00	0.00	0.05	0.55	
2015	33071	S SPRING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2014	33071	S SPRING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2013	33071	S SPRING	0.12	0.13	0.13	0.14	0.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.64	
1 2 3																

*The water year is named for the calendar year in which it ends. Example: the 2018 water year begins Oct. 1, 2017 and ends Sep. 30, 2018.

https://apps.wrd.state.or.us/apps/wr/wateruse_query/wr_wur_wris_report.aspx?snp_id=45603

2) Service Area and Topographic Map of Falcon Cove Tillamook County

The service area for Falcon Cove is shown on page 71 of the FCBWD Water Management and Conservation Plan,



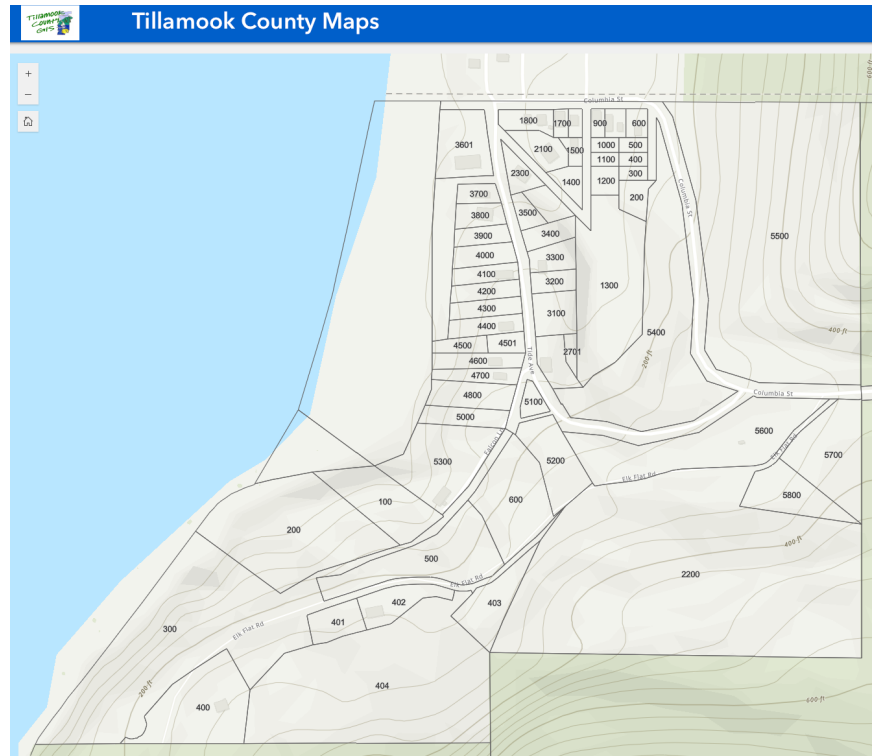
Tillamook County Falcon Cove Property Service Area

Rose colored area is zoned RR-2

Gray area is zoned SFW -10 (Small Farm Woodlot)

Greenish yellow area is Oswald West State Park

According to the Tillamook County GIS topographic vector map, several developed and undeveloped lots covered by the service area are at a higher elevation than the South Spring infrastructure. To serve those properties, pumping capacity will be needed as gravity drive would not be sufficient. The statement in the application “This source is high enough to allow sufficient pressure for all users without added pumps” is incorrect.



<https://experience.arcgis.com/experience/f4434a096c5641b09c8eacb0d9caa8e9>

3) Well taps into an aquifer independent from the South Spring

The groundwater application review summary form, part of the original well permitting application, states that the aquifer is confined and does not impact neighboring creeks. It also states that pumping is unlikely to impact the South Spring due to the spring's elevation more than 100 feet higher than the water level measured at the well.

The statement "*Use of the springs allows the well to **recharge more quickly and maintain a higher water table than when they are not in use***" is therefore not correct and should be removed.

Page 4

The only permitted groundwater use within one mile of CLAT 55068 is a pair of permitted springs, S 28972 and S 37930, both of which are registered to the applicant for the present review, Falcon Cove Beach Water District. Pumping of CLAT 55068 is unlikely to impact permit S 37937 due to the spring's elevation more than 100' higher than the water level measured in the well. The water level elevation in the well, 90 ft above sea level, matches to the elevation at the mapped location of the spring in S 28972, suggesting that interference is possible but difficult to predict given the folding and faulting of volcanic and sedimentary units. These factors combined, with the low proposed rate, make it unlikely that the proposed use will considerably impact the groundwater resource. However, the lack of available data about this aquifer suggests that the measurement and reporting conditions indicated above should be included in any permit.

Page 5

Application G-18905

Date: 6/26/2020

Page 5

C. GROUNDWATER/SURFACE WATER CONSIDERATIONS, OAR 690-09-040

C1. 690-09-040 (1): Evaluation of aquifer confinement:

Well	Aquifer or Proposed Aquifer	Confined	Unconfined
1	CRB	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>

Basis for aquifer confinement evaluation: The water level reported in the well log for CLAT 55068, 141 ft below land surface, rose above the top of the aquifer, at 151 ft below land surface. This pressurization of the aquifer indicates confined conditions.

Page 3

- A5. ☒ Provisions of the North Coast (690-501-0005) Basin rules relative to the development, classification and/or management of groundwater hydraulically connected to surface water ☒ **are**, or ☐ **are not**, activated by this application. (Not all basin rules contain such provisions.)

Comments: The POA does not fit within any defined Water Availability Basin, and use of CLAT 55068 is not likely to impact the neighboring creeks, Arch Cape Creek and Short Sand Creek. Therefore, the water source to CLAT 55068 is classified for municipal use.

https://apps.wrd.state.or.us/apps/wr/wrinfo/wr_details.aspx?snp_id=205100

From: nchase34 <nchase34@gmail.com>
Sent: Monday, September 22, 2025 10:57 AM
To: GRANTS Owrd * WRD
Subject: Public Comment - Water Projects Grants and Loans - Falcon Cove Beach South Spring Intake Project for \$95,000

You don't often get email from nchase34@gmail.com. [Learn why this is important](#)

Dear Ms. Mariki,

I am writing you regarding the Grant application submitted by the Falcon Cove Beach Domestic Water District (District).

I am the own a short-term rental (STR) property in the District as well as several building lots.

While the grant proposes work that would be beneficial, the District is ignoring a more urgent need. That is to integrate an existing, high-capacity well

into the District's system. The well's capacity is ~2.9 times the volume of the tank that would be served by the South Spring.

Unfortunately, I am providing comments on the grant now because the District does not allow public comments during its meetings.

They do allow written testimony to be submitted before a meeting; however, it is impossible to provide comments based on a line item in an agenda with no agenda packet provided.

As you proceed with the review of the District's grant application, please ask them to substantiate their claims on STR water usage.

Sincerely,

Nancy Chase

503-347-5083

Water Project Grants and Loans and Irrigation Modernization Funding Applications

Evaluation Summaries – 2025 Funding Cycle 2

October 20, 2025

Background

The Water Supply Development Account provides grants and loans for water projects that have economic, environmental and social/cultural benefits (ORS 541.651-696). In 2023, the Oregon Legislature passed House Bill 5030, providing \$50 million to the Water Supply Development Account to issue grants for irrigation modernization projects and \$10 million for Water Project Grants and Loans. In 2025, the Oregon Legislature passed Senate Bill 5531, providing \$8 million to the Water Supply Development Account to issue grants for Water Project Grants and Loans.

The application deadline for the second 2025 funding cycle was July 16, 2025. The Oregon Water Resources Department (OWRD) received six complete applications requesting a total of \$2,867,712 in grant funding for Water Project Grants and Loans projects. OWRD received three complete applications for irrigation modernization funding requesting \$7,100,536 in grant funding.

Document Description

The following are evaluation summaries for complete grant applications received for the second 2025 Water Project Grants and Loans (WPGL) and Irrigation Modernization Funding cycle. The multi-agency Technical Review Team (TRT) provided comments on each application, scored applications based on the criteria identified within the Scoring Criteria document, and made a funding recommendation to the Water Resources Commission (Commission) based on that evaluation and available funds. The following evaluation summaries highlight TRT comments gathered by OWRD during the application evaluation process and are prepared for the Commission's consideration and review. Applicants are encouraged to contact the Grants Analyst to request a review meeting and receive additional evaluation feedback. The evaluation summaries are listed in order of the TRT ranking.

The evaluation summary includes a combined public benefit score, which the TRT used to rank proposed projects. A table is also provided that shows a breakdown of the application score by category. An application could score up to 60 points in each of the economic, environmental, and social/cultural public benefit categories. A proposed project could receive up to 20 additional preference points; up to 10 points for legally protecting water instream and up to 10 points for collaboration. Irrigation Modernization projects may receive an additional 10 points for legally protecting water instream commensurate with the amount required under the approach described in ORS 537.470 for a total of 30 preference points. Preference points are listed in the "Other" category. There is a maximum public benefit score of 200 points for WPGL projects and 210 points for Irrigation Modernization projects.

Based on the TRT ranking, the TRT recommends the top four WPGL projects for funding (Table 1). This funding recommendation considers the public benefits provided by these applications and available funding. OWRD has \$607,000 available for immediate award and an additional \$4 million potentially available for provisional award contingent on a spring 2026 lottery revenue bond sale. The WPGL projects not recommended for funding are in Table 2. Two projects are not recommended for funding as they did not achieve the minimum score required in each public benefit category.

The TRT also recommends funding two of the three Irrigation Modernization Funding applications received (Table 3). OWRD has \$4,303,179 available to award for Irrigation Modernization. The third project is not recommended due to insufficient funds (Table 4).

Next Steps

OWRD is soliciting public comment on the TRT ranking and funding recommendation through 5 pm on November 10, 2025. Information on how to submit a public comment is available on the [website](#). Public comments submitted on the TRT ranking and funding recommendation will be presented to the Commission who will make a funding decision. The date for the Commission to make its funding decision is December 11-12, 2025.

More Information

If you have questions please contact the Grants Analyst, Louisa Mariki, at 503-979-960 or OWRD.Grants@water.oregon.gov.

Water Project Grants and Loans Applications

Table 1. Applications Recommended for Funding by the Technical Review Team

Project Name	Applicant	County	Grant Funds Requested	Total Project Cost	Total Score
Oxbow Ranch Irrigation Modernization Project	Trout Unlimited	Josephine	\$564,800	\$1,146,288	90
Big Butte Creek Water Acquisition and Irrigation Efficiency Project	Trout Unlimited	Jackson	\$462,056	\$801,442	78*
Twickenham Irrigation Efficiency	Gabe Williams	Wheeler	\$958,856	\$1,491,515	63*
Hagenah Irrigation Efficiency Project	Angela Hagenah	Wallowa	\$405,000	\$850,572	33*
Total			\$2,390,712	\$4,289,817	

* Provisionally recommended, subject to available funding. OWRD has \$607,000 available for immediate award and an additional \$4 million potentially available for provisional award contingent on a spring 2026 lottery revenue bond sale.

Table 2. Applications Not Recommended for Funding by the Technical Review Team

Project Name	Applicant	County	Grant Funds Requested	Total Project Cost	Total Score
Field 95 Aquifer Recharge Expansion Project	Madison Ranches, Inc.	Umatilla	\$402,000	\$4,073,000	17*
Falcon Cove Beach South Spring Intake Project	Falcon Cove Beach Domestic Water Supply District	Tillamook	\$75,000	\$95,000	7*
Total			\$477,000	\$4,168,000	

*Not recommended because it did not meet the minimum public benefit score in one or more categories.

Irrigation Modernization Funding Applications

Table 3. Applications Recommended for Funding by the Technical Review Team

Project Name	Applicant	County	Grant Funds Requested	Total Project Cost	Total Score
C-1 Piping Project	Powder Valley Water Control District	Union	\$2,498,000	\$10,409,000	98
Lone Pine Irrigation Modernization Phase 2 - Year 2	Lone Pine Irrigation District	Crook and Jefferson	\$336,236	\$3,337,224	55
Total			\$2,834,236	\$13,746,224	

Table 4. Application Not Recommended for Funding by the Technical Review Team

Project Name	Applicant	County	Grant Funds Requested	Total Project Cost	Total Score
Klamath Drainage District Irrigation Modernization Project	Klamath Drainage District	Klamath	\$4,266,300	\$16,878,000	69*
Total			\$4,266,300	\$16,878,000	

*Not recommended due to insufficient funds.

2025 Water Project Grants and Loans Applications

Oxbow Ranch Irrigation Modernization Project	7
Big Butte Creek Water Acquisition and Irrigation Efficiency Project.....	9
Twickenham Irrigation Efficiency.....	11
Hagenah Irrigation Efficiency Project.....	13
Field 95 Aquifer Recharge Expansion Project.....	16
Falcon Cove Beach South Spring Intake Project.....	18

2025 Irrigation Modernization Applications

C-1 Piping Project.....	20
Lone Pine Irrigation Modernization Phase 2 - Year 2	22
Klamath Drainage District Irrigation Modernization Project	24

Overview of Application Scoring

The scoring criteria for applications to the Water Projects Grants and Loans and Irrigation Modernization funding opportunities are based on the public benefits a project is likely to achieve. Projects funded are those which are likely to achieve the greatest public benefits. The change in conditions anticipated to result in public benefits must be described and explained in the project application. When evaluating an application, the TRT examines public benefits in three categories: economic, environmental, and social/cultural. The TRT evaluates and scores each application based on the following questions and determines whether the project would provide exceptional, high, moderate, minor, or no public benefits, or minor or medium negative impacts. See the [Scoring Criteria document](#) for more information.

