

OREGON



WATER RESOURCES  
DEPARTMENT

# Water Project Grants and Loans Biennial Review

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# Overview



Background and Purpose



Scoring, Ranking, and Selection Process



Funding Awarded



2015-2017 Target Outcomes Review



Summary and Conclusions

# Background and Purpose

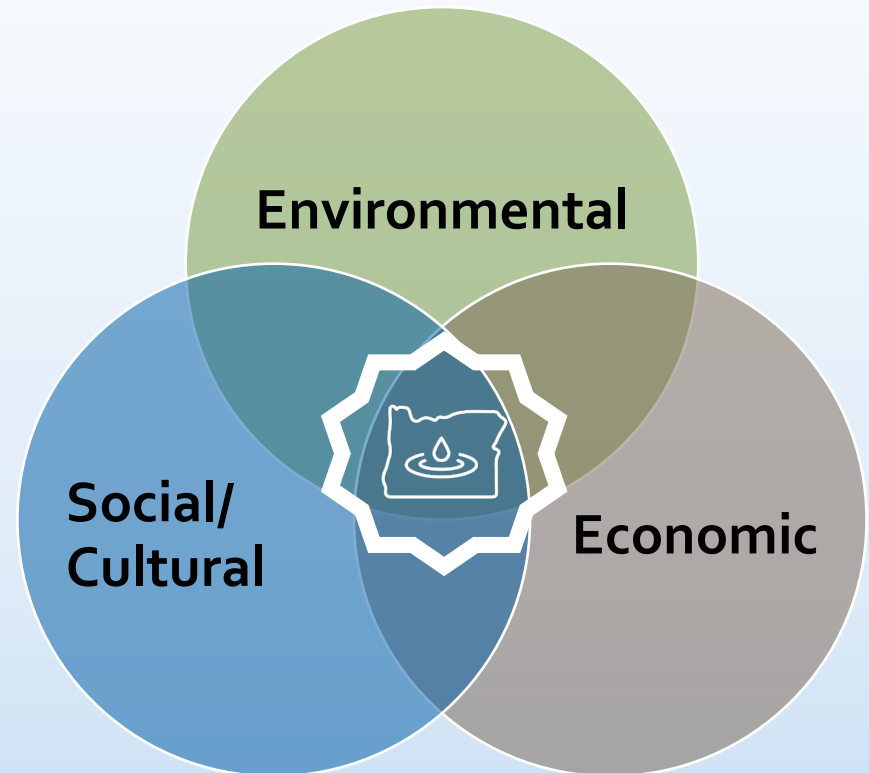
Why did the Department conduct a “biennial review?”

# Water Project Grants and Loans

**Purpose:** Support the development of water supply projects that help meet instream and/or out-of-stream needs and result in economic, environmental, and social/cultural benefits

**Deadline:** Spring each year (e.g., April 25, 2018)

**Funding Decision:** Fall each year (November 2018)



## Biennial Review (ORS 541.677(2))

- The Department shall:
  - Review the program on a biennial basis to determine to what extent the target outcomes are being achieved
  - Report the findings to the Commission
- The Commission shall modify the project selection process as necessary to better achieve the outcomes

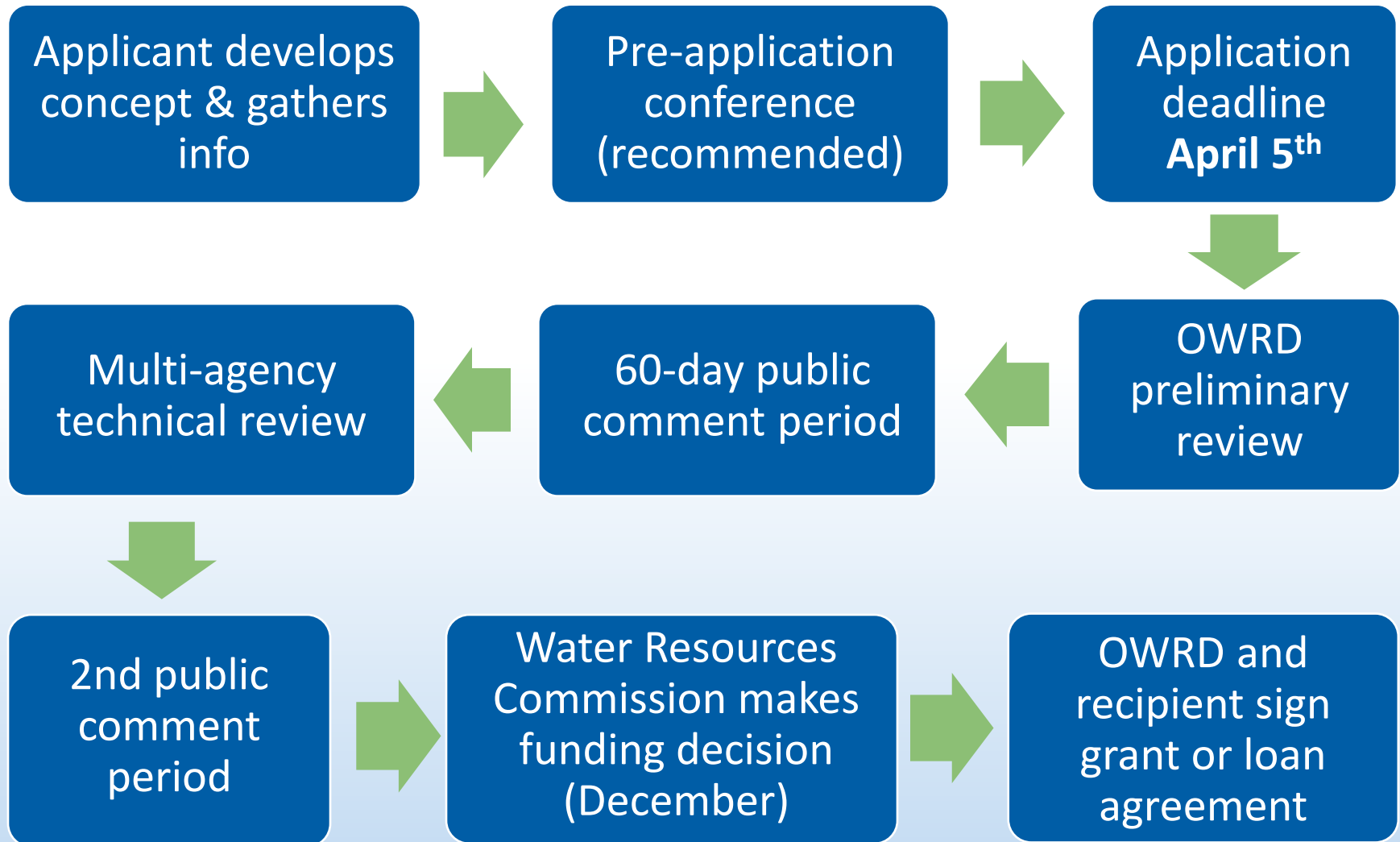
## Target Outcomes (ORS 541.677(1))

- a) The issuance of grants or loans only to projects that provide benefits in each of the three categories of public benefit described in ORS 541.673;
- b) Preference for partnerships and collaborative projects;
- c) The funding of projects of diverse sizes, types and geographic locations;
- d) If a project proposes to divert water, preference for projects that provide a measurable improvement in protected streamflows;
- e) If a project proposes to increase efficiency, preference for projects that provide a measurable increased efficiency of water use.

# Scoring, Ranking, and Selection Process

How were grants and loans awarded in 2016 and 2017?

# Application Review Process







# Technical Review Team (TRT)

- Score applications
- Consider public comments on applications
- Rank projects based on greatest public benefit



# Guidance on the Evaluation of Public Benefits



WATER PROJECT GRANTS AND LOANS

GUIDANCE ON THE EVALUATION  
OF PUBLIC BENEFITS

January 2018



- 3 categories of public benefits:
  - Economic
  - Environmental
  - Social/Cultural
- 18 public benefits listed in statute (6 in each category)
  - Each scored on a scale of -1 to 5
  - 5 point bonus for collaboration
  - 95 total possible points

# Funded Projects

What projects received funding in 2016 and 2017?

# Applications Received

## 2016 Funding Cycle

- 37 applications received
- All applications deemed eligible and complete
- Total funds requested: \$50,959,520 (all grants)

## 2017 Funding Cycle

- 34 applications received
- 32 applications deemed eligible and complete
- Total funds requested: \$34,967,707
  - All 32 requested grant funds (\$31,551,815)
  - 3 requested loans for 25% match (\$3,415,892)

## 2016 Funded Projects

Rank and Project Name		Funding Awarded	Total Project Cost
1	Lostine River Conservation Project	\$1,488,718	\$2,132,575
2	Tumalo Feed Canal Conservation Phase 5	\$1,299,968	\$3,407,155
3	Highline Canal Pipeline	\$566,299	\$784,699
4	Willow Creek Piping Irrigation Laterals	\$500,355	\$785,143
5	Mosier Deep Water Supply Well	\$917,238	\$1,225,013
6	Beaver Creek Dam Fish Passage and Flow Restoration	\$600,000	\$1,125,700
7	Sun Creek Restoration And Irrigation Efficiency	\$249,867	\$552,734
8	Klamath East Side Water Recycling Project	\$268,673	\$358,231
9	Kingsley Reservoir Expansion and Lowline Pipeline Project	\$3,000,000	\$4,241,000
<b>Total</b>		<b>\$8,891,118</b>	<b>\$14,612,250</b>

## 2017 Funded Projects

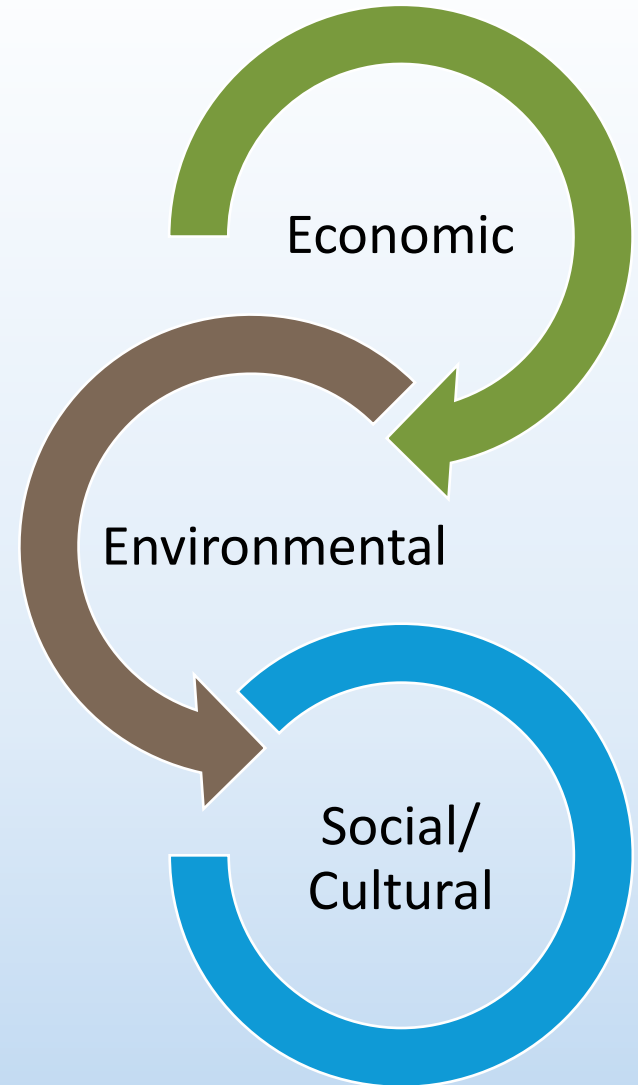
Rank and Project Name		Funding Awarded	Total Project Cost
1	North Fork Sprague Conservation Piping and Instream Flow Restoration	\$2,731,746	\$3,875,000
2	Powder Valley Connector	\$1,076,000	\$1,440,000
3	Opal Springs Fish Passage and Pool Raise	\$1,550,486	\$10,720,486
4	Coe Branch Pipeline & On-Farm Irrigation Efficiency Project	\$924,000	\$1,680,105
Total		<b>\$6,282,232</b>	<b>\$17,715,591</b>

# 2015-2017 Target Outcomes Review

To what extent did the scoring criteria result in the desired outcomes outlined in statute?

## Target Outcome (a)

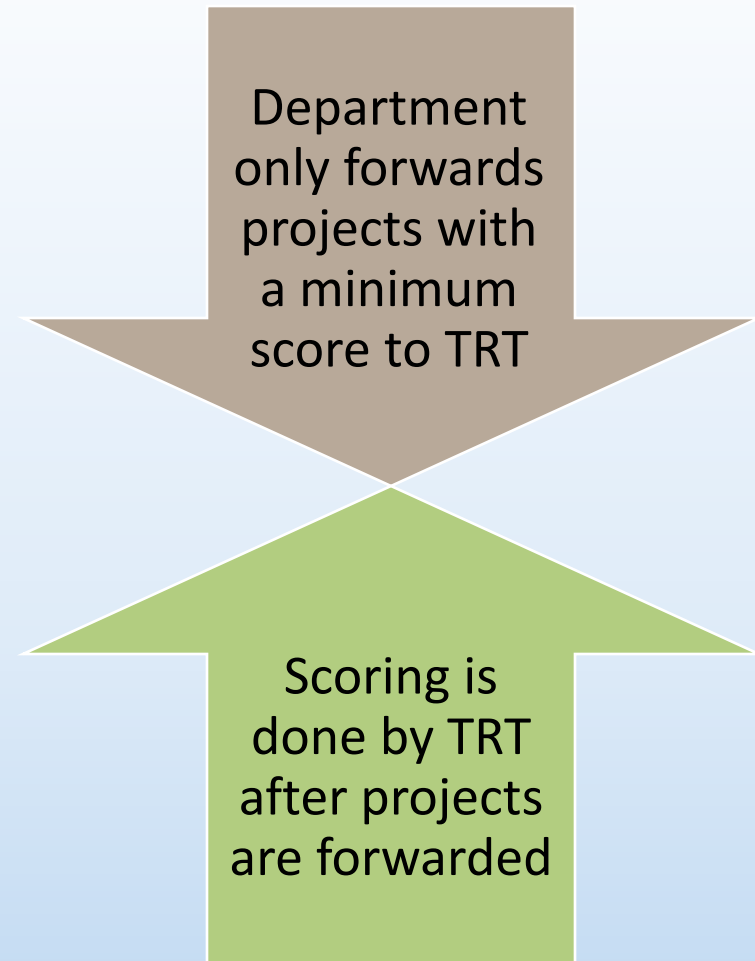
- *Target Outcome:* Only issue grants or loans to projects that provide benefits in each of the three categories
- *Metric:* Did each funded project demonstrate that it will result in economic, environmental, and social/cultural public benefits?





## Target Outcome (a) continued...

- *Summary of Findings:*
  - All funded projects demonstrated public benefits in all three public benefit areas
  - Issue of minimum score
- *Recommendation(s):* Continue to evaluate the public benefits and scoring system to determine if they need to be refined



## Target Outcome (b)

- *Target Outcome:* Preference for partnership and collaborative projects
- *Metric:* Number of projects planned or implemented through partnership or collaboration
- *Summary of Findings:* In 2016 and 2017, all funded projects were partnership or collaborative projects.
- *Recommendation(s):* None at this time

## Target Outcome (c), part 1 (size)

- *Target Outcome*: Fund projects of diverse project sizes
- *Recommendation(s)*: Continue to track the sizes of funded projects and explore whether small projects are not competitive and why

**Table 3. Project Sizes of Applications**

Funding Cycle	2016	2017
# of Funded Small Projects (<\$100K)	4	7
# of Funded Medium Projects (\$100K-\$1M)	15	14
# of Funded Large Projects (>\$1M)	18	11
<b>Total # of projects</b>	<b>37</b>	<b>32</b>

**Table 4. Project Sizes of Funded Projects**

Funding Cycle	2016	2017
# of Funded Small Projects (<\$100K)	0	0
# of Funded Medium Projects (\$100K-\$1M)	4	0
# of Funded Large Projects (>\$1M)	5	4
<b>Total # of projects</b>	<b>9</b>	<b>4</b>

## Target Outcome (c), part 2 (type)

- *Target Outcome:* Fund projects of diverse project types
- *Metric:* Seven project types (applications/grants may include multiple project types)

Project Type	2016 Applications (out of 37)	2017 Applications (out of 32)
Conservation	15	13
Reuse	3	0
Above-Ground Storage	2	5
Below-Ground Storage	1	1
Flow Restoration & Protection	6	3
Water Infrastructure	16	13
Other	7	6

## Target Outcome (c), part 2 (type)

- *Recommendation:* Continue tracking project types funded

Project Type	2016 Projects	2017 Projects
Conservation	5	3
Reuse	1	0
Above-Ground Storage	1	0
Below-Ground Storage	0	0
Flow Restoration & Protection	5	1
Water Infrastructure	1	4
Other	1	0

## Target Outcome (c), part 3 (location)

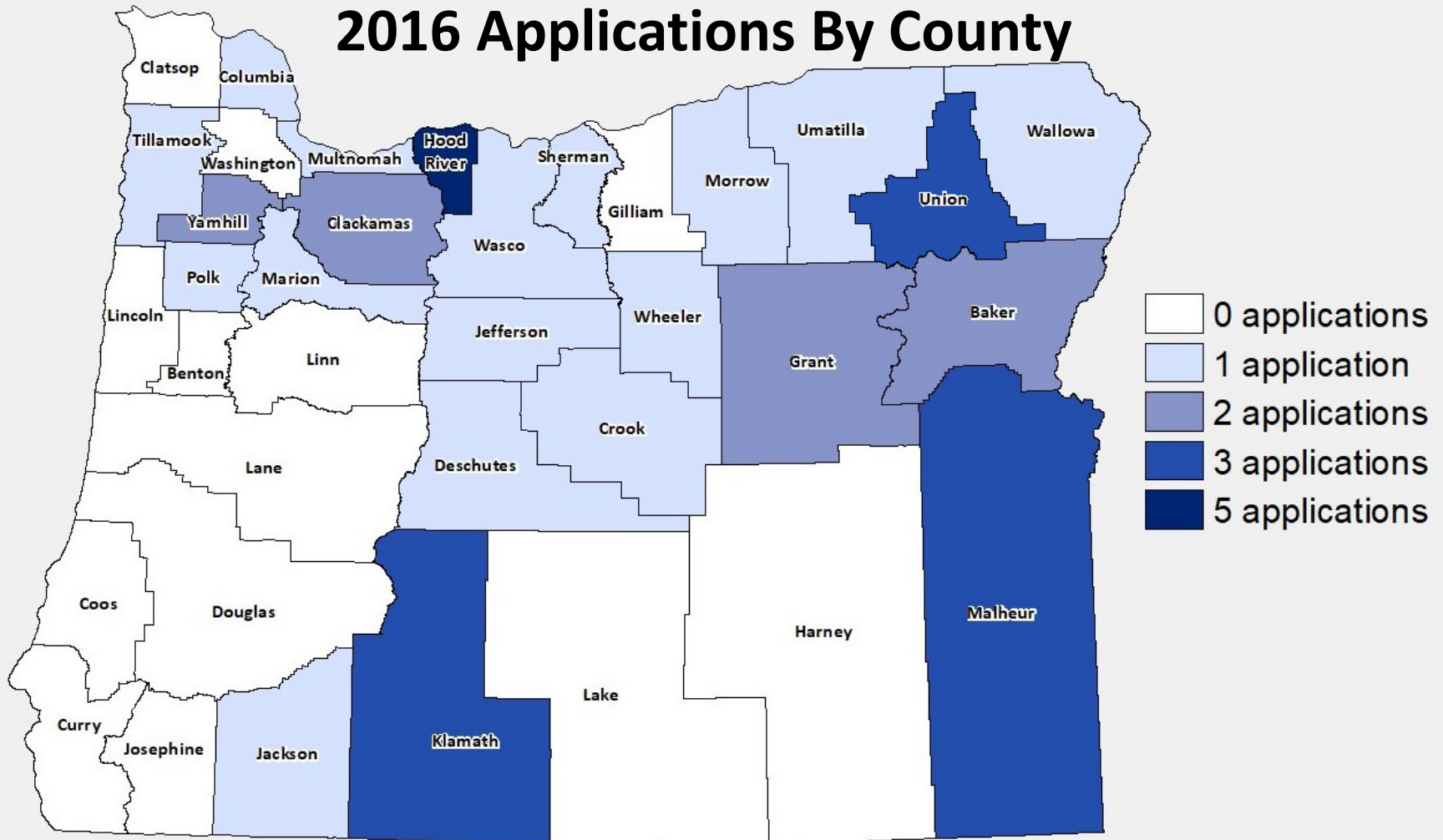
- *Target Outcome:* Fund projects of diverse geographic locations
- *Metric:* Oregon county, eastern/western Oregon

