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Ushering in New Changes: Environmental Quality Commission Meeting Summary

On Jan. 19, 2023, the [Oregon Environmental Quality Commission](#) adopted changes proposed by the Oregon Clean Water State Revolving Fund program. The commission's decision will allow the program to meet new requirements and priorities of the federal Bipartisan Infrastructure Law including offering more principal forgiveness and adjusting affordability criteria, as well as project ranking and scoring to document environmental justice metrics in the program's Intended Use Plan. CWSRF will include these changes in the next IUP. The program uses the IUP to apply to the U.S. Environmental Protection Agency for BIL supplemental capitalization grant funding which is expected to be available this summer.



What else will improve with the rule changes?

- More principal forgiveness for loans to finance water quality, water pollution control projects and infrastructure projects throughout Oregon.
- An increase in the amount of principal forgiveness available to eligible borrowers in accordance with the new federal requirements.
- Expansion of the criteria for determining eligibility



Increases to the CWSRF Principal Forgiveness Limits

Now that the proposed CWSRF rules have been adopted, the program is excited to announce there are significant changes to the amount of subsidization offered to borrowers as principal forgiveness. The supplemental funding from the Bipartisan Infrastructure Law requires the program to increase the maximum subsidization that an eligible borrower can receive per state fiscal year from the historic cap of \$500,000 to no more than **\$2 million or 50% of the loan amount, whichever is less.**

Loans executed prior to May 14, 2022, which is the date the BIL went into effect, are not eligible to receive increased subsidization. Loans fully executed after April 1, 2023 will be eligible for 100% forgivable planning loan up to \$100,000. All loans – planning, design, and construction – that receive principal forgiveness must meet CWSRF program requirements. Any additional subsidization is subject to the availability of funds and readiness to proceed to loan signing.



Environmental Justice

The changes to the CWSRF program’s rules now allow the program to expand the definition of affordability criteria to include considerations of environmental justice. Environmental justice is ensuring the fair treatment and meaningful involvement of all people regardless of race, color, national origin, immigration status, income, or other identities with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies that affect the environment in which people live, work, learn, and practice culture. The environmental justice movement recognizes some communities face disproportionate environmental harms causing these communities to be exposed to additional burdens that impact their health and well-being. In [Oregon, House Bill 4077](#) asserts that “No one group of people, including racial, ethnic or socioeconomic groups, should bear a disproportionate share of the negative consequences resulting from industrial, municipal and commercial operations or the execution of federal, state, local and



tribal environmental programs and policies.” The program intends to promote and implement ways to advance environmental justice and equity.

The program will use environmental justice metrics to inform how it supports communities in Oregon. These metrics will be used to conduct outreach, provide technical assistance, score and rank loan applications, and award principal forgiveness. The environmental metrics are intended to identify communities that are economically distressed, health or pollution burdened, or face additional challenges because of their population size. “Economically distressed” communities are those with low income or high unemployment. “Health burdened” communities are defined as those elevated health risks. “Pollution burdened” communities are those located near an impaired waterbody or a facility with a compliance violation. The program also recognizes that small communities face greater administrative and economic burdens in developing and paying for water pollution control projects. By utilizing CWSRF loans, public agencies can invest in communities that have been neglected and can make a substantial impact in improving clean water infrastructure and clean water access.

Emerging Contaminants

As part of the Bipartisan Infrastructure Law, the CWSRF program will be able to provide funding specifically for emerging contaminants as part of the loan award. Emerging contaminants refer to substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment. These substances, microorganisms, or materials can include many different types of natural or manufactured chemicals and substances – such as those in some compounds of personal care products, pharmaceuticals, industrial chemicals, pesticides, and microplastics.

The EPA’s main categories of emerging contaminants include but not limited to:

Perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other persistent organic pollutants (POPs)

Biological contaminants and microorganisms This does not include harmful algae blooms (HABs) or excessive nitrates.

Some compounds of pharmaceuticals and personal care products (PPCPs), including a wide suite of human prescribed drugs (e.g., antidepressants, blood pressure medications, hormones), over-the-counter medications (e.g., ibuprofen), bactericides, fragrances, UV filters

Substances that illicit endocrine-disrupting chemicals (EDCs), including synthetic estrogens and androgens, naturally occurring estrogens, as well as many others.

Nanomaterials such as carbon nanotubes or nano-scale particulate titanium dioxide, of which little is known about either their environmental fate or effects.

Microplastics/Nanoplastics: synthetic solid particle or polymeric matrix, with regular or irregular shape and with size smaller than 5 mm, of either primary or secondary manufacturing origin, or larger plastic materials that degrade



(sunscreen agents), detergents, preservatives, and repellents, cosmetics and UV filters: DEET, Methylparabens, Benzophenone30, and fragrances: HHCB and AHTN.

Cosmetic and food preservatives: BHA (butylated hydroxyanisole) and BHT (butylated hydroxytoluene).

into smaller pieces, including from tire wear (such as 6PPD), which are insoluble in water.

Veterinary medicines such as antimicrobials, antibiotics, antifungals, growth promoters, investigational new animal drugs, and hormones.

Possible Eligible Uses and Project Examples as described by the EPA:

Projects at wastewater treatment facilities: installation of technology to treat for PFAS or other emerging contaminants at publicly owned treatment works.