	Question
Economic Public Benefits	a. Does the project create or retain jobs?
	b. Does the project increase economic activity?
	c. Does the project result in increases in efficiency or innovation?
	d. Does the project result in enhancement of infrastructure, farmland, public resource lands, industrial lands, commercial lands or lands having other key uses?
	e. Does the project enhance economic value associated with tourism or recreational or commercial fishing, with fisheries involving native fish of cultural significance to Indian tribes, or with other economic values resulting from restoring or protecting water instream?
	f. Does the project result in increases in irrigated land for agriculture? (which may include increasing irrigated acres, agricultural economic value, or productivity of irrigated land)
Environmental Public Benefits	a. Does the project result in measurable improvement in protected streamflows?
	b. Does the project result in water conservation?
	c. Does the project result in measurable improvement in groundwater levels that enhances environmental conditions in groundwater restricted areas or other areas?
	d. Does the project result in a measurable improvement in the quality of surface water or groundwater?
	e. Does the project increase ecosystem resiliency to climate change impacts?
	f. Does the project result in improvements that address one or more limiting ecological factors in the project watershed?
Social/Cultural Public Benefits	a. Does the project promote public health and safety and of local food systems?
	b. Does the project result in measurable improvements in conditions for members of minority or low-income communities, economically distressed rural communities, tribal communities or other communities traditionally underrepresented in public processes?
	c. Does the project promote recreation and scenic values?
	d. Does this project contribute to the body of scientific data publicly available in this state?
	e. Does this project promote state or local priorities, including but not limited to the restoration and protection of native fish species of cultural significance to Indian Tribes?
	f. Does this project promote collaborative basin planning efforts, including but not limited to efforts under Oregon's Integrated Water Resources Strategy?

2025 Water Project Grants and Loans Applications:**Oxbow Ranch Irrigation Modernization Project****Applicant Name:** Trout Unlimited**County:** Josephine**Funding Requested:** \$564,800**Total Project Cost:** \$1,146,288

Project Summary: The proposed irrigation modernization project at Oxbow Ranch in Josephine County would convert 137.8 acres to center-pivot irrigation in partnership with the landowner, Trout Unlimited, and the Oregon Department of Fish and Wildlife. This upgrade would improve water application efficiency by 25–35%, enhancing agricultural productivity while reducing water waste and eliminating return flow impacts on water quality. Located in a priority watershed for flow restoration, the project supports conservation of ESA-listed species such as coho salmon, fall Chinook, winter steelhead, Pacific lamprey, and cutthroat trout. Through the Oregon Water Resources Department’s Allocation of Conserved Water Program, 100% of the conserved water (0.735 cfs) would be legally protected instream, directly contributing to long-term habitat restoration and flow reliability.

Technical Review Team Score and Comments**TRT Recommendation:** Recommended for Funding**Public Benefit Scores:**

Total Score	Economic	Environmental	Social/Cultural	Other
90	30	28	22	10

Review Summary: The technical review team found that the proposed project offers substantial public benefits across economic, environmental, and social/cultural categories. The project is expected to enhance local economic activity, improve irrigation efficiency, and support agricultural productivity, while also delivering significant environmental gains through water conservation and instream protections. Additionally, the project aligns with regional conservation goals and demonstrates collaborative planning, contributing to long-term ecological and community resilience.

Economic Public Benefits:

The review team found the proposed project would likely result in:

- a) High public benefit from job creation and retention of three farm jobs. The project would generate short-term opportunities for contractors, equipment rentals, and related services during implementation.
- b) High public benefit from increased economic activity. The project would infuse \$700,000 into the local economy and double beef production capacity, supporting local supply chains.

- c) High public benefit from improved efficiency through conversion from wheel and hand lines to pivot irrigation and related infrastructure upgrades.
- d) High public benefit from infrastructure improvements that would expand hay and forage production and support a two- to threefold increase in livestock capacity.
- e) High public benefit from increasing flows that would support habitats for salmon and steelhead species valued for recreational fishing and of cultural significance to Tribes.
- f) High public benefit to the increase in agricultural value through irrigation upgrades that enhance productivity and expand capacity for both crops and livestock.

Environmental Public Benefits:

The review team found the proposed project would likely result in:

- a) High public benefit from legally protecting water instream. One hundred percent of conserved water (26% of current use) would be permanently protected instream through OWRD's Allocation of Conserved Water Program.
- b) High public benefit in water conservation. The conversion from wheel line to sprinkler irrigation will increase water use efficiency by 30%.
- c) Minor public benefit to groundwater levels due to limited surface-to-groundwater connectivity. The review team noted that the anticipated benefit would be localized to the immediate project area.
- d) High public benefit from improved water quality. Protecting 0.735 cfs instream would improve temperature and water quality conditions in Deer Creek, which is impaired year-round.
- e) High public benefit to ecosystem resilience. Increased instream flows would enhance riparian vegetation, habitat conditions, and water quality during critical summer months, strengthening resilience to drought and climate impacts.
- f) High public benefit from addressing ecological limiting factors through the legal protection of water instream. The project would address key limiting factors related to water quantity and quality for multiple fish species contributing to recovery and habitat improvement goals identified in regional plans.

Social/Cultural Public Benefits:

The review team found the proposed project would likely result in:

- a) Moderate public benefit to local food systems. Improved irrigation efficiency and productivity would enhance food security in a local food desert. The review team noted the project's proximity to Deer Creek presents potential contaminant concerns, but the transition to pivot irrigation may mitigate these risks.
- b) Moderate public benefit to Oregon's environmental justice communities. Reviewers noted the absence of documented community engagement or feedback from environmental justice communities limited the score.
- c) High public benefit for recreational and scenic values. Improved water quality and quantity would support fishing, boating, and other outdoor recreation.
- d) Minor public benefit to the contribution of scientific data. The review team noted that ongoing data collection lacks a defined plan for public dissemination, limiting the benefit.

- e) High to exceptional public benefit from alignment with regional conservation and action plans supporting water conservation and native migratory fish protection.
- f) High public benefit from collaborative basin planning. The project demonstrates coordination with Tribal governments, conservation organizations, and alignment with the Integrated Water Resources Strategy (IWRs) objectives.

Big Butte Creek Water Acquisition and Irrigation Efficiency Project

Applicant Name: Trout Unlimited

County: Jackson

Funding Requested: \$462,056

Total Project Cost: \$801,442

Project Summary: The proposed project at Connect 3 Farm would enhance irrigation efficiency by converting 45 acres from flood to center-pivot irrigation and piping 2,300 feet of unlined ditch. One hundred percent of the water conserved through piping would be dedicated to instream through the Oregon Water Resources Department's Allocation of Conserved Water Program. Additionally, 26 acres of water rights (0.431 cfs) would be permanently transferred instream to benefit sensitive aquatic species, including state-listed Spring Chinook, ESA-listed SONCC Coho salmon, summer and winter steelhead, cutthroat trout, and Pacific Lamprey. The goal of the project is to improve irrigation efficiency and production for the irrigators and community by upgrading the irrigation system infrastructure while supporting streamflow restoration. This project supports both agricultural productivity and ecological restoration.

Technical Review Team Score and Comments

TRT Recommendation: Recommended for Funding

Public Benefit Scores:

Total Score	Economic	Environmental	Social/Cultural	Other
78	24	24	22	8

Review Summary: The technical review team found that the proposed project would deliver moderate to high public benefits across economic, environmental, and social/cultural categories. The project is expected to improve irrigation efficiency, enhance agricultural productivity, and legally protect water instream to benefit fish habitat and water quality. The project also aligns with regional drought resilience and conservation goals and demonstrates collaborative planning.

Economic Public Benefits:

The review team found the proposed project would likely result in:

- a) Moderate public benefit from job creation during construction and retention of two full-time positions and a temporary project manager.

- b) Moderate public benefit to economic activity. The project would strengthen local agricultural production and support related industries.
- c) Moderate public benefit from improved irrigation efficiency through conversion from flood to center-pivot irrigation. The review team noted that the integration of a demonstration farm featuring permaculture practices, offering educational and environmental value adds an innovative dimension.
- d) Moderate public benefit from the enhancement of farmland and infrastructure improvements that strengthen agricultural productivity.
- e) High public benefit through legal protection of water instream supporting commercial and recreational fishing. The review team noted the additional water instream would enhance habitat for Chinook salmon, steelhead, and trout, species of ecological and cultural importance to Tribes.
- f) High public benefit to the increase in agricultural value and productivity of irrigated land through irrigation efficiency improvements. The project anticipates a 50% increase in hay production value as a result.

Environmental Public Benefits:

The review team found the proposed project would likely result in:

- a) High public benefit from legally protecting water instream. The project would protect 0.43 cfs through an instream transfer and would protect instream one hundred percent of the water conserved through piping (0.17 cfs) through the Oregon Water Resources Department's Allocation of Conserved Water Program. Reviewers noted a lack of documentation on how the pivot system would function with the remaining 0.6 cfs.
- b) High public benefit in water conservation from converting from flood to center-pivot irrigation and piping 2,300 feet of open ditch. The review team noted that the project would benefit from clearer quantification of expected water savings.
- c) Minor public benefit to groundwater levels, as the application provided limited evidence or data to support claims of groundwater recharge.
- d) High public benefit in the improvement of surface water quality through reduced runoff and elimination of flood irrigation, supporting temperature and dissolved oxygen improvements in Hukill Creek and Big Butte Creek, both currently impaired for aquatic habitat.
- e) High public benefit to ecosystem resilience. Increased streamflow during critical summer months would lower water temperatures, enhance riparian vegetation, and improve habitat conditions.
- f) High public benefit to limiting ecological factors through the legal protection of water instream. The project would create a senior water right supporting native and ESA-listed fish species in a critical watershed.

Social/Cultural Public Benefits:

The review team found the proposed project would likely result in:

- a) Moderate public benefit to public health and safety from improved downstream water quality supporting public water systems. Increased agricultural production would strengthen local food systems.

- b) Moderate benefit to Oregon’s environmental justice communities. While the project is in an economically distressed area, the review team noted that the application lacked documentation of engagement with these communities.
- c) Moderate public benefit for recreational and scenic values. The additional instream water is expected to enhance opportunities for outdoor recreation and scenic enjoyment.
- d) Minor public benefit to the contribution of scientific data. Proposed water measurement and educational outreach lack defined methodology and public data-sharing plans. The review team noted that water measurement reporting to OWRD does not qualify as new public data.
- e) High public benefit through alignment with state and local priorities for drought resiliency and protection of culturally significant native fish species.
- f) High public benefit from strong collaborative basin planning efforts. The project demonstrates collaboration with local partners, alignment with basin planning objectives supported by letters of support, and consistency with Oregon’s Integrated Water Resources Strategy.

Twickenham Irrigation Efficiency

Applicant Name: Gabe Williams

County: Wheeler

Funding Requested: \$958,856

Total Project Cost: \$1,491,515

Project Summary: The goal of the proposed project is to improve climate change resilience of agriculture and the ecosystem. Under this are four sub-goals/actions: to improve irrigation efficiency, increase agricultural production, improve climate/agricultural resilience, and increase instream flow. The proposed project would consolidate pumps and upgrade two centrifugal pumps to one more efficient turbine pump, replace the mainline system, upgrade existing pivots for improved efficiency, reduce and/or replace handline and solid-set irrigation systems with pivots, consolidate corner irrigation sections under high efficiency pivots, and apply activated biochar to the fields to improve water retention, reduce fertilizer needs, and improve microbial conditions. The applicant would legally protect 64.4% of the conserved water instream in the John Day River (approximately 0.97 cubic feet per second) through the Oregon Water Resource Department’s Allocation of Conserved Water Program. The applicant would apply 35.6% of the conserved water to place additional acreage into production which would improve the future viability of the agricultural operation.

Technical Review Team Score and Comments

TRT Recommendation: Recommended for Funding

Public Benefit Scores:

Total Score	Economic	Environmental	Social/Cultural	Other
63	26	17	14	6

Review Summary: The technical review team found that the proposed project would provide high economic public benefits, including improvements in water and energy efficiency, agricultural productivity, and infrastructure, with added value as a regional pilot for sustainable biochar production. Environmental benefits include water conservation and moderate improvements to water quality and ecosystem resilience, though instream flow gains are relatively small. Social/cultural benefits were moderate overall, with contributions to scientific research and alignment with state conservation priorities.

Economic Public Benefits:

The review team found the proposed project would likely result in:

- a) High public benefit from the creation of four temporary full-time positions and retention of existing staff. The project would increase crop yields generating seasonal harvest and processing employment. The review team noted the potential for future permanent biochar production positions.
- b) Moderate public benefit from increased short-term economic activity. Project implementation would stimulate local contracting and related industries, while also enhancing agricultural productivity and processing capacity to support local economic resilience.
- c) High public benefit from improved efficiency in water, labor, and electricity use. The project would serve as a regional pilot for biochar production, demonstrating sustainable practices through well-documented technical design and modeling. The review team highlighted the application's strong technical detail and effective use of visuals to illustrate expected outcomes.
- d) High public benefit from infrastructure enhancements. Upgrades to pivot and pump systems and replacement of outdated irrigation infrastructure would support transition to high-value specialty crops.
- e) Moderate public benefit from enhanced economic value related to tourism and recreation. The site's proximity to the John Day Fossil Beds and Scenic Byway provides secondary benefit, though fish recovery potential remains low due to seasonal flow constraints.
- f) High public benefit from increased irrigated acreage, expanding from 187.7 acres to 223.8 acres.

Environmental Public Benefits:

The review team found the proposed project would likely result in:

- a) Moderate public benefit from the legal protection of 64.4% of water instream (0.97 cfs) through OWRD's Allocation of Conserved Water Program. The review team noted that the increase in stream flow is small compared to overall flows in the John Day River and may have limited ecological impact.
- b) High public benefit to water conservation. The project would reduce water use by 23%.

