

FUNDING OPPORTUNITIES FOR SOURCE WATER PROTECTION AND RESTORATION

SOURCE WATER PROTECTION WORKSHOP – THE DALLES

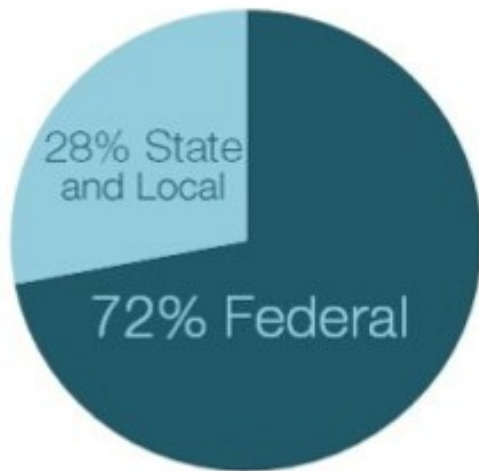
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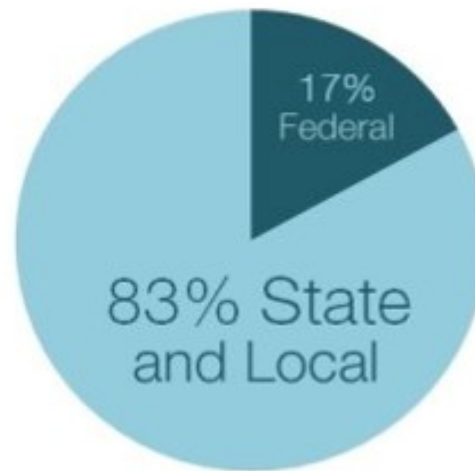
TRADITIONAL WATER INFRASTRUCTURE FUNDING COMES FROM FEDERAL, STATE, AND LOCAL GOVERNMENT

Capital Investment in Water and Wastewater Infrastructure



1977

VS



2010

Data: Congressional Budget Office. Graphic: Circle of Blue at <https://www.circleofblue.org/2014/world/u-s-water-systems-deteriorated-slow-change-need-new-strategy-money/>

SOURCE WATER FINANCING – QUESTIONS TO CONSIDER

What's the money for?

BMPs vs education campaign vs
habitat project vs easement
acquisition

When do you need the money?

One-time or restricted payment
vs continuous or recurring
revenue stream?

Who pays?

Beneficiary (ratepayer) or
others?

How much control do you want/need?

Who sets financing terms?
Liability? Ownership?

Who can receive these funds and has the capacity to secure & manage them?

Eligibility criteria? Transaction
costs? Ability to repay debt?

SAMPLE FUNDING SOURCES

LOCAL

- Utility rates, surcharges, fees
- Budget appropriation
- Taxes (sales, property, income, etc.)
- Fines
- Special Districts
- Bonds (borrowing)

STATE & FED

State Revolving Loan Funds + many other **grant and loan** options (DoC, USDA, HUD, FEMA, etc.)

PRIVATE

- Grants: Foundations, Corporations etc.
- Borrowing: PRI

OTHER

ASSET MANAGEMENT. E.G., DIVERSIFY REVENUE STREAMS IF TOWN/DISTRICT OWNS FORESTLAND:

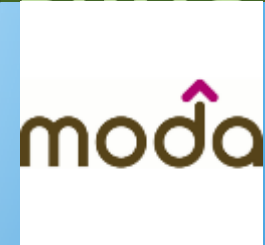
- Carbon credits
- Timber & special-forest products
- Water quality trading market
- Leasing in-stream water rights
- Easements

SAMPLE FOUNDATION & CORPORATE GRANT SOURCES



Spirit Mountain
Community Fund

patagonia®



The Burning Foundation



Youth.
Environment.
Community.



RESER FAMILY
FOUNDATION



Healthy Watersheds Consortium
Grant Program

THINGS TO CONSIDER ABOUT PRIVATE FOUNDATION GRANTS

- ✓ TYPICALLY ONE-TIME AWARDS

MULTI-YEAR AWARDS LESS COMMON

- ✓ MATCH USUALLY REQUIRED

GRANTS CUSTOMARILY USED TO LEVERAGE OTHER FUNDING

- ✓ USUALLY FOR ASSESSMENT/PLANNING PROCESSES, OUTREACH/EDUCATION,
OR PROJECT IMPLEMENTATION (HABITAT WORK)

NOT TYPICALLY FOR CAPITAL EXPENSES

- ✓ ADMINISTRATIVE BURDEN HIGHLY VARIABLE BY SOURCE

- ✓ MUNICIPALITIES/UTILITIES MAY NOT BE ELIGIBLE RECIPIENTS

NONPROFIT AND GRASSROOTS PARTNER GROUPS ARE GOOD PARTNERS FOR SECURING/MANAGING FUNDING, LEADING ON-THE-GROUND WORK, ETC.

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OREGON SOURCE PROTECTION FUND GRANTS AND LOANS



Lebanon/Albany South Santiam McDowell Creek Bates Site: Pre-project 2010

- ✓ Loans: Up to \$100,000, low interest. i.e. land acquisition or incentive based protection measures
- ✓ Emergency grants for source water threats that arise outside the LOI submission deadline.

- DRINKING WATER SOURCE PROTECTION GRANTS/LOANS
 - ✓ part of DW SRF – search for OHA Source Protection Fund
 - ✓ PWS must be applicant
 - ✓ Grants: Up to \$30,000 per public water system to reduce risk in source area - no match required

McDowell Creek Bates Site: Post-project



WASHINGTON'S SOURCE WATER PROTECTION GRANTS

	Oregon	Washington
	part of DW SRF	part of DW SRF
Eligibility	<ul style="list-style-type: none"> ✓ Community or non-profit non-community water system ✓ Must have completed Source Water Assessment 	<ul style="list-style-type: none"> ✓ Non-profit Group A Water System ✓ Local Government proposing a regional project
Funding – Grants	Up to \$30,000	Funding is dependent upon project needs, but typically does not exceed \$30,000
Funding – Loans	\$100,000	
Application Period	Annually, due ~March 15	Anytime
Emergency Grants	Available year round for source water threats that arise outside the LOI submission deadline.	Available year round - grants awarded on a funds available basis.

DW SPF: Other Examples (Oregon)

Road Assessment and Engineering Design

(Lincoln City Water District, Glide Water Association)

Turbidity Monitoring, Erosion Assessment & Riparian Restoration

(Siletz Watershed, Umpqua Basin, Santiam Watershed)

Rural Landowner Assistance for septic systems, animal management, private wells

(Clackamas, McKenzie, Irrigon, Rivergrove)

Pesticide Stewardship and Waste Collection

(Clackamas, Island City, Enterprise and Haines)

Algal Blooms

(Lowell, Cottage Grove, Salem, Springfield, South Coast lakes)

Enhanced Assessment, GIS risk analysis

(Medford/Grants Pass, Clackamas, Bend, Prineville, Creswell, Cottage Grove, Langlois)

Watershed Management Planning

(Seaside, Cottage Grove, Coburg,)

Other:

Signs, cameras and security fencing (Baker City)
Wetland Treatment of Stormwater Runoff (Eugene/Springfield)

STATE REVOLVING FUND GRANTS AND LOANS

- Watershed protection projects through Clean Water State Revolving Fund
 - ✓ Aligned with DEQ's "Nonpoint Source Management Program Plan"
 - ✓ Sponsorship Option to combine nonpoint source control project with wastewater facility project financing - sponsored project done at no cost or substantially reduced cost due to low interest rate
 - ✓ Low interest loans available for land purchase or nonpoint source work
 - ✓ Local Community Loan – use funds to establish a local loan fund for citizens



Eugene Springfield Metropolitan Wastewater Management Commission Riparian shading linked (financially) to treatment system improvements Partnership with MWMC and The Freshwater Trust

OTHER STATE FUNDING SOURCES

- Clean Water Act Nonpoint Source Grants (§319)
 - ✓ Generally < \$30K
 - ✓ Must have 9-key elements watershed plan and address priorities in RFP – contact DEQ Basin Coordinators
 - ✓ Match required (40%)
- Supplemental Environmental Projects
 - ✓ Respondents to DEQ compliance and enforcement orders
 - ✓ SEP Option for up to 80% of monetary penalty to improve Oregon's environment



Rowdy Creek – Siuslaw National Forest

DRINKING WATER PROVIDERS PARTNERSHIP



MAKING CONNECTIONS

DWPP partners believe connecting Water Providers and Restoration Practitioners within municipal watersheds can result in:

- Improved water quality/protection
- Lower treatment costs
- Improved aquatic/riparian habitat/watershed health



MAKING CONNECTIONS

In 2014, Forest Service and Geos Institute explored developing a partnership uniting:

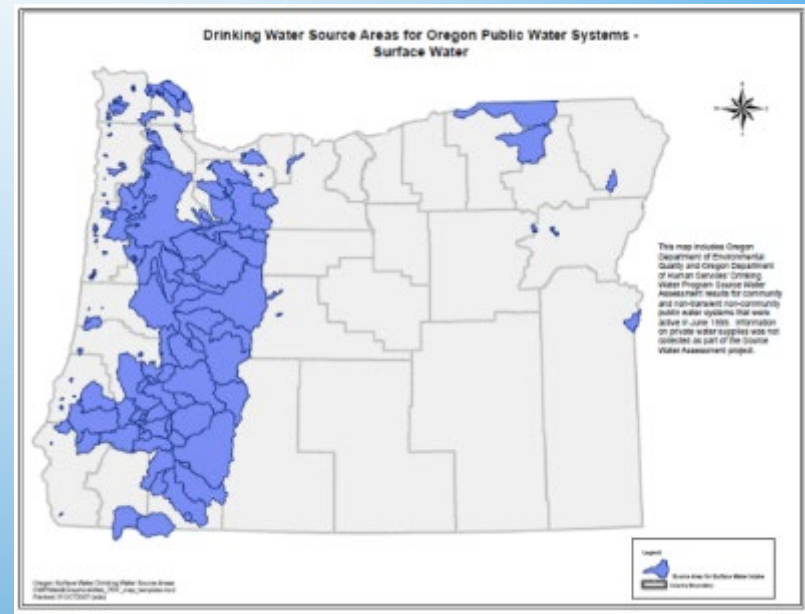
- **Water providers** wanting to improve their source watersheds (but lacking resources or capacity)
- **Restoration Practitioners** having the expertise and capacity to protect and restore watersheds
- **Land managers** managing land within surface water watersheds
- **Funding sources** available to protect and restore drinking water source watersheds.



MAKING CONNECTIONS

Summer Tour 2014

- USFS and Geos visited Water Providers in the Cascade and Coast Ranges of Oregon to introduce the municipal watershed restoration concept
- Met with great support everywhere
- Followed up the first meeting with an introduction between water providers and local restoration practitioners
- We heard clearly from partners an overall funding source was needed





DWPP FORMED IN 2015

- CONNECTS RESTORATION PRACTITIONERS WITH MUNICIPAL WATERSHED MANAGERS
- ORGANIZES CLEAN DRINKING WATER WORKSHOPS
- OFFERS AN ANNUAL REGIONWIDE FUNDING SOURCE FOR RESTORATION IN MUNICIPAL WATERSHEDS
 - ANYONE IS ELIGIBLE FOR FUNDS
 - DISPERSAL OF STATE FUNDS RESTRICTED TO MUNICIPAL WATERSHED MANAGERS.

DRINKING WATER PROVIDERS PARTNERSHIP GOALS



- RESTORE AND PROTECT THE HEALTH OF WATERSHEDS WHICH COMMUNITIES DEPEND UPON FOR DRINKING WATER.....
-WHILE ALSO BENEFITING AQUATIC AND RIPARIAN ECOSYSTEMS, INCLUDING THE NATIVE FISH THAT INHABIT THEM.
- SUPPORT LOCAL PARTNERSHIPS BETWEEN DOWNSTREAM DRINKING WATER PROVIDERS AND UPSTREAM LANDOWNERS AND RESTORATION PRACTITIONERS.

DWPP PROJECT TYPES

- ACTIVITIES MAY INCLUDE FEASIBILITY ANALYSES, PLANNING, DESIGN, OUTREACH, EDUCATION, AND MONITORING.
- WORK SHOULD ADDRESS WATER QUALