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Oregon Clean Water State Revolving Fund Loan Program

Intended Use Plan

State Fiscal Year 2024, Third Edition



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Intended Use Plan 2024 Third Edition Update

Summary

This Intended Use Plan 2024 Third Edition includes updated information from the Intended Use Plan 2024 Initial Edition and IUP 2024 Second Edition summarized below. The majority of the content is the same as the IUP 2024 Initial Edition for the State Fiscal Year 2024. This IUP 2024 Third Edition updates include:

Applications section (page 6) updated statement: “This Intended Use Plan 2024 Third Edition includes 13 new loan applications requesting \$54,906,601 from the August 2023 round and a total of 48 loan applications on the updated Project Priority List requesting a total of \$228,168,903 from the fund.

Table 1: Intended Use Plan New Loan Applicants updated (page 7)

Applications section ([page 7](#)) updated statement: “Since the publication of the last Intended Use Plan, DEQ executed five new loan agreements for applications: City of Bend 14510-23, Falls City 32100-22, City of Hasley 40670A-23, Port of Tillamook Bay 91560A-23, and Rogue Valley Sewer Services 78495B-23.”

Table 2: Project Description List updated (page 8)

Applicants Ready to Proceed section (page 27), updated statement: “[Appendix 2](#) estimates 12 applicants with a total of 14 applications will be ready to proceed in the SFY2024: Arnold Irrigation District (Deschutes County) 11640-23, City of Bend (Deschutes County) 14510A-23, City of Bend (Deschutes County) 14510B-23, City of Gresham (Multnomah County) 39190-23, City of Halsey (Linn County) 40670B-23, City of Lone (Morrow County) 47690-23, City of Independence 47600-23 (Polk County), Medford Irrigation District (Jackson County) 64120-23, City of Port Orford 74100-23(Curry County), Port of Tillamook Bay (Tillamook County) 91560B-23, Rogue Valley Sewer Services (Jackson County) 78495D-23, Tillamook County Solid Waste Service District (Tillamook County) 91570A-23, Tillamook County Solid Waste Service District (Tillamook County) 91570B-23, City of Winston (Douglas County) 94580-24 totaling \$35,022,378.”

Estimated Funds Available section (page 28), updated statement: “Oregon CWSRF estimated funds available is \$209,476,794 for the year. This IUP 2024 Third Edition includes applications requesting a total of \$228,168,903 with 14 applications ready to proceed with loans totaling \$35,022,378. The program anticipates enough funds to finance all projects on the IUP.

Table 3: Eligible recipients for principal forgiveness updated (page 33)

Public Notice updated (page 39)

Appendix 1 – Project Priority List updated (page 40)

Appendix 2 – Applicants Ready to Proceed updated (page 44)

Introduction

The Clean Water State Revolving Fund program rules and regulations are referenced here:

- Title VI of the Clean Water Act ([33 U.S. Code §1383](#)) and CWSRF Regulations ([40 CFR Part 35.3100](#))
- Oregon Revised Statute [468.020 and ORS 468.423 – 468.440](#)
- [Oregon Administrative Rules Chapter 340, Division 54](#)

The Oregon Department of Environmental Quality prepares the Intended Use Plan as required by the U.S. Environmental Protection Agency and Oregon Administrative Rules to inform Oregonians and Clean Water State Revolving Fund loan applicants about how DEQ proposes to use the fund during state fiscal year 2024 (July 1, 2023, through June 30, 2024).

DEQ's Clean Water State Revolving Fund program offers below-market rate loans and bond purchases to public agencies for planning, design, construction and implementation of the following water quality improvement projects:

- Wastewater collection, treatment, water reuse and disposal systems
- Nonpoint source water pollution control projects
- Development and implementation of management plans for federally designated estuaries in Oregon (Tillamook Bay and Lower Columbia River)

DEQ accepts applications at any time but sets application deadlines and application review periods three times per year in April, August and December. Loan applicants should become familiar with the CWSRF [application process and loan requirements](#) prior to applying.

Once scored and ranked, DEQ incorporates eligible applications into this plan, submits the plan to EPA for review and issues a public notice about the plan. DEQ notifies the public by announcing the public comment period in the Daily Journal of Commerce and through DEQ's [GovDelivery](#) notification system. After the public comment period, DEQ updates this plan and publishes it on the [program's IUP web page](#). Applicants can begin completing loan requirements after the public comment period.

EPA requires that each state's Clean Water State Revolving Fund program develop a project priority list, which is a primary component of the Intended Use Plan. DEQ includes applications for eligible projects on the project priority list in ranked order for financing, based on project score in [Appendix 1](#). However, DEQ does not commit or reserve funds for individual projects until an applicant meets all loan requirements. DEQ determines that the applicant is "ready to proceed" to loan agreement execution once all application requirements are satisfied.

Currently, DEQ has sufficient funds to award funding to all projects as they become ready to proceed. This ensures the fund is utilized in a timely manner. In the event the program does not have sufficient funds available to finance all projects that are ready to proceed, DEQ will award funding to projects that are ready to proceed in priority order based on project score.

This plan includes loan program requirements, definitions, and application process information. The plan also details the program's administration, budget, and fiscal condition.

This Intended Use Plan will be used to apply for three EPA capitalization grants:

- Annual "base" federal capitalization funding allocated for federal fiscal year 2023 in the allocated amount of \$8,473,000.
- Bipartisan Infrastructure Law supplemental capitalization grant funding allocated for federal fiscal year 2022 in the allocated amount of \$20,106,000.
- BIL supplemental capitalization grant funding to address emerging contaminants in the allocated amount of \$1,056,000 for federal fiscal year 2022.

Program goals

Mission statement:

Oregon's Clean Water State Revolving Fund program supports communities by financing projects that improve water quality and environmental outcomes for the State of Oregon. The program is dedicated to working with small communities and on water quality projects that increase financial and environmental sustainability, climate resiliency, and water and energy efficiency.

1. **Goal:** Assist communities in restoring, maintaining, and enhancing water quality by offering financial assistance for water pollution control, water quality improvement and protection projects. (PROJECTS)

Objectives

- Continue priority focus on providing loans to publicly owned treatment facilities in Oregon.
- Develop tools to assist communities in obtaining loans.
- Promote the local community loan to support emerging markets.
- Encourage innovative and non-traditional projects, such as green infrastructure, water and/or energy efficiency, climate resilience, and environmentally and financially sustainable projects.
- Encourage communities to focus on high priority, water quality improvements projects statewide, including stormwater, nonpoint source pollution controls and estuary management projects.

2. **Goal:** Administer the Clean Water State Revolving Fund to ensure programmatic compliance with regulatory requirements, financial integrity, fund viability and perpetuity. (PROGRAM)

Objectives

- Maintain the revolving nature of the fund and an active pace of disbursements in conjunction with the receipt of new funds and loan repayments.
- Ensure program budget adequately supports resources, administrative costs and anticipates future needs.
- Provide financial assistance most advantageous to borrowers, to the maximum extent possible and maintain sound financial management of the fund.

- Ensure the program processes effectively align with existing, developing and emerging markets, incorporating treatment and non-treatment solutions for all sources of water pollution.
 - Ensure the program management complies with current state and federal regulations.
 - Strategically market and communicate the Clean Water State Revolving Fund project and borrower eligibility and benefits to decision makers at eligible public agencies.
 - Build on previous successes and increase those market shares.
3. **Goal:** Assist communities with the loan application and loan management process to meet regulatory requirements with federal and state requirements, water quality standards, utility, and financial management. (TECHNICAL ASSISTANCE)

Objectives

- Provide technical assistance to small communities using principles of effective utility management to assess planning, financial, operational, managerial, and infrastructure capability needs that will result in water quality improvements.
 - Provide training and technical assistance to communities in conjunction with program requirements of the Water Resources Reform and Development Act of 2014.
4. **Goal:** Coordinate and collaborate with other state and federal programs to provide financial solutions for water quality improvements to Oregon public agencies. (COORDINATION)

Objectives

- Develop a strategy with other funding agencies to communicate, coordinate and jointly fund projects with high priority water quality needs in the state.
- Identify opportunities and financial solutions to address point source and nonpoint source water quality impairments.

The program's [2022 Annual Report](#) demonstrates actions taken to achieve the program's goals.

Bipartisan Infrastructure Law priorities

The Bipartisan Infrastructure Law, Nov. 15, 2022, includes new federal funding for Clean Water State Revolving Fund programs with new requirements and priorities. This Intended Use Plan addresses BIL priorities and requirements in accordance with the Clean Water Act and EPA.

Principal forgiveness

BIL requires states to provide 49% of the capitalization grant amount as additional subsidization in the form of principal forgiveness or grants. Oregon CWSRF will provide 49 percent of the BIL supplemental capitalization grant as principal forgiveness. In 2023, the program is increasing limits of the amount of principal forgiveness on a per loan basis to provide more principal forgiveness for the program to meet this requirement. Principal forgiveness eligibility criteria and limits are further described in [Appendix 7 – Principal forgiveness eligibility criteria and limits](#).

Disadvantaged communities, affordability and environmental justice

BIL explicitly seeks to ensure that disadvantaged communities have access to funds to improve their wastewater infrastructure to protect public health and improve water quality. EPA expects states will review, refine, and improve their CWSRF affordability definitions and priority point systems to ensure that additional subsidy is provided to disadvantaged communities to the maximum extent possible.

To address EPA and BIL requirements and priorities, the Oregon CWSRF program conducted a rulemaking in 2022 – 23. New rules adopted in January 2023 allow the program to provide more principal forgiveness on a per loan basis and incorporate environmental justice metrics into affordability criteria and project scoring criteria for applications received in April 2023 moving forward. These program updates are documented in [Appendix 5 – Environmental justice metrics](#), [Appendix 6 – Project scoring criteria](#) and [Appendix 7 – Principal forgiveness eligibility criteria and limits of this IUP](#). The program will also conduct outreach and provide technical assistance to further address needs of disadvantaged and underserved communities in Oregon.

Technical assistance

Oregon CWSRF is in the early stage of developing technical assistance services for the program. The program is developing a request for proposals to contract for technical assistance services, which is under review by Oregon Department of Administrative Services as of May 2023. The program will work with selected eligible contractor(s) to finalize a scope of work and contract to provide technical assistance services for the Oregon CWSRF program this year, which will include the following:

- Project planning
- Administrative capacity and financial planning assistance
- CWSRF loan application assistance
- Construction project management
- Assistance in meeting CWSRF program requirements
- Outreach and training

Oregon DEQ CWSRF will not use federal capitalization grant or match funds for technical assistance. DEQ will reassess needs and resources for technical assistance after one year. DEQ will continue coordinating with EPA region 10 staff regarding technical assistance by EPA and TA by the Oregon CWSRF program.

Program administration

Administrative expenses

DEQ charges an annual fee in the amount of 0.5 percent of the unpaid balance, beginning with the second repayment, as prescribed in Oregon Administrative Rule [340-054-0065\(6\)](#) to pay program administrative expenses. DEQ will continue to monitor the fee revenue account to ensure the revenue source is adequate. The fee revenue account is separate from the loan fund. As of February 28, 2023, the program has approximately **\$2.01 million** in the fee revenue account, also known as the administrative fund.

For state fiscal year 2024, DEQ will not utilize the annual capitalization grant award toward program administrative expenses.

Financing options

Oregon's CWSRF program offers two financing options:

- Loans with terms not-to-exceed the lesser of 30 years or the useful life of the asset.
- Bond purchase agreements not-to-exceed the lesser of 30 years or the useful life of the asset.

Terms and conditions

Loans and bond purchases

The Clean Water State Revolving Fund offers loans and bond purchases agreements with a maximum up to 30-year repayment terms. The repayment term begins after project completion. Interest rates are based on the average 20-year municipal bond rate, as published by the Federal Reserve. Thirty-year terms are subject to an interest rate premium based on community demographics. Shorter terms may have different interest rates. The average bond rate is calculated on a quarterly basis. A percentage of that rate is used for the loan interest rate on loans signed in the subsequent calendar quarter. These percentages are stated in Oregon Administrative Rule [340-054-0065\(4\)](#).

DEQ updates interest rates quarterly. The current interest rates are based on the average municipal bond rates during the April 1 to June 30, 2023 period. New rates for the next quarter will be calculated and published on the [Clean Water State Revolving Fund website](#) on July 1, 2023.

Applications

DEQ published the program's Annual Solicitation [Newsletter](#) in May 2023 to solicit loan applications. Although DEQ accepts loan applications at any time, DEQ reviews and scores applications three times per year. The most recent application deadline was April 14, 2023, and the next loan application deadline is December 8, 2023.

Under Oregon Administrative Rule [340-054-0025\(6\)\(a\)](#), project applications will remain on the project priority list for up to 36 months, after which the applicant can request a six-month or 12-month extension, or the application will be removed from the list. DEQ also removes project applications from the list upon execution of a loan agreement.

This Intended Use Plan 2024 Third Edition includes 13 new loan applications requesting \$54,906,601 from the August 2023 round and a total of 48 loan applications on the updated Project Priority List requesting a total of \$228,168,903 from the fund.

Table 1 - Intended Use Plan New Loan Applicants

Applicant	Application Number	Project Type and Name	Amount Requested
City of Astoria	11790-24	Point Source, Design and Construction, Sewage Lift Station Rehabilitation	\$3,670,000
Crescent Sanitary District	25100-24	Point Source, Planning, Gilchrist Redesign and Replacement	\$100,000
City of Creswell	25140-24	Point Source, Planning, Wastewater Facility Plan Update	\$ 219,120
City of Mosier	67170A-24	Planning, Point Source, Mosier Point Source Stormwater Plan	\$100,000
City of Mosier	67170B-24	Point Source, Design and Construction, Implementation of the City of Mosier LIDA Stormwater Plan	\$1,478,301
City of Newport	68930A-24	Point Source, Design and Construction, WWMP – Phase 1 De-chlorination Project	\$3,690,000
City of Newport	68930B-24	Point Source, Design and Construction, Phase 2 – Influent Pump Station Pipe Replacement	\$350,000
City of Pendleton	72400-24	Point Source, Design and Construction, WTRRF Upgrades	\$9,000,000
City of Rainier	75260-24	Point Source, Planning, City of Rainier Sanitary Sewer Master Plan	\$400,000
South Suburban Sanitary District	86240-24	Point Source, Construction, SSSD WWTP Upgrades	\$23,978,200
Terrebonne Sanitary District	90620-24	Point Source, Design and Construction, Terrebonne Wastewater Collection System	\$7,745,480
City of Wallowa	94580-24	Point Source, Design and Construction, Wastewater System Improvements - 2024	\$4,075,500
City of Winston	94580-24	Point Source, Planning, Wastewater Master Plan	\$100,000

Since the publication of the last Intended Use Plan, DEQ executed five new loan agreements for applications: City of Bend 14510-23, Falls City 32100-22, City of Hasley 40670A-23, Port of Tillamook Bay 91560A-23, and Rogue Valley Sewer Services 78495B-23.