- c) No measurable benefit to groundwater levels.
- d) Moderate public benefit to surface water quality. Biochar use and efficient irrigation practices would help reduce nutrient leaching, fertilizer use, and runoff. The review team noted that incorporating native riparian species could be more effective than pollinator-focused vegetation in addressing temperature impairments in the basin.
- e) Moderate public benefit to ecosystem resilience. Increased instream flow and biochar-related carbon sequestration would enhance climate resilience, with added benefit from pollinator habitat improvements.
- f) Moderate public benefit from addressing ecological limiting factors through pollinator habitat improvements, with minor contributions to fish habitat from legally protected instream water.

Social/Cultural Public Benefits:

The review team found the proposed project would likely result in:

- a) Minor public benefit to public health. No direct evidence of health or safety outcomes was provided. Expanded hay production would supply feed for local livestock operations.
- b) Moderate public benefit to environmental justice communities. Increased agricultural productivity would support economic stability in vulnerable populations.
- c) Minor to moderate public benefit related to recreational value. Additional instream water would support boating and floating opportunities, though benefits to fishing are limited.
- d) Moderate to high public benefit from the contribution of scientific data. The project would collect soil moisture, nutrient capture, and electrical conductivity data through a side-by-side biochar study shared via Oregon State University's Soils 205 course.
- e) Moderate public benefit through alignment with state and local priorities emphasizing water use efficiency, conservation, and climate resilience consistent with Oregon's Integrated Water Resources Strategy.
- f) Moderate public benefit from coordination with the John Day Place-Based Planning working group. While the project provided data to the group, it is unclear whether the applicant actively participated in collaborative planning efforts.

Hagenah Irrigation Efficiency Project

Applicant Name: Angela Hagenah

County: Wallowa

Funding Requested: \$405,000

Total Project Cost: \$850,572

Project Summary: The project would modernize flood irrigation infrastructure in Lostine, Oregon by installing a piped mainline across leased property to neighboring parcels and converting existing flood systems to solar-powered pivot irrigation. This upgrade would reduce water loss, improve efficiency, and expand usable agricultural acreage. The projects improvements include pipeline

installation, livestock watering troughs, and the replacement of open ditches with controlled irrigation systems. The use of solar energy would lower fossil fuel dependence, reduce long-term energy costs, and support sustainability goals. Additional benefits would include reduced labor demands, mitigation of runoff risks to nearby homes and roads, protection of native vegetation, and future connectivity for neighboring landowners to enhance their own systems.

Technical Review Team Score and Comments

TRT Recommendation: Recommended for Funding

Public Benefit Scores:

Total Score	Economic	Environmental	Social/Cultural	Other
33	16	8	8	1

Review Summary: The technical review team found that while the proposed project includes promising elements, such as improved irrigation efficiency, renewable energy integration, and expanded agricultural production, many claimed benefits lacked sufficient supporting evidence. Environmental and social/cultural benefits were generally minor to moderate, with limited documentation of instream protections, ecological outcomes, or collaborative planning. The project aligns with some local priorities but would benefit from stronger data, clearer mechanisms for protection of water instream, and more robust community engagement.

Economic Public Benefits:

The review team found the proposed project would likely result in:

- a) Minor to moderate public benefit from the creation of one permanent position for irrigation and water measurement system maintenance. The project would generate short-term construction employment and increase seasonal labor demand as production expands.
- b) Minor to moderate public benefit from increased economic activity. Infrastructure upgrades are expected to improve production efficiency and reduce costs. The review team noted the application lacked supporting documentation to substantiate the proposed economic outcomes.
- c) High public benefit from improved irrigation efficiency and integration of renewable energy to power agricultural operations. The design would also improve water delivery efficiency for neighboring landowners.
- d) Moderate public benefit from farmland enhancement through investment in irrigation infrastructure.
- e) Minor public benefit from enhanced economic value associated with recreation. While the application referenced culturally significant fish species and regional ecological benefits, these claims were not supported by evidence of increased streamflow or a legal instream protection mechanism.
- f) Moderate to high public benefit from increased agricultural production value due to improved irrigation efficiency and expanded irrigated acreage, enabling higher-value crop production.

Environmental Public Benefits:

The review team found the proposed project would likely result in:

- a) No public benefit from the legal protection of water instream. The application indicated the use of an “other” mechanism for instream protection but did not identify a legally recognized method to ensure the water would be protected.
- b) Moderate to high public benefits to water conservation through 40-50% water efficiency improvements.
- c) Minor public benefit to groundwater level improvements. Reviewers noted the absence of quantified data before or after implementation, limiting the ability to accurately assess impact.
- d) Minor to moderate public benefit to water quality through anticipated reductions in runoff, erosion, and nutrient loading. However, the absence of baseline data and post-project monitoring plan limits the ability to verify these outcomes.
- e) Minor to moderate public benefit from increased ecosystem resilience. Water conservation measures may enhance soil moisture and riparian health during critical summer months, though benefits are unverified due to limited data.
- f) Minor public benefit from addressing ecological limiting factors. While conserved water could potentially support fish reintroduction, the absence of enforceable instream protections limits the certainty of these benefits.

Social/Cultural Public Benefits:

The review team found the proposed project would likely result in:

- a) Moderate public benefit to local food systems through reduced chemical runoff and improved irrigation practices supporting sustainable agricultural production.
- b) Moderate public benefit to environmental justice communities. The project is located in a designated food desert and demonstrates engagement with surrounding landowners, contributing to economic and agricultural stability in a rural community.
- c) Minor public benefit to recreational and scenic values. Improved stream conditions could support fishing and water-based recreation; however, the absence of legally protected instream flows limits benefits.
- d) No public benefit from the contribution of new scientific data.
- e) No to minor public benefit from alignment with state and local priorities. While the project supports local goals for fish reintroduction and reduced water temperatures, the lack of an enforceable water management mechanism limits the potential impact of these benefits.
- f) Minor public benefit from collaborative basin planning efforts. The application provided limited documentation of coordination with basin partners or integration into broader strategic planning efforts.

Field 95 Aquifer Recharge Expansion Project

Applicant Name: Madison Ranches, Inc.

County: Umatilla

Funding Requested: \$402,000

Total Project Cost: \$4,073,000

Project Summary: The proposed project would expand an existing aquifer recharge project near Echo Junction in Umatilla County. The goals of the project are to improve agricultural production, augment the aquifer, and enhance alluvial water quality. The project would add 44.3 acres of infiltration basin area and install a collector well and associated infrastructure. Water recovered from the alluvial aquifer via the collector well would support agricultural irrigation, and a portion would be injected into an Aquifer Storage and Recovery (ASR) well to support recharge of the deep basalt aquifer.

Technical Review Team Score and Comments

TRT Recommendation: Not Recommended for Funding

Public Benefit Scores:

Total Score	Economic	Environmental	Social/Cultural	Other
17	11	1	4	1

Review Summary: The technical review team found that the proposed project offers limited public benefits overall, with several claims lacking sufficient evidence or clarity. The project did not meet the minimum score of 5 in the environmental or social/cultural public benefit categories. While the project includes innovative elements such as aquifer storage and recovery (ASR) and irrigation infrastructure upgrades, concerns were raised about operational feasibility, given the project's limited data record and history of non-compliance under prior limited licenses. Notably, deficiencies in the collection and reporting of data affect the ability to confirm that the system functions as described. In addition, the application proposed constructing a new recharge basin in "Field 95," described as unused farmland for the past 10 years; however, crops were observed being grown there in July 2025, raising questions about site suitability for recharge.

Economic Public Benefits:

The review team found the proposed project would likely result in:

- a) Minor to moderate public benefit to job creation and retention. The project could extend seasonal employment with increased water availability; however, no new positions were identified.
- b) Minor public benefit from increased economic activity. The projects extended water availability may increase crop production and value. The review team noted a lack of supporting documentation to assess the likelihood of achieving the projected benefits.

- c) Moderate public benefit from increased efficiency and innovation. The project incorporates aquifer storage and recovery (ASR) methods, though evidence that water movement or recharge would occur as described remains unverified.
- d) Moderate public benefit from farmland enhancement through investment in irrigation and aquifer recharge infrastructure. Reviewers acknowledged the importance of such projects in the region but raised concerns about the clarity of the project's operations.
- e) No public benefit from enhanced economic value associated with recreation. Potential reduction in winter flows may negatively affect fish habitat and downstream ecosystems. Insufficient evidence was provided to demonstrate measurable benefit.
- f) Moderate public benefit from increased agricultural value through expanded irrigation capacity and crop diversity. Reviewers noted that reliance on the filtration basin use, and water availability reduces confidence in projected outcomes.

Environmental Public Benefits:

The review team found the proposed project would likely result in:

- a) No public benefit as the project is not proposing to legally protect water instream. The review team questioned whether the project may have a minor detriment to instream flows.
- b) No public benefit from water conservation.
- c) No public benefit from improvements to groundwater levels.
- d) Minor public benefit to water quality from potential groundwater improvements through ASR. The review team noted that the monitoring plan lacks sufficient detail and spatial coverage to substantiate claims.
- e) Minor public benefit to ecosystem resilience. Seasonal water availability and wetland support may provide limited benefit under the proposed design.
- f) Minor public benefit from addressing limiting ecological factors. Reviewers questioned the claimed benefits of improving wetland habitats near crop fields and the claims to improved water quality.

Social/Cultural Public Benefits:

The review team found the proposed project would likely result in:

- a) Minor public benefit to public health, public safety, or local food systems. The project proposes crop expansion but lacks evidence linking outcomes to public health or drinking water quality improvements.
- b) No public benefit to environmental justice communities. The project is located in an environmental justice area, but the application did not document engagement or direct community benefits.
- c) Minor public benefit from the promotion of recreation and scenic values through private hunting access for big game and bird hunting.
- d) No public benefit from the contribution of new scientific data.
- e) Minor public benefit from alignment with state and local priorities related to nitrate reduction, drought mitigation, and water source improvement. The review team noted the application lacks a clear framework to effectively monitor progress toward these priorities.

- f) Minor public benefit from collaborative planning with local, state, federal, and Tribal partners. The project references regional frameworks such as the Umatilla Basin 2050 Plan but provided no documentation of active coordination or engagement with basin partners or communities.

Falcon Cove Beach South Spring Intake Project

Applicant Name: Falcon Cove Beach Domestic Water Supply District

County: Tillamook

Funding Requested: \$75,000

Total Project Cost: \$95,000

Project Summary: The goal of this project is to restore the District's south spring, one of three key water sources, to active use for drinking water. An upgrade was attempted in 2016, however, the omission of a perforated collector pipe at the spring's discharge significantly reduced flow. This project would install a new collector pipe at the discharge area and reconnect the spring to the existing water system. A new intake screen would be drilled into the hillside at the spring source, flow-tested, and connected through a 4" solid pipe to the existing spring box. The system, which includes a small reservoir and pump station, would be chlorinated and brought online to support the District's water supply. Restoring the south spring is critical to ensuring a safe, reliable, and resilient water system for the District's users.

Technical Review Team Score and Comments

TRT Recommendation: Not Recommended for Funding

Public Benefit Scores:

Total Score	Economic	Environmental	Social/Cultural	Other
7	4	1	2	0

Review Summary: The technical review team determined that the proposed project did not meet the minimum score of 5 in any of the public benefit categories, economic, environmental, or social/cultural. Overall, the application lacked sufficient detail and supporting documentation to substantiate its claims, resulting in limited demonstrated public benefit. While the project includes infrastructure rehabilitation and references potential improvements, the absence of quantifiable data, and collaborative planning significantly limited its scoring across all categories.

Economic Public Benefits:

The review team found the proposed project would likely result in:

- a) No public benefit from job creation or retention associated with the project.
- b) No public benefit from increased economic activity. Reviewers noted the potential for short-term contracting during implementation, but the application provided no documentation to substantiate projected benefits to local business.

- c) Minor public benefit from increased efficiency. The application references potential improvements but lacks quantitative or technical evidence.
- d) Moderate public benefit from infrastructure enhancement. The project rehabilitates and improves existing systems, improving overall reliability.
- e) No to minor public benefit from enhanced economic value related to recreation. The application references increased water supply for short-term rentals such as Airbnbs; however, the variable nature of property use, and lack of documentation limit any measurable connection to public economic benefit.
- f) No public benefit from increased irrigated land for agriculture.

Environmental Public Benefits:

The review team found the proposed project would likely result in:

- a) No public benefit as the project does not propose to legally protect water instream.
- b) Minor public benefit from water conservation. The project may reduce conveyance losses, but the application did not quantify volume or impact.
- c) No to minor public benefit from improved groundwater levels. Assertions of aquifer connectivity were not supported by scientific data or evidence.
- d) No public benefit from improvements to the quality in surface or groundwater.
- e) No public benefit from increased ecosystem resilience to climate change impacts.
- f) No public benefit from addressing limiting ecological factors within the project watershed.

Social/Cultural Public Benefits:

The review team found the proposed project would likely result in:

- a) Minor public benefit to public health through improved reliability of the local water supply.
- b) No public benefit to Oregon's environmental justice communities.
- c) No to minor public benefit to recreational and scenic values. While the application referenced improved drinking water for rental properties, it did not provide evidence linking these improvements to increased recreational use or broader public benefit.
- d) No public benefit from the contribution of new scientific data.
- e) No public benefit from alignment with state or local priorities.
- f) No public benefit from collaborative basin planning efforts.

