

Water Project Grants and Loans and Irrigation Modernization Funding Recommendations and Program Updates

**Louisa Mariki, Grants Analyst
Adair Muth, Grants Manager**

December 11, 2025



Integrated Water Resources Strategy



Flow Restoration



Pivots



Piping



New Wells

Recommended Action:

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

Planning, Collaboration, & Investments

Builds partnerships and incentivizes Oregonians to pursue integrated and innovative solutions for complex water challenges and an uncertain water future.



Strategic Investments



Adaptive Planning



Cooperative Partnerships



Accessible Information



Effective Coordination

Planning, Collaboration, & Investments



Placed-Based Planning

Plan & identify actions



Feasibility Study Grants

Investigate feasibility

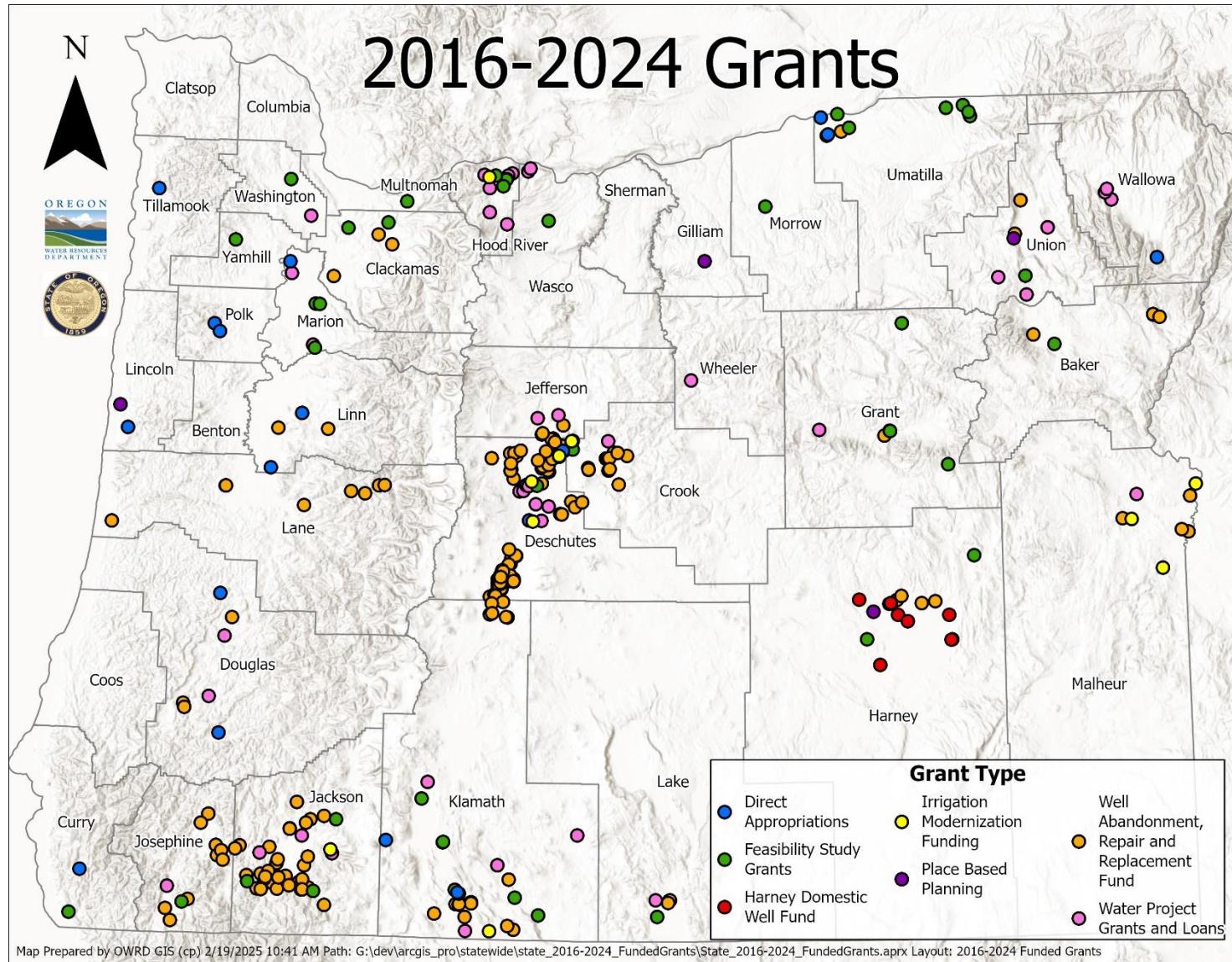


Water Project Grants & Loans

Implement

- Well Abandonment, Repair, and Replacement Fund
- Harney Domestic Well Remediation Fund
- Water Measurement Cost Share Program
- **Irrigation Modernization Funding**
- Direct Appropriations