Table 2 lists project descriptions for each loan application and includes:

- Type of loan, loan amount and application numbers with an extension that indicates the state fiscal year.
- A description of the project goals and water quality benefits.
- The section of the Clean Water Act the project qualifies for: Section 212 (treatment works), Section 319 (nonpoint source pollution control) or Section 320 (estuary management).
- 2014 Oregon Nonpoint Source Management Program Plan citations for all nonpoint source pollution control projects.
- Reference to a Comprehensive Conservation and Management Plan for estuary management projects.
- Projects eligible BIL Emerging Contaminants funding included in project descriptions

Project descriptions

Table 2 - Project Description List

Loan Application Number	Applicant and Project Description	Amount
11640-23	Arnold Irrigation District (Deschutes County)	\$ 8,699,900
Sec. 319, Design and Construction, Infrastructure Resiliency and Modernization Project. The Arnold Irrigation District Infrastructure Resiliency and Modernization Project will enclose 11.9 miles (62,868 length-feet) of open porous canal into leak-free piping resulting in the conservation of 11,083 acre-feet (AF) of water per year. Piping the canals have two immediate outcomes: (1) a substantial reduction in water quantity diverted; and (2) substantial increase of water quantity remaining instream. These outcomes have an immediate benefit to improving streamflow that will result in improvements to water quality, habitat, and habitat availability in the Deschutes River downstream from Wickiup Reservoir.		
11790-24	City of Astoria (Clatsop County)	\$ 3,670,000
Sec. 212, Design and Construction, Sewer Lift Stations Rehabilitation project. The City of Astoria will complete rehabilitation of three lift stations to serve the community for at least 50 years and protect public health by avoiding overflows into adjacent water bodies. The three lift stations were built in the mid-1970s along the sewer interceptor route and are critical to conveying sewage to the City's wastewater treatment plant. Continued operation of the City of Astoria's three lift stations is critical and disruption in the lift station operation could result in a combined sewer overflow to adjacent water bodies: Young's Bay, Columbia River, and/or Alderbrook Lagoon, which would violate the City's National Pollutant Discharge Elimination System permit. Rehabilitation of the City's three lift stations will ensure the sewer system will continue to operate successfully and avoid overflows and/or human contact with raw sewage.		
11855-23	City of Aumsville (Marion County)	\$23,977,650
Sec. 212, Construction, Aumsville Wastewater System Improvements. The City of Aumsville plans to construct a new treatment plant that will meet discharge limits for ammonia related to		

Loan Application Number	Applicant and Project Description	Amount
	<p>their NPDES permit and address a Mutual Agreement and Order with DEQ. In addition to addressing ammonia, the new treatment plant will improve biological oxygen demand (BOD), total suspended solids (TSS), which will reduce bacteria, address dissolved oxygen levels and reduce nitrates in the effluent. The City will also complete upgrades to the wastewater collection system including reconstruction of 5,350 feet of gravity mainline pipe and increases to the size of pipes that are operating over capacity, particularly during storm events. The proposed improvements also include removal of biosolids from lagoons. These improvements will allow the City to treat wastewater to the higher standard to achieve compliance with the NPDES permit and increase capacity for the collection system for reliability and resiliency.</p>	
22130-23	City of Bay City (Tillamook County)	\$ 730,000
	<p>Sec. 319, Design and Construction, Patterson Creek Culvert Replacement. The City of Bay City will remove one culvert on 7th St. and one culvert on 8th Street from Patterson Creek. The 7th St. undersized culvert will be replaced with a fish passage structure; the 8th St. culvert removal will result in an open channel. The project will also result in relocating approximately 350 linear feet of water main, 560 lineal feet of new sewer pipe, a small sewer lift station and one block of new street. This project also includes creek bed restoration, wetland and vegetated corridor plantings and placement of woody debris in the creek for habitat. As phase 1 of a much larger effort, this project will begin to bring reliability and resiliency to the city's infrastructure and crucial upgrades as climate change has created stronger winter storms in the Pacific Northwest.</p>	
14510A-22	City of Bend (Deschutes County)	\$ 750,000
	<p>Sec. 212 Planning, WRF Facilities Plan Update. The City of Bend's most recent Water Reclamation Facility Facilities Plan was adopted in 2008 and the city will update the plan. The city continues to experience rapid growth, recently completed an Urban Growth Boundary expansion and annexed land that is currently without sewer service. The planning project will include: Stakeholder engagement, performance testing, growth projections, assessment of existing facilities and capacities, exploration of options for handling fats, oils and grease, and climate change action goals. The plan update will include a Capital Improvement Plan that lists projects to complete over five, 10, and 20 years to provide sewer service throughout the city and improvements to achieve Bend's climate change action goals. <i>The City and DEQ signed an initial loan, which will be amended for the plan to address emerging contaminants (see description reviewed for eligibility by EPA below).</i></p> <p>Emerging Contaminants project: Emerging contaminants, specifically per- and polyfluoroalkyl substances (PFAS), present significant challenges to the City of Bend (City) Water Reclamation Facility (WRF). The City's WRF is not designed to handle complex chemicals like PFAS. Since the City's WRF is the receiver of PFAS pollution from residential and industrial sources, the City will likely be subject to future environmental quality standards. In late 2023, the City will begin updating their 2008 WRF Facility Plan. This update will assess future environmental quality standards and outline the infrastructure and strategic actions the City will need to implement and adapt including how to address emerging contaminants and specifically PFAS. The City will monitor wastewater influent/effluent/sludge to determine the fate of PFAS in these discharges,</p>	

Loan Application Number	Applicant and Project Description	Amount
	<p>which will be addressed by the plan and lead to projects, and/or activities and outcomes to address PFAS and emerging contaminants for the City WRF. These determinations will support the identification and selection of appropriate treatment technology and/or development of materials for community outreach and technical assistance to further address PFAS. Specific projects and/or actions and planned outcomes to address PFAS and emerging contaminants will be outlined in the updated WRF Facility Plan.</p>	
14510E-22	City of Bend (Deschutes County)	\$3,367,315
	<p>Sec. 212, Design and Construction, Septic Solutions - Pettigrew & Bayou. This project is the next phase of the City's Septic to Sewer program. It was selected from applications submitted by Bend residents to petition the City of Bend to install sewer on their roadways. The project will allow a total of approximately 35 properties to decommission septic systems and connect to the recently completed Southeast Interceptor. The major components of the project include, but are not limited to, installing 8-inch sewer mains, 12-inch sewer mains, 48-inch and/or 60-inch sewer manholes, 4-inch sewer laterals on Bayou Drive, a portion of Fargo Lane, and a portion of Pettigrew Road. The project will result in a full-width and full-depth pavement restoration of the existing local roadways. The project will protect water quality and help eliminate potential health hazards associated with failing septic systems.</p>	
14510F-22	City of Bend (Deschutes County)	\$2,650,000
	<p>Sec. 212, Design and Construction, Awbrey Glen and Westside Pump Stations. The objective of this project is to rehabilitate the Awbrey Glen and Westside sanitary sewer pump stations and rectify hydraulic and condition deficiencies at both pump stations. The main components of the project include design and construction of new pumps, pump drives, programmable logic control devices, new pressure or gravity sewer main, manholes, generators, electrical components, instrumentation components, paving, a driveway approach, and fencing. The necessary improvements at these locations are identified in both the 2014 Collection System Master Plan and 2018 Public Facilities Plan. The city's Utility Department has prioritized improving and/or replacing the deficient pump stations based on the current conditions and resources necessary to keep them operational.</p>	
14510-23	City of Bend (Deschutes County)	\$2,000,000
	<p>Sec. 212, Design and Construction, Water Reclamation Facility Primary Clarifier Rehabilitation. The existing mechanisms at the City of Bend Water Reclamation Facility treatment plant were installed in 1981. The two primary clarifier mechanisms are at the end of their useful life and will be replaced with two new mechanisms. These were identified as needing rehabilitation in the 2008 Facilities plan for the plant. The facility is at risk of noncompliance if these clarifiers were to fail, and this project will protect water quality downstream of the treatment facility. Existing mechanisms will be demolished including access walkway, drives, guardrails, weirs, spray water system, electrical conduits, lighting poles, and control panels. Replacement of components include the clarifiers, sludge collector mechanism, rake arms, center cage, influent well, scum skimmer arms, scum box, access walkway, and other ancillary equipment as well as repairs on</p>	

Loan Application Number	Applicant and Project Description	Amount
	<p>deteriorating concrete and replacement of the basin bottom grout on each clarifier. The implementation of this project will ensure consistent operations of the primary clarifiers will limit the potential for disruptions to the primary treatment process that could adversely affect the ability of the Water Reclamation Facility to meet WPCF permit requirements. By maintaining the ability to operate within the permit parameters, water quality downstream of the treatment facility will be maintained.</p>	
14510A-23	City of Bend (Deschutes County)	\$997,740
	<p>Sec. 212, Design and Construction, Pinehaven & Woodhaven Sewer Project. The project is part of the City of Bend's Septic to Sewer Conversion Program. The scope includes design and construction of approximately 975 feet of gravity sewer main and 4-inch laterals on Pinehaven Avenue and Woodhaven Avenue. The installation of sewer will result in a full-width and full-depth pavement restoration within the existing roadways. The project will be fully located within City right-of-way. No right-of-way or easement acquisition is anticipated. The project will ultimately discharge to the Southeast Interceptor (SEI) which was completed in 2017. The project will allow a total of 16 properties to decommission septic systems and connect to public sewer, support water quality protection and help eliminate potential public health hazards associated with failing septic systems. The Septic to Sewer Conversion Program allows residents to apply to the City to install sewer on their street. The City requires preliminary engineering reports to determine if sewer is feasible for the application. This project also includes preliminary design of other potential septic to sewer projects within City of Bend limits.</p>	
14510B-23	City of Bend (Deschutes County)	\$2,535,060
	<p>Sec. 212, Design and Construction, Silver Sage Sewer Project. This project is part of the City of Bend's Septic to Sewer Conversion Program. The scope includes design and construction of approximately 2,575 feet of gravity sewer main (with a minor amount being pressure sewer) and 4-inch laterals on Silver Sage Street from Parrell Road to Aberdeen Drive and on Benham Road from Murphy Road to Silver Sage Street. The installation of sewer will result in a full-width and full-depth pavement restoration within the existing roadways. The project will be fully located within City right-of-way. No right-of-way or easement acquisition is anticipated. The project will ultimately discharge to the Southeast Interceptor (SEI) which was completed in 2017. The project will allow a total of 47 properties to decommission septic systems and connect to public sewer. The project will support water quality protection and help eliminate potential public health hazards associated with failing septic systems. The Septic to Sewer Conversion Program allows residents to apply to the City to install sewer on their street. The City requires preliminary engineering reports to determine if sewer is feasible for the application. This project also includes preliminary design of other potential septic to sewer projects within City of Bend limits.</p>	

Loan Application Number	Applicant and Project Description	Amount
18230-23	City of Brookings (Curry County)	\$24,996,000
<p>Sec. 212, Design and Construction, Brookings Wastewater System Improvement Project. The project will make improvements to the City of Brookings wastewater treatment plant and collection system. The improvements will replace aging equipment at risk of failure, eliminate potential sources of polluted discharge to surface waters, and increase system capacity for the City of Brookings and Harbor Sanitary District. The wastewater treatment plant will undergo rehabilitation or replacement of multiple systems including, but not limited to, headworks, primary and secondary clarifier, UV disinfection and digestors. The collection system improvements include replacement of existing sewer main lines, sewer line extension to connect with Harbor Sanitary District, upgrades and decommissioning lift stations and I and I repair system wide.</p>		
20880-23	City of Carlton (Yamhill County)	\$2,637,500
<p>Sec. 212, Design and Construction, Sewer Collection Replacement Pipe Project. The City of Carlton will design & construct approximately 5,400 feet of 8" to 12" PVC to upgrade aging sewer mainlines under Main and Grant streets in downtown Carlton. Installed in the 1920's, the existing collection system is composed of vitrified clay and concrete pipes with concrete-mortar joints. Replacement of these aging and failing sewer mainlines will reduce inflow and infiltration minimizing the overload of the pump station and treatment plant. The soils brought with the I and I contribute to the Total Maximum Daily Load & potential of exceeding the biochemical oxygen demand in the permit. The project will reduce likelihood of combined sewer overflows, decrease wear and tear on wastewater system equipment, and reduce environmental impacts to local streams and habitat.</p>		
22130-21	City of Chiloquin (Klamath County)	\$1,300,000
<p>Sec. 212, Design and Construction, City of Chiloquin Wastewater Treatment Plant Replacement. The City of Chiloquin's existing wastewater treatment facility does not meet the NPDES discharge limits for Biological Oxygen Demand BOD and Total Suspended Solids. The discharge also exceeds the TMDL limits for dissolved oxygen and phosphorus which impact the Williamson River. The city will construct a new lagoon storage and effluent reuse facility and will abandon the existing plant and outfall pipe to the Williamson River. The project includes a new or modified pumping system that will provide transmission from the existing plant location to a new two-cell facultative lagoon system of approximately 15 acres total with maximum eight feet water depth to treat effluent and store reclaimed water for reuse in irrigation. The city will disinfect effluent in chlorine disinfection facilities before transfer to an irrigation system. An irrigation pump station will pump the reclaimed water from the lagoon cells to a sprinkler system that will irrigate natural vegetation in a 36-acre field. The new project will permanently eliminate discharge to the Williamson. DEQ plans to issue a WPCF permit for the new lagoon facility in 2022.</p>		

Loan Application Number	Applicant and Project Description	Amount
25100-24	Crescent Sanitary District (Klamath County)	\$ 100,000
<p>Sec. 212, Planning, Gilchrist Redesign and Replacement - Preliminary Engineering Report. Crescent Sanitary District will conduct a preliminary engineering report to replace the collection system for the community of Gilchrist. The existing system is comprised of terra cotta pipe, which is failing due to age and root encroachment and likely leading to contamination of the Little Deschutes River, residential yards and subsurface aquifers used to supply public drinking water for Gilchrist. The existing system needs to be mapped and surveyed including mainlines, location of manholes and analysis of design calculations to relocate all mainline and manholes for access in the future for maintenance. A goal of this analysis is to connect as many homes as possible to a gravity system. The preliminary engineering report can be used in public outreach forums with the community for education, input and support for plans and a future collection system project. This planning effort does not include the preparation of bid documents for construction, specifications, or construction of the redesigned system. Crescent Sanitary District can use the plan and design information to apply for additional funding to complete construction. The preliminary engineering report and environmental assessment portion of this project is a critical first step in replacing the collection system in the future.</p>		
25140-24	City of Creswell (Lane County)	\$ 219,120
<p>Sec. 212, Planning, Wastewater Facility Plan Update. The City of Creswell will update their 2017 wastewater facility plan. The updated plan will review historical flow and loads of the existing treatment plant and prepare flow and load projections for a 20-year planning period. The plan will identify existing and projected deficiencies, develop alternatives to address deficiencies, and identify alternatives for wastewater system improvements for the City. The updated facility plan will address permitting requirements for biological oxygen demand, suspended solids, ammonia and temperature limits for the wastewater system to meet DEQ requirements.</p>		
30140-22	East Fork Irrigation District (Hood River County)	\$4,000,000
<p>Sec. 319, Design and Construction, EFID Canal and Pipe Improvements. The proposed loan will support several water quality/water conservation projects that have been identified as high priority actions in recent East Fork Irrigation District planning studies. The primary projects will replace open canals or non-pressure rated pipe with pressure-rated pipe and pressure reducing stations; additional potential projects would reduce warm water return flows, reduce sediment and chemical inputs to the Hood River, reduce water loss and remove sediment from the system, reduce operation and maintenance costs, improve fish screening and increase instream flow. The proposed projects will meet multiple water quality improvement objectives including: 1) Decrease stream temperatures in the East Fork and mainstem Hood River; both reaches are covered by the Columbia-Hood River TMDL. 2) Reduce sediment, pesticide, fertilizer, and other chemical inputs to the East Fork Hood River, Neal Creek, and the mainstem Hood River, all of which have water quality 303(d) listings.</p>		