2025 Irrigation Modernization Funding Applications:**C-1 Piping Project****Applicant Name:** Powder Valley Water Control District**County:** Union**Funding Requested:** \$2,498,000**Total Project Cost:** \$10,409,000

Project Summary: The C-1 Project would modernize irrigation infrastructure within the Powder Valley Water Control District (PVWCD) in Union County, Oregon, by replacing approximately 3.4 miles of open ditch with buried, gravity-pressurized pipeline and retiring an additional 5.5 miles of aging canals. This upgrade would reduce water losses from seepage, evaporation, and operational spills, increasing storage in Pilcher Creek and Wolf Creek reservoirs and benefiting all 102 PVWCD patrons. The project would directly improve water delivery to six patrons irrigating 2,030 acres, enabling a transition from flood to efficient sprinkler irrigation. The project would conserve approximately 653 acre-feet of water annually. The applicant would legally protect 75% of the conserved water instream through the Oregon Water Resources Department's Allocation of Conserved Water Program (490-acre feet). The additional instream flow would enhance summer flows in Anthony Creek and the North Powder River to support ESA-listed bull trout and other aquatic species. The remaining 163 acre-feet would help fulfill existing water rights.

Technical Review Team Score and Comments**TRT Recommendation:** Recommended for Funding**Public Benefit Scores:**

Total Score	Economic	Environmental	Social/Cultural	Other
98	28	25	25	20

Review Summary: The technical review team found that the proposed project would deliver high public benefits across economic, environmental, and social/cultural categories. With project elements including irrigation modernization, water conservation, and instream flow protection, the project supports agricultural productivity, ecosystem health, and public health outcomes. The project also demonstrates strong collaboration with Tribes and local partners, alignment with state priorities, and inclusive community engagement. These strengths contributed to high scores across all evaluation areas.

Economic Public Benefits:

The review team found the proposed project would likely result in:

- a) High public benefit from job creation and retention of jobs. The project would support 70 direct and indirect jobs over a one-year construction period, generating an estimated \$150,000 in annual labor income.

- b) High public benefit from increased economic activity. The proposed \$10.4 million construction investment would stimulate local economic sectors and yield long-term gains in agricultural productivity.
- c) High public benefit from increased efficiency. The project would pipe 3.4 miles of open ditch with buried gravity-pressurized pipeline, improving water use efficiency and operational reliability.
- d) High public benefit from the enhancement of farm and irrigation infrastructure, supporting the conversion from flood to sprinkler irrigation.
- e) Moderate public benefit from enhanced economic value associated with recreation. The review team noted impacts to fishing opportunities may be limited; however, filling and extended water retention in the reservoir could support tourism and local recreation.
- f) High public benefit from increased economic value of irrigated agricultural land. The project would modernize irrigation systems across 2,030 acres, convert flood irrigation to pressurized irrigation, and benefit 6 patrons. A portion of the conserved water (163 acre-feet) will be retained for agricultural use, improving water security.

Environmental Public Benefits:

The review team found the proposed project would likely result in:

- a) High public benefit from the legal protection of water instream. The project would permanently protect 75% (490 acre-feet) of the conserved water through OWRD's Allocation of Conserved Water Program. The review team identified this as a significant ecological benefit.
- b) High public benefit from water conservation. The project estimates 653 acre-feet of water will be conserved per year.
- c) No public benefit related to groundwater level improvements.
- d) High public benefit from improvements in surface water quality. Piping and protected instream flows would reduce water temperatures, increase dissolved oxygen, decrease sediment loads, and support Total Maximum Daily Load (TMDL) goals for E. coli. The review team noted that the absence of baseline data may limit the ability to quantify these improvements.
- e) High public benefit from increased ecosystem resiliency to climate change. Protected instream flows during the irrigation season would support cold-water habitats, enhance hydrologic stability, and improve water quality. Reviewers noted the timing of these flows aligns with critical ecological needs.
- f) High public benefit from improvements that address limiting ecological factors. Increased streamflow and infrastructure upgrades would support temperature improvements and enhance habitat for fish species such as Redband Trout and Bull Trout.

Social/Cultural Public Benefits:

The review team found the proposed project would likely result in:

- a) High to exceptional public benefit from the promotion of public health. The project would eliminate 5.5 miles of open ditch, reducing runoff, nutrient loading, and fecal contamination

that contribute to harmful algal blooms. It would also improve safety by removing drowning hazards and strengthen the local food system through more efficient sprinkler irrigation.

- b) High public benefit to Oregon’s environmental justice communities. The review team commended the applicant’s coordination with local communities and Tribes, noting inclusive engagement and responsiveness to environmental justice concerns.
- c) Moderate public benefit from the promotion of recreation and scenic values through increased streamflow’s and cooler temperatures that would enhance reservoir conditions and scenic appeal. While fishing benefits may be limited, the project could contribute to tourism and visual enjoyment.
- d) No public benefit from the contribution of new scientific data.
- e) High public benefit from alignment with state and local priorities. The project supports TMDL compliance, flow restoration, water quality improvement, and habitat enhancement for Redband Trout and Bull Trout.
- f) High public benefit from collaborative planning with local, state, federal, and Tribal partners. The project was developed through watershed planning efforts led by the Natural Resources Conservation Service and local conservation partners in coordination with Tribes. The review team noted strong outreach efforts, demonstrating meaningful collaboration and transparency.

Lone Pine Irrigation Modernization Phase 2 - Year 2

Applicant Name: Lone Pine Irrigation District

County: Crook and Jefferson

Funding Requested: \$336,236

Total Project Cost: \$3,337,224

Project Summary: The project would modernize the irrigation system by replacing 11,115 feet of inefficient open canals with pressurized HDPE pipe and laterals. This Phase 2 project was funded by OWRD in 2024, however, the applicant is facing a budget shortfall due to a shift from Three Sisters Irrigation District completing construction to a private contractor completing construction. The applicant is requesting funds for the second year of Phase 2 construction. Phase 2 is expected to conserve 1.5 cfs. The District would reduce their water right certificate(s) by 100% of the amount of water conserved through this project. Through an interdistrict agreement, the conserved live flow would be made available to the North Unit Irrigation District (NUID) for use as irrigation water during the irrigation season. NUID would release an equivalent amount during the winter season in Upper Deschutes River below Wickiup Reservoir via a secondary use right for flow augmentation.

Technical Review Team Score and Comments

TRT Recommendation: Recommended for Funding

Public Benefit Scores:

Total Score	Economic	Environmental	Social/Cultural	Other
55	16	6	17	16

Review Summary: The technical review team found it difficult to distinguish the benefits of this project phase from those achieved in a previously funded phase, which limited the ability to fully assess its standalone impact. While the project offers moderate benefits in economic activity, infrastructure upgrades, and collaborative planning, many claims lacked sufficient detail or quantifiable evidence. Environmental benefits were generally minor, with limited measurable instream protections or water quality improvements. Social and cultural benefits were stronger in areas such as public safety and long-term planning, but the application would benefit from clearer documentation and more direct engagement with environmental justice communities and Tribes.

Economic Public Benefits:

The review team found the proposed project would likely result in:

- a) Minor public benefit from job creation or retention. The project anticipates short-term employment in the construction sector and long-term support for agricultural jobs; however, the review team noted insufficient detail regarding job types, duration, and quantity, which limits the strength of the claim.
- b) Moderate public benefit from increased economic activity. Stabilized water delivery would support 21 farms, with potential benefits including extended growing seasons and higher-value crop production.
- c) Moderate to high public benefit from increased efficiency through infrastructure upgrades that would improve irrigation system performance and reliability.
- d) Moderate to high public benefit from infrastructure enhancement. The project would improve irrigation delivery systems, contributing to more reliable water use and increased farmland productivity.
- e) Minor to moderate public benefit from enhanced economic value. Increased winter flows may support habitat for the Oregon spotted frog and offer recreational value.
- f) Minor to moderate public benefit from increased economic value and productivity of land, achieved through improved water supply resiliency and support for high-value crop production. Reviewers noted discrepancies in the phase documentation and a lack of clarity regarding which benefits are specific to the current project phase.

Environmental Public Benefits:

The review team found the proposed project would likely result in:

- a) Minor public benefit from legally protecting water instream. The review team noted the application cited the project would conserve 1.5 cfs, which was the same number referenced in the Phase 2 application. The application would have been improved by clearly identifying the volume of water specifically associated with this phase.
- b) Minor public benefit from water conservation.
- c) No measurable improvement in groundwater levels.

- d) No public benefit to surface or groundwater quality.
- e) Minor public benefit to ecosystem resiliency to climate change impacts. While increased winter flows may support habitat for threatened species such as the Oregon spotted frog, the volume of water associated with this project phase, and therefore the extent of the impact was unclear.
- f) Moderate public benefit from improvements that address limiting ecological factors. The project may support habitat restoration for the Oregon spotted frog, though the volume of water is unlikely to benefit steelhead, Chinook, or trout.

Social/Cultural Public Benefits:

The review team found the proposed project would likely result in:

- a) High public benefit from the promotion of public health and safety. Piping open canals would reduce the risk of drowning, with the application citing past near-drowning incidents highlighting the safety improvements for local residents. Additionally, piping would reduce the presence of chemicals in the water, improving conditions for both local residents and downstream Tribal communities.
- b) Moderate public benefit for Oregon's environmental justice communities. The review team noted limited direct engagement with environmental justice communities and no documented Tribal support.
- c) Minor public benefit from the promotion of recreational values. Increased flows may support whitewater rafting and scenic value along a five-mile stretch through Bend.
- d) No public benefit from the contribution of new scientific data.
- e) Moderate public benefit from alignment with state and local priorities through long-term collaborative regional efforts involving municipalities, Tribes, and community members.
- f) High public benefit from the promotion of collaborative basin planning efforts. The project builds on more than a decade of basin-wide planning and coordination among multiple diverse partners. Reviewers acknowledged the complexity and negotiation required to implement the project; however, they noted that the application would be strengthened by the inclusion of updated letters of support.

Klamath Drainage District Irrigation Modernization Project

Applicant Name: Klamath Drainage District

County: Klamath

Funding Requested: \$4,266,300

Total Project Cost: \$16,878,000

Project Summary: The proposed project would enhance water delivery and ecological function by extending the North Canal 0.47 miles (approximately 2,500 feet) from Fugate Road to Highway 161, linking it to the P1 Lateral and establishing a new delivery point to the Lower Klamath National Wildlife Refuge. The project would increase operational efficiency by upgrading the E and F

pumping plants to a common voltage, adding variable frequency drives, and installing a recirculation pipeline from the westernmost E Pump to the Center Canal. The project would install a new fish screen at the North Canal Diversion, which would protect aquatic species. The project would also install 14 SCADA units at 12 sites which would enable precise, real-time water management.

Technical Review Team Score and Comments

TRT Recommendation: Not Recommended for Funding

Public Benefit Scores:

Total Score	Economic	Environmental	Social/Cultural	Other
69	28	14	22	5

Review Summary: The technical review team found this to be a project with high public benefits across economic, environmental, and social/cultural categories; however, it is not recommended for funding due to limited available funds. The project would support job creation, agricultural productivity, and habitat enhancement in a rural, economically distressed region. It also aligns with state priorities for fish passage, water quality, and collaborative basin planning. The project demonstrates strong regional coordination and long-term environmental value.

Economic Public Benefits:

The review team found the proposed project would likely result in:

- a) High public benefit from job retention and creation in a rural and isolated area. The project is expected to support 40 jobs, equivalent to 13 full-time positions, including 30 construction roles and 10 indirect community-based positions.
- b) High public benefit from increased economic activity. The project would generate \$12 million in regional spending, including \$2.2 million in labor income over a three-year period.
- c) High public benefit from increased efficiency. Modernized equipment, fish screen installation, and SCADA integration would improve system management and reduce CO₂ emissions.
- d) High public benefit from farmland enhancement through investment in irrigation infrastructure that would support agricultural productivity and water delivery reliability.
- e) High public benefit from enhanced economic value associated with recreation and fisheries involving fish of cultural significance to Tribes. The project would increase recreational value by supporting water delivery to 300 acres of new wetland in the Lower Klamath National Wildlife Refuge. The fish screen at the North Canal diversion would eliminate entrainment of species culturally important to Tribes, while the recirculation pipeline would prevent nutrient-rich water from entering the Klamath River, thereby improving conditions for those same species.
- f) High public benefit from increased irrigated land for agriculture. The project would help stabilize water supply for 27,000 acres of farmland, enhancing agricultural resilience and productivity.

Environmental Public Benefits:

The review team found the proposed project would likely result in:

- a) No public benefit, as the project does not propose to legally protect water instream.
- b) Minor public benefit from water conservation. The project would support SCADA upgrades and recirculation systems to improve water use efficiency. Reviewers noted the absence of quantified conservation estimates and noted that recirculation constitutes reuse rather than conservation.
- c) No measurable improvement in groundwater levels.
- d) Moderate public benefit in the improvement of surface water quality. The recirculation system would reduce nutrient loading by reusing water containing nitrogen and phosphorus for irrigation, thereby supporting water quality objectives.
- e) High public benefit from increased ecosystem resiliency to climate change impacts. Water reuse, improved water quality, and enhanced drought resilience would support natural storage and habitat protection, contributing to ecosystem stability.
- f) High public benefit from improvements addressing limiting ecological factors. Rerouting water to the refuge would reduce pollution and runoff while improving habitat conditions for native sucker species in a high-priority ecological area.

Social/Cultural Public Benefits:

The review team found the proposed project would likely result in:

- a) High public benefit from the promotion of public health. The project would reduce nutrient loading and growth of aquatic plants and algae through the circulation pipeline insulation. Reviewers noted 303(d) impairments for public health and ammonia in the area, emphasizing the importance of mitigating harmful algal blooms.
- b) Moderate to high public benefit for Oregon's environmental justice communities. The project is located in a rural, economically distressed region with elevated risks for wildfire and food insecurity. Reviewers noted that long-term basin modernization efforts have included outreach and coordination benefiting these communities.
- c) Minor public benefit to recreational and scenic values. Improved water delivery to the refuge may enhance wetland and scenic qualities, though the project provides limited direct recreational benefit.
- d) No public benefit from the contribution of new scientific data.
- e) High public benefit from alignment with state and local priorities. The project supports fish passage and habitat improvement through the installation of fish screens benefiting ESA-listed sucker species.
- f) High to exceptional public benefit from collaborative basin planning efforts. The project advances a basin-wide environmental plan led by the Natural Resources Conservation Service and supported by state and local partners. Documented stakeholder engagement, including coordination with the Oregon Department of Fish and Wildlife and watershed groups, reflects a strong and ongoing collaborative approach.