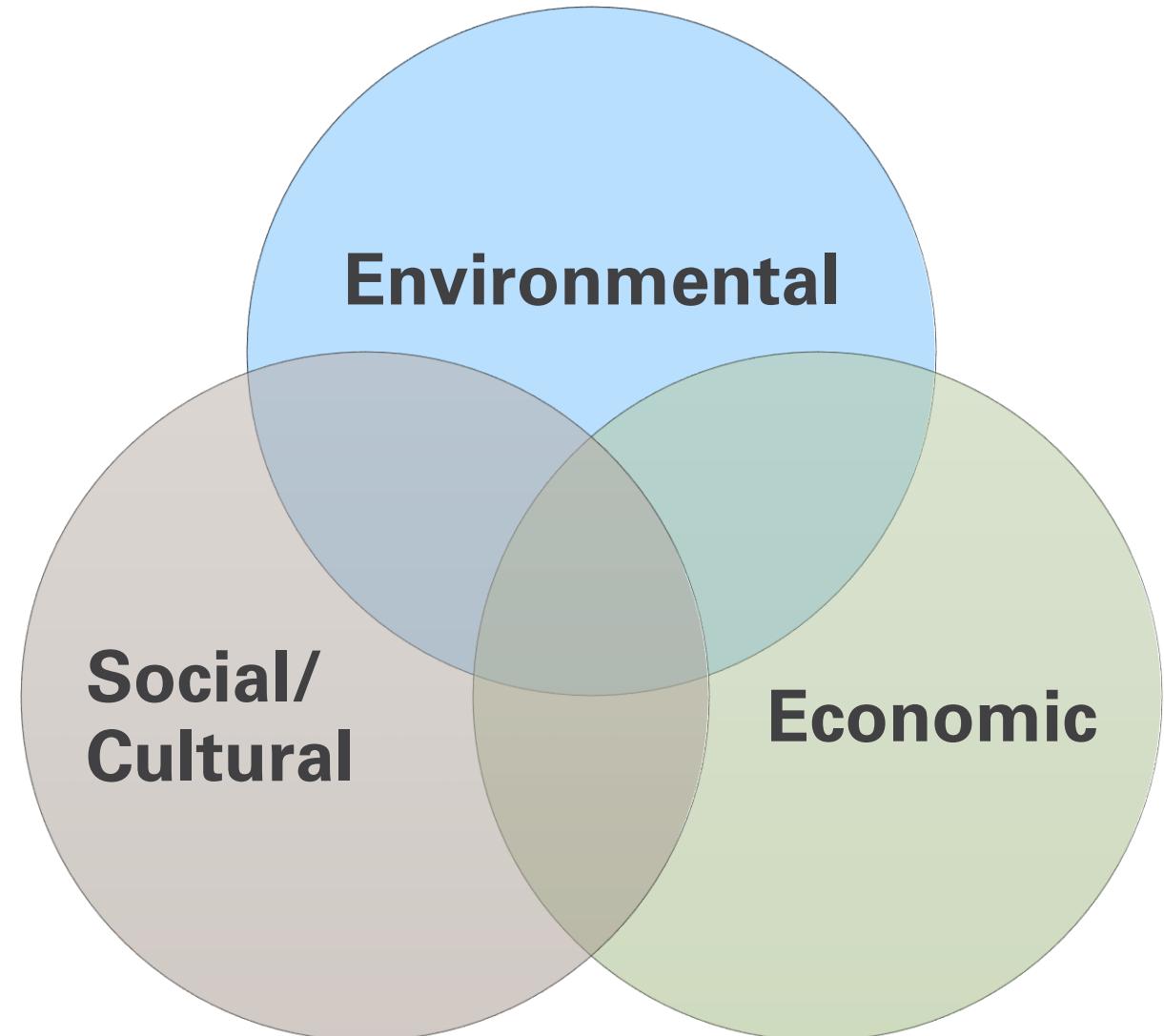
Funded Grants



Water Project Grants and Loans

Provide funding for Water Supply projects that:

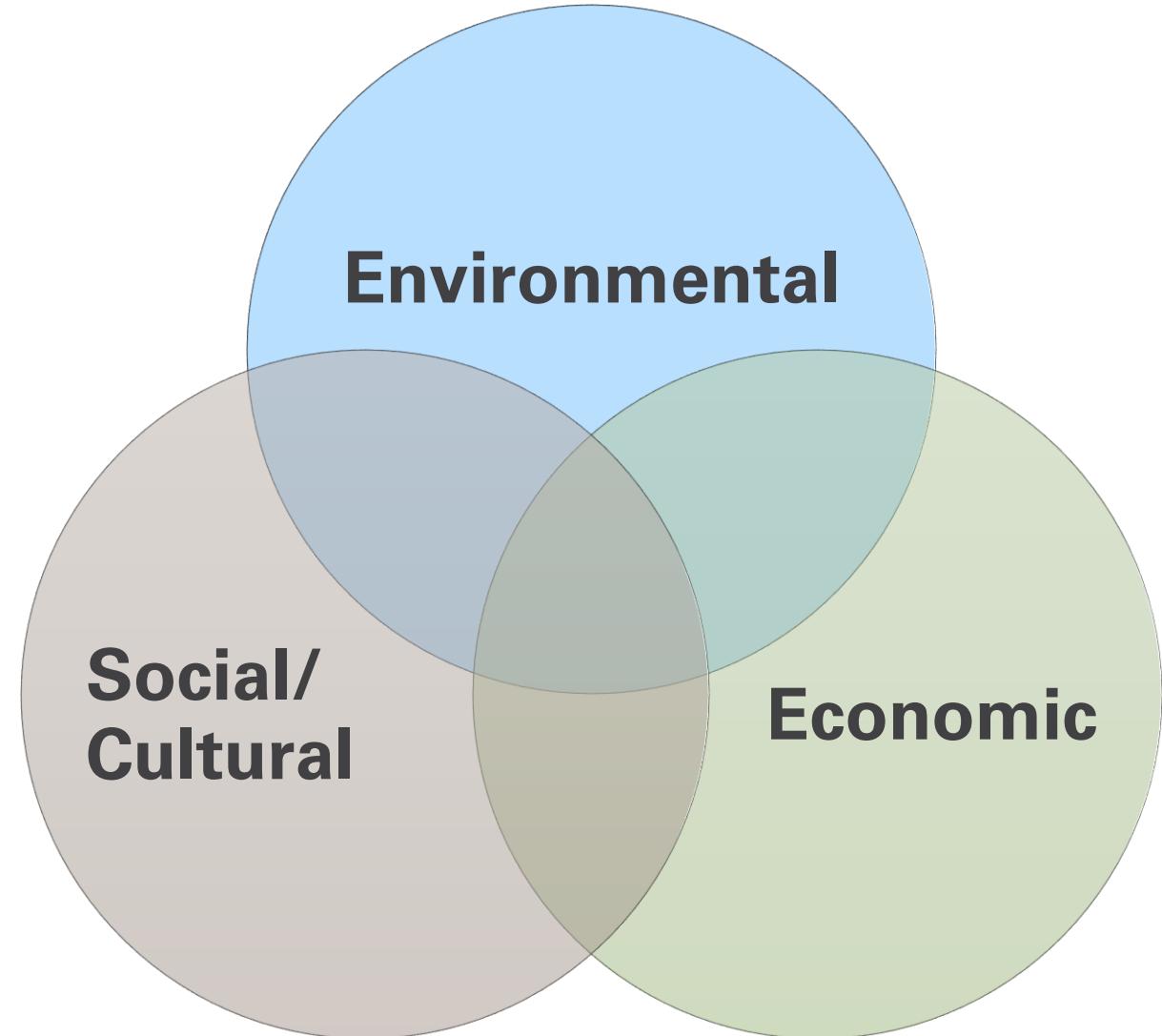
- Meet instream and out-of-stream needs and
- Achieve Public Benefits in three categories



Irrigation Modernization Funding

Provide funding for Water Supply projects that:

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



Irrigation Modernization Funding History

- HB 5030 (2023) – One-time \$50M to Water Supply Development Account to issue grants for Irrigation Modernization projects
- Provide state match needed to access federal funding available for irrigation modernization projects
- Use existing grant program (Water Project Grants and Loans) for efficiency

Key Differences

Water Project Grants and Loans

Cost match requirement

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

Irrigation Modernization

Must have specific Federal match:

- Natural Resources Conservation Service
- U.S. Bureau of Reclamation
- U.S. Environmental Protection Agency

Priority to projects that legally protect a portion of the conserved water instream commensurate with amount required under Allocation of Conserved Water program.

Program Updates:

House Bill 3364

House Bill 3364: WPGL Changes

2025 Legislative Session, takes effect Sept. 26, 2025

Public Comment Period on Applications

- Reduced from 60 to 30 days

Water Management Conservation Plan

- Plan must be approved prior to funding decision, rather than approved at application deadline

Application Review Process

- TRT recommendation goes to Department prior to making final recommendation to Commission

House Bill 3364: WPGL Changes

2025 Legislative Session, takes effect Sept. 26, 2025

Seasonally Varying Flows (SVF)

- Long-term SVF compliance monitoring is now eligible expense
- SVF conditions may be applied directly to underlying water right, not solely to aquifer storage and recovery or recharge permits

Program Evaluation

- Department shall report to Legislature and Commission every 8 years on funding programs

Rulemaking needed to implement HB 3364 changes. Timeline TBD.

Water Project Grants and Loans and Irrigation Modernization Funding:

Second 2025 Funding Cycle

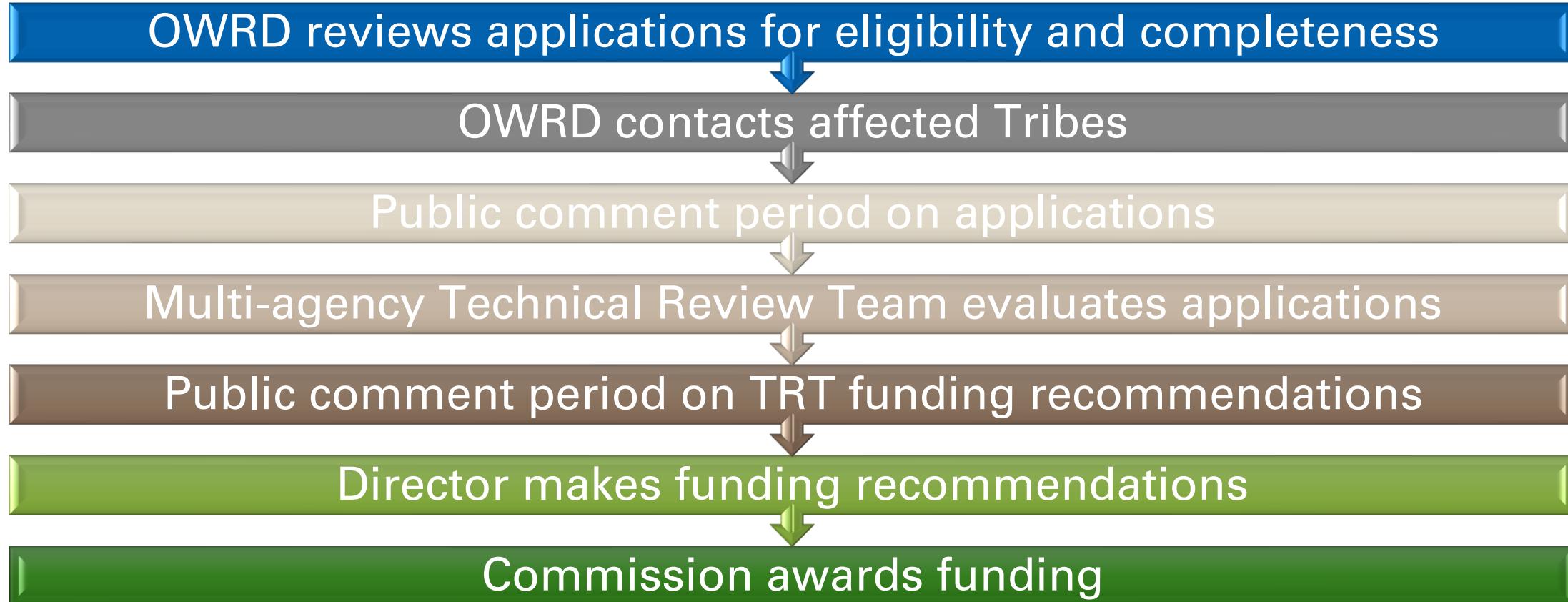
Funding Cycles and Availability

- WPGL and Irrigation Modernization funding cycles run concurrently for efficiency
- 2 funding cycles per year

Funding Program	Currently Available	May 2026 Bond Sale*
Water Project Grants & Loans	\$607,529	\$3,802,808
Irrigation Modernization	\$4,303,179	N/A

**Funds must be spent within 3 years of bond sale*

Review Process



2025 Funding Cycle 2

Application deadline: July 16, 2025

	WPGL	Irrigation Modernization
Applications Received	6	3
Funding Requested	\$2,867,712	\$7,100,536
Funding Available*	\$4,410,337	\$4,303,179

**Some WPGL funding not currently available; will be available after May 2026 lottery bond sale*

Comments on Applications

- No Tribal comments received
- 60-day public comment period: July 31–Sep. 28, 2025
- Public comments received:
 - 5 comments – Support for Big Butte Creek Water Acquisition and Irrigation Efficiency Project
 - 2 comments – Support for Oxbow Ranch Irrigation Modernization Project
 - 2 comments – Concerns with Falcon Cove Beach South Spring Intake Project

Technical Review Team (TRT)



Working with Communities
**Regional
Solutions**



Meet to discuss
applications

Consider Tribal and public
comments

Score applications based
on public benefits

Make funding
recommendation

TRT Scores Public Benefits



WPGL Application Scoring

Three categories of Public Benefits:
Economic, Environmental, Social/Cultural

6 Questions in each public benefit category

60 Available points in each category

20 Potential preference points: legally protected streamflow
& collaboration

200 Total points available

Irrigation Modernization Application Scoring

Three categories of Public Benefits:
Economic, Environmental, Social/Cultural

6 Questions in each public benefit category

60 Available points in each category

20 Potential preference points: legally protected
streamflow & collaboration

10 Potential preference points: legally protected
streamflow commensurate with amount required in
ORS 537.470

210 Total points available

Minimum Category Score

The Department set a **minimum category score of “5” out of 60** to be funded

A **category score of “5” signals that the public benefits are more than “Minor”**

Each category must meet the minimum score

TRT Funding Recommendations

- TRT ranked projects by greatest public benefit score
- Generated TRT funding recommendation based on:
 - Public benefit score, and
 - Available funding
- TRT recommends funding:
 - WPGL projects ranked #1 through #4
 - Irrigation Modernization projects #1 and #3

WPGL Projects Recommended by TRT

Rank	Project Name	Funding
1	Oxbow Ranch Irrigation Modernization Project	\$564,800
2	Big Butte Creek Water Acquisition and Irrigation Efficiency Project*	\$462,056
3	Twickenham Irrigation Efficiency*	\$958,856
4	Hagenah Irrigation Efficiency Project*	\$405,000
Total		\$2,390,712

* Provisionally recommended, contingent on spring 2026 lottery revenue bond sale

WPGL Projects Not Recommended by TRT

Rank	Project Name	Funding
5	Field 95 Aquifer Recharge Expansion Project*	\$402,000
6	Falcon Cove Beach South Spring Intake Project*	\$75,000
Total		\$477,000

*Did not meet the minimum score of five in each public benefit category

Irrigation Modernization Projects Recommended by TRT

Rank	Project Name	Funding
1	C-1 Piping Project	\$2,498,000
3	Lone Pine Irrigation Modernization Phase 2 - Year 2	\$336,236
	Total	\$2,834,236

Irrigation Modernization Project Not Recommended by TRT

Rank	Project Name	Funding
2	Klamath Drainage District Irrigation Modernization Project*	\$4,266,300
	Total	\$4,266,300

*Not recommended due to insufficient funds

Comments on Funding Recommendations

- Public comment period October 20 – November 10, 2025
- No Tribal comments received
- Eight public comments received

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

Field 95 Aquifer Recharge Expansion Project

Not Recommended for Funding - did not meet minimum score of 5 in environmental or social/cultural public benefit categories



Public Comment Received



OWRD
Re-evaluated Application

Field 95 Aquifer Recharge Expansion Project

Applicant	Madison Ranches, Inc.
Funding Request	\$402,000
Total Cost	\$4,073,000
County	Umatilla



Field 95 Aquifer Recharge Expansion Project

Project Highlights

- Expand an existing aquifer recharge project near Echo Junction in Umatilla County
- Add 44.3 acres of infiltration basin area and install a collector well with supporting 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 well to support recharge of the deep basalt aquifer

Field 95 Aquifer Recharge Expansion Project – OWRD Evaluation

- Public comments did not provide new evidence to warrant change in **environmental** or **social/cultural** benefit scores
- Environmental benefits received TRT score of 1
 - Evidence provided only supports localized and seasonal benefit to groundwater levels
- Social/cultural benefits received TRT score of 4

Klamath Drainage District Irrigation Modernization Project

Not Recommended for Funding due to insufficient funds available

Public Comment Received

OWRD
Re-evaluated Application

Klamath Drainage District Irrigation Modernization Project

	<i>Original Request</i>	<i>Revised Request</i>
Funding Request	\$4,266,300	\$1,468,943
Total Cost	\$16,878,000	\$5,883,943
County	Klamath	



Project Highlights

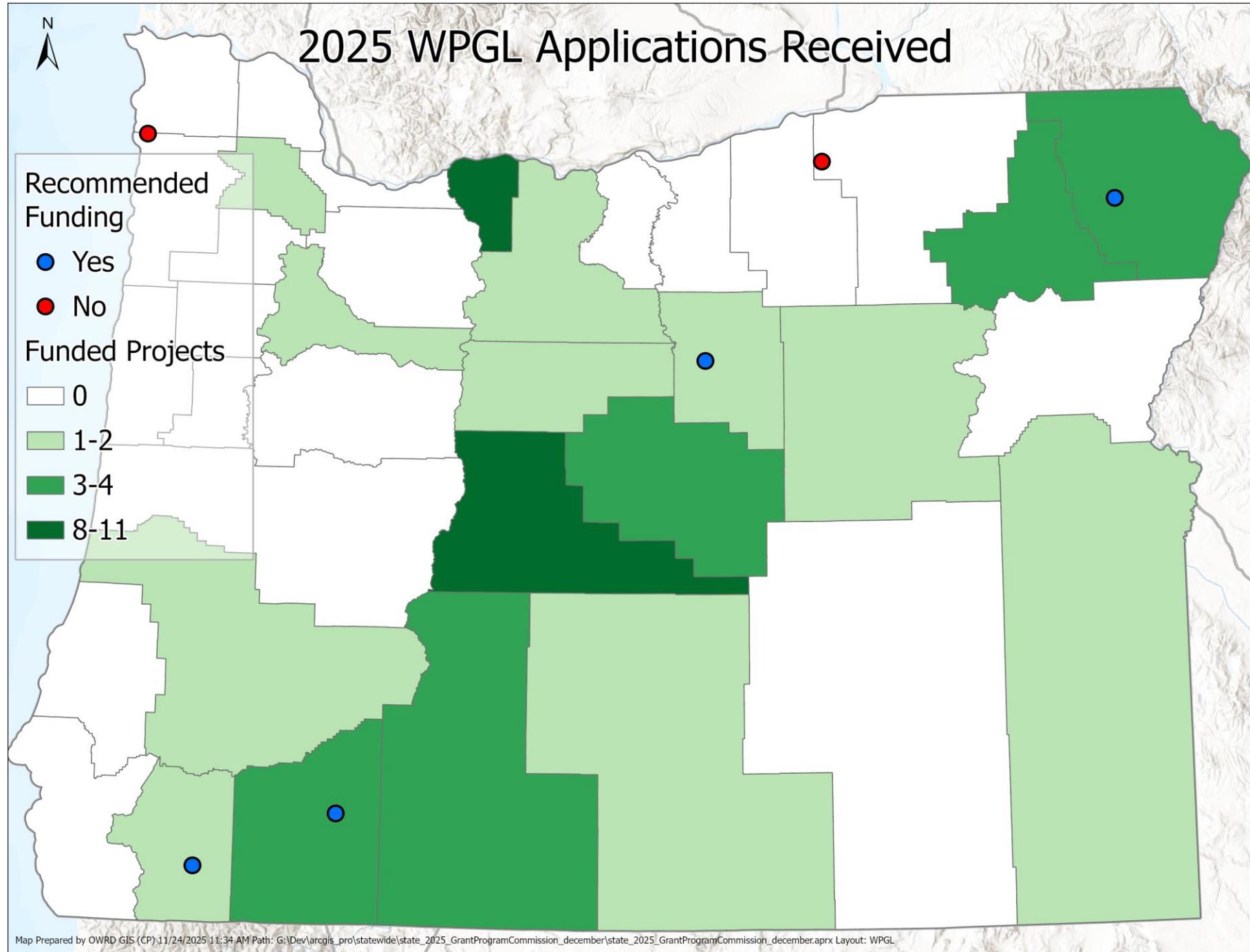
- Extend North Canal by 0.47 miles to connect with P1 Lateral creating a new delivery point to Lower Klamath National Wildlife Refuge
- Modernize E and F pumping plants to a common voltage, add variable frequency drives, install recirculation pipeline to the Center Canal
- Supervisory Control and Data Acquisition (SCADA) Systems at 12 sites for real-time control and measurement across district facilities

Removed from Project Scope

- Install a fish screen at the North Canal Diversion to safeguard aquatic species

WPGL Projects Recommended by Department

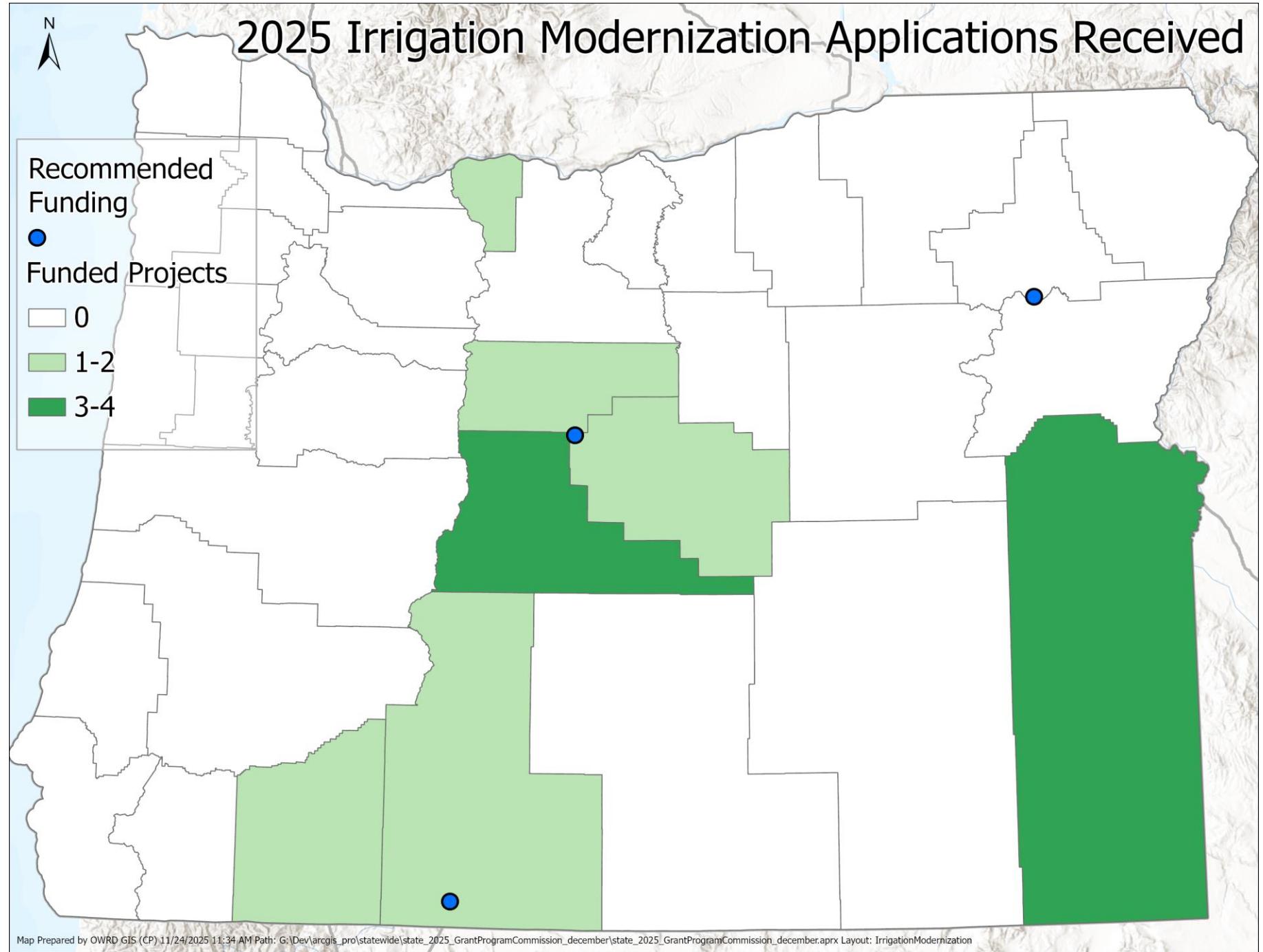
Rank	Project Name	Funding
1	Oxbow Ranch Irrigation Modernization Project	\$564,800
2	Big Butte Creek Water Acquisition and Irrigation Efficiency Project*	\$462,056
3	Twickenham Irrigation Efficiency*	\$958,856
4	Hagenah Irrigation Efficiency Project*	\$405,000
Total		\$2,390,712



Irrigation Modernization Projects Recommended by Department

Rank	Project Name	Funding
1	C-1 Piping Project	\$2,498,000
2	Klamath Drainage District Irrigation Modernization Project*	\$1,468,943
3	Lone Pine Irrigation Modernization Phase 2 - Year 2	\$336,236
Total		\$4,303,179

*Requested amount reduced by applicant during public comment period



Funding Award

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

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

Commission Alternatives

The Commission may consider the following:

1. Adopt the Department's funding recommendation contained in Tables 3, 4, and 5 of the staff 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.

Recommendation

The Director recommends Alternative #1

- 1. Adopt the Department's funding recommendation contained in Tables 3, 4, and 5 of the staff 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.**

OREGON



WATER RESOURCES
D E P A R T M E N T

Thank you!

Louisa Mariki
Grants Analyst
503-979-9160

Adair Muth
Grants Manager
971-307-0718



Oregon.gov/owrd



[@OregonGovWRD](#)



[Linkedin.com/company/owrd](https://www.linkedin.com/company/owrd)

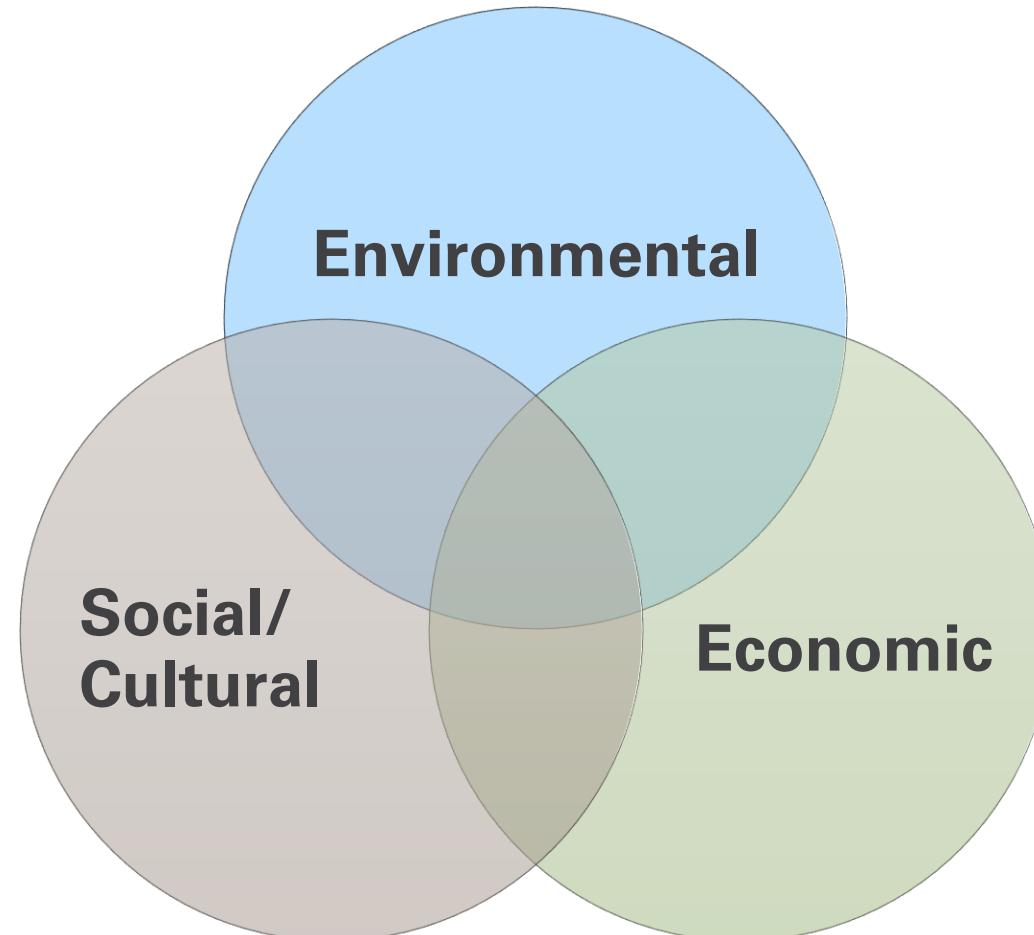
OREGON



WATER RESOURCES
D E P A R T M E N T

Additional slides if needed

Applications Recommended for Funding



Oxbow Ranch Irrigation Modernization Project

Applicant	Trout Unlimited
Funding Request	\$564,800
Total Cost	\$1,146,288
County	Josephine

Oxbow Ranch Irrigation Modernization Project

Project Highlights

- Convert 137.8 acres to center-pivot irrigation in partnership with the landowner and Oregon Department of Fish and Wildlife
- Improve water application efficiency by 25–35%, reduce waste and enhance agricultural productivity
- Legally protect 100% of the conserved water (0.735 cfs) instream through OWRD's Allocation of Conserved Water Program to support long-term streamflow and habitat health, benefiting ESA-listed species

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultur	Other	
30	28	22	10	90

Big Butte Creek Water Acquisition and Irrigation Efficiency Project

Applicant	Trout Unlimited
Funding Request	\$462,056
Total Cost	\$801,442
County	Jackson



Big Butte Creek Water Acquisition and Irrigation Efficiency Project

Project Highlights

- Convert 45 acres from flood to center-pivot irrigation and pipe 2,300 feet of unlined ditch
- 100% of water saved through piping would be permanently protected instream through OWRD's Allocation of Conserved Water Program
- 26 acres of water rights (0.431 cfs) would be permanently transferred instream to support sensitive aquatic species

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultur	Other	
24	24	22	8	78

Twickenham Irrigation Efficiency

Applicant **Gabe Williams**

Funding Request **\$958,856**

Total Cost **\$1,491,515**

County **Wheeler**

**Water
Project
Grant**

Twickenham Irrigation Efficiency

Project Highlights

- Consolidate and upgrade pumps, replace mainline system, upgrade existing pivots, 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 fields
- Legally protect 64.4% of conserved water (0.97 cfs) instream through OWRD's Allocation of Conserved Water Program in the John Day River
- Use 35.6% of conserved water to irrigate additional acreage, supporting long-term agricultural viability

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultur	Other	
26	17	14	6	63

Hagenah Irrigation Efficiency Project

Applicant	Angela Hagenah
Funding Request	\$405,000
Total Cost	\$850,572
County	Wallowa



Hagenah Irrigation Efficiency Project

Project Highlights

- Install a piped mainline and convert flood irrigation systems to solar-powered pivot irrigation
- Reduce water loss, improve irrigation control, and expand usable agricultural acreage
- The project would reduce labor demands, mitigate runoff risks, protect native vegetation, and enable future connectivity for neighboring landowners

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultr	Other	
16	8	8	1	33

C-1 Piping Project

Applicant	Powder Valley Water Control District
Funding Request	\$2,498,000
Total Cost	\$10,409,000
County	Union



C-1 Piping Project

Project Highlights

- Replace 3.4 miles of open ditch with buried, gravity-pressurized pipeline and retire 5.5 miles of aging canals
- Save approximately 653 acre-feet of water annually; 75% (490 acre-feet) would be legally protected instream through OWRD's Allocation of Conserved Water Program
- Enhanced summer flows in Anthony Creek and North Powder River; Would support ESA-listed bull trout and other aquatic species

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultur	Other	
28	25	25	20	98

Lone Pine Irrigation Modernization Phase 2 - Year 2

Applicant	Lone Pine Irrigation District
Funding Request	\$336,236
Total Cost	\$3,337,224
County	Crook and Jefferson

Lone Pine Irrigation Modernization Phase 2 - Year 2

Project Highlights

- Phase 2 project was funded by OWRD in 2024, however, the applicant is facing a budget shortfall
- Replace 11,115 feet of inefficient open canals with pressurized HDPE pipe and laterals. Phase 2 is expected to save 1.5 cfs
- District would reduce water right certificates by 100% of conserved amount making water available to NUID during irrigation season. NUID would release an equivalent amount in winter to Upper Deschutes River below Wickiup Reservoir to support streamflow

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultr	Other	
16	6	17	16	55

Projects not recommended for funding at this time

Field 95 Aquifer Recharge Expansion Project

Applicant	Madison Ranches, Inc.
Funding Request	\$402,000
Total Cost	\$4,073,000
County	Umatilla



Field 95 Aquifer Recharge Expansion Project

Project Highlights

- Expand an existing aquifer recharge project near Echo Junction in Umatilla County
- Add 44.3 acres of infiltration basin area and install a collector well with supporting 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 well to support recharge of the deep basalt aquifer

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultur	Other	
11	1	4	1	17

Falcon Cove Beach South Spring Intake Project

Applicant	Falcon Cove Beach Domestic Water Supply District
Funding Request	\$75,000
Total Cost	\$95,000
County	Tillamook



Falcon Cove Beach South Spring Intake Project

Project Highlights

- Restore the District's south spring to active use as a drinking water source
- Install a new collector pipe at the discharge area and reconnect the spring to the existing water system
- Enhance reliability, safety, and resilience of the District's water supply system

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultr	Other	
4	1	2	0	7

Water Supply Funding Opportunities

- Business Oregon's Water/Wastewater Financing Program
- OWEB's Drinking Water Source Protection Grant Program
- OHA's Drinking Water State Revolving Fund
- DEQ's Water Quality Grants
 - Columbia River Basin Restoration Toxic Reduction Lead Grant
 - Nonprofit Source Implementation 319 Grants
 - Sewer Overflow and Stormwater Reuse Municipal Grants
 - Onsite Financial Aid Program