Loan Application Number	Applicant and Project Description	Amount
32100-22	City of Falls City (Polk County)	\$1,700,000
<p>Sec. 212, Design and Construction, Falls City Wastewater Treatment Plant. The city of Falls City Septic Tank Effluent Gravity/Septic Tank Effluent Pump wastewater system causes public health issues from wastewater effluent surfacing on the high school football field. The city will construct a new facultative lagoon and re-use limited portions of the existing STEG/STEP system. The project will include a new pump and force main that will carry effluent from the wastewater treatment site to a new site for treatment including the facultative lagoon and a larger secondary storage lagoon with chlorine disinfection. The city will continue to use the septic tanks for solids management. The project will reduce public health risks and improve water quality and wastewater infrastructure for the city.</p>		
49800-22	Government Camp Sanitary District (Clackamas County)	\$ 590,000
<p>Sec. 212, Design and Construction, 2022 Wastewater System Improvements. Government Camp Sanitary District will resolve equipment deficiencies at the wastewater treatment facility and complete collection system inflow and infiltration improvements. The project includes: Relining approximately 4,800 linear feet of collection system piping and relining four deficient manholes; reconstructing one undersized collection pipe immediately upstream of the treatment facility; replacing approximately \$260,000 of process equipment at the wastewater treatment plant including sequencing batch reactor mixers and decanters, fine bubble diffusers, and Waste Activated Sludge pumps; the digester mixer and decant pump; and the effluent UV disinfection equipment. Replacing the plant process equipment and reducing I&I will ensure reliability of the treatment facility to meet NPDES permit effluent limits.</p>		
39190-23	City of Gresham (Multnomah County)	\$ 2,362,593
<p>Sec. 212, Design and Construction, Powell Blvd Tree Lining. The City of Gresham will add nearly 200 trees along Powell Blvd through downtown Gresham in modified stormwater tree wells, which will be designed to capture and treat runoff from the existing roadway and infiltrate or filter the runoff using bioretention facilities that combine street trees in planters containing stormwater planting media, as well as structural soil under the sidewalk. Powell Blvd is a primary artery running east-west through the City of Gresham; it has large stretches that are void of street trees and runoff from the roadway receives minimal treatment before flowing into the nearby fish-bearing waters of Johnson Creek. The project will also decrease urban heat zones through healthy urban trees that provide shade for the street as well as pedestrians using this busy corridor. Increasing urban tree canopy is a critical tool for combating climate change and creating more a more resilient urban environment.</p> <p>Emerging Contaminants project: Powell Blvd is a high-traffic arterial street in Gresham, which is why it was identified as a high-priority site for retrofitting with stormwater tree wells. Gresham stormwater monitoring data has identified high-traffic streets (those with greater than 1,000 vehicle trips per day) as contributing higher pollutant loads of contaminants associated with automobiles, including heavy metals, combustion by-products such as PAHs and</p>		

Loan Application Number	Applicant and Project Description	Amount
	<p>hydrocarbons, and tire wear particles, including the recently documented anti-ozonate, 6PPD-quinone. With 20,000-30,000 vehicle trips per day, Powell Blvd is one of the highest traffic streets in the Johnson Creek watershed, one of the few remaining steelhead and coho salmon spawning streams in the Portland/Gresham metropolitan area. Several spawning coho are usually documented in the Gresham reach of Johnson Creek each year. Research has shown that both coho and steelhead are extremely sensitive to 6PPD-quinone and that filtering stormwater through bioretention soil media removes this emerging contaminant and makes the water safe for fish. While space constraints along a busy arterial make traditional bioretention challenging to install and maintain, the innovative tree wells being proposed in this project will provide bioretention to improve water quality for fish in Johnson Creek while also providing additional benefits (shade, traffic calming, aesthetics, habitat, etc.) along this busy arterial street.</p>	
41410-23	Harbor Sanitary District (Curry County)	\$1,750,000
	<p>Sec. 212, Design and Construction, Harbor Sanitation Sewer Improvements. Harbor Sanitary District manages a sewer collection system composed of gravity sewer pipe, sewer force mains, and five pumping stations. The system includes old asbestos-cement and concrete pipe, which must be removed and disposed of at distant sites. The gravity pipe network is experiencing inflow and infiltration from leaking joints, holes and cracks and wastewater can leak into the ground during dry times. The project includes replacing approximately 5,200 linear feet of pipe, concrete manholes, PVC sewer pipe, lining if appropriate, and road resurfacing. Some pipe may be repaired in place with liners or by bursting, which will be determined during the design phase.</p>	
40670A-23	City of Halsey (Linn County)	\$80,000
	<p>Sec. 212, Planning, Halsey Wastewater Facilities Plan. The City of Halsey will hire an engineer to inventory and evaluate the current wastewater system and will create a Wastewater Facilities Plan that will replace the Halsey's 1988 Sewer Master Plan. The WWFP will include information on the current system's current condition and capacity, projected population and future capacity needs, wastewater flows, prioritized improvement projects and the utility's financial viability. The WWFP will include The City intends to investigate the possibility of adding solar power to the lift station and facility at the lagoon to reduce operating costs, conserve energy, and possibly serve as a backup power source in the event of an isolating natural disaster.</p>	
40670B-23	City of Halsey (Linn County)	\$330,000
	<p>Sec. 212, Design and Construction, Inflow and Infiltration Rehabilitation Waste Water System Improvements. The City of Halsey completed an Inflow and Infiltration study earlier this year. The study identified three high priority rehabilitation projects that would reduce significant sources of inflow and infiltration and extend the life of pipes that are at risk of failing completely. The project will include inflow and infiltration rehabilitation including repairs to</p>	

Loan Application Number	Applicant and Project Description	Amount
	<p>existing lines identified in the report. Reduced I&I will reduce and may eliminate the city's need to discharge from the lagoon system, which would improve water quality downstream from the city's facility. Ensuring the current and future reliability of the system positively impacts public health. As a connected project, Halsey will be doing a feasibility study for installing solar power at the lift station and lagoons, to reduce energy consumption, operating costs, and possibly serve as a backup power source in the event of an isolating emergency (see application 40670B-23 on this IUP).</p>	
43770-23	City of Hermiston (Umatilla County)	\$2,947,000
	<p>Sec. 212, Construction, Southwest Hermiston Sewer Main Extension. The City of Hermiston will install approximately 5,300 linear feet of new 8" PVC gravity sewer main from the intersection of OR207 and Gettman Road in Hermiston to the south. The project is anticipated to serve 1,350 new housing units currently planned on a 353 acre site within Hermiston City Limits in the southwest quadrant of the City. Installation of this sewer main will convey sewage from the new housing development to the City of Hermiston's Recycled Water Treatment Plant, which discharges Class-A water. An ancillary objective of this project is that it will also bring public sewer main past several hundred acres of other properties currently located within the City's UGB which are all on septic systems. Over time, it is anticipated that those existing homes will also connect to the City's sanitary sewer system and get off of septic systems, while additional housing development is likely to occur on undeveloped land.</p>	
47690-23	City of Lone (Morrow County)	\$3,796,034
	<p>Sec 212, Construction, Wastewater System Improvements – 2023. The City of Lone currently uses individual septic tanks and drain fields to treat and dispose of wastewater. Many of these systems are failing and the original townsite was platted with small, narrow lots that, in most cases, do not provide sufficient area for conventional wastewater drain field placement or the required additional area for future drain field replacement. The project will replace outdated and failing septic drain fields with a septic tank effluent gravity system. The major project components include a new community-wide wastewater collection system, a new lift station, a new effluent force main, and a new community-wide drain field.</p>	
47600-23	City of Independence (Polk County)	\$10,000,000
	<p>Sec 212, Design and Construction, WWTP Headworks and Lagoon Upgrade. The City of Independence will design and construct several projects in order to reduce potential NPDES permit violations: a new headworks, which will include mechanical screening equipment with dewatering and disposal equipment; flow measuring equipment and related piping to lagoon cells; removal of biosolids from lagoons; and aeration equipment in lagoon cells to improve secondary treatment. The improvements and additional technology will benefit water quality and public health by increasing wastewater treatment via increased breakdown of biosolids, reducing Total Suspended Solids and Biological Oxygen Demand. The project(s) may also result in improved ammonia treatment and reduce the current need for chlorination and de-chlorination treatment.</p>	

Loan Application Number	Applicant and Project Description	Amount
62370A-22	City of Madras (Deschutes County)	\$1,550,000
<p>Sec. 212, Design and Construction, Culver Highway Parallel Sewer: G Street to 1st and B streets. The City of Madras has identified a 3,200 linear feet section of 8" pipe that is projected to exceed its hydraulic capacity with anticipated expansion and infill of the City sewer area, based on the 2018 City Wastewater Master Plan. Failure to increase capacity in this area could result in sewer backups and manhole surcharging creating a public health hazard and overflow to Willow Creek. The project includes constructing a new 10" parallel sewer to the existing 8" sewer pipe, which will be maintained with new manholes, and reconstructing the roadway surface above the new sewer line. The project will result in increased capacity to the city's sewer system and reduced risks of sewage overflows.</p>		
62370B-22	City of Madras (Deschutes County)	\$1,030,000
<p>Sec. 212, Design and Construction, Culver Highway Sewer: Fairgrounds to Hall Road. The City of Madras is extending approximately 2,000 linear feet of public sewer main from the intersection of Fairgrounds Road south to the new Hall Road connection. This project was identified and recommended in the city's 2018 Wastewater Master Plan. The sewer extension will allow the development of 22 acres west of the Love's truck stop, will also serve 18 existing properties that are on septic systems, 14 acres of existing residential land and the Juniper heights subdivision, which has existing septic systems. The project will enable residents on septic systems to connect to city sewer, mitigate failure of septic systems and allow development of available land for the community.</p>		
62370C-22	City of Madras (Deschutes County)	\$1,240,000
<p>Sec. 212, Construction, North Y Sewer: Maple Street and 4th Street to US Highway 97 and Cedar Street. The city has identified a section of 8" pipe that is nearly at capacity and is projected to exceed its hydraulic capacity with anticipated expansion and infill of the city sewer area, based on the 2018 City Wastewater Master Plan. Failure to increase capacity in this area could result in sewer backups and manhole surcharging creating a public health hazard and eventual overflow to Willow Creek. The project includes constructing a new 12" parallel sewer to the existing 8" sewer pipe, which will be maintained with new manholes, and reconstruction of the roadway surface above the new sewer line. The project will result in increased capacity to the city's sewer system and reduce risks of sewage overflows.</p>		
62370A-23	City of Madras (Jefferson County)	\$1,000,000
<p>Sec 212, Design and Construction, Hall Road Sewer Extension – Hwy 361 to Love's Travel Stop. The project will extend approximately 1,500 linear feet of public gravity sewer main from the intersection of Hall Road and Culver Hwy (OR 361) east to Hall Road. The area where the sewer will be extended is currently undeveloped. This project will facilitate the development of 22 acres of land with residential and commercial connections. A developer has purchased the land and is waiting on Madras to install infrastructure to support the development. Extending sewer from</p>		

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Culver Hwy to Hall road will also set up future sewer extension projects that will lead to septic to sewer conversions.		
62370B-23	City of Madras (Jefferson County)	\$1,000,000
Sec. 212, Design and Construction, Demer's Pump Station Upgrade. The project will refurbish and upgrade the City of Madras Demers pump station, including the replacement of piping, pumping, coatings, electrical, and valving equipment. The existing pump station is beginning to fall apart and is unable to meet the growing needs of the industrial area in the city. In accordance with the Wastewater Master Plan, the pump will be completely replaced in 15-20 years. Upgraded pump components will be arranged in such a way that when the future replacement is done, it will be easier and cheaper for the city. Current, outdated pump components will be replaced with more energy efficient Flygt Concertor Smart Pumps with VFDs.		
64120-23	Medford Irrigation District (Jackson County)	\$2,443,000
Sec 319, Construction, Community Floating Solar. Medford Irrigation District is developing a floating community solar project to provide low-cost, locally produced, renewable energy to irrigators and area residents. The project will be installed on a reregulation reservoir owned by MID and located adjacent to MID's offices. It will be Oregon's first floating solar installation. The 0.9 MW project will generate an estimated 2 million kWh of electricity each year. Under Oregon's Community Solar Program, 40% of the energy produced by the project will be offered to local businesses, and 60% to Jackson County residents and at least 30% to low-income community members. The floating solar panels will have water quantity and water quality benefits for MID and its patrons. The panels will reduce evaporation from the reservoir, improving water supply reliability for agriculture. By shading the reservoir, the solar panels will also reduce water temperature in the summer, reducing the growth of algae and aquatic weeds and improving the quality of irrigation water delivered to farms and other users. Once complete, the project will achieve the following objectives: generate an estimated 2 million kWh of renewable energy annually; reduce electric utility bills for local businesses, irrigators and 100 low-income households by up to 50%; reduce evaporation from the reservoir, conserving water for irrigation supplies; reduce algae growth in the reservoir, improving water quality for agriculture; create approximately \$46,000 in annual revenue for MID to support District operations and future modernization projects.		
64840-23	Metropolitan Wastewater Management Commission	\$7,790,395
Sec. 212, Design and Construction, Construction Aggregate and Public Greenspace Class A Recycled Water Facilities Project. Metropolitan Wastewater Management Commission install new Class A recycled water treatment equipment. The project will initially provide 0.65-1.3 million gallons per day for over 20 acres of city parks and green space with expected expansion to 7-10 MGD over the next decade. Delta Sand and Gravel will also be using this water for concrete processes. Diverting effluent to the recycled water system will help the wastewater treatment facility meet future temperature excess thermal load requirements. The project will help achieve water quality standards in the Willamette River and will result in less water being pulled from the		

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McKenzie River for irrigating parks. Delta Sand and Gravel will be pulling less water from the Willamette for concrete processing.		
67170A-24	City of Mosier (Hood River County)	\$100,000
Sec 212, Planning, Mosier Point Source Stormwater Plan. The City of Mosier currently has no stormwater treatment infrastructure. The City will develop a stormwater pollution prevention plan for the City's commercial industrial and public property zones. The planning effort will assess site constraints and current development plans and recommend low-impact development alternatives (LIDA) for stormwater treatment. The project will combine four sites currently slated for construction and use the recommended suite of LIDA design solutions for those sites as acceptable design alternatives and Best Management Practices (BMPs) for future adoption into the Mosier Municipal Code (MMC). The project is intended to address water quality and public health objectives utilizing vegetated landscape elements such as planters, vegetated filter strips, additional trees, and bioswales that filter and/or infiltrate stormwater with water quality benefits.		
67170B-24	City of Mosier (Hood River County)	\$1,478,301
Sec 212, Design and Construction, Implementation of the City of Mosier LIDA Stormwater Plan. The City of Mosier currently does not have a well-connected stormwater system or piped infrastructure. The Mosier City Council identified strategic goals focused on sustainable practices to protect and enhance the environment and develop and maintain a robust infrastructure system. The City will incorporate low-impact development alternatives (LIDA) for stormwater treatment into four planned projects throughout the city including an update to Mosier's sewage treatment plant, refurbished streetscapes and electric vehicle charging stations, a new building containing the fire hall/community center/city hall and a new city plaza. The landscape level and green infrastructure stormwater treatment will be built throughout the sites of the four projects. Various treatment types will be utilized including vegetated swales, extended dry basins, rain gardens, constructed wetlands, flow-through and street-side planters and porous pavement. The project will help the City achieve strategic goals for sustainable infrastructure and result in fully treated stormwater before it flows into Mosier Creek or Rock Creek to benefit watershed health.		
68930A-24	City of Newport (Lincoln County)	\$3,690,000
Sec 212, Design and Construction, WWMP – Phase 1 De-chlorination Project. The City of Newport will install a system to dechlorinate effluent at the wastewater treatment plant prior to discharge to the ocean outfall. The project includes installation of permanent sodium bisulfite storage tanks, chemical metering pumps, piping systems and appurtenances within a secondary containment system at the Northside Pump Station. The project will remedy the City's violations of chlorine residual limits to maintain compliance, protect water quality and public health.		
68930B-24	City of Newport (Lincoln County)	\$350,000
Sec 212, Design and Construction, WWMP – Phase 2 Influent Pump Station Pipe Replacement. The City of Newport will address failing components in the influent pump station including replacing piping, valves and fittings. The City constructed the influent pump station 20 years ago		

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	with significant field welding, which is beginning to fail. A catastrophic weld failure would cause the dry-well portion of the station to flood with raw sewage and require an emergency repair or replacement. The influent pump station pipes will be replaced with new high strength pipe to ensure the dry-well of the pumping station is protected from accidental discharge or raw sewage and ensure a reliable wastewater pumping system.	
70900-23	Owyhee Irrigation District (Malheur County)	\$500,000
	Sec. 319, Construction, Kingman Lateral First Mile Piping Project. Owyhee Irrigation District will construct 5,800 feet of piping of the Kingman Lateral canal to address embankment instability caused by seepage. The piping will prevent sediment loading and other water quality issues in the Owyhee River basin caused by seepage and/or catastrophic failure of this canal section. The project includes installation of pipe between the lateral headgate and a tunnel at the end of the worst problem section.	
72400-24	City of Pendleton (Umatilla County)	\$9,000,000
	Sec 212, Design and Construction, WWTRRF Upgrades. The City of Pendleton will upgrade various components of Pendleton’s Wastewater Treatment Resource Recovery Facility to increase resiliency and ensure continued compliance with the City’s National Pollutant Discharge Elimination System permit. Many components of the WWTRRF were built in 1942 and 1952 and have not seen any major improvements. Upgrades include rehabilitation of the secondary digester complex, adding ferric chloride to the primary and secondary digester, a new automatic entrance gate, a new storage warehouse, and a new administration building.	
74100-23	City of Port Orford (Curry County)	\$826,015
	Sec. 319, Construction (Land Acquisition), The City of Port Orford will use CWSRF loan funds to purchase a critical 160-acre parcel of land in the North Fork Hubbard Creek Watershed -- the primary source of drinking water for the City of Port Orford. The parcel contains 3.282 km of tributaries that drain directly into North Fork Hubbard Creek above the City's drinking water intake. This drinking water source area was identified in DEQ and Oregon Health Authority Updated Source Water Assessment (USWA) as having several tributaries on steep slopes; these tributaries are at high risk for severe erosion and are in close proximity to the City's drinking water intake and associated reservoir. The parcel was previously owned by a commercial timber company, Wilson Property Investments, LLC, and was slated for intensive harvest. In response to the threat of timber harvest the Port Orford Watershed Council found a bridge buyer, The Conservation Fund (TCF), which purchased the parcel in 2021 and agreed to hold it until the City obtained adequate funding. The City of Port Orford intends to purchase the parcel from TCF with CWSRF funds and manage it in accordance with the Hubbard Creek Watershed Forest Resources Stewardship Plan to protect the quality and quantity of drinking water as the primary beneficial use of the land. By purchasing the land in their drinking water source watershed, the City will be in control of the land use activities that occur on the property, thereby reducing the risk of non-point sources of pollution in their drinking water source and increasing the City's resiliency to a multitude of threats ranging from severe storms to wildfire to climate change.	

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91560A-23	Port of Tillamook Bay (Tillamook County)	\$1,410,500
<p>Sec. 212, Design and Construction, Wastewater System Improvements. The Port of Tillamook Bay will construct wastewater treatment and collection system improvements to address the following water quality and public health objectives as required by the NPDES permit compliance schedule: (1) reduction of ammonia concentrations in effluent discharge to the Trask River; (2) removal of chlorine residual in effluent discharge to the Trask River; (3) restoring lagoon retention time to facilitate adequate Biochemical Oxygen Demand removal required to consistently meet discharge requirements through the removal of biosolids, and; (4) complete transition of collection system from conventional sewer to septic tank effluent pump system primary treatment and collection system.</p>		
91560B-23	Port of Tillamook Bay (Tillamook County)	\$ 12,000
<p>Sec 212, Planning, Biosolids Improvement Planning. The Port of Tillamook Bay will prepare a Feasibility/Preliminary Engineering Study for biosolids mixing improvements to evaluate how to expand the lime stabilization tank capacity and allow for more efficient sludge management. The planning project will address: Increasing tank stabilization capacity; efficiencies in lime slurry preparation and processing; improvements to solids pumping; improvements to complete emptying of stabilization tanks, and; review of any structural stabilization tank issues. The report will compare pros and cons of various options, identify associated implementation costs, and compare the implementation costs to the savings in lifecycle costs due to the reduction in operator time. The enhanced and improved processes will reduce the amount of staff time necessary to manage the annual biosolids program.</p>		
75260-24	City of Rainier (Columbia County)	\$400,000
<p>Sec 212, Planning, City of Rainier Sanitary Sewer Master Plan. The City of Rainier will complete a Wastewater Collection System Master Plan. The collection system is suspected to have a high amount of infiltration and inflow (I/I), leading to overflows directly to the Columbia River as well as stressing and overwhelming the treatment plant. The main objectives of this master plan will be to develop a 20-year Capital Improvement Program (CIP) for collection system improvements, incorporating projects proposed by the preceding Inflow and Infiltration Reduction Plan, inspection and replacement of structurally failing infrastructure and capacity improvements to the collection system. The 20-year CIP will include a schedule of prioritized projects and estimated costs. This plan will provide design flows for incorporation into a separate Wastewater Treatment Plant Master Plan. This collection system master plan will lead to improving water quality, protecting public health through reduced or eliminated overflows of untreated wastewater and improve treatment efficiencies to meet compliance with the City's NPDES permit.</p>		
78495A-23	Rogue Valley Sewer Services (Jackson County)	\$800,000
<p>Sec 212, Design and Construction, Shady Cove Treatment Plant Upgrades. The Shady Cove treatment wastewater plant currently uses chlorine which is becoming difficult to source and can result in toxics in the environment. The SCADA system at the plant is outdated. This project will</p>		

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	install UV to replace chlorine disinfection, will perform pump upgrades related to the disinfection process, and will perform a SCADA system replacement.	
78495B-23	Rogue Valley Sewer Services (Jackson County)	\$5,000,000
	Sec. 212, Design and Construction, Antelope Road Sewer Reconstruction. Rogue Valley Sewer Services will replace portions of White City's wastewater collection system infrastructure to prevent pipe failure. The project includes construction of approximately 15,000 linear feet gravity sewer main with associated manholes and service connections in White City, which will protect public health by mitigating the risk of pipe failure.	
78495D-23	Rogue Valley Sewer Services (Jackson County)	\$400,000
	<p>Sec. 212, Design and Construction, Cummins Stormwater Quality Facility. Rogue Valley Sewer Services holds the NPDES MS4 permit on behalf of the City of Talent. This permit has requirements for new and redevelopment to meet stormwater quality standards but does not address already developed areas, which contribute to water quality issues. The stormwater system currently collects stormwater from an area of approximately 50 acres in Talent and discharges it directly into Bear Creek. The project will intercept stormwater flow from an existing 30" diameter storm drainpipe and redirect it through a green infrastructure treatment/infiltration facility. The project will require the construction of approximately 700 feet of 30" diameter storm drainpipe, along with associated manholes and surface restoration. The stormwater quality facility will be approximately 20,000 sq. ft. designed to fully infiltrate the most storm events. An outlet control structure will be installed for storms that exceed facility capacity to continue to Bear Creek.</p> <p>Emerging Contaminants project: The Cummins Stormwater Quality Facility project aims to address stormwater quality issues in Talent, OR, which includes burned structures from the Almeda Fire. Currently, stormwater is discharged directly into Bear Creek without treatment, negatively impacting its water quality. Bear Creek has been identified as Essential Fish Habitat for chinook salmon, coho salmon, trout, and steelhead, emphasizing the importance of preserving its ecological integrity. To mitigate these issues, the project involves intercepting stormwater flow and redirecting it through a green infrastructure treatment/infiltration facility. The facility will meet the requirements of the Rogue Valley Stormwater Quality Design Manual, targeting pollutants such as suspended solids, oil, and grease through infiltration, effectively improving water quality. This initiative is crucial for protecting the diverse fish species and their habitat in Bear Creek. Additionally, the project considers the presence of tire wear particles (6PPD-Quinone) and microplastics in stormwater, with preliminary studies suggesting that infiltration is effective in removing 6PPD-Quinone, while infiltration has also been found to be highly effective at removing microplastics from stormwater. Micro-plastics are defined as plastic particles less than 5 mm in length. The Cummins outfall has been monitored for 6PPD-quinone as part of the post-fire water quality monitoring. Samples taken in January, March, and October 2022 revealed 6PPD-quinone concentrations of 0.0571, 0.0482, and 0.919 ug/l, respectively. Preliminary studies by the Washington Department of Ecology indicate that infiltration will be effective in removing</p>	

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	<p>6PPD-Quinone. The Cummings outfall has not been tested for the presence of micro-plastics however the general ubiquity of these particles in the built environment suggests that there are micro plastics present in the existing runoff. A recent report in the Journal of Environmental Management indicates that infiltration is highly effective at removing micro plastics from stormwater. The project's aim to intercept and redirect stormwater through a green infrastructure treatment/infiltration facility is important in addressing emerging contaminants and improving water quality in the area.</p>	
80490-23	City of Sandy (Clackamas County)	\$46,000,000
	<p>Sec. 212, Design and Construction, Phase 1b WWTP Upgrades. City of Sandy will upgrade and improve the existing wastewater treatment plant to preserve and increase the capacity and functionality of the existing WWTP enabling it to come into and remain in compliance with existing permit limits. Proposed improvements include but are not limited to: Headworks upgrades to the headworks facility; aerated sludge storage and stabilization; solids dewatering; solids drying; upgrades to the UV system, the aerator, WAS; an additional effluent pump; and expanding the recycled water use program. CWSRF loan funds will support administrative staff and contract management costs directly related to implementation of CWSRF loan funded projects.</p>	
83810A-19, 83810B-19	City of Sheridan (Yamhill County)	\$4,577,513
	<p>Sec. 212, Design and Construction, Yamhill Street and East Main Street Sewer Improvement Project. The city will replace an existing 15" – 18" trunk line with a 24" interceptor to increase capacity and eliminate sanitary sewer overflows. The project also includes another 24" pipeline parallel to the existing pipe across the Yamhill River for redundancy. The City of Sheridan discharges into the South Yamhill River, a tributary of the Yamhill River, which is listed along with its tributaries as water quality limited for bacteria. The project will improve water quality by reducing bacteria in the South Yamhill River and Yamhill watershed.</p> <p>Sec. 319, Design and Construction Sponsorship Option loan in the amount of \$689,513 will address:</p> <p>Bridge Street and Main Street Stormwater Manhole Retrofits, includes retrofitting existing stormwater manhole and catch basins, which provide no water quality enhancement, to perform water quality enhancement and pollution control from impervious surface. The project will mitigate pollution into the South Yamhill River and reduce the potential hazard for the new raw water intake for the city. The sponsorship option project is consistent with the 2014 Final Oregon Nonpoint Source Management Program Plan section 4.6 Total Maximum Daily Load Implementation for Urban and Rural Residential DMAs.</p>	
86240-24	South Suburban Sanitary District (Klamath County)	\$23,978,200
	<p>Sec 212, Construction, SSSD WWTP Upgrades. The South Suburban Sanitary District existing lagoon system cannot meet current requirements under their National Discharge Pollutant Elimination System permit and frequently exceeds Total Maximum Daily Load limits. The SSSD</p>	

Loan Application Number	Applicant and Project Description	Amount
	<p>Wastewater Treatment Plant is not expected to meet the new discharge limits for nitrogen and phosphorus. The SSSD will complete upgrades to the existing WWTP including the installation of a moving bed biofilm reactor (MBBR) treatment system, disinfection improvements, recycled water capabilities, effluent pump station, biosolids processing facilities, influent pump station improvements, headworks improvements, and existing treatment lagoon rehabilitation. These improvements will ensure that the future system can meet NDPES compliance for nitrogen and phosphorus discharge limits and protect water quality in the Klamath River.</p>	
87160-23	City of Stanfield (Umatilla County)	\$ 130,000
	<p>Sec. 212, Planning, City of Stanfield Wastewater Facility Plan. The City of Stanfield owns and operates a Class II wastewater collection system and a Class II wastewater treatment system that currently serve a population of more than 2,200 people. The Wastewater Treatment Facility constructed in 1952 has exceeded its mechanical useful life and does not meet capacity requirements for the recycled water use facility and projected population influx in the next 20 years. The City's existing Wastewater Facility Plan is 20 years old and needs an update to address capacity and National Pollution Discharge Elimination System (NPDES) requirements. The nearby City of Echo periodically discharges treated lagoon effluent into Stanfield's collection system for further treatment at the WWTF. The Intergovernmental Agreement with Echo requires Stanfield to accept wastewater flows from Echo only when excess capacity exists such that the combined WWTF effluent flow is less than 85 percent of Stanfield's NPDES permit design discharge amount. The City's NPDES Permit also requires monitoring and reporting of both influent and effluent to protect water quality and groundwater in the Umatilla basin. The Wastewater Facilities Plan (WWFP) will address system capacity and protection of water quality and groundwater in the Umatilla River basin.</p>	
80160-23	City of St. Helens (Columbia County)	\$16,400,000
	<p>Sec. 212, Design and Construction, Sanitary Sewer Capacity Improvements. The City of St. Helens Sanitary Sewer Capacity Improvements Project will focus on three critical sanitary sewer basins (Basin 4, 5, and 6). As noted in the City's November 2021 Wastewater Management Plan, the majority of the City's sewer mains are currently operating at or above capacity. The project includes design and construction and will replace the existing sewer trunklines with larger sized pipe. The Sanitary Sewer Capacity Improvements Project will achieve several objectives by increasing the capacity in Basins 4, 5, and 6: reduce risk of potential sanitary sewer overflows in the collection system and manholes which will protect public health and streams; reduce inflow and infiltration in the collection system and; provide for growth and expansion into the City's Urban Growth Boundary.</p>	
89750-21	City of Sweet Home (Linn County)	\$30,056,061
	<p>Sec. 212, Design and Construction, Sweet Home Wastewater Treatment Plant Improvements. The City of Sweet Home's current wastewater treatment plant is at the end of its useful life and is not capable of treating current flows nor the flows expected over the next 20 years. The proposed project will achieve compliance with NPDES permit requirements and alleviate water quality</p>	

Loan Application Number	Applicant and Project Description	Amount
	<p>degradation in Ames Creek and South Santiam River through a complete WWTP renovation and an overhaul of the treatment processes. The project includes influent pump station upgrades, new headworks with screens, a new primary clarifier, modifications to the aeration basin, a new secondary clarifier, new pump stations, new tertiary filters, a new UV disinfection system, a new peak flow outfall, a new primary anaerobic digester, and new drying beds. Additionally, the project includes several site improvements including new buildings for electrical, mechanical and administrative needs.</p>	
90620-24	Terrebonne Sanitary District (Deschutes County)	\$7,745,480
	<p>Sec 212, Design and Construction, Terrebonne Wastewater Collection System. The unincorporated community of Terrebonne, Oregon does not have a municipal wastewater system. All developed properties rely on drainfields, sand filters, or unpermitted sewage injection wells for onsite wastewater disposal. The aging onsite wastewater disposal systems and limited soil depth and permeability are resulting in a high rate of onsite system failures, which pose human and environmental health risks including surfacing wastewater and contamination of groundwater and irrigation canals. The Terrebonne Wastewater Feasibility Study initiated by Terrebonne community members in 2019 determined that the only sustainable long-term solution is to provide a community sewer system to Terrebonne. This project includes the design and construction of a Septic Tank Effluent Pump collection system and connection with the City of Redmonds Wetlands Complex. The Terrebonne STEP sewer collection system is planned for implementation in three phases. This funding request is for completion of Phase A of the system layout, which will be partially constructed by the Oregon Department of Transportation. The Phase A service area includes the commercial core and many of the currently failing residential systems. Phase A will collect wastewater within the service territory and convey the wastewater to the new City of Redmond Wetlands Complex for wastewater treatment. The objectives of this project are to minimize public/environmental health risks from untreated sewage and to provide a cost-effective alternative to the onsite disposal systems in Terrebonne.</p>	
91570A-23	Tillamook County Solid Waste Service District (Tillamook County)	\$1,753,883
	<p>Sec. 212, Design and Construction, Pacific City Transfer Station Expansion and Repair. This project will improve stormwater quality at Tillamook County SWSD's Pacific City Transfer Station by creating a stormwater infiltration swale and associated stormwater infrastructure including ditches, berms and pipes. The project also includes regrading areas of the site to redirect stormwater, adding covered areas for waste collection bins, removing/replacing a treated timber retaining wall and adding a building for collecting recyclable materials. These improvements will benefit water quality by reducing the total amount of the variety of harmful pollutants in stormwater which result from the facility's handling and management of municipal solid waste (MSW).</p>	

Loan Application Number	Applicant and Project Description	Amount
91570B-23	Tillamook County Solid Waste Service District (Tillamook County)	\$ 766,153
<p>Sec. 212, Design and Construction, Manzanita Transfer Station Expansion and Repair. This project will improve stormwater quality at Tillamook County SWSD's Manzanita Transfer Station by creating stormwater infiltration swales and associated stormwater infrastructure including ditches, berms and pipes. The project also includes regrading areas of the site to redirect stormwater, creating covered areas for waste collection bins and replacing a large, treated timber retaining wall. These improvements will benefit water quality by reducing the total amount of the variety of harmful pollutants in stormwater which result from the facility's handling and management of municipal solid waste (MSW).</p>		
93050-23	City of Umatilla (Umatilla County)	\$9,177,805
<p>Sec 212, Construction, Power City/Brownell Sewer Service Extension. The project will extend sewer to the Power City and Brownell communities of the City of Umatilla. The two areas are currently served by septic systems, of which 47 are either unpermitted, installed prior to 1969, or not on record. J-U-B Engineers completed a technical analysis of the city's capacity and the best ways to provide sewer service to these residents in the 2020 Technical Memorandum, which was reviewed and approved by the DEQ. The project will consist of installing approximately 10,200 feet of PVC sewer collection pipe in the Power City area and 2,200 feet of collection pipe in the Brownell area. By providing this sewer system to commercial or residential facilities to these areas, this will allow the ability to eliminate a public health hazard due to failing septic systems.</p>		
94580-24	City of Wallowa (Wallowa County)	\$4,075,500
<p>Sec 212, Design and Construction, Wastewater System Improvements – 2024. The City of Wallowa completed a Wastewater Facilities Plan in December 2022 that evaluated the City's wastewater system for a 20-year planning period. The WWFP identified deficiencies related to the aging system and needed improvements to operate efficiently and consistently meet permit requirements. The City will complete wastewater system improvements including collection system, headworks, lagoon system, disinfection system and general facilities and upgrades to the River Lift Station. The result of this project will be an updated wastewater system that meets current and future NPDES permit requirements and protection of water quality and public health.</p>		
97790-24	City of Winston (Douglas County)	\$100,000
<p>Sec. 212, Planning, Wastewater Master Plan. The existing City of Winston Wastewater Master plan is out of date and portions of the wastewater infrastructure is at the end of its useful life. The City will complete a Wastewater Master Plan including comprehensive inventory and mapping of wastewater facilities, assessment of current condition, local and regional information, a list of potential prioritized projects in a Capital Improvement Plan over the next 20 years. The plan will help address the aging wastewater system, old pipelines, failing segments and joints, and inflow and infiltration to protect and improve water quality, public health and meet treatment and permit standards in the future.</p>		

Table 2A - Emerging Contaminants Projects – ready to proceed

Applicant	Application Number	Project	Amount
City of Gresham	39190-23	Powell Blvd. Tree Lining (stormwater)	\$ 2,362,593
City of Bend	14510A-22	WRF Facility Plan update (planning)	\$ 750,000
Rogue Valley Sewer Services	78495D-23	Cummins Stormwater Quality Facility	\$ 400,000

Priority scoring and ranking criteria

DEQ used criteria in Oregon Administrative Rules [340-054-0026](#) and [340-054-0027](#) to rank projects on this Intended Use Plan Project ranking criteria include: water quality standards, public health considerations, watershed health benefits, natural infrastructure inclusion, and other considerations. [Appendix 6](#) includes updated CWSRF scoring criteria for Non-planning and Planning Loans for April 2023 round and future.

Project priority list

[Appendix 1](#) includes all loan applications, including those ready to proceed to an executed loan agreement. An applicant must complete all applicable Clean Water State Revolving Fund loan requirements before DEQ will execute a loan agreement.

The project priority list includes all loan applications in rank order, project scores, applicant, application number, amount requested, EPA needs category, water quality permit number (for federal National Pollution Discharge Elimination System permits, EPA's "OR" identification number is listed and for state Water Pollution Control Facility permits, the DEQ identification number is listed), the applicable green project reserve category and dollar amount, a small community identifier as defined under Oregon Administrative Rule [340-054-0010\(28\)](#) and a facility planning identifier. Rank order shifts as loan applications are added and removed from the project priority list. Applicants ready to proceed

DEQ will only finance a project that is included in the Intended Use Plan. Additionally, loan applicants must satisfy all Clean Water State Revolving Fund loan requirements prior to receiving an official loan offer from DEQ. Loan requirements include but are not limited to: documentation of a reliable repayment source, authority to undertake the proposed project, a land use compatibility statement, an environmental review, audited financial statements, project budget and approved project planning documentation.

When an applicant satisfies all loan requirements, the applicant is considered "ready to proceed" and DEQ will begin the loan agreement execution process. [Appendix 2](#) estimates 12 applicants with a total of 14 applications will be ready to proceed in the SFY2024: Arnold Irrigation District (Deschutes County) 11640-23, City of Bend (Deschutes County) 14510A-23, City of Bend

(Deschutes County) 14510B-23, City of Gresham (Multnomah County) 39190-23, City of Halsey (Linn County) 40670B-23, City of Lone (Morrow County) 47690-23, City of Independence 47600-23 (Polk County), Medford Irrigation District (Jackson County) 64120-23, City of Port Orford 74100-23 (Curry County), Port of Tillamook Bay (Tillamook County) 91560B-23, Rogue Valley Sewer Services (Jackson County) 78495D-23, Tillamook County Solid Waste Service District (Tillamook County) 91560A-23, Tillamook County Solid Waste Service District (Tillamook County) 91560B-23, City of Winston (Douglas County) 94580-24.

Funding award by-pass procedure

Currently, DEQ has sufficient funds to finance all projects as they become ready to proceed. This ensures the fund is utilized in a timely manner. In the event the program does not have sufficient funds available to finance all projects that are ready to proceed, DEQ will award funding based on highest ranking project that is ready to proceed.

If an applicant declines funding, DEQ will go to the next highest-ranking project and offer funding to that applicant, until all available funds have been committed.

Estimated funds available for state fiscal year 2024

Currently, the loan program has \$209,476,794 net available to lend for state fiscal year 2024. [Appendix 3](#) provides the calculation of funds available for state fiscal year 2024 and includes the projections for state fiscal years 2025 and 2026. This calculation includes the federal fiscal year 2022 capitalization grant in the amount of \$13,071,000. Federal capitalization grant funds and state match.

To increase funds available, DEQ annually applies for and receives a base capitalization grant from EPA. For the annual base cap grant, DEQ is required to provide a minimum of 20 percent match in new money to capitalize the fund.

For the BIL supplemental cap grant, DEQ is required to provide a 10 percent match for the first two years and 20 percent match for the following three years of BIL funding over five years.

DEQ disburses the required match to borrowers prior to disbursing capitalization grant funds. Once DEQ disburses all match and grant funds, DEQ disburses the state revolved funds (repayment or “recycled” funds) to borrowers.

DEQ raised match bonds in May 2021 to meet the match requirement for state fiscal years 2022, 2023 and 2024. DEQ is planning on raising a match bond in SFY2024 to meet the match requirement for state fiscal year 2025, 2026 and 2027. [Appendix 3](#) represents the estimated timing of the fund supply to the demand for funds. DEQ has the statutory and budgetary authority to raise sufficient match bonds to provide the required percent state contribution. DEQ will document the required match requirements prior to disbursing federal funds.

Oregon CWSRF estimated funds available is \$209,476,794 for the year. This IUP 2024 Third Edition includes applications requesting a total of \$228,168,903 with 14 applications ready to proceed with loans totaling \$35,022,378. The program anticipates enough funds to finance all projects on the IUP.

CWSRF Annual Base Capitalization Grant FFY2023

DEQ has applied for the CWSRF Annual Base Capitalization Grant in amount of \$8,473,000 allocated to the Oregon CWSRF for federal fiscal years 2023.

Bipartisan Infrastructure Law CWSRF Supplemental Capitalization Grant FFY2022

DEQ has applied for Bipartisan Infrastructure Law supplemental funds in the amount of \$20,106,000 allocated to the Oregon CWSRF for federal fiscal year 2022.

Bipartisan Infrastructure Law CWSRF Emerging Contaminants Supplemental Capitalization Grant FFY2022

DEQ also has applied for BIL Emerging Contaminants supplemental funds in the amount of \$1,056,000 allocated to the Oregon CWSRF for federal fiscal year 2022.

Investment earnings

The fund earns interest on cash deposited in the Oregon State Treasury, increasing funds available. DEQ forecasts investment earnings conservatively based on the market interest rates and the fund's cash balance. The long-term goal is to keep cash reserves at a level where cash is available to cover future demand and the variability in project completion schedules, ensuring funds in active use by borrowers.

Repayments

Repayment revenues are a primary source of funds DEQ uses to finance projects. Repayment revenues are projected to grow and meet future demand, indicating that the fund is adequately revolving. Borrowers begin repayment six months to one year after project completion, based on an amortization schedule provided by DEQ.

[Appendix 3](#) shows projected repayments (principal and interest) based on existing loan agreements for state fiscal years 2024, 2025 and 2026 in the amount of \$157,139,992 included in the cash available. This amount includes the following three categories (from most time certain to least time certain):

- 1) Repayments on projects that are fully disbursed and already in repayment,
- 2) Repayments of interim loans with long-term financing through USDA, Rural Development, and
- 3) Repayments on signed agreements that are not fully disbursed yet but are expected to be in repayment before the end of state fiscal year 2026.

The estimates for 2) and 3) are less time certain due to several factors, including:

- Repayment schedules shift when projects are delayed or completed early,
- Receipt of early loan repayments, and
- Loan agreements for short-term projects go into repayment more quickly, increasing the repayments actually received.

The net effect of these factors in recent years resulted in an increase in actual repayments received over the amount projected. The projections in [Appendix 3](#) do not include repayments from future loan agreements not yet executed, but that could be executed and start repayment during state fiscal year 2024.

State fiscal years 2024 and 2025-26 are included in the projected repayments because borrowers typically request fund disbursements for approximately three years after loan execution. Future calculations of funds available may be adjusted as conditions warrant.

Administrative expenses

For state fiscal year 2024, DEQ will not utilize the annual capitalization grant award toward program administrative expenses.

Debt service on match bonds

When the State of Oregon, through DEQ, issues bonds to generate state match for the capitalization grant, the program pays debt service on those bonds using loan interest earnings exclusively. During state fiscal year 2024, the program will pay approximately \$1,324,125 in debt service costs on bonds issued in previous years. The program will also pay \$10,000,000 in debt service cost on an overnight bond (24-hour bonds) that will be issued in fiscal year 2024 in order to meet future match requirements for EPA federal capitalization grants. The total estimated debt service for the SFY 2024 is \$11,324,125 in Appendix 3 column "Estimated for SFY 2024", row "Debt Service on Match Bonds". Because debt service reduces funds available for future years, DEQ routinely calls bonds when possible. While this reduces funds available in the short term, the program will realize a reduction of debt service in the long term. By issuing 24-hour bonds to meet state match, DEQ will increase the funds available over the long term.

Capitalization grant requirements

DEQ must comply with the annual EPA capitalization grant requirements to receive the federal funding allocation. The grant provides additional funding for Oregon's Clean Water State Revolving Fund loan program, increasing DEQ's capacity to fund water quality improvement projects. This Intended Use Plan includes the federal fiscal year 2022 (Oct. 1, 2022 through Sept. 30, 2023) for the 2022 Bipartisan Infrastructure Law supplemental capitalization grant, BIL 2022 Emerging Contaminants supplemental capitalization grant, and federal fiscal year 2023 annual base capitalization grant allocations, subsidy requirements, required green project reserve and state match allocation.

Annual Base Capitalization Grant

EPA will provide DEQ the federal fiscal year 2023 capitalization grant in the amount of \$8,473,000. DEQ will demonstrate \$1,694,600 in state match.

Estimated federal fiscal year 2023 capitalization grant payment schedules:

- FFY-2022/Q4 (7/1/23 to 9/30/23) \$5,000,000
- FFY-2023/Q1 (10/1/23-12/31/23) \$3,473,000
- FFY-2023/Q2 (1/1/24-3/31/24) \$0

- FFY-2023/Q3 (4/1/24-6/30/24) \$0

Bipartisan Infrastructure Law Supplemental Capitalization Grant

EPA will provide DEQ the federal fiscal year 2022 Supplemental grant in the amount of \$20,106,000 DEQ will demonstrate \$2,010,600 in state match.

Estimated federal fiscal year 2022 supplemental capitalization grant payment schedules:

- FFY-2022/Q4 (7/1/23 to 9/30/23) \$10,000,000
- FFY-2023/Q1 (10/1/23-12/31/23) \$10,106,000
- FFY-2023/Q2 (1/1/24-3/31/24) \$0
- FFY-2023/Q3 (4/1/24-6/30/24) \$0

Bipartisan Infrastructure Law Emerging Contaminants Capitalization Grant

EPA will provide DEQ the federal fiscal year 2022 Supplemental grant in the amount of \$1,056,000. There is no match requirement for this grant per EPA.

Estimated federal fiscal year 2022 emerging contaminants capitalization grant payment schedules:

- FFY-2022/Q4 (7/1/23 to 9/30/23) \$1,056,000
- FFY-2023/Q1 (10/1/23-12/31/23) \$0
- FFY-2023/Q2 (1/1/24-3/31/24) \$0
- FFY-2023/Q3 (4/1/24-6/30/24) \$0

DEQ disburses 100 percent of the required state match prior to disbursing the capitalization grant funds.

Reporting requirements

Oregon CWSRF will report on each federal capitalization grant received including:

- Annual Base Capitalization Grant
- Bipartisan Infrastructure Law Supplemental Capitalization Grant
- Bipartisan Infrastructure Law Emerging Contaminants Supplemental Capitalization Grant

Clean Water Benefits Reporting and Federal Funding Accountability and Transparency Act

DEQ reports project data, loan data and environmental benefits to EPA through the new SRF data system. As a condition of the capitalization grant, DEQ reports data no later than the end of the fiscal quarter in which the loan, amendment or binding commitment is executed. Oregon CWSRF will utilize the updated EPA SRF Data System for reporting on annual base capitalization grant and BIL supplemental capitalization grant funding as required.

Additionally, DEQ meets the Federal Funding Accountability and Transparency Act requirement by reporting loan award data for loans in an amount equal to the capitalization grant amount for the given state fiscal year. DEQ enters loan data into the Federal Funding Accountability and Transparency Act Subaward Reporting System database by the end of the month following the month in which the loan agreement was executed, in accordance with EPA guidance.

Green Project Reserve

The federal fiscal year 2022/2023 allocations require DEQ to use at least 10 percent of the grant amount for projects that qualify under [EPA's Green Project Reserve Guidance](#), to the extent that there are sufficient eligible projects. DEQ must allocate a minimum of \$2,857,900 to the green project reserve for federal fiscal year 2023

- For the federal fiscal year 2023 annual base cap grant, DEQ must provide \$847,300 to the green project reserve.
- For the federal fiscal year 2022 BIL supplemental cap grant, DEQ must provide \$2,010,600 to the green project reserve.

The current priority list includes more than \$74 million in project costs that meet the green project reserve criteria. DEQ expects to satisfy the federal fiscal years 2022/2023 green project reserve requirements of \$2,857,900 total by executing a loan agreement with at least one or more of the loan applicants that have project costs that meet the green project reserve criteria. DEQ documents the green project reserve eligibility for each project and reports the GPR amount in the EPA SRF Data System reporting database.

Principal forgiveness (additional subsidization)

Oregon Administrative Rule [340-054-0065\(12\)](#) allows the maximum percentage of additional subsidization permitted by the federal allocations of each capitalization grant to be allocated to eligible applicants as principal forgiveness. The amount of principal forgiveness DEQ allocates each year is dependent on the federal allocations and what DEQ forecasts the fund can afford while maintaining the fund's perpetuity.

The federal fiscal year 2023 base cap grant allocation requires states to offer a minimum of 20 percent of the capitalization grant amount as additional subsidization. EPA allows states the option to increase the amount of additional subsidization up to a total maximum 40 percent of the annual base capitalization grant.

The federal fiscal year 2022 BIL supplemental cap grant allocation requires states to offer 49 percent of the BIL supplemental capitalization grant amount as additional subsidization.

The federal fiscal year 2022 BIL emerging contaminants supplemental cap grant requires states to offer 100 percent of this cap grant as additional subsidization. DEQ will award the total amount of \$1,056,000 for CWSRF eligible projects that address emerging contaminants as principal forgiveness to meet this requirement for the emerging contaminants cap grant.

In accordance with Oregon Administrative Rule [340-054-0065\(12\)\(d\)](#), DEQ determined the maximum percentage for state fiscal year 2024 to be 40 percent of the estimated 2023 base capitalization grant amount, or \$3,389,200 for the annual base cap grant.

DEQ determined the maximum percentage for state fiscal year 2024 to be 49% percent of the estimated capitalization grant amount, or \$9,851,940 for the BIL supplement cap grant.

DEQ reserves 70 percent of the principal forgiveness allocation for applicants that meet DEQ's affordability criteria as a distressed community per Oregon Administrative Rule [340-054-0065\(12\)\(c\)\(A\)](#). DEQ reserves 30 percent of the annual principal forgiveness allocation for applicants with projects that meet DEQ's green/stormwater/sustainability criteria per Oregon Administrative Rule [340-054-0065\(12\)\(a\)\(B\)](#). Accordingly, for state fiscal year 2024, DEQ reserves \$9,268,798 for applicants that meet the affordability criteria and \$3,972,342 for applicants with green/sustainability projects. DEQ will offer principal forgiveness to applicants that meet the criteria when they are ready to proceed to executing a loan agreement. At the close of each federal fiscal year, DEQ may reallocate any un-awarded principal forgiveness to another reserve. If reserves still remain after the reallocation, DEQ can award the remaining principal forgiveness amounts to borrowers that have an established ratepayer hardship assistance program.

Table 3 lists the current applicants that are eligible for principal forgiveness when they are ready to proceed to executing a loan agreement if principal forgiveness reserves are still available.

Table 3 - Eligible recipients for principal forgiveness

Applicant	Application Number	Criteria	PF Amount
Arnold Irrigation District	11640-23	Green/Sustainability	\$2,000,000
City of Astoria	11790-24	Affordability	\$1,835,000
City of Aumsville	11855-23	Affordability	\$2,000,000
City of Bay City	22130-23	Green/Sustainability	\$365,000
City of Bend	14510A-22	Green/Sustainability/Emerging Contaminants	\$375,000
City of Bend	14510A-23	Ratepayer Hardship	\$498,870
City of Bend	14510B-23	Ratepayer Hardship	\$1,267,530
City of Brookings	18230-23	Affordability	\$2,000,000
City of Chiloquin	22130-21	Affordability	\$650,000
City of Carlton	20880-23	Affordability	\$1,318,500
Crescent Sanitary District	25100-24	Affordability	\$100,000
City of Creswell	25140-24	Affordability	\$100,000
East Fork Irrigation District	30140-22	Green/Sustainability	\$2,000,000
City of Gresham	39190-23	Green/Sustainability/Emerging Contaminants	\$1,181,297
City of Halsey	40670B-23	Affordability	\$165,000
City of Hermiston	43770-23	Affordability	\$1,473,500
Harbor Sanitary District	41410-23	Affordability	\$875,000
City of Independence	47600-23	Green/Sustainability	\$2,000,000
City of Lone	47690-23	Affordability	\$1,898,017
City of Madras	62370A-22	Affordability	\$775,000
City of Madras	62370B-22	Affordability	\$515,000
City of Madras	62370C-22	Affordability	\$620,000
City of Madras	62370A-23	Affordability	\$500,000

City of Madras	62370B-23	Affordability	\$500,000
Medford Irrigation District	64120-23	Green/Sustainability	\$1,221,500
Metropolitan Wastewater Management Commission	64840-23	Green/Sustainability	\$2,000,000
City of Mosier	67170A-24	Affordability	\$100,000
City of Mosier	67170B-24	Affordability	\$739,151
City of Newport	68930A-24	Affordability	\$1,845,000
City of Newport	68930B-24	Affordability	\$175,000
Owyhee Irrigation District	70900-23	Affordability	\$250,000
City of Pendleton	72400-24	Affordability	\$2,000,000
City of Port Orford	74100-23	Affordability	\$413,000
Port of Tillamook Bay	91560B-23	Affordability	\$6,000
Rogue River Valley Sewer Services	78495A-23	Affordability	\$400,000
Rogue River Valley Sewer Services	78495D-23	Affordability	\$200,000
City of Sheriden	83810A-19, 83810B-19	Affordability	\$2,000,000
South Suburban Sanitary District	86240-24	Green/Sustainability	\$2,000,000
City of Stanfield	87160-23	Affordability	\$100,000
City of St. Helens	80160-23	Affordability	\$2,000,000
Terrebonne Sanitary District	90620-24	Affordability	\$2,000,000
City of Sweet Home	89750-21	Affordability	\$2,000,000
Tillamook County Solid Waste Service District	91570A-23	Affordability	\$876,942
Tillamook County Solid Waste Service District	91570B-23	Affordability	\$383,077
City of Umatilla	93050-23	Affordability	\$2,000,000
City of Wallowa	94580-24	Affordability	\$2,000,000
City of Winston	97790-24	Affordability	\$100,000
Totals			\$49,822,382

Annual DEQ funding allocations

Each year DEQ establishes a maximum loan amount available per project and sets aside certain amounts for the planning and small community reserves based on Oregon Administrative Rules.

Maximum loan amount

Oregon Administrative Rule [340-054-0036\(3\)\(a\)\(A\)](#) limits awarding no more than 15 percent of funds available in any given fiscal year to a single loan. For state fiscal year 2023, DEQ can award a maximum loan amount of \$31,421,519.

When a borrower requests a loan amount that exceeds the maximum amount allowable for any single loan, DEQ will award the maximum annual loan amount allowed. Subsequently, DEQ can

increase the loan amount in the next fiscal years to supplement the unfunded loan request. DEQ may also award additional loan funding toward the unfunded loan request at the end of the same state fiscal year to projects in rank order, if sufficient funds are available. Loan increases for existing loans have first priority for new funding allocations.

Planning reserve

The total planning reserve allocation cannot exceed \$3,000,000 per Oregon Administrative Rule [340-054-0036\(1\)\(b\)](#). DEQ will fund planning loans through the planning reserve until the reserve is fully allocated. Planning loans that are not fully funded through the planning reserve may be funded with the general loan fund in rank order. During the final quarter of the state fiscal year, DEQ will allocate any remaining planning reserve funds to design and construction loans in rank order.

Small community reserve

The small community reserve is designated for municipalities with a population of 10,000 or less. The reserve cannot exceed 25 percent of the current funds available per Oregon Administrative Rule [340-054-0036\(1\)\(a\)](#). For state fiscal year 2024, DEQ allocates \$52,369,198 to the small community reserve. Loans to small communities that are not fully funded through the small community reserve may be funded with the general loan fund in rank order. During the final quarter of the state fiscal year, DEQ will allocate any remaining small community reserve funds to design and construction projects in priority order.

State fiscal year 2024 activity

Timely use of funds

DEQ intends to use funds in a timely and expeditious manner. [Appendix 3](#) calculates the amount of funds available in state fiscal year 2024 compared to the amount of binding commitments cumulative through June 30, 2023 (estimated May 2023 for this IUP).

Oregon CWSRF Plan and Measures to ensure compliance with Timely and Expeditious Use of Funds

During the past two years the program has seen a decrease in loan commitments due to many factors including COVID pandemic, project delays due to increasing cost of materials and labor, and communities seeking alternative funding such as grants that would reduce the overall financial burden on their rate payers.

DEQ has made substantial changes to the program this year, which will ensure compliance with the timely and expeditious use of funds requirement by EPA over the next five years.

The program has **increased principal forgiveness limits** per loan. Prior to May 2023, a borrower eligible for principal forgiveness could be awarded up to \$500,000 or 50% of the loan amount, whichever is less. The program has increased the amount of principal forgiveness to \$2,000,000 or 50% of the loan amount, whichever is less. These changes provide significant

incentives for communities to secure financing through the CWSRF program. The program also introduced **100% forgivable planning loans up to \$100,000** per borrower and per fiscal year.

The program has also updated **affordability criteria with environmental justice metrics**, which include water pollution and health burdened metrics, and small and very small communities in addition to income, employment and population trend data. The program's analysis indicates more cities in Oregon would be eligible for principal forgiveness based on new affordability criteria with environmental justice metrics than the previous affordability criteria, which relied on the Oregon Distressed Areas Index. The program anticipates an increase in demand for CWSRF financing and commitment of CWSRF funds implementing new affordability criteria and principal forgiveness limits this year and in subsequent years.

The program is also increasing **outreach and technical assistance** to assist communities with CWSRF financing for water quality and infrastructure projects in Oregon in 2023 and long term.

These program updates will result in more affordable financing for more communities for water quality and infrastructure improvements in Oregon over the next five years of BIL implementation and in the long term. As a result, the program anticipates significantly greater demand for CWSRF financing and commitment of funds this year and in subsequent years. Oregon CWSRF is already experiencing a significant increase in inquiries and interest in financing through the program due to opportunities for more affordable financing, increased principal forgiveness limits, updated affordability criteria, outreach and assistance in 2023.

Equivalency requirements

Each fiscal year, DEQ identifies loans equal to the amount of the capitalization grant to meet federal equivalency reporting requirements. The requirements include meeting economic, social and environmental cross-cutting federal laws and Executive orders; conducting a Single Audit; and meeting architectural and engineering procurement regulations per 40 USC Chapter 11.

Build America Buy America requirements

The Bipartisan Infrastructure Law created the Build America, Buy America (BABA) Act domestic sourcing requirements for Federal financial assistance programs for infrastructure, including the SRF programs. Per EPA guidance, the CWSRF program is required to apply BABA requirements to equivalency projects (see above). The Build America, Buy America Act Implementation Procedures for EPA Office of Water Federal Financial Assistance Programs memorandum November 2022 references OMB Guidance M-22-11 addresses cases with project co-funding from separate programs. The memo states EPA would apply the guidance's "cognizant" program determination to projects that are co-funded with different general applicability/programmatic waivers. The Oregon CWSRF will identify equivalency projects in the amounts equal to each of the capitalization grants and apply BABA requirements to these projects. The program will follow OMB and EPA guidance on waivers and co-funded projects.

Environmental review and compliance with federal cross-cutters

EPA approved DEQ's current state environmental review process in February 2008. All projects deemed treatment works by DEQ are required to undergo environmental review.

At a minimum, projects funded to an equal amount of EPA's capitalization grants must comply with the federal cross-cutting authorities, including the environmental cross-cutter laws. DEQ ensures that all equivalency projects will comply with federal cross-cutters.

Operating agreement

The Clean Water State Revolving Fund operating agreement between the EPA Region 10 and the DEQ includes procedures, assurances, certifications, applicable federal authorities and laws and other documentation required by EPA and is referenced here to demonstrate that DEQ meets the requirements.

Single audit act

Borrowers who have received federal funds from the annual capitalization grant may be subject to the requirements of the Single Audit Act and 2 CFR 200 (Omni Circular). DEQ monitors borrowers' compliance with those requirements for loans in an amount equal to the capitalization grants.

Public involvement

Oregon's Clean Water State Revolving Fund program provides several opportunities for public involvement. These include DEQ's rulemaking process, public notice of environmental determinations and public notice of this Intended Use Plan.

Rulemaking

The program's administrative rules are revised to address changes in federal requirements or to better meet the financial needs of communities. Oregon's rulemaking process includes input from a public advisory committee, public hearings and public comment periods. The public is also encouraged to provide comments directly to the [Environmental Quality Commission](#) on administrative rule changes.

Advisory committee

DEQ involves public advisory committees to assist the agency in developing policy. DEQ appoints an advisory committee to advise on program issues and provide input on rulemaking. The committee includes members representing statewide organizations with an interest in financing water quality improvement projects. Committee representation includes local, state federal and tribal agencies, water and wastewater utilities, organizations serving low income,

rural, and farmworker populations, environmental advocacy organizations and statewide associations. Committee meetings are open to the public.

Public notice of an environmental determination

The public may request information and comment on the environmental determination for projects funded by the Clean Water State Revolving Fund during the public notice period, which is generally 30 days. DEQ currently issues a public notice in a statewide publication and in a local publication for each project subject to environmental review.

Notice and comments on the Intended Use Plan

To notify the public about this Intended Use Plan, DEQ posts the draft Intended Use Plan on the program's website page for the [Intended Use Plan](#) . DEQ issues a public notice in the Daily Journal of Commerce and sends a notice through DEQ's [GovDelivery](#) notification system. The notice process includes a 14-day public comment period. Upon the completion of the public comment period, DEQ considers all comments and then finalizes the Intended Use Plan. The current Intended Use Plan is always available on the program's website page for the [Intended Use Plan](#).

Public notice

This Proposed Intended Use Plan, State Fiscal Year 2024, Third Edition will be noticed for 14 days in the Daily Journal of Commerce.

Public Notice

Oregon DEQ Clean Water State Revolving Fund

Proposed Intended Use Plan State Fiscal Year 2024, Third Edition

Notice Issued: December 4, 2023

Comments Due: December 18, 2023

What is proposed?

The Oregon Department of Environmental Quality has prepared a *Proposed Intended Use Plan State Fiscal Year 2024, Third Edition* for the Clean Water State Revolving Fund Program in accordance with procedures set forth in Oregon Administrative Rules, chapter 340, division 54. After the close of the public comment period, DEQ will address any comments received and finalize the plan.

Description of proposed Intended Use Plan

The *Proposed Intended Use Plan State Fiscal Year 2024, Third Edition* includes **48 loan applications** on the Project Priority list for a total of \$228,168,903 in requested funding for planning, design and construction of water quality improvement projects in Oregon.

To receive a copy of the proposed Intended Use Plan

The *Proposed Intended Use Plan, State Fiscal Year 2024, Third Edition* and the option to sign up for notifications through GovDelivery are available on DEQ's Clean Water State Revolving Fund [Intended Use Plan web page](#).

Comments on this plan must be submitted in writing via mail, fax or email any time prior to the comment deadline of December 18, 2023, 5 p.m. to:

Mail: Oregon Department of Environmental Quality, Water Quality Division
Attn: Chris Marko
700 NE Multnomah Street, Suite 600
Portland, OR 97232

Email: intendeduseplancomments@deq.state.or.us

In addition to the above notice, DEQ sent email notification of this proposed plan to the new loan applicants for this funding cycle and to:

David Garcia
U.S. Environmental Protection Agency
1200 6th Avenue
Seattle, WA 98101

Appendix 1: Project Priority List – new applications highlighted

Priority Ranking	Score	Applicant	Application Number	Amount Requested	EPA Needs Category	Permit Number	Green Project Reserve Category and Amount	Small Community and Planning
1	83	East Fork Irrigation District	30140-22	4,000,000	VII-A	N/A	WE - \$3,800,000; EE - \$200,000	SC
2	81	Bay City	22130-23	730,000	VII-D	N/A	GI - \$730,000	SC
3	76	Port Orford	74100-23	826,015	VII-N	N/A	GI - \$826,015	SC
4	74	Metropolitan Wastewater Management Commission	64840-23	7,790,395	XI	OR0031224	GI - 100,000 EI - 1,000,000	N/A
4	74	Gresham	39190-23	2,362,593	VII-D	ORS108013	GI - \$1,181,297, EI - \$1,181,296	N/A
5	73	Arnold Irrigation District	11640-23	8,699,900	VII-A	N/A	WE - \$8,699,900	SC
5	73	Aumsville Wastewater System Improvements	11855-23	23,977,650	I, II, III-B	OR0022721	N/A	SC
6	72	Terrebonne Sanitary District	90620-24	7,745,480	IV-A	N/A	EI - \$7,745,480	SC
6	72	Rogue Valley Sewer Services	78495D-23	400,000	VI-A, VI-B	ORS116270	GI - 250,000	SC
7	68	Brookings	18230-23	24,996,000	I, III-A, III-B, IV-B	OR0020354	EE - \$6,910,433	SC
8	67	Tillamook County Solid Waste Service District	91570A-23	1,753,883	VI-B	N/A	GI - \$58,800; EE - \$75,000	SC

8	67	Tillamook County Solid Waste Service District	91570B-23	766,153	VI-B	N/A	GI - \$82,400; EE - \$75,000	SC
9	64	Sweet Home	89750-21	30,056,061	I	OR0020346	WE - \$207,000; EE - \$1,651,000	SC
9	64	Rogue Valley Sewer Services	78495A-23	800,000	I	OR0030660	EI - \$50,000	SC
10	62	Chiloquin	22130-21	1,300,000	I	OR0020320	N/A	SC
11	60	St. Helens	80160-23	16,400,000	III-B, IV-A, VII-D	OR0020834	GI - \$200,000	SC
12	57	Carlton	20880-23	2,637,500	III-A, III-B	OR0020541	N/A	SC
12	57	Umatilla	93050-23	9,177,805	IV-A	OR0022306	N/A	SC
13	55	Halsey	40670B-23	330,000	III-A, IX	OR002239	N/A	SC
13	55	Independence	47600-23	10,000,000	I	OR0020443	N/A	N/A
13	55	Wallowa	94580-24	4,075,500	I, III-A, III- B	OR0020028	N/A	SC
14	53	Owyhee Irrigation District	70900-23	500,000	VII-A	N/A	N/A	SC
14	53	Madras	62370B-23	1,000,000	III-B	WPCF 101739	EE - \$85,000	SC
15	52	Medford Irrigation District	64120-23	2,443,000	VII-A	N/A	EI - \$1,200,000; EE - \$1,200,000	SC
15	52	Mosier	67170B-24	1,478,301	VI-B, VIII, X, XI	N/A	GI - \$1,478,301	SC
16	50	Harbor Sanitary District	41410-23	1,750,000	III-A, III-B	OR0020354	N/A	SC
17	49	South Suburban Sanitary District	86240-24	23,978,200	I	OR0023876	N/A	N/A
18	48	Sheridan	83810A-19; 83810B-19	4,577,513	IV-B, VII-D	OR0020648	N/A	SC
19	47	Astoria	11790-24	3,670,000	III-B	OR0027561	N/A	N/A

19	47	Newport	68930A-24	3,690,000	I, III-B	OR0044571	N/A	N/A
20	46	Hermiston	43770-23	2,947,000	IV-A	OR0020761	N/A	N/A
21	43	Madras	62370A-22	1,550,000	IV-B	WPCF 101739	N/A	SC
21	43	Madras	62370C-22	1,240,000	IV-B	WPCF 101739	N/A	SC
22	41	Madras	62370B-22	1,030,000	IV-B	WPCF 101739	N/A	SC
22	41	Pendleton	72400-24	9,000,000	I	OR0026395	N/A	N/A
22	41	Newport	68930B-24	350,000	III-B	OR0044571	N/A	N/A
23	36	Bend	14510A-23	997,740	IV-A	WPCF 101572	N/A	N/A
23	36	Bend	14510B-23	2,535,060	IV-A	WPCF 101572	N/A	N/A
24	35	Madras	62370A-23	1,000,000	IV-A	WPCF 101739	N/A	SC
24	35	lone	47690-23	3,796,034	I, IV-A	N/A	N/A	SC
25	24	Creswell	25140-24	219,120	XVIII	OR0027545	N/A	SC and FP
26	23	Mosier	67170A-24	100,000	VI-B	OR0028045	GI - \$100,000	SC and FP
27	21	Winston	97790-24	100,000	XVIII	OR0030392	N/A	SC and FP
28	20	Rainier	75260-24	400,000	III-A, III-B, VI-B	OR0020389	GI - \$400,000	SC and FP
29	18	Stanfield	87160-23	130,000	XVIII	OR0026972/WPCF101136	N/A	SC and FP
29	18	Crescent Sanitary District	25100-24	100,000	III-B, IV-A	WPCF 103200	N/A	SC and FP
30	14	Bend	14510A-22	750,000	XVIII	WPCF 101739	EE - \$750,000	FP
30	14	Port of Tillamook Bay	91560B-23	12,000	XVIII	WPCF 102702	N/A	FP

Total 48 applications= \$228,168,903

Total GPR = 40,236,922

Project category	EPA Needs Categories
I	Clean Water Treatment - Secondary Treatment Plant (includes, but is not limited to: new, expansion, improvements; effluent disposal; biosolids treatment, biosolids disposal, water reuse)
II	Clean Water Treatment - Advanced Treatment
III-A	Clean Water Treatment - Infiltration/Inflow Correction (I/I)
III-B	Clean Water Treatment - Sewer System Replacement/Rehabilitation
IV-A	Clean Water Treatment - New Collector Sewers and Appurtenances
IV-B	Clean Water Treatment - New Interceptor Sewers and Appurtenances
V	Clean Water Treatment - Combined Sewer Overflow (CSO) Correction
VI-A	Stormwater – Gray Infrastructure
VI-B	Stormwater – Green Infrastructure
VII-A	Nonpoint Source Resource Activity - Agriculture – Cropland (i.e. conservative tillage, nutrient management, irrigation improvements)
VII-B	Nonpoint Source Resource Activity - Agriculture – Animals (i.e. animal waste storage, animal waste management, composting facilities)
VII-C	Nonpoint Source Resource Activity - Silviculture (streamside buffers, revegetation)
VII-E	Nonpoint Source Resource Activity – Groundwater
VII-F	Nonpoint Source Resource Activity – Marinas
VII-F	Nonpoint Source Resource Activity – Brownfields
VII-H	Nonpoint Source Resource Activity - Storage Tanks
VII-J	Nonpoint Source Resource Activity - Sanitary Landfills
VII-K	Nonpoint Source Resource Activity - Hydromodification/Habitat restoration (i.e. conservation easements, swales, wetland development, shore erosion control)
VII-L	Nonpoint Source Resource Activity - Resource Extraction
VII-M	Nonpoint Source Resource Activity - Individual/Decentralized Systems
VII-N	Nonpoint Source Resource Activity - Land Conservation
VIII	Energy Efficiency
IX	Renewable Energy
X	Water Efficiency
XI	Recycled Water Distribution/Water Reuse
XII	Estuary (Sec. 320) Assessments
XIII	Desalination
XVIII	Planning and Assessments

Appendix 2: Estimated applicants ready to proceed

The following applicants are estimated have met the loan requirements necessary to receive a loan offer for the proposed project:

Priority Ranking	Score	Applicant	Application Number	Amount Requested	Green Project Reserve Category and Amount	Small Community and Facility Planning
5	73	Arnold Irrigation District	11640-23	\$8,699,900	WE - \$8,699,900	SC
23	36	City of Bend	14510A-23	\$997,740	-	N/A
23	36	City of Bend	14510B-23	\$2,535,060	-	N/A
4	74	City of Gresham	39190-23	\$2,362,593	GI - \$1,181,297, EI - \$1,181,296	N/A
13	55	City of Halsey	40670B-23	\$330,000	-	SC
24	35	City of Lone	47690-23	\$3,796,034	-	SC
13	55	City of Independence	47600-23	\$10,000,000	-	N/A
15	52	Medford Irrigation District	64120-23	\$2,443,000	EI - \$1,200,000; EE - \$1,200,000	SC
3	76	City of Port Orford	74100-23	\$826,015	GI - \$826,015	SC
30	14	Port of Tillamook Bay	91560B-23	\$12,000	-	FP
6	72	Rogue Valley Sewer Services	78495D-23	\$400,000	GI - 250,000	SC
8	67	Tillamook County Solid Waste Service District	91570A-23	\$1,753,883	GI - \$58,800; EE - \$75,000	N/A
8	67	Tillamook County Solid Waste Service District	91570B-23	\$766,153	GI - \$82,400; EE - \$75,000	N/A
27	21	City of Winston	94580-24	\$100,000	-	FP
		Total		\$35,022,378	\$12,448,412	

Appendix 3 Estimated funds available

Appendix 3 provides the calculation of funds available for state fiscal year 2024 and includes the forecasts for state fiscal years 2024, 2025 and 2026.

Sources of Funds	Cumulative Through 6/30/2023 SFY 2023	Estimated For SFY 2024	Cumulative Estimate Through SFY2024	Estimated For SFY 2025-26	Total
Federal Capitalization Grants	562,419,785	29,808,000	592,227,785	0	592,227,785
State Match	113,384,322	10,000,000	123,384,322	0	123,384,322
Investment Earnings	69,192,123	5,000,000	74,192,123	10,000,000	84,192,123
Loan Principal Repayments	816,334,062	52,221,523	868,555,585	75,887,207	944,442,792
Loan Interest Payments	234,800,009	9,655,297	244,455,306	19,375,965	263,831,271
Total Sources of Cash	1,796,130,301	106,684,820	1,902,815,121	105,263,172	2,008,078,293
Uses of Funds					
Loans and Amendments	1,545,964,086	88,982,423	1,634,946,509	0	1,634,946,509
Technical Assistance	0	700,000	700,000	0	700,000
Administration Expense paid from the CWSRF	10,960,452	1,000,000	11,960,452	2,000,000	13,960,452
Debt Service on Match Bonds	135,529,414	11,324,125	146,853,539	2,141,000	148,994,539
Total Uses of Cash	1,692,453,951	102,006,548	1,794,460,499	4,141,000	1,798,601,499
Sources of Cash Less Uses of Cash	103,676,350	4,678,272	108,354,622	101,122,172	209,476,794
Net Available to Loan - SFY 2024					209,476,794

*Future 4% administration allowance expenses will be utilized from SRF repayments.

Appendix 4: Binding commitments and funds available

Funds Available Through June 30, 2024:

Total Federal Cap Grants Awarded	Total State Match	Total Principal Repayments	Total Interest Repayments	Total Investment Interest	Total Cumulative Admin Allowance and Bond Debt Service	TOTAL FUNDS AVAILABLE
592,227,785	123,384,322	868,555,585	244,455,306	74,192,123	-170,542,650	1,902,815,121
					Admin allowance	-23,689,111
					Bond debt service	-146,853,539
					Adjusted Total of Funds Available	1,732,272,471
					Estimated binding commitments	1,634,946,509
Binding Commitments as a Percentage of Funds Through 6/30/2024						94.38%

Appendix 5: Environmental justice metrics

The CWSRF program has incorporated the following environmental justice metrics into project scoring criteria and affordability criteria to determine eligibility for principal forgiveness:

1. Income. At least 30.9% of the pop. lives under 200% of the poverty level
2. Unemployment 16 years and older in civilian workforce is greater than or equal to Oregon's 10-year, seasonally-adjusted, monthly median unemployment rate and at least 80% of the population 18 years or older is not enrolled in higher education
3. Within 2 km of a major surface water or 1 km of minor surface water that is impaired.
 - a. A "major surface water" is defined as rivers and streams that are classified according to the Strahler stream order system as five or higher; lakes, reservoirs, and estuaries greater than 25 square kilometers in size; and ocean and coastal beaches.
 - b. A "minor surface water" is defined as rivers and streams that are classified according to the Strahler stream order system less than or equal to four, and lakes, reservoirs, and estuaries less than or equal to 25 square kilometers in size.
4. Project will address requirements of a Mutual Agreement and Order
5. At or above the 70th percentile for asthma, diabetes, or heart disease
6. Population less than or equal to 10,000
7. Population less than 2,500
8. Two-year population decline of at least 5%

Affordability criteria is one of several eligibilities for principal forgiveness under the Clean Water Act. See Appendix 7 "Principal forgiveness eligibility criteria and limits" for details on principal forgiveness eligibilities, including, but not limited to, affordability criteria with environmental justice metrics for the Oregon CWSRF program.

Project scoring criteria: Appendix 6 "Project scoring criteria" describes the program's project scoring criteria. An applicant will not need to provide additional information on environmental justice metrics beyond a CWSRF loan application for project scoring and determining eligibility for principal forgiveness.

Data sources and analysis: CWSRF program staff will analyze data related to environmental justice metrics based on information included in a loan application by an applicant. Staff will analyze information based on data sources identified in Appendix 7 table "Affordability criteria and environmental justice metrics" approved by EPA.

Appendix 6: Project scoring criteria

Internal CWSRF Procedures for Scoring Criteria for Non-planning loans for scoring as of April 2023 are as follows:

Category One: Water quality standards and public health considerations

- 1a. Does project improve water quality by addressing water quality parameters including, but not limited to, the following: temperature, dissolved oxygen, contaminated sediments, toxic substances, bacteria or nutrients?
- 1b. Does project ensure that a facility currently in compliance, but at risk of noncompliance, maintains compliance?
- 1c. Does project address noncompliance with water quality standards, public health issues or effluent limits related to surface waters, biosolids, water reuse or groundwater?
- 1d. If project is not implemented, is a water quality standard likely to be exceeded or an existing exceedance likely to worsen?

Category Two: Watershed health benefits

- 2a. Does project improve or sustain aquatic habitat supporting native species or state or federally threatened or endangered species?
- 2b. Does project address water quality or public health issue within a federally designated wild and scenic river or sole source aquifer, state designated scenic waterway, the Lower Columbia River or Tillamook Bay estuary, a river designated under OAR 340-041-0350, or a significant wetland and riparian area identified and listed by a local government?
- 2c. Does project support implementation of a total maximum daily load (TMDL) allocation, a department water quality status and action plan or designated groundwater management area declared under ORS 468B.180?
- 2d. Does project provide performance based water quality improvements supported by monitoring and reasonable assurance that the project will continue to function over time?
- 2e. Does project integrate or expand sustainability or the use of natural infrastructure, or use approaches including, but not limited to, water quality trading, that are not specified in subsections (f) through (i) of this section of the rule?
- 2f. Does project incorporate or expand green stormwater infrastructure including, but not limited to, practices that manage wet weather and that maintain and restore natural hydrology by infiltrating, evapotranspiring, harvesting or using stormwater on a local or regional scale?
- 2g. Does project incorporate or expand water efficiency including, but not limited to, the use improved technologies and practices to deliver equal or better services with less water such as conservation, reuse efforts or water loss reduction and prevention?
- 2h. Does project incorporate or expand energy efficiency including, but not limited to, the use of improved technologies and practices to reduce the energy consumption of

water quality projects, use energy in a more efficient way, or to produce or utilize renewable energy?

- 2i. Does project incorporate or expand environmentally innovative projects including, but not limited to, demonstrating new or innovative approaches to deliver services or manage water resources in a more sustainable way?

Category Three: Other considerations

- 3a. Does project include a long-term planning effort that addresses financial, managerial or technical capability, or asset planning that ensures project will be maintained?
- 3b. Does project include a significant on-going education or outreach component?
- 3c. Does the project incorporate other resources including, but not limited to, in-kind support, other funding sources or a partnership with a governmental, tribal or non-governmental organization?
- 3d. Does project address a water quality improvement or restoration need for a small community?
- 3e. Does project include a sponsorship option?

Internal CWSRF Procedures for Scoring Criteria for Planning Loans are as follows:

- 1 - Will the scope of the planning effort include more than one water quality benefit, pollutant or restoration effort?
- 2 - Will the scope of the planning effort include sustainability?
- 3 - Will the scope of the planning effort take advantage of an opportunity with respect to timing, finances, partnership or other advantageous opportunity?
- 4 - Will the scope of the planning effort include financial, managerial or technical capability aspects of the project?
- 5 - Will the scope of the planning effort include integrating natural infrastructure and built systems?
- 6 - Will the scope of the planning effort demonstrate applicant cost effectiveness by considering three or more project alternatives such as optimizing an existing facility, regional partnership or consolidation?

Appendix 7: Principal forgiveness - eligibility criteria and limits

Principal forgiveness eligibilities

The Clean Water Act Section 603(i) states that additional subsidization must be provided to eligible CWSRF assistance recipients or project types as described in section 603(i) of the CWA:

- to benefit a municipality that meets the state’s affordability criteria as established under the CWA section 603(i)(2);
- to benefit a municipality that does not meet the state’s affordability criteria but seeks additional subsidization to benefit individual ratepayers in the residential user rate class; or
- to any eligible recipient to implement a process, material, technique, or technology that addresses water or energy efficiency goals; mitigates stormwater runoff; or encourages sustainable project planning, design, and construction

Oregon Administrative Rule 340-054-0065 identifies eligibilities for principal forgiveness consistent with requirements under the federal Clean Water Act including:

- Affordability criteria consistent with requirements under the Clean Water Act including:
 - Income
 - Unemployment
 - Population trends
 - Other data determined relevant by the State
- Water efficiency, energy efficiency, stormwater, and sustainable project planning, design, and construction
- Ratepayer hardship

Affordability criteria requirements

Clean Water Act Section 603(i)(2) specifically requires states to develop affordability criteria for distribution of additional subsidization based on:

- Income
- Unemployment data
- Population trends, and
- Other data determined relevant by the state. The IUP must include the state’s criteria for providing additional subsidy.

The Oregon CWSRF program has updated affordability criteria consistent with requirements under the Clean Water Act priorities of the Bipartisan Infrastructure and EPA to address disadvantaged communities and environmental justice (previously described in [Appendix 6](#)). The table below describes the Oregon CWSRF program affordability criteria:

Affordability criteria and environmental justice metrics

Indicator	Measurement	Data Source
Income - Low income	At least 30.9% of the pop. lives under 200% of the poverty level	American Community Survey, 5-year Estimates
Unemployment - High unemployment	Unemployment 16 years and older in civilian workforce is greater than or equal to Oregon's 10-year, seasonally-adjusted, monthly median unemployment rate and at least 80% of the population 18 years or older is not enrolled in higher education	Oregon Employment Department's Quality Information
Population trends - Declining population	Two-year population decline of at least 5%	PSU Population Research Center
Population - Small population	Population <10,001	PSU Population Research Center
Population - Very small population	Population <2,501	PSU Population Research Center
Environmental justice, water pollution burdened community- Near impaired water body	Within 2 km of a major surface water or 1 km of minor surface water that is impaired	DEQ Integrated Report (multiple ways to access data: story map, web map, ArcGIS Pro, online database)
Environmental justice, water pollution burdened community - Near a facility with a substantial exceedance	Project will address requirements of a Mutual Agreement and Order	DEQ Water Quality Division
Environmental justice, health burdened community - Elevated health risks	At or above the 70 th percentile for asthma, diabetes, or heart disease	Centers for Disease Control and Prevention, PLACES: Local Data for Better Health

Principal forgiveness scoring

The Oregon CWSRF program has developed a scoring system to evaluate projects for principal forgiveness loans based on affordability criteria and environmental justice metrics developed by the program, along with ratepayer hardship, water efficiency, energy efficiency, stormwater, and sustainable planning, design, and construction consistent with the Clean Water Act.

The minimum total point threshold to be eligible for principal forgiveness is 10 points.

The principal forgiveness scoring system is described in the following table:

Indicator	Measurement	Points
Low income	At least 30.9% of the pop. lives under 200% of the poverty level	10
High unemployment	Unemployment 16 years and older in civilian workforce is greater than or equal to Oregon's 10-year, seasonally-adjusted, monthly median unemployment rate and at least 80% of the population 18 years or older is not enrolled in higher education	10
Declining population	Two-year population decline of at least 5%	10
Rate payer hardship	Principal forgiveness directed through rate payer hardship program	10
Green, Stormwater, and Sustainability	Water efficiency, energy efficiency, mitigate stormwater runoff, or sustainable planning, design, or construction	10
Near impaired water	Within 2 km of a major surface water or 1 km of minor surface water that is impaired	5
Near a facility with a substantial exceedance	Project will address requirements of a Mutual Agreement and Order	5
Elevated health risks	At or above the 70 th percentile for asthma, diabetes, or heart disease	5
Very small population	Population <2,501	5
Small population	Population <10,001	2.5

Principal forgiveness limits

The program has also updated limits for awarding principal forgiveness as of May 2023.

Planning Loans: Eligible borrowers that are eligible recipients of principal forgiveness may receive additional subsidization for up to 100 percent of their loan but not to exceed \$100,000 for planning loans.

Design/Construction Loans: Eligible borrowers that are eligible recipients of principal forgiveness may receive additional subsidization for up to 50% percent of their loan but not to exceed \$2,000,000 for design and/or construction loans, whichever is less per state fiscal year. If the Design and Construction loan are executed separately, it is not possible to exceed the \$2,000,000 limit. *

The maximum subsidization that a borrower can receive per state fiscal year is \$2,000,000

Additional subsidization is subject to availability of funds. Borrowers eligible for principal forgiveness can only be awarded a maximum amount of \$2,000,000 in additional subsidization per state fiscal year, regardless of the number of active loans or projects the borrower has with the program. This includes additional subsidization awarded to all loan types (planning loans, design only loans, construction only loans and design and construction loans). **Borrowers that are eligible recipients may only receive a max subsidization award per project up to the max of \$2,000,000 or 50% of the loan amount, whichever is less. *This does not include subsidization awarded for emerging contaminants which may exceed the \$2,000,000 max.**

Loan Type	Maximum PF per fiscal year	Number of Loans
Planning	100% of the amount, up to \$100,000	A borrower can only receive one 100% forgivable loan per State Fiscal Year. No limit on number of loans per State Fiscal Year.
Design, Construction, Design and Construction	50% of the loan amount, but to not exceed \$2,000,000, whichever is less per project and state fiscal year	No limit on number of loans per State Fiscal Year.
Emerging Contaminants*	Up to 100% principal forgiveness per loan for any CWSRF eligible project	A borrower can only receive one 100% forgivable loan per State Fiscal Year.

Bipartisan Infrastructure Law CWSRF funding to address emerging contaminants

*The Bipartisan Infrastructure Law includes provisions for supplemental federal capitalization funding for CWSRFs to address emerging contaminants under the Clean Water Act. The EPA BIL implementation guidance memo regarding EC provisions for CWSRFs states “funds provided under this paragraph in this Act deposited into the state revolving fund shall be provided to eligible recipients as assistance agreements with 100 percent principal forgiveness or as grants (or a combination of these)”. This language requires states to provide 100% of the capitalization grant amount as additional subsidization in the form of principal forgiveness and/or grants. Additional subsidization may be provided to any eligible CWSRF assistance recipient for any project eligible under section 603(c) of the CWA that addresses emerging contaminants. Oregon CWSRF may offer up to 100% principal forgiveness for any CWSRF eligible project to address emerging contaminants per EPA. A project that is eligible for principal forgiveness under other eligibilities may receive an additional award of principal forgiveness related to funding for emerging contaminants. A project funded to addresses emerging contaminants may receive an additional award of principal forgiveness above the maximum limit of \$2,000,000.