Excerpt from Division 93 Rules on Scoring Water Project Grants and Loans

OAR 690-093-0090

Scoring and Ranking; funding decisions

- (1) The primary elements in the process of scoring and ranking of applications include the following:
 - (a) Initial review for completeness by the Department;
 - (b) Public comment;
 - (c) The Technical Review Team conducts the initial scoring and ranking for the projects, considers comments from applicants and the public and makes loan and grant funding recommendations to the Commission; and
 - (d) The Commission determines the final scoring and ranking of projects, provides for additional public comment, and makes the final decision regarding which projects are awarded loans or grants from the account.
- (2) The Technical Review Team scoring methodology shall rank applications based upon the public benefits of the project and additional considerations set forth in ORS 541.677 subsection (1)(b), (1)(d) and (1)(e). The Technical Review Team shall use a score sheet provided by the Department. Each of the three public benefit categories shall be given equal importance in the evaluation and will have scoring sublevels including but not limited to the following:
 - (a) The evaluation of economic benefits for a project based on the changes in economic conditions expected to result from the project related to:
 - (A) Job creation or retention;
 - (B) Increases in economic activity;
 - (C) Increases in efficiency or innovation;
 - (D) Enhancement of infrastructure, farmland, public resource lands, industrial lands, commercial lands or lands having other key uses;
 - (E) Enhanced economic value associated with tourism or recreational or commercial fishing, with fisheries involving native fish of cultural significance to Indian tribes or with other economic values resulting from restoring or protecting water in-stream; and
 - (F) Increases in irrigated land for agriculture.
 - (b) The evaluation of environmental benefits for a project based on the changes in environmental conditions expected to result from the project related to:
 - (A) A measurable improvement in protected streamflows that:
 - (i) Supports the natural hydrograph;
 - (ii) Improves floodplain function;
 - (iii) Supports state or federally listed sensitive, threatened or endangered fish species;
 - (iv) Supports native fish species of cultural importance to Indian tribes; or
 - (v) Supports riparian habitat important for wildlife;
 - (B) A measurable improvement in groundwater levels that enhances environmental conditions in groundwater restricted areas or other areas;
 - (C) A measurable improvement in the quality of surface water or groundwater;
 - (D) Water conservation;
 - (E) Increased ecosystem resiliency to climate change impacts; and
 - (F) Improvements that address one or more limiting ecological factors in the project watershed.
 - (c) The evaluation of the social or cultural benefits for a project based on the changes in social or cultural conditions expected to result from the project related to:
 - (A) The promotion of public health and safety and of local food systems;
 - (B) A measurable improvement in conditions for members of minority or low-income communities, economically distressed rural communities, tribal communities or other communities traditionally underrepresented in public processes;
 - (C) The promotion of recreation and scenic values;

- (D) Contribution to the body of scientific data publicly available in this state;
 - (E) The promotion of state or local priorities, including but not limited to the restoration and protection of native fish species of cultural significance to Indian tribes; and
 - (F) The promotion of collaborative basin planning efforts, including but not limited to efforts under the state Integrated Water Resources Strategy.
- (3) Scoring sublevels shall have a numeric point scale that accounts for positive and negative effects of the project. Sublevel scores shall be summed to a public benefit category level. The Department shall set a minimum score for the application to proceed.
 - (4) The Technical Review Team will use the total score from the score sheet provided by the Department to rank all applications and make loan and grant funding recommendations to the Commission.
 - (5) The Commission shall determine the final scoring and ranking of projects and make the final decision regarding which projects are awarded loans or grants from the account based on criteria in OAR 690-093-0100.
 - (6) The Department shall document the ranking of all applications and make the application ranking publicly available after the funding decisions by the Commission have been published.

WATER PROJECT GRANTS AND LOANS & IRRIGATION MODERNIZATION FUNDING

SCORING CRITERIA

MARCH 2025

OREGON



WATER RESOURCES
DEPARTMENT



New center pivot in Wallowa County



Piping in Deschutes County



Instream water transfer in Klamath County

TABLE OF CONTENTS

Document Purpose _____	3
Overview of Application Scoring _____	3
Application Review Process _____	4
Scoring Scale Used in Evaluation of Public Benefits _____	5
Public Benefit Questions and Application Tips _____	6
Category 1. Economic benefits _____	6
Category 2. Environmental benefits _____	9
Category 3. Social or Cultural benefits _____	12
Preference Points and Total Points Available _____	15

Questions?

Please contact us at:

OWRD.Grants@water.oregon.gov

(503) 979-9160

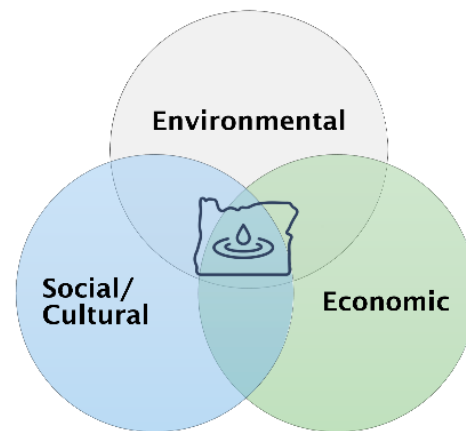
Visit: owrd.info/grantsandloans

Document Purpose

The scoring criteria for applications to the Water Projects Grants and Loans and Irrigation Modernization funding opportunities are based solely on the public benefits a project is likely to achieve. This document provides an overview of each of the public benefits, describes how the Technical Review Team (TRT) will score the public benefits, and provides recommendations for what information an application should include.

Overview of Application Scoring

Projects funded are those which are likely to achieve the greatest public benefits. The change in conditions anticipated to result in public benefits must be described and explained in the project application. When evaluating an application, the TRT examines public benefits in three categories: economic, environmental, and social/cultural. **To be funded, projects must achieve a minimum score of five in each category.** As discussed below, this is a competitive funding opportunity where projects are ranked according to public benefits, therefore achieving a minimum score does not guarantee funding.



When applicants describe the project's public benefits in their application, they should include a description of the conditions prior to and following project implementation, and clearly demonstrate the extent to which the project is expected to result in a change in conditions that will provide a public benefit. When possible, applicants should quantify the project's public benefits. The TRT will only consider public benefits derived from the tasks and project scope contained within the application and the likelihood of achieving those benefits. Public benefits related to future phases (beyond the scope of the proposed project), or unrelated activities, will not be scored and should not be included in the application. Likewise, public benefits related to past activities will not be considered.

Each category contains six specific public benefits for a total of 18 possible public benefits. The project must provide some benefit in each of the three categories to be eligible for funding. Each of the three public benefit categories is given equal importance in the evaluation. Projects do not need to score in all six benefits within a category but must provide benefit in each of the three categories. It is not expected or likely that any project will have public benefits in all 18 public benefit questions.

Application Review Process

1	<p>Application</p> <p>Applicants submit Water Project Grants and Loan (WPGL) or Irrigation Modernization Funding (IMF) application by due date.</p> <p>OWRD reviews applications for completeness and eligibility. OWRD notifies applicants of completeness and eligibility determination.</p>
2	<p>Public Comment Period on Applications</p> <p>OWRD posts complete applications on the WPGL/IMF website for a 60-day public comment period and contacts affected Tribes.</p>
3	<p>Application Evaluation</p> <p>A multi-agency Technical Review Team (TRT) evaluates the applications based on the economic, environmental and social/cultural public benefits the project would achieve and reviews the public comments received.</p> <p>The TRT meets to discuss and score applications and develops a project ranking and funding recommendation.</p>
4	<p>Public Comment Period on Funding Recommendations</p> <p>OWRD posts the TRT funding recommendations for a public comment period or accepts public comment at the Water Resources Commission meeting before funding decisions.</p>
5	<p>Funding Decision</p> <p>OWRD staff present the TRT funding recommendation, and any public comments received to the Water Resources Commission for a funding decision.</p> <p>When making a funding decision, the Water Resources Commission (Commission) considers:</p> <ul style="list-style-type: none"> 1) the public benefits as evaluated by the TRT; 2) public comments received on the TRT ranking; and 3) funding projects of diverse sizes, types and geographic locations.
6	<p>Funding Awards</p> <p>OWRD enters into grant agreements with award recipients.</p>

Scoring Scale Used in Evaluation of Public Benefits

Each of the public benefits will be scored according to the scale described below.

Exceptional public benefit: 10 points

- The project is likely to achieve benefits of an exceptionally high standard or quality.
- The outcomes are very significant, measurable, and represent a key or critical advancement.
- The application includes supporting information and evidence describing the anticipated change in conditions as a result of the project.
- The application includes all necessary information to document a high likelihood of success to achieve the public benefit.

High public benefit: 5 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.

Minor public benefit: 1 point

- The project may achieve minor public benefits.

No benefit: 0 points

- The project is not likely to achieve a public benefit.
- The claims of public benefits are unsupported.
- No positive or negative impact related to the public benefit. No change.

Minor negative impact or detriment: -1 point

- The project may have a minor negative effect or impact to this category.

Medium negative impact or detriment: -3 points

- The project is likely to cause moderate harm and have a negative impact to this category.

Public Benefit Questions and Application Tips

Category 1. Economic benefits

The evaluation of economic benefits of a project is based on the change in economic conditions expected to result from the project as demonstrated in the application.

1a. Does the project create or retain jobs?

Job creation means the project would result in new jobs. Retention means the project would prevent the loss of jobs. Job creation and retention benefits may include direct effects within the organization that owns or operates the project, or it may include indirect effects on retail customers or consumers of the project. Temporary jobs resulting from the project will not receive as high of a score as permanent jobs.

Application tip: *Quantify the number and identify the type of jobs to be created or retained as a result of the project. Describe the value of the increase or retention of jobs to the local economy.*

Exceptional: 10 pts	<i>Exceptional</i> increases in the creation or retention of permanent jobs which provide key or critical benefit in the geographic area or employment sector
High: 5 pts	Increases in the creation or retention of permanent jobs which provide an important benefit in the geographic area or employment sector
Medium: 3 pts	<i>Moderate</i> increase in the creation or retention of permanent jobs, or seasonal jobs important to the geographic area or employment sector
Minor: 1 pt	<i>Minor</i> increase in jobs, temporary jobs, or job retention.
No benefit: 0 pts	The project is not likely to achieve new jobs or impact job retention <i>OR</i> benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Potential for <i>minor job losses</i>
Medium detriment: -3 pts	<i>Moderate</i> job losses or a decrease in jobs is likely

1b. Does the project increase economic activity?

Economic activity is associated with the production, distribution, and consumption of goods and services. Such economic activity could occur within one or more entities/businesses and includes an increase in production, gross sales, or net revenue compared to the year preceding project completion. It also includes but is not limited to the arrival of new firms, renewed contracts, and increased orders.

Application tip: *Include information citing economic development plans or other economic activity which would be made possible or supported by the proposed project. If the proposed project protects or maintains current economic activity, demonstrate the degree to which economic activity would decline if the proposed project were not completed and why.*

Exceptional: 10 pts	<i>Exceptional (five or more years)</i> increase in long-term economic activity of vital, or key importance are likely to occur
High: 5 pts	Increases in long-term economic activity with the potential to support future activity important to the area/sector
Medium: 3 pts	<i>Moderate (one to four years)</i> increase in economic activity
Minor: 1 pt	<i>Minor, short-term (less than one year)</i> increase in economic activity

No benefit: 0 pts	Increased economic activity <i>not likely</i> to occur, <i>OR</i> benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Potential for <i>minor losses or decreases</i> in economic activity
Medium detriment: -3 pts	<i>Moderate losses or decreases</i> in economic activity are likely

1c. Does the project result in increases in efficiency or innovation?

Increase in efficiency means the project would make improvements in performance or functionality resulting in less effort or waste. Increase in innovation means that new, creative solutions and ideas would be implemented. Examples of increases in efficiency and innovation include water system efficiencies such as system redundancy (back-up, inter-ties), eliminating leakage, innovative production techniques, energy savings (e.g., the energy required to move, treat, or heat water), and time savings.

Exceptional: 10 pts	<i>Exceptional</i> increase in efficiency and innovation
High: 5 pts	<i>High</i> Increases in efficiency or innovation
Medium: 3 pts	<i>Moderate</i> increases in performance
Minor: 1 pt	<i>Minor</i> increases
No benefit: 0 pts	Increased efficiency or innovation not likely <i>OR</i> benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Potential for <i>minor decreases</i> in efficiency or innovation
Medium detriment: -3 pts	<i>Moderate decreases</i> in efficiency or innovation are likely

1d. Does the project result in enhancement of infrastructure, farmland, public resource lands, industrial lands, commercial lands or lands having other key uses?

Enhancement of infrastructure, including municipal infrastructure, farmland, public resource lands, industrial lands, commercial lands and other lands means that the value, effectiveness, or reliability of such infrastructure or lands would increase as a result of project implementation. This includes an increase in the re-sale or rental value of the land or improvements, including: maintained, repaired, or upgraded infrastructure; maintained or buffered riparian areas; and maintained or improved soils.