Funding Cycle	# from Eastern Counties	# from Western Counties	Total # of projects
2016	27	10	37
2017	20	12	32

Funding Cycle	# Funded in Eastern Counties	# Funded in Western Counties	Total # of projects
2016	9	0	9
2017	4	0	4

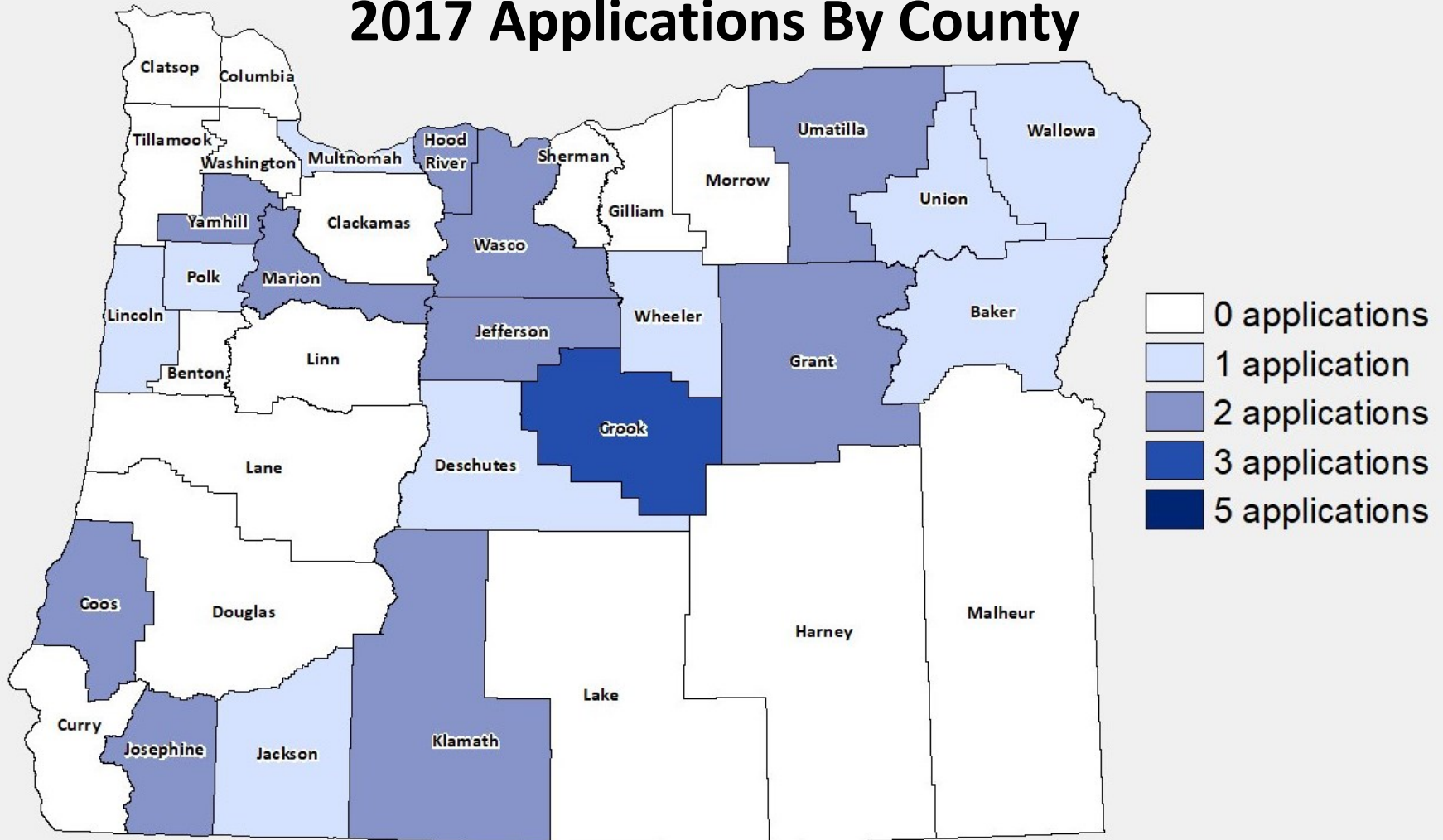
# Target Outcome (c), part 3 (location)

## 2016 Applications By County



# Target Outcome (c), part 3 (location)

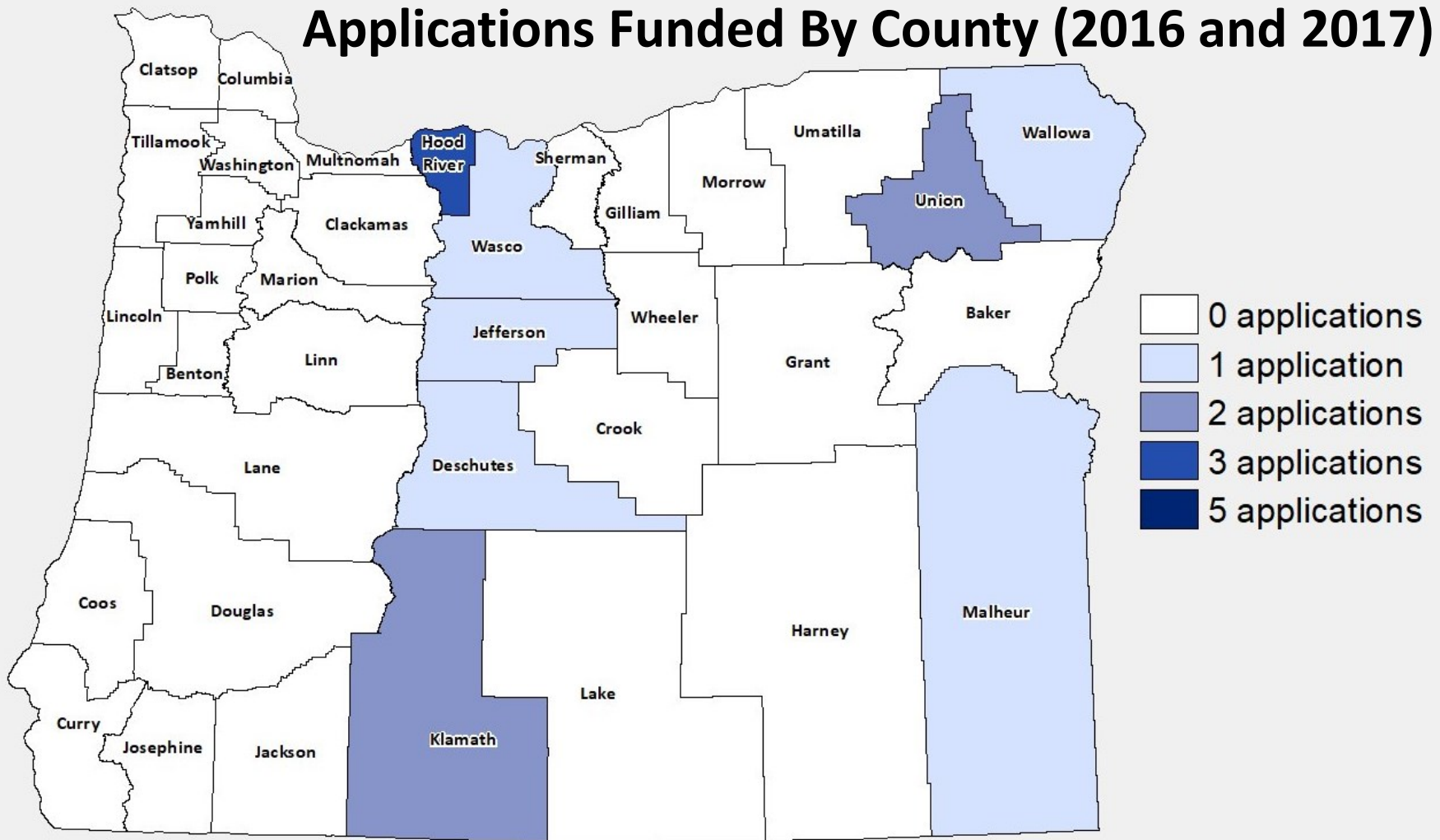
## 2017 Applications By County





# Target Outcome (c), part 3 (location)

## Applications Funded By County (2016 and 2017)



## Target Outcome (c), part 3 (location)

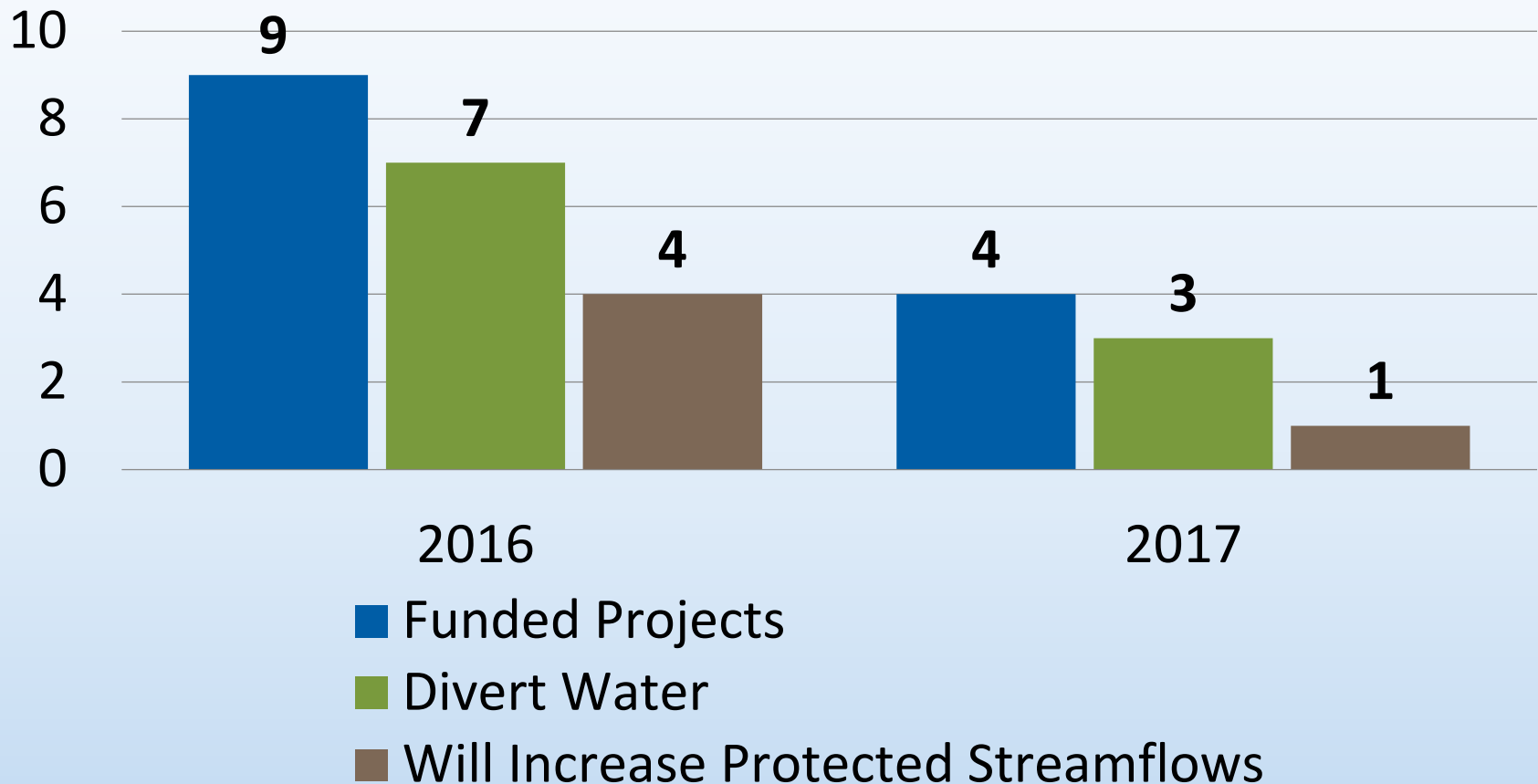
- *Recommendations:*
  - Discuss with the Commission how it would like to ensure funding projects of diverse geographic locations over time.
  - Target outreach to counties where there are few applications to ensure potential applicants in those areas are aware of the opportunity.

## Target Outcome (d)

- *Target Outcome:* Preference for projects that provide a measurable improvement in protected streamflows if the project proposes to divert water
- *Metric:*
  - Does the project propose to divert water?
  - If yes, does the project result in water being dedicated instream and protected by the State?

# Target Outcome (d)

## Protected Streamflows for Funded Projects that Divert Water

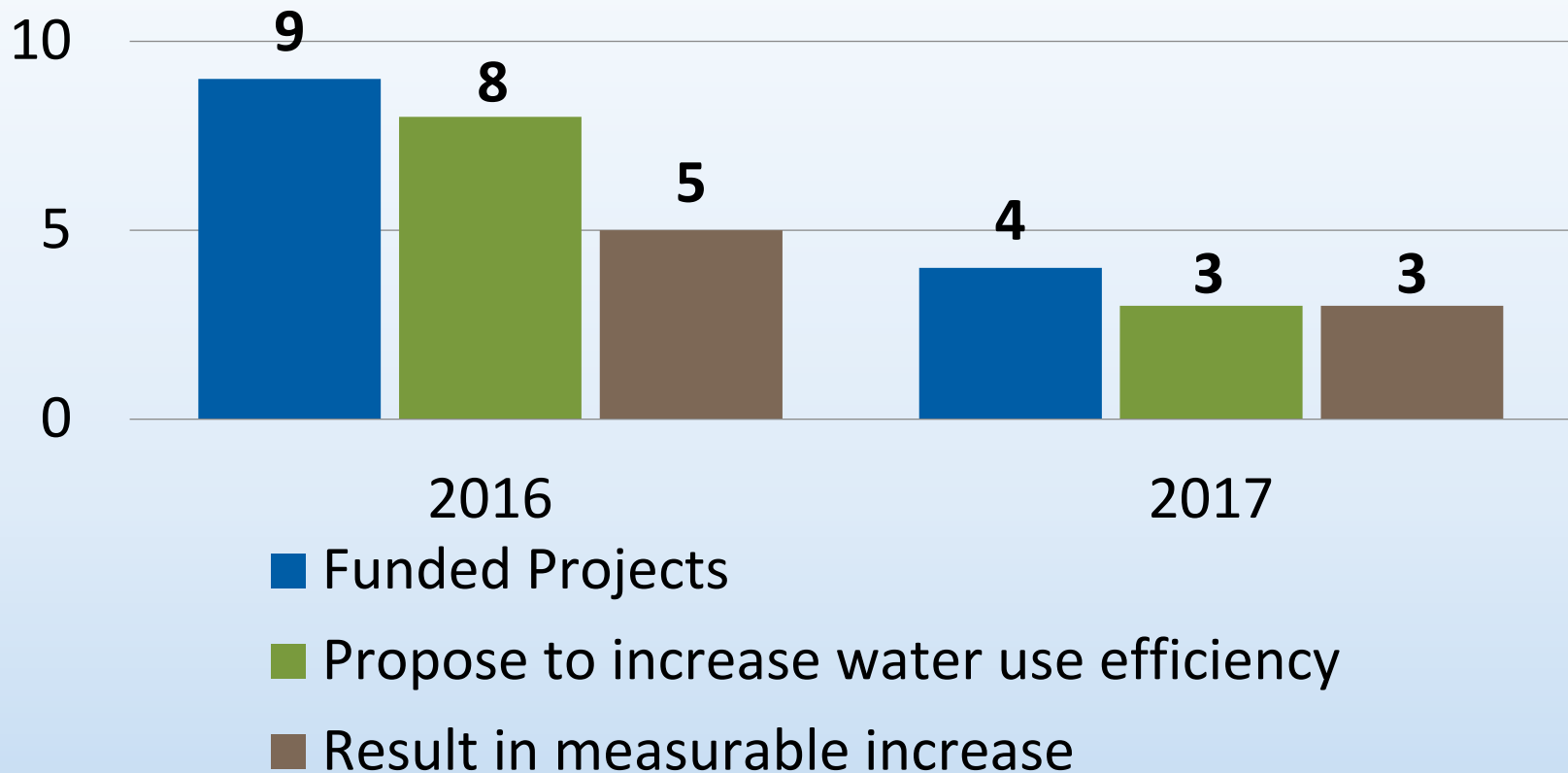


## Target Outcome (e)

- *Target Outcome:* Preference for a measurable increase in efficiency for projects that propose to increase efficiency of water use
- *Metric:*
  - Does the project propose to increase the efficiency of water use?
  - If yes, is that increase measurable?

# Target Outcome (e)

## Water Use Efficiency in Funded Projects



# Summary and Conclusions

What are the next steps post-review?

## Summary and Conclusions

- Continue to **evaluate the public benefits and scoring system** to determine whether they achieve the program goals and if they need to be refined
- Continue to **track the sizes of funded projects** and explore whether small projects are not competitive and, if so, why
- Continuing to **track the types of funded projects**



## Summary and Conclusions

- Discuss with the Commission how it would like to **ensure funding projects of diverse geographic locations** over time
- **Target outreach to counties where there are few applications** to ensure potential applicants in those areas are aware of the opportunity
- **Engage stakeholders** in a more thorough review of the funding opportunity

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**Thank you.**