

OREGON



WATER RESOURCES
DEPARTMENT

Water Project Grants and Loans

2021 Funding Recommendations

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Planning, Collaboration & Investments

December 3, 2021

Planning, Collaboration, & Investments Section

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 Section



Placed-Based Planning

Plan & identify
actions



Feasibility Study Grants

Investigate
feasibility



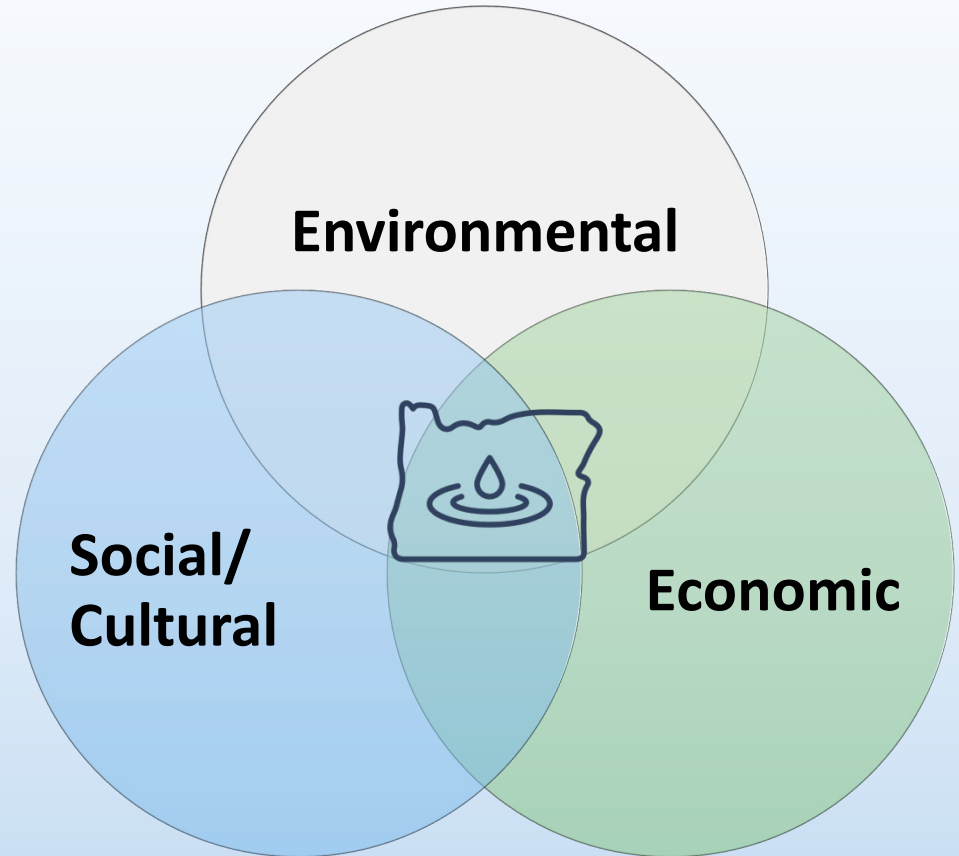
Water Project Grants & Loans

Implement

Purpose

Provide funding for Water Supply projects that:

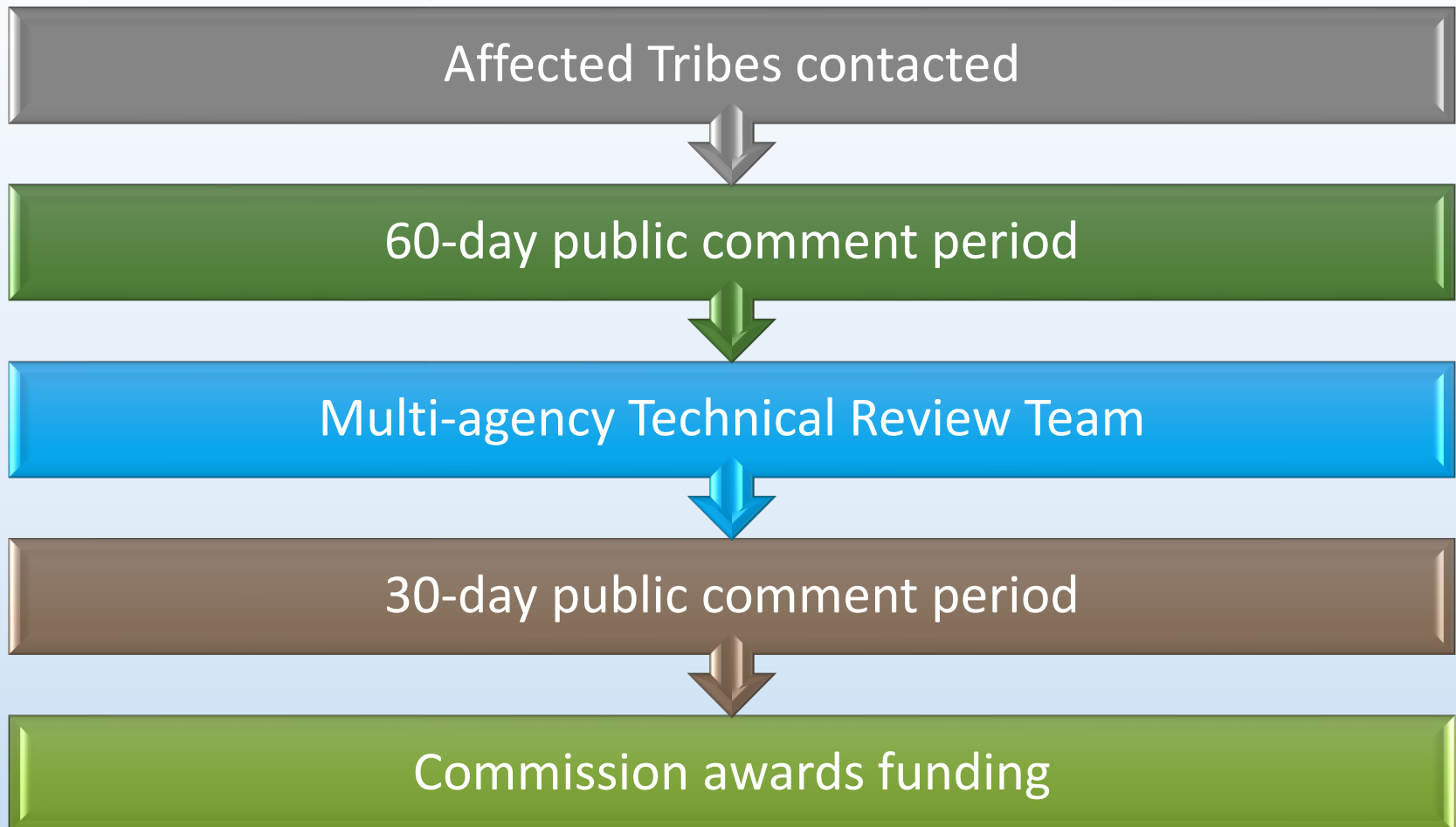
- Meet instream and out-of-stream needs and
- Achieve Public Benefits in 3 categories



Funding History

Year Awarded	Number of Grants	Total Awarded
2016	9	\$8,891,118
2017	4	\$6,282,232
2018	8	\$6,297,755
2019	4	\$2,471,120
2020	3	\$4,800,000
Total	28	\$28,742,225

Review Process





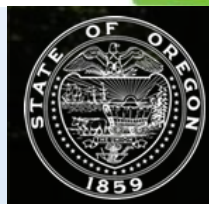
Technical Review Team (TRT)



Oregon
Department
of Agriculture



business
oregon



Working with Communities

Regional
Solutions



State of Oregon
Department of
Environmental
Quality

Oregon
Health
Authority

Meet to discuss applications

Consider tribal and public comments

Score applications based on public benefits

Make funding recommendation

TRT Scores Public Benefits



Positive and negative impacts



Likelihood of achieving claimed benefits



Change in conditions described



Supporting evidence or documentation

Scoring Increments

Public Benefits

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

Application Scoring

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

6 Questions in each public benefit category

72 Available points in each category

24 Potential preference points: legally
protected streamflow & collaboration

240 Total points available

Minimum Category Score

The Department set a minimum category score of “7” to be funded

A category score of “7” signals that the public benefits are more than “Minor”

Each category must meet the minimum score

Funding Impacts

- During 2020 Lottery Revenues decreased and the 2021 bond-sale was canceled
- ~\$3M available currently
- Lottery bond-sales scheduled
 - May 2022 - \$15M
 - June 2023 - \$15M

2021 Funding Cycle

- Application deadline: April 28, 2021
- 9 Applications received
- Requesting \$10,460,561 in funding

Funding Recommendations

- Projects ranked by greatest Public Benefit score
- Six projects are recommended for funding with grant requests totaling \$7,549,376
- The top 2 ranked projects requested **\$1,851,755** in grant funding
- Recommend projects ranked 1 and 2 for immediate funding



Recommended for Immediate Award

Rank	Project Name	Funding
1	Butte Creek Mill Water Supply Security and Instream Transfer	\$459,828
2	Deschutes Basin Flow Restoration - Group 6A	\$1,391,927
Total		\$1,851,755

Funding Recommendation

- Projects ranked 3 through 6 also received scores which merit funding
- Projects 3 through 6 requested **\$5,697,621** in grant funding
- Recommend provisionally awarding grants to projects ranked 3 through 6 pending available funds

Funding Recommendation

This recommendation considers:

- The public benefits provided,
- Respects the planning efforts of the applicants,
- And mitigates project delays impacts.

Funding is contingent on bond sale



Recommended for Provisional Award

Rank	Project Name	Funding
3	Smith Rock-King Way Project Irrigation Modernization Project	\$2,093,081
4	Fitzpatrick Conservation Project	\$529,840
5	John Day Innovation Gateway Adaptive Water Reuse	\$2,981,200
6	Muddy Creek Water Use and Stream Restoration Project	\$93,500
Total		\$5,697,621

2nd Public Comment Period

Confederated Tribes of the Umatilla Indian Reservation (CTUIR) commented.

1. Support for the Fitzpatrick Conservation Project

2. Concerns on the John Day Innovation Gateway Adaptive Water Reuse

- The TRT independently identified the same concerns and still found that it provided sufficient public benefits to receive funds.

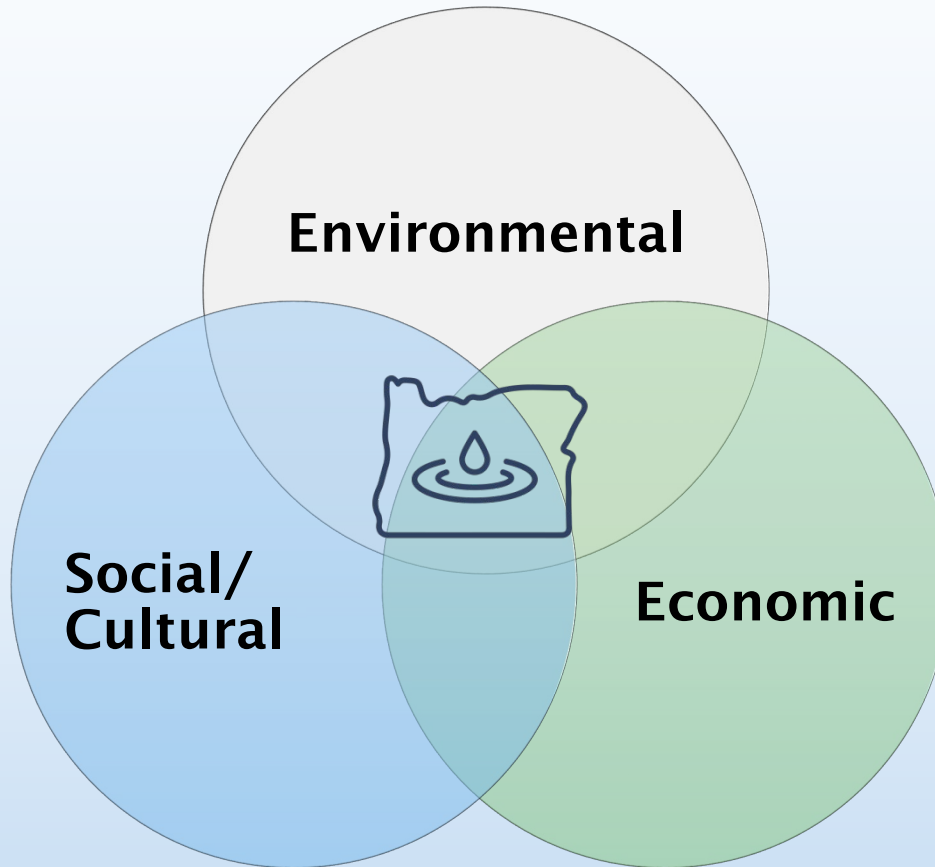
Funding Recommendation

- Based on public benefit scores, projects ranked 7 through 9 are not recommended for funding at this time

Projects Not Recommended

Rank	Project Name	Funding Request
7	Highland Ditch Piping Project	\$2,250,000
8	Eugene Construction Aggregate and Public Greenspace Class A Recycled Water Facilities Project	\$583,925
9	Pendleton Pivot	\$77,260

Recommended for Funding





Butte Creek Mill Water Supply Security and Instream Transfer

Project Type	Flow Restoration & Protection
Applicant	Trout Unlimited
Funding Request	\$459,828
Total Cost	\$614,828
County	Jackson



Butte Creek Mill Water Supply Security and Instream Transfer

Project Highlights

- Purchasing an 1872 water right, a portion for water instream and a portion retained for operation of the historic mill
- By protecting this right, flows would be secured for over 12 miles
- Improve a fish passage barrier

Public Benefit Category Score Breakdown				Total
Econ	Envi	Soc/Cult	Other	
37	42	31	15	125



Deschutes Basin Flow Restoration - Group 6A

Project Type	Conservation, Flow Restoration & Protection
Applicant	Tumalo Irrigation District
Funding Request	\$1,391,927
Total Cost	\$6,140,034
County	Deschutes



Deschutes Basin Flow Restoration - Group 6A

Project Highlights

- Pipe 12,300 feet of the Columbia Southern Lateral
- 100% conserved water would be protected through the Allocation of Conserved Water Program
- This portion of the project includes 21 patron deliveries and a pressure reducing valve

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultr	Other	
27	16	22	12	77



Smith Rock-King Way Project Irrigation Modernization Project

Project Type	Conservation, Flow Restoration & Protection, Water Infrastructure
Applicant	Deschutes River Conservancy, Central Oregon Irrigation District, and North Unit Irrigation District
Funding Request	\$2,093,081
Total Cost	\$4,406,365
County	Crook, Deschutes



Smith Rock-King Way Project Irrigation Modernization Project

Project Highlights

- Pipe 7,593 feet of COID's J-Lateral and all 15,548 feet of its L-Lateral
- 100% of water conserved through this project (estimated at 2 cfs) passed to North Unit Irrigation District (NUID) to improve the junior district's water right reliability.
- In exchange, NUID proposes to legally protect 2 cfs in the Upper Deschutes River via a winter instream lease

Public Benefit Category Score Breakdown

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultr	Other	
28	12	21	9	70

Fitzpatrick Conservation Project

Project Type	Conservation, Flow Restoration & Protection, Water Infrastructure
Applicant	Trout Unlimited and Jeremy McCullouch/Rocking M Cattle Company
Funding Request	\$529,840
Total Cost	\$706,453
County	Wallowa

Fitzpatrick Conservation Project

Project Highlights

- Piping 3,100 feet of irrigation ditch
- Convert 127 acres from flood irrigation to a center pivot irrigation system
- 100% of the conserved water would be protected through the Allocation of Conserved Water Program

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultr	Other	
22	21	17	9	69



John Day Innovation Gateway Adaptive Water Reuse

Project Type	Reused, Water Infrastructure, Conservation, Flow Restoration
Applicant	City of John Day
Funding Request	\$2,981,200
Total Cost	\$13,581,200
County	Grant



John Day Innovation Gateway Adaptive Water Reuse

Project Highlights

- Replacement of a 72-year old water treatment plant with a new water reclamation facility would generate over 80 M gal. of Class A recycled water
- Funding would support storage, pumping, and distribution infrastructure to a lumber yard currently relying on river withdrawals and City hydroponics greenhouse

Public Benefit Category Score Breakdown

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultr	Other	
30	8	22	7	67



Muddy Creek Water Use and Stream Restoration Project

Project Type	Irrigation, Fish habitat and connectivity
Applicant	Lake County Umbrella Watershed Council
Funding Request	\$93,500
Total Cost	\$776,561
County	Lake



Muddy Creek Water Use and Stream Restoration Project

Project Highlights

- Construct a 75-foot rock ramp roughened channel fish passage at the reservoir's spillway to restore 1.5 miles of stream channel habitat
- Planned improvements meet ODFW condition on water right to sustain working landscape
- Streambank stabilization and riparian improvements

Public Benefit Category Score Breakdown				Total
Econ	Env	Soc/Cultr	Other	
22	18	12	2	54



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
- Changes resulting from project

Commission Alternatives:

The Commission may consider the following:

1. Adopt the funding recommendation contained in Tables 2 and 3 of this report to immediately fund two applications (\$1,851,755) and provisionally fund four applications (\$5,697,621) for a total award of \$7,549,376.
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 funding recommendation contained in Tables 2 and 3 of this report to immediately fund two applications (\$1,851,755) and provisionally fund four applications (\$5,697,621) for a total award of \$7,549,376.
2. Adopt a modified funding recommendation.
3. Direct the Department to further evaluate the applications and return with a revised recommendation.

Thank you

OREGON



WATER RESOURCES
DEPARTMENT

- Adopt the funding recommendation contained in Table 2 to immediately fund projects ranked 1 and 2 for a total award of \$1,851,755.
- Adopt the funding recommendation to provisionally award funding to the Smith Rock-King Way Project Irrigation Modernization Project, John Day Innovation Gateway Adaptive Water Reuse, and Muddy Creek Water Use and Stream Restoration Project after the 2022 bond sale in the amounts listed in Table 3 for a total award of \$5,167,781
- Adopt the funding recommendation to provisionally award funding to the Fitzpatrick Conservation Project after the 2022 bond sale for a total award of \$529,840.

Additional slides if needed

Highland Ditch Piping Project

Project Type	Water Infrastructure & Conservation
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Applicant	Badger Improvement District
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Funding Request	\$2,250,000
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Total Cost	\$3,000,000
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County	Wasco
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Highlights

- Install pipe on roughly 14,000 ft. of irrigation ditch
 - Currently open ditch in steep terrain and subject to washout; pipe may prevent sediment and debris runoff in Badger Creek
 - Legally protect water instream through ACW
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Eugene Construction Aggregate and Public Greenspace Class A Recycled Water Facilities Project

Project Type	Reuse, Water Infrastructure
Applicant	Metropolitan Wastewater Management Commission
Funding Request	\$583,925
Total Cost	\$6,610,136
County	Lane
Highlights	
	<ul style="list-style-type: none">• Upgrades to the wastewater treatment facility will produce Class A recycled water for beneficial reuse

Pendleton Pivot

Project Type Water Infrastructure

Applicant Mary and Dillon Pendleton

Funding Request \$77,260

Total Cost \$103,014

County Crook, Deschutes

Highlights

- Install a 650 foot valley pivot for crop irrigation
 - The goal is to reduce water use
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