Exceptional: 10 pts	<i>Exceptional</i> enhancements of infrastructure or land
High: 5 pts	<i>High</i> quality of enhancements to infrastructure or land
Medium: 3 pts	<i>Moderate</i> enhancements
Minor: 1 pt	<i>Minor</i> enhancements
No benefit: 0 pts	Enhancements <i>not likely</i> , <i>OR</i> benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Potential that infrastructure or lands will be <i>degraded or removed</i> from productive uses (minor negative change)
Medium detriment:-3 pts	Infrastructure or lands that are <i>degraded or removed</i> from productive uses (moderate negative change)

1e. Does the project result in enhancement of the economic value associated with: tourism, recreation, fishing (recreational or commercial), fisheries involving native fish of cultural significance to Indian tribes, or other economic values resulting from restoring or protecting water instream?

Examples of enhancement of these economic values include increases in: daily park fees, tour guide revenues, boat or gear rentals, fishing licenses, or hospitality and lodging.

Exceptional: 10 pts	<i>Exceptional</i> increased value of tourism, recreation, fishing, fisheries involving native fish of cultural significance to Indian tribes, or other economic values resulting from restoring or protecting water instream are likely
High: 5 pts	A <i>high</i> quality of increased value is likely
Medium: 3 pts	<i>Moderate</i> increased value
Minor: 1 pt	<i>Minor</i> increased value
No benefit: 0 pts	Enhanced values <i>not likely</i> , OR benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Potential for <i>minor decreases</i> in the economic value of tourism, recreation, fishing, fisheries involving native fish of cultural significance to Indian tribes, or other economic values resulting from restoring or protecting water instream
Medium detriment: -3 pts	<i>Moderate decreases</i> in the economic value of tourism, recreation, fishing, fisheries involving native fish of cultural significance to Indian tribes, or other economic values resulting from restoring or protecting water instream

1f. Does the project result in increases in irrigated land for agriculture? (which may include increasing irrigated acres, agricultural economic value, or productivity of irrigated land)

Increases in irrigated land for agriculture mean that the numbers of acres (acreage) to be irrigated after project completion would be greater than what could previously be irrigated, or that the agricultural economic value or productivity of current irrigated land would increase. Acreage can include lands that were never historically in production or lands that were historically in production but were taken out of production as a result of insufficient water supply.

Application tip: Highlight the amount of land currently in production in the area, identify the quantity of additional acreage to be irrigated, and calculate the percentage increase in irrigated acreage that would result from the project. Cite scientific articles, reports, or studies and estimate the percentage increase in irrigated crop's economic value or productivity.

Exceptional: 10 pts	<i>Exceptional increase</i> in irrigated acreage, or agricultural economic value or productivity
High: 5 pts	<i>High</i> increase in irrigated acreage, or agricultural economic value or productivity
Medium: 3 pts	<i>Moderate</i> increase in irrigated acreage or agricultural economic value or productivity
Minor: 1 pt	<i>Minor</i> increase
No benefit: 0 pts	Increased irrigated land or increased value or productivity <i>not likely</i> , OR benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Potential for <i>minor decreases</i> in agricultural economic value or productivity or irrigated land for agriculture
Medium detriment: -3 pts	<i>Moderate decreases</i> irrigated land for agriculture or agricultural economic value or productivity are likely

Category 2. Environmental benefits

The evaluation of the environmental benefits of a project is based on the change in environmental conditions expected to result from the project as demonstrated in the application.

2a. Does the project result in measurable improvements in protected streamflows?

Protected streamflow means water that remains in or is released into the natural channel and is legally protected by the State in order to achieve one or more of the following:

- (A) Supports the natural hydrograph;
- (B) Improves floodplain function;
- (C) Supports state- or federally-listed sensitive, threatened or endangered fish species;
- (D) Supports native fish species of cultural importance to Indian tribes; **or**
- (E) Supports riparian habitat important for wildlife.

Application tip: *To score in this category an application must describe the legal means by which water would be protected by the State, as well as the quality, timing, duration, or other value this streamflow would contribute. The application must also describe how the legally protected water will achieve (A) through (E) listed above (e.g., how water transferred instream through the Allocation of Conserved Water will support, enhance, or improve riparian habitat for wildlife and the extent to which that water will achieve that benefit).*

Identifying which water rights will be protected instream will provide clarifying information for the evaluation.

Exceptional: 10 pts	Project water (or equivalent volume) is legally protected instream by the State and streamflow supports <i>exceptional</i> achievement in each criteria (A) through (E)
High: 5 pts	Project water (or equivalent volume) is legally protected instream by the State and streamflow supports achievements of a <i>high quality</i> in a combination of criteria (A) through (E)
Medium: 3 pts	Project water (or equivalent volume) is legally protected instream by the State and streamflow supports <i>moderate</i> achievement in a combination of (A) through (E)
Minor: 1 pt	Project water (or equivalent volume) is legally protected instream by the State and streamflow supports <i>minor</i> achievement in a combination of (A) through (E)
No benefit: 0 pts	Improvements in protected streamflow <i>unlikely</i> , OR streamflow would <i>not be legally protected by the State</i> , OR benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Potential <i>minor decreases</i> to protected streamflow
Medium detriment: -3 pts	<i>Moderate decreases</i> protected streamflow (e.g., proposes to reverse an instream lease)

2b. Does the project result in water conservation?

Water conservation is reducing water use to achieve the same outcomes by modifying the technology or method of diverting, transporting, applying, or recovering water.

Application tip: *Identify the quantity of water reduction, by comparing what water would be needed to accomplish the task after project completion with what was previously used to achieve the same task.*

Exceptional: 10 pts	<i>40 percent or more reduction in water use to achieve the same outcomes</i>
High: 5 pts	<i>21-40 percent reduction in water use to achieve the same outcomes</i>
Medium: 3 pts	<i>11-20 percent reduction</i>
Minor: 1 pt	<i>Minor (<10 percent) reduction</i>
No benefit: 0 pts	<i>Water conservation not likely, OR claims are unsupported</i>
Minor detriment: -1 pt	<i>Potential for additional water used to achieve the same outcomes (e.g., sacrificing water efficiency for energy/pumping efficiency)</i>
Medium detriment: -3 pts	<i>Additional water used to achieve the same outcomes (e.g., sacrificing water efficiency for energy/pumping efficiency)</i>

2c. Does the project result in measurable improvement in groundwater levels that enhance environmental conditions in groundwater restricted areas or other areas?

Measurable improvement in groundwater levels mean that groundwater declines would be reduced or eliminated and/or groundwater levels would increase. Stabilization or improvement in groundwater levels could come from aquifer storage and recovery, artificial recharge projects, natural recharge, or discontinued / reduced groundwater use.

Application tip: *Cite and use quantitative measurements to indicate current levels, and method and frequency that improvements would be measured. If applicable, indicate if these improvements would occur in a groundwater restricted area.*

Exceptional: 10 pts	<i>Exceptional improvement in groundwater levels</i>
High: 5 pts	<i>High quality of improvement</i>
Medium: 3 pts	<i>Moderate improvement</i>
Minor: 1 pt	<i>Minor improvement to groundwater levels</i>
No benefit: 0 pts	<i>Improved groundwater levels not likely, OR benefit claims are unsupported</i>
Minor detriment: -1 pt	<i>Potential for minor groundwater declines</i>
Medium detriment: -3 pts	<i>Moderate groundwater declines are likely</i>

2d. Does the project result in measurable improvement in the quality of surface water or groundwater?

Water quality parameters include but are not limited to: temperature, dissolved oxygen, contaminated sediments, toxic substances, bacteria, or nutrients. Improvements could result from a higher quality of water discharged to surface water or injected into groundwater, from increased flow, from treatment or filtration of water already in the environment, or removal of a known contaminant.

Application tip: *Any improvement must be measurable or quantifiable. One must be able to measure or determine the change in quality before and after project implementation. Cite and use currently available baseline water quality data. Include a water quality monitoring proposal for the post project completion period.*

Exceptional: 10 pts	<i>Exceptional, measurable improvement in water quality</i>
High: 5 pts	<i>High quality of measurable improvement</i>
Medium: 3 pts	<i>Moderate, measurable improvement</i>
Minor: 1 pt	<i>Minor improvement</i>
No benefit: 0 pts	<i>Improved water quality not likely, OR benefit claims are unsupported</i>
Minor detriment: -1 pt	<i>Potential minor negative impacts to water quality</i>
Medium detriment: -3 pts	<i>Moderate negative impacts to water quality are likely</i>

2e. Does the project increase ecosystem resiliency to climate change impacts?

Ecosystem resiliency to climate change means increasing the ecosystems ability to adapt to changes in climate or positively respond to the impacts of climate change. This includes: increasing streamflow during critical months, increasing natural storage (e.g., wetlands, upland meadows), decreasing water temperature during critical months, protecting or enhancing cold-water habitat, restoring floodplain connectivity and backwater habitats, restoring stream buffers, decreasing coastal erosion and inundation, or decreasing risk of drought, fire occurrence (not fire response), plant disease, or invasive species outbreak. This public benefit is centered on ecosystem resilience, not community resilience. Improvements to a community's resilience to climate change should be addressed in the social/cultural benefit category.

Exceptional: 10 pts	<i>Exceptional</i> improvements in multiple areas in ecosystem resiliency to climate change
High: 5 pts	<i>High</i> quality improvements in ecosystem resiliency to climate change
Medium: 3 pts	<i>Moderate</i> improvements
Minor: 1 pt	<i>Minor</i> improvements
No benefit: 0 pts	Improvements in ecosystem resiliency to climate change <i>not likely</i> , OR benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	<i>Minor decreases</i> in ecosystem resiliency to climate change may occur
Medium detriment: -3 pts	<i>Moderate decreases</i> in ecosystem resiliency to climate change are expected

2f. Does the project result in improvements that address one or more limiting ecological factors in the project watershed?

A limiting ecological factor is an environmental condition that limits the growth, abundance, or distribution of an organism or a population of organisms in the project watershed. Cite the limiting ecological factor(s) in your application and how the project may result in improvements.

Examples of limiting factors may include, but are not limited to, barriers to fish passage, lack of high quality habitat for sensitive, threatened and endangered species, low water quality, or low streamflow.

Application tip: To score in this category an application must include citation of public reports, peer reviewed scientific studies, or other substantiating documentation from a state or federal agency to verify the limiting ecological factor's presence in the watershed.

Exceptional: 10 pts	<i>Exceptional</i> progress towards removing limiting ecological factors or making improvements which address multiple limiting ecological factors
High: 5 pts	Important progress making improvements of a <i>high</i> quality which address limiting ecological factors
Medium: 3 pts	<i>Moderate</i> progress which address some limiting ecological factors
Minor: 1 pt	<i>Minor</i> progress which address some limiting ecological factors
No benefit: 0 pts	<i>Not likely</i> to address limiting ecological factors in the project watershed, OR documentation verifying limiting ecological factor not included, OR benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	<i>Potential minor worsening</i> of some limiting ecological factors in the project watershed
Medium detriment: -3 pts	<i>Exacerbates</i> limiting ecological factors in the project watershed

Category 3. Social or Cultural benefits

The evaluation of the social/cultural benefits of a project is based on the change in social or cultural conditions expected to result from the project as demonstrated in the application.

3a. Does the project promote public health, public safety, and local food systems?

This public benefit includes: protection of drinking water sources, repair of septic systems/field, maintenance and repair of other water infrastructure, treatment and protection of drinking water itself, improved emergency response and advisory systems (e.g., WARN network, fish consumption advisories, water contact advisories, etc.), improved or protected water quality for human consumption and human contact (e.g., removal or prevention of toxics, contaminants of concern, bacteria), and the promotion of self-reliant and resilient food networks that connect food producers and food consumers in the same geographic region.

Exceptional: 10 pts	<i>Exceptional</i> promotion of public health, public safety or local food systems vital to the community
High: 5 pts	<i>High</i> quality of promotion of public health, public safety or local food systems
Medium: 3 pts	<i>Moderate</i> promotion
Minor: 1 pt	<i>Minor</i> promotion of public health, public safety or local food systems
No benefit: 0 pts	Promotion of public health, public safety or local food systems <i>not likely</i> , OR benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Potential for <i>minor negative impact</i> to public health, public safety, or local food systems
Medium detriment: -3 pts	<i>Degrades</i> public health, public safety or local food systems

3b. Does the project result in measurable improvements in conditions for Oregon's environmental justice communities (e.g., minority or low-income communities, economically distressed rural communities, tribal communities, or other communities traditionally underrepresented in public processes)?

Environmental justice communities in Oregon are minority or low-income communities, economically distressed rural communities, tribal communities, or other communities traditionally underrepresented in public processes. Engagement could include outreach efforts to listen and involve environmental justice communities, solicit feedback on conditions in need of improvement, or communicate project description and anticipated outcomes.

Application tip: *Identify which of those communities would benefit from the project and quantify these benefits. Demonstrate that project-siting decisions have been examined and approved by affected landowners and affected environmental justice communities.*

Exceptional: 10 pts	<i>Exceptional</i> measurable improvements in conditions for environmental justice communities, <u>and</u> environmental justice communities were engaged in the process of developing projects
High: 5 pts	Improvements are of a <i>high</i> quality <u>and</u> environmental justice communities were consulted or provided meaningful opportunity to engage
Medium: 3 pts	<i>Moderate</i> improvements and environmental justice communities were provided meaningful opportunity to engage

Minor: 1 pt	<i>Minor improvements</i>
No benefit: 0 pts	Improved conditions <i>not likely</i> , OR benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Likely to result in <i>minor detriment</i> in conditions for environmental justice communities
Medium detriment: -3 pts	<i>Worse conditions</i> for environmental justice communities are likely

3c. Does the project promote recreation and scenic values?

Recreation and scenic values include recreational fishing, motorized boating, non-motorized boating, and other forms of water-based recreation, swimming, fishing, hunting, wildlife viewing, sightseeing, hiking, photography, and aesthetic values. To promote those values means the project would improve the quality of or access to the examples identified.