Stormwater: In areas that are impaired or impacted by emerging contaminants based on previous monitoring efforts, projects that can trap and/or treat the contaminants in runoff prior to reaching waterbodies or instream treatment or removal may be eligible.

Water reuse: Potable and non-potable water reuse/reclamation projects that may be applying advanced treatment (e.g., reverse osmosis, granulated activated carbon, or ion exchange) to remove PFAS or other emerging contaminants are eligible.

Landfills: could include landfill closure (e.g., capping) or landfill runoff and leachate collection and treatment that will reduce runoff contaminated with PFAS or other emerging contaminants. The modification/expansion of existing or construction of new publicly owned landfills (local and regional) primarily designed and permitted (per state and federal regulations) to accept POTW biosolids with emerging contaminants is also eligible.

Contaminated sites may include Brownfields, Superfund sites, and sites of current or former aboveground or underground storage tanks. Projects that address PFAS through capping, in-situ treatment, or removal of contaminated material as part of the implementation of a state nonpoint source management plan may be eligible.

Other non-point source projects: Eligible nonpoint source projects are capital projects that support the implementation of a current EPA approved state nonpoint source (NPS) management program plan or nine-element watershed-based plan established under Section 319 of the Clean Water Act and may be publicly or privately owned.

For more details check with the [Emerging Contaminants Technical Fact Sheet](#).

While ***water quality monitoring activities (including monitoring of PFAS associated with NPDES permit or pretreatment requirements) at publicly owned treatment works are generally not eligible***, monitoring for the specific purpose of project development (planning, design, and construction) is eligible.



The program is still developing the most effective and efficient way to ensure the emerging contaminants funds are put to work. If you have any questions or need any clarification about the emerging contaminants funding, please contact [CWSRF staff](#) or complete a [Loan Information Request Form](#).

CWSRF Project Highlights

Across the state, CWSRF is financing a wide variety of projects, all seeking to enhance and protect Oregon's water quality and provide the essential services that keep our communities thriving! The cities of Port Orford and Redmond are utilizing loan funds in sustainable and creative ways to benefit their communities.

Port Orford

With loan financing through the CWSRF program, the City of Port Orford is purchasing a parcel of land along the North Fork of Hubbard Creek on the northern coast of Oregon. Hubbard Creek is an important waterbody in the region which discharges to the nearby ocean and is also a source of drinking water for the community. By purchasing the land, the City of Port Orford can protect the health of Hubbard Creek by preventing the land's acquisition by industrial timber which would likely result in forest clear-cutting and further soil erosion.

This conservation effort will improve long-term forest resiliency by stewarding the watershed in ecologically sustainable ways that minimize soil erosion, invasive species, protect riparian areas. In this coastal region, severe storm events are common during the winter, and months without rain are common in the summer. The impacts of climate change on the Southern Oregon Coast are resulting in more severe storms in winter and more severe periods of drought in summer. The land acquisition will:

- Allow the City of Port Orford and its partners to steward the land in ways that mitigate the harmful impacts of climate change.
- Help the City of Port Orford and its partners ensure the trees along the North Fork of the Hubbard Creek continue to shade and retain water, so it is available to residents year-round. Intact forests play an important role in maintaining the 'sponge' that decreases runoff in the storms and recharges the tributaries in the summer.



“The Port Orford land acquisition is a unique opportunity for CWSRF to fund a project that benefits people’s health, controls pollution and protects biodiversity. Thank you to the hard work done by many bringing this project together.”

- Alexis Cooley, Western Region Project Officer



Redmond

The City of Redmond has been working with the Clean Water State Revolving Program on the planning, design, and now the construction phase of the upcoming Redmond Wetlands Complex. The Redmond Wetlands Complex is an expansion of Redmond's Water Pollution Control Facility and part of a collection and treatment system that serves over 32,000 residential and commercial customers. This project comes at a time when Redmond's population continues to grow at an increasing rate, tripling in size over the past 20 years. Redmond's existing water treatment facility is reaching maximum capacity, and the City is taking a proactive and environmentally innovative approach to ensure they provide essential services to the community.



The Redmond Wetlands Complex will utilize ponds and wetlands engineered to treat wastewater. Constructed wetlands are a successful and efficient method for the treatment of municipal wastewater. This sustainable, cost-effective solution, along with efficient operations and maintenance will better protect wetland habitat for birds and other wildlife and increase opportunities for recreation and education. The Redmond Wetlands Complex unites multiple public service benefits into a well-designed treatment facility that is a real community asset which will benefit and serve Central Oregonians for decades to come.

The Redmond Wetlands Complex wastewater treatment will have the improvements needed to protect public health and the environment, address regulatory requirements, prepare for future growth, and provide recreational opportunities for the city's residents and visitors.

"Besides the environmental benefits this project will have, I'm excited to see the educational benefits. The City of Redmond plans to make this wetland complex an interactive educational walking tour for the public. This includes Native history of the land, plants, and area, as well as involving artwork and other interpretive panels."

- Cristina Jones, Eastern Region Project Officer

How to Apply for a CWSRF Loan: Project and borrower eligibilities

To learn if your community and project is eligible for future funding, submit a [Loan Information Request Form](#) anytime. Applications are accepted year-round, but projects will be reviewed, scored, and ranked after submission deadlines:

- Aug. 8, 2023
- Dec. 11, 2023

For more information, please contact the [project officer](#) for your area.