Application tip: Evidence to support this benefit can be provided in the form of qualitative information, which may include interviews, professional opinion, or surveys.

Exceptional: 10 pts	Exceptional promotion of recreation or scenic values, improving access and quality
High: 5 pts	<i>High quality of</i> promotion, improving access and quality
Medium: 3 pts	<i>Moderate</i> promotion, improving access or quality
Minor: 1 pt	<i>Minor</i> promotion
No benefit: 0 pts	Benefit to recreation and scenic values <i>not likely</i> , OR benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Potential to detract from recreation and scenic values (minor detraction)
Medium detriment: -3 pts	Moderate detractions from recreation and scenic values

3d. Does this project contribute to the body of scientific data publicly available in this state?

Contributing to the body of scientific data means collecting new scientific information and making it available to the public. For example, data could be collected from water quality or habitat monitoring; groundwater studies or other investigations; new stream gages; or new monitoring wells. Contributions could also come from conducting a Seasonally Varying Flow analysis. Collection of scientific data is not sufficient to achieve this public benefit---the data must be made publicly available.

Application tip: Describe the equipment and/or methods that would be used and whether the data would be made available to the public. Note how this data supplies new information of particular significance to the project area.

Exceptional: 10 pts	Exceptional contributions of new data to the body of scientific data publicly available in the state
High: 5 pts	High quality of data contributions
Medium: 3 pts	<i>Moderate</i> contributions
Minor: 1 pt	<i>Minor</i> contributions
No benefit: 0 pts	Contributions are unlikely or would occur regardless of the project, OR benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Not applicable
Medium detriment: -3 pts	Not applicable

3e. Does this project promote state or local priorities, including but not limited to the restoration and protection of native fish species of cultural significance to Indian tribes?

A state or local priority is one that is identified in a plan, strategy, or study such as Oregon's Integrated Water Resources Strategy, a place-based integrated water resources plan, the Oregon Plan for Salmon and Watersheds, state and local water quality plans, species and habitat conservation or recovery plans/strategies, forestry plans, regional solutions priorities, local economic development plans, state or local hazard mitigation plans, etc. The Oregon Department of Fish and Wildlife maintains a list of native fish species:

<http://www.dfw.state.or.us/fish/crp/freshwater.asp>.

Exceptional: 10 pts	Exceptional role supporting a state and local priority
High: 5 pts	<i>High</i> quality role in supporting a state or local priority
Medium: 3 pts	<i>Moderate</i> role
Minor: 1 pt	<i>Minor</i> role
No benefit: 0 pts	No promotion of state or local priorities, <i>OR</i> benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	May be counter to state or local priorities
Medium detriment: -3 pts	Runs counter to state or local priorities

3f. Does this project promote collaborative basin planning efforts, including but not limited to efforts under Oregon's Integrated Water Resources Strategy?

Collaborative basin planning efforts incorporate public processes that are transparent and inclusive of diverse interests.

Application tip: *Demonstration of a collaborative planning effort may include publicly noticed meetings, posting agendas and decisions so they were publicly available, the inclusion of multiple types of water users represented in the process (e.g., instream interests, agricultural, municipal, domestic and industrial users), evidence that the project is supported by the community, and evidence that the project was identified in a Place-Based Integrated Water Resources Plan or another collaboratively developed strategic plan.*

Exceptional: 10 pts	Project was identified in a collaboratively developed plan that is supported by all basin interests and where the public had meaningful opportunities to engage
High: 5 pts	Project was identified by a collaborative group that includes representation of multiple interests, where the public had meaningful opportunities to provide input
Medium: 3 pts	The project promotes the goals of a collaborative basin planning effort
Minor: 1 pt	An effort was made to engage and elicit input from the public
No benefit: 0 pts	<i>No change/impact</i> , <i>OR</i> benefit claims are <i>unsupported</i>
Minor detriment: -1 pt	Stakeholders with differing perspectives and/or the public (as appropriate) were <i>not consulted</i> about the project and did not have opportunities to provide input
Medium detriment: -3 pts	Stakeholders with differing perspectives and/or the public (as appropriate) were <i>excluded</i> during project development

Preference Points and Total Points Available

For Water Project Grants and Loans and Irrigation Modernization Funding applications, a proposed project can receive up to 20 additional preference points. These points are not added to the public benefit category (economic, environmental, social/cultural) but are listed as “Other” in the evaluation summaries.

- For projects that propose to legally protect water instream, the score from question 2a will be doubled, for up to 10 additional points.
- For projects that include partnerships and collaboration, the score from question 3f will be doubled, for up to 10 additional points.

An application could score up to 60 points in each of the economic, environmental, and social/cultural public benefit categories. With the addition of the 20 preference points, there is a maximum public benefit score of 200 points.

For Irrigation Modernization Funding projects only, a project can receive an additional 10 preference points. These points are not added to the public benefit category (economic, environmental, social/cultural) but are listed as “Other” in the evaluation summaries.

- For projects involving surface water rights where the project conserves water, projects that legally protect a portion of the conserved water instream commensurate with the amount required under the approach described in ORS 537.470 will receive an additional 10 points.

With the addition of the 10 preference points, there is a maximum benefit score of 210 points for Irrigation Modernization projects.

Water Project Grants and Loans

	Minimum Score Required	Possible Points
Economic Public Benefits	5	60
Environmental Public Benefits	5	60
Social/Cultural Public Benefits	5	60
Preference Points	N/A	20
TOTAL	N/A	200

Irrigation Modernization Funding

	Minimum Score Required	Possible Points
Economic Public Benefits	5	60
Environmental Public Benefits	5	60
Social/Cultural Public Benefits	5	60
Preference Points	N/A	30
TOTAL	N/A	210

November 10, 2025

Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

RE: Support for Klamath Drainage District's Irrigation Modernization Project

Dear Grant Coordinator,

The Oregon Water Resources Congress (OWRC) is writing in support of the Klamath Drainage District's (KDD) Irrigation Modernization Project. The District's proposed multi-benefit project will yield multiple public benefits, including increased water efficiency, improved water quality, enhanced water management, and protections for fish species. We recommend that the Department award KDD funding now, and if necessary, utilize all of the remaining available funds from the Irrigation Modernization Fund, which will allow the project to move forward in a phased approach.

OWRC is a nonprofit trade association representing irrigation districts, water control districts, drainage districts, water improvement districts, and other local government entities delivering agricultural water supplies throughout Oregon. These water stewards operate complex water management systems, including water supply reservoirs, canals, pipelines, and hydropower facilities. OWRC members deliver water to ~600,000 acres of farmland in Oregon, roughly one-third of all the irrigated land in the state. KDD is a member of OWRC in the Klamath Basin.

KDD's proposed project includes improved water delivery infrastructure upgrades, new pumps with greater energy efficiency, enhanced water management technology, and the installation of an extremely critical fish screen. The modernization of KDD's water infrastructure will also directly benefit fish and bird species that rely on the Lower Klamath National Wildlife Refuge. A lesser amount of funding will still help match time-limited federal funding secured by the district and allow for important components of the project to move forward.

We urge the Oregon Water Resources Department to fund KDD's proposed project with the remaining available funds in the Irrigation Modernization Fund. These funds were specifically appropriated to fund projects like these with secured federal funding, and unlike the regular WRD grants not meant to be held over or used for grants perpetually. State funding for this project is essential to support the districts' modernization efforts and even a lesser amount than requested can be used to move the project forward. KDD's Irrigation Modernization Project is an example of a win-win solution that will provide numerous environmental, economic, and socio-cultural benefits in the Klamath Basin.

Sincerely,



April Snell
Executive Director



Oregon Water Resources Department
Attention: Water Supply Grant Analyst
725 Summer Street NE, Suite A
Salem, OR 97301

Subject: Amended Application – Klamath Drainage District Irrigation Modernization Project

Dear Commission Members,

INTRODUCTION AND PURPOSE

Klamath Drainage District (KDD) respectfully submits this letter in response to the OWRD Technical Review Team recommendation to not fund KDD's application for the Irrigation Modernization Funding Program.

KDD applied for funding to cover the entire match requirement for the District's federally funding Watershed Plan. The nature of the Watershed Plan projects makes them discrete in that they can be implemented independently of each other. The original application included funds for the fish screen at the North Canal Diversion. However, the non-federal portion for that project alone (~\$2M) exceeds the remaining IMF funds. This revised request removes that project group and focuses on modernization projects that improve water delivery efficiency, energy efficiency upgrades, and habitat improvement outcomes.

While the original request included fish screening of the North Canal, we are confident that state's investment in the revised projects will bring the desired and mandated outcomes for IMF program. As recent headlines highlight, investment in fish screening of our canals is of utmost importance to KDD and we will continue to work with federal, state, tribal and non-profit partners to ensure that screening goals are met.

KDD anticipates the authorization of our PL-566 Watershed Plan in late 2025 or early 2026, which means that the District could access federal funds for the implementation of all the projects included on the Watershed Plan. KDD has confirmed that federal funding for the North Canal project has been allocated and can also move forward after the Watershed Plan is authorized.

As you will note in the included letters of support, this project has been developed through feedback from agency, Tribes, and other stakeholders and has received broad community support. These projects have relied on a collaborative planning effort through the PL-566 Watershed Plan Program.

As such, Klamath Drainage District requests that the Commission award the remaining \$1,468,943 Irrigation Modernization Funds in grant funding from OWRD to be matched with \$4,415,000 in federal funds through the NRCS PL-566 Watershed Plan.

UPDATED PROJECT OVERVIEW

The revised modernization effort will enhance water delivery reliability, energy efficiency, and ecological conditions in the Lower Klamath Basin. Specifically, the project will:

- Extend the North Canal 0.47 miles from Fugate Road to California Highway 161 to connect with the P-1 Lateral and add a new delivery point to the Lower Klamath National Wildlife Refuge (LKNWR).



- Upgrade E and F Pumping Plants, converting to a common voltage and adding variable frequency drives (VFDs) for improved efficiency and reduced operating costs.
- Install a recirculation pipeline from the westernmost E Pump to the Center Canal to reuse tailwater and reduce nutrient discharge to the Klamath River.
- Deploy Supervisory Control and Data Acquisition (SCADA) Systems at 12 sites to provide real-time control and measurement across district facilities.

Collectively, these improvements increase operational precision, reduce power demand, and could allow for approximately 1,000 acre-feet of KDD reuse water to be delivered to the Lower Klamath National Wildlife Refuge to the benefit of migratory birds and endangered fish.

PROJECT BENEFITS

KDD faces chronic drought conditions that constrain agricultural production and habitat water deliveries. The project directly responds by modernizing critical infrastructure to:

- Improve water delivery reliability and irrigation efficiency across ~27,000 acres of farmland.
- Enhance energy efficiency through VFD installations, saving an estimated \$156,000 annually in operations and maintenance.
- Reuse drain water, lowering nutrient loads and temperature in the Klamath Straits Drain, thereby improving water quality entering the Klamath River.
- Support wetland rehydration at LKNWR by delivering reuse flows to sustain approximately 300 acres of seasonal wetland habitat.

The technical review team found that KDD's project had high public benefits across the economic, environmental, and social/cultural categories. Additionally, the technical review team found that the project would support job creation, agricultural productivity, and habitat enhancement in a rural, economically distressed region. It also aligned with state priorities for water quality and collaborative basin planning while demonstrating strong regional coordination and long-term environmental value. The summary of benefits listed below includes project benefits attributable to the projects that would be funded by the updated grant funding request.

Environmental Benefits

- Reduction in nutrient loading to the Klamath River through recirculation.
- Improved management of reuse flows supports LKNWR wetlands and wildlife habitat.
- Enhanced energy efficiency, reducing approximately 23 metric tons of CO₂ emissions per year.

Economic Benefits:

- Construction activities will support roughly 40 jobs and generate about \$2.2 million in local labor income over a three-year period.
- Increased efficiency and farmland investment would support agricultural productivity.
- Enhanced irrigation reliability reduces fallowing, protecting local food production and farm employment.

Social and Cultural Benefits:

- Reliable irrigation supports rural livelihoods in Klamath County, an economically distressed region.
- Improved water management supports local food systems and strengthens collaboration between irrigators, Tribes, and conservation partners.



UPDATED PROJECT BUDGET SUMMARY

As noted above, this updated funding request includes a set of project groups that KDD can implement to completion if awarded. The fish screen project group has been removed from this updated funding request because the fish screen match requirement exceeds the available funding. KDD will pursue other funding sources to address fish screening.

Grant Funding Request: \$1,468,943

Match Funding Source: NRCS PL-566 Watershed Program

Match Funding: \$12,611,700

Total Project Cost: \$16,878,000

CONCLUSION

The Klamath Drainage District's amended application high benefit investment that directly advances the goals of the Irrigation Modernization Funding Program. By focusing on system upgrades that improve water and energy efficiency, enhance habitat conditions, and strengthen regional resilience, this project delivers environmental, economic, and social benefits for the Klamath Basin. The proposed improvements are fully aligned with state and federal priorities, leverage substantial federal match funding, and have been shaped through extensive collaboration with tribes, agencies, and local partners.

KDD remains committed to modernizing water management infrastructure and collaborative planning. We respectfully request that the Oregon Water Resources Department and the Water Resources Commission reconsider the Technical Review Team's recommendation and award the requested \$1,468,943 in Irrigation Modernization Funds, which will match \$4.4 million in federal investment to support this critical infrastructure modernization effort.

We appreciate your thoughtful consideration and continued partnership in advancing water management solutions for Oregon communities.

Sincerely,

Scott White
General Manager
Klamath Drainage District
(541) 884-1739
scott@klamathdrainagedistrict.org



22 N. Eight Tribes Trail
Miami, OK 74354
(918) 542-1190
modocnation.com

Klamath Drainage District Support

Nov. 10, 2025

Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

RE: Klamath Drainage District Modernization Project

Dear Commissioners,

Please allow us to express our continued support for the Klamath Drainage District (KDD) Irrigation Modernization Project. By modernizing district infrastructure, these projects will improve conditions throughout the Klamath Basin to strengthen local agriculture while also restoring fish and wildlife habitat once regularly called the "Everglades of the West". Specifically, the extension of the North Canal into the P-1 Lateral Canal is the only currently proposed effort to increase infrastructural delivery capacity into Lower Klamath Lake.

We understand that the Technical Review Team did not recommend KDD's original application for funding due to limited available funds. However, we strongly urge the Commission to support this important project in this funding cycle. The proposed improvements will upgrade inefficient pump stations, enable KDD to match supply with demand in real time, and reconnect KDD's North Canal to the Lower Klamath National Wildlife Refuge.

The Modoc Nation has chosen to focus our Homelands reconnection and stewardship efforts on the Southeast corner of Lower Klamath Lake, an area with very low priority for water delivery. This area is the first to be sacrificed during times of water scarcity and the last to receive water during times of plenty. Delivery capacity during flood operations and at other times of uncontested water availability is one of the major limiting factors to our California Tribal Nature Based Solutions funded wetland restoration and first foods farm. Since this project will be supplied directly by the P-Canal, the North Canal Extension is among the most important efforts currently underway.

The past several years has underscored the importance of solutions that serve multiple needs in the Klamath Basin. By stabilizing irrigation deliveries, safeguarding fish and wildlife, and improving energy efficiency, the KDD Modernization Project offers a durable, win-win investment. We appreciate the Oregon Water Resources Department's commitment to irrigation modernization and respectfully urge the Department to support KDD's application for funding.

Sincerely,

Chief Robert Burkybile III
Modoc Nation

November 10, 2025

Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

RE: Support for Klamath Drainage District's Irrigation Modernization Project

Dear Grant Coordinator,

The Oregon Water Resources Congress (OWRC) is writing in support of the Klamath Drainage District's (KDD) Irrigation Modernization Project. The District's proposed multi-benefit project will yield multiple public benefits, including increased water efficiency, improved water quality, enhanced water management, and protections for fish species. We recommend that the Department award KDD funding now, and if necessary, utilize all of the remaining available funds from the Irrigation Modernization Fund, which will allow the project to move forward in a phased approach.

OWRC is a nonprofit trade association representing irrigation districts, water control districts, drainage districts, water improvement districts, and other local government entities delivering agricultural water supplies throughout Oregon. These water stewards operate complex water management systems, including water supply reservoirs, canals, pipelines, and hydropower facilities. OWRC members deliver water to ~600,000 acres of farmland in Oregon, roughly one-third of all the irrigated land in the state. KDD is a member of OWRC in the Klamath Basin.

KDD's proposed project includes improved water delivery infrastructure upgrades, new pumps with greater energy efficiency, enhanced water management technology, and the installation of an extremely critical fish screen. The modernization of KDD's water infrastructure will also directly benefit fish and bird species that rely on the Lower Klamath National Wildlife Refuge. A lesser amount of funding will still help match time-limited federal funding secured by the district and allow for important components of the project to move forward.

We urge the Oregon Water Resources Department to fund KDD's proposed project with the remaining available funds in the Irrigation Modernization Fund. These funds were specifically appropriated to fund projects like these with secured federal funding, and unlike the regular WRD grants not meant to be held over or used for grants perpetually. State funding for this project is essential to support the districts' modernization efforts and even a lesser amount than requested can be used to move the project forward. KDD's Irrigation Modernization Project is an example of a win-win solution that will provide numerous environmental, economic, and socio-cultural benefits in the Klamath Basin.

Sincerely,



April Snell
Executive Director



KLAMATH IRRIGATION DISTRICT

6640 K.I.D. LANE

KLAMATH FALLS, OREGON 97603

Phone: (541) 882-6661 Fax (541) 882-4004

10 November 2025

Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

RE: Continued Support for the Klamath Drainage District Modernization Project

Dear Commissioners,

On behalf of the Klamath Irrigation District (K.I.D.), I am writing to reaffirm our strong support for the Klamath Drainage District (KDD) Infrastructure Modernization Project. This initiative is essential not only for KDD but also for improving regional water management and ecological resilience, directly the broader Klamath watershed.

K.I.D. requests the Commission to prioritize this project in the current funding cycle. The modernization plan represents a strategic, multi-benefit investment that strengthens agricultural sustainability, ecological health, and regional cooperation, towards which our Governor met this past weekend with The Klamath Tribes on water-related issues.

As stated in our previous letter dated 14 July 2025, K.I.D. recognizes the importance of collaborative infrastructure improvements. The proposed measures in KDD's modernization plan—such as extending and modifying the North Canal, upgrading pump stations, installing fish screens, and implementing flow monitoring and automated gates—will significantly enhance water delivery reliability and efficiency across district boundaries.

These improvements will:

- **Reduce conveyance inefficiencies**, conserving water and lowering operational costs.
- **Improve irrigation water management**, increasing supply reliability for agriculture.
- **Enhance water quality** in the Klamath River, supporting shared environmental goals.
- **Prevent fish entrainment** in canals and drains, protecting sensitive aquatic species.
- **Increase wildlife habitat**, especially through improved connectivity to the Lower Klamath National Wildlife Refuge.

Thank you for your continued commitment to irrigation modernization. We respectfully request your support for KDD's funding application.

Sincerely,


Gene Souza

Executive Director, Klamath Irrigation District
6640 KID Lane, Klamath Falls, Oregon 97603
Email: Gene.Souza@KlamathID.org



November 10, 2025

Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

RE: Klamath Drainage District Modernization Project

Dear Commissioners:

I am writing to express my continued support for the Klamath Drainage District (KDD) Irrigation Modernization Project. By modernizing district infrastructure, these projects will improve conditions throughout the Klamath Basin—strengthening local agriculture, supporting waterfowl, fish and other wildlife habitat, and promoting community resilience.

We understand that the Technical Review Team did not recommend KDD's original application for funding due to limited available funds. However, we strongly urge the Commission to support this important project in this funding cycle. The proposed improvements will upgrade inefficient pump stations, enable KDD to match supply with demand in real time, and reconnect KDD's North Canal to the Lower Klamath National Wildlife Refuge. Together, these actions will conserve water, reduce operating costs, and enhance wetland and other wildlife habitat health.

The past several years have underscored the importance of solutions that serve multiple needs in the Basin. By stabilizing irrigation deliveries, safeguarding fish and wildlife, and improving energy efficiency, the KDD Modernization Project offers a durable, win-win investment for the Klamath Basin. I appreciate the Oregon Water Resources Department's commitment to irrigation modernization and respectfully urge the Department to support KDD's application for funding.

Sincerely,

A handwritten signature in blue ink that reads "Mark Hennelly".

Mark Hennelly, Vice President of Advocacy
California Waterfowl



November 10, 2025

Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

RE: Klamath Drainage District Modernization Project

Dear Commissioners,

I am writing to express my continued support for the Klamath Drainage District (KDD) Irrigation Modernization Project. By modernizing district infrastructure, these projects will improve conditions throughout the Klamath Basin—strengthening local agriculture, supporting fish and wildlife habitat, and promoting community resilience.

We understand that the Technical Review Team did not recommend KDD's original application for funding due to limited available funds. However, we strongly urge the Commission to support this important project in this funding cycle. The proposed improvements will upgrade inefficient pump stations, enable KDD to match supply with demand in real time, and reconnect KDD's North Canal to the Lower Klamath National Wildlife Refuge. Together, these actions will conserve water, reduce operating costs, and enhance wetland and habitat health.

The past several years has underscored the importance of solutions that serve multiple needs in the basin. By stabilizing irrigation deliveries, safeguarding fish and wildlife, and improving energy efficiency, the KDD Modernization Project offers a durable, win-win investment for the Klamath Basin. I appreciate the Oregon Water Resources Department's commitment to irrigation modernization and respectfully urge the Department to support KDD's application for funding.

Sincerely,

A handwritten signature in black ink, appearing to read "Dylan Kruse", is written over a thin yellow horizontal line.

Dylan Kruse, President

LAKESIDE FARMS, Klamath Falls, OR 97601

November 10, 2025

Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

RE: Klamath Drainage District Modernization Project

Dear Grant Coordinator,

I am writing to reiterate my strong support for the Klamath Drainage District (KDD) Irrigation Modernization Project. Apparently, you also liked this project as well and ranked it quite high but couldn't fully fund it. However, there are several components of their overall plan that are crucial and can stand alone on their own. I urge you to use any remaining funds to help KDD implement these critical projects.

The return of Chinook Salmon to the Upper Klamath Basin puts a fine point on the need to get as much done as soon as possible. Aging infrastructure, high energy costs, and unscreened diversions place added pressure on farms, fish, and waterfowl. KDD's project will upgrade inefficient pump stations, allow KDD to match supply with demand in real-time, protect fish populations in the Klamath River, and connect KDD's North Canal to the Lower Klamath National Wildlife Refuge. Together, these improvements will conserve water, reduce operating costs, and foster healthier wetlands and habitat. For the Basin to return to an optimally functioning system, we have to "make it rhyme" with the hydrologic system that was here before we "replumbed" it. KDD is one of the best opportunities to do just that.

The past several years has underscored the importance of solutions that serve many needs. By stabilizing irrigation deliveries, safeguarding fish and wildlife, and improving energy efficiency, the KDD Modernization Project offers a durable, win-win investment for the Klamath Basin. I appreciate the Oregon Water Resources Department's commitment to irrigation modernization and respectfully urge the Department to fund whatever components of their overall plan that you have the money to cover.

Sincerely,

Karl Wenner,
Operations Manager,

LAKESIDE FARMS

November 7, 2025

Oregon Water Resources Commission
725 Summer Street NE, Suite A
Salem, OR 97301

Vice-Chair Smitherman and Members of the Commission:

Thank you for the opportunity to comment on the Technical Review Team (TRT) application scoring and funding recommendations for the Oregon Water Resources Department's (OWRD) Water Project Grants and Loans 2025 Funding Cycle 2. Madison Ranches, Inc. submitted an application for the Field 95 Aquifer Recharge Expansion Project, which the TRT has not recommended for funding, largely based on inaccurate speculation presented without evidence during the TRT meeting on October 9, 2025, rather than information contained in the application.

The central claim made by one of the reviewers (Francisco Guerrero), which significantly impacted the application scores, was that crops were grown in Field 95 in July 2025, and therefore the site was not considered suitable for aquifer recharge. As stated in the application, Field 95 has not been farmed for 10 years. In 2025, some unused three-year-old corn seed was scattered in the field to provide habitat for deer and pheasants and to prevent erosion on the bare unfarmed ground. This corn was not sown in rows, irrigated, fertilized, harvested, sold, or otherwise treated as a crop in any way. Indeed, OWRD staff who visited the area in 2025 as part of our extensive aquifer recharge (AR) monitoring program noted that it "definitely didn't look like a commercial crop." Rather than seeking additional information, however, the reviewer speculated that a crop was being grown and that this meant the proposed project was not operationally feasible. His comments made the other reviewers concerned about the AR program, believing that the "crop" would take up water and prevent recharge, and that fertilizer applied to the "crop" would elevate nitrate levels in the groundwater. Based on these incorrect assumptions, the TRT members discussed and revised their preliminary scores lower during the meeting, and their final review of the project described several of the claimed benefits as "lacking sufficient evidence" to award higher public benefit scores. It is unfortunate that the TRT members did not hold themselves to the same standard of requiring evidence to support claims.

The TRT review and the discussion at the October 9 meeting also questioned the claimed benefit of creating seasonal wetland habitat through the project's expanded infiltration basins, which would create a mosaic of open water and wetland habitat on 44.3 acres during recharge operations. Seasonal wetland habitat is recognized as a limiting factor for migratory waterfowl. While Madison staff have enjoyed observing waterfowl using the existing smaller infiltration basin, TRT members expressed doubt that any farmer would want to support waterfowl because of possible damage to crops, with further implications that farming and conservation must always be in conflict. The presumption that the reviewers know each applicant's personal values based on their occupation, and that a farmer's values must be incompatible with appreciation of nature, are likewise unsupported by evidence.

Finally, the TRT concluded that there would be no public benefit from the contribution of new scientific data, that the monitoring plan lacked detail, and that the lack of existing monitoring data cast doubt on the project's operations and benefits. Madison Ranches has been operating artificial groundwater recharge (AR) since 2002 and aquifer storage and recovery (ASR) testing since 2006, and the limited licenses authorizing these programs require extensive monitoring of recharge operations, groundwater levels, and water quality. OWRD approved the most recent 28-page monitoring plan for the AR/ASR program in 2024, included as Attachment 8 to the grant application, and the proposed project would have complied with these monitoring requirements and provided important scientific data. It is worth noting that nitrate monitoring is not required under the approved monitoring plan, other than verifying that nitrate meets applicable standards prior to being injected under the ASR program. It is unclear how much more detail would have been required to be considered "sufficient" by the reviewers. Past lapses in reporting were continually brought up by the reviewers, despite the reviewers acknowledging that Madison Ranches is currently in compliance with the approved monitoring plan. Past staffing issues, faulty instruments, and the Covid pandemic led to missed reporting in the past, and these statements about noncompliance unfairly raised doubts about continued compliance.

Overall, the TRT's skewed approach and reliance on unsubstantiated claims was disappointing. It is unfortunate that the State has lost the opportunity to support a project that would improve agricultural production, augment the aquifer, support a family-owned farm, and enhance alluvial water quality because of the inaccurate comments made during the TRT meeting.

Sincerely,



MADISON RANCHES INC.

29299 Madison Rd.
Echo Oregon 97826
O: (541)376-8107
C: (541)571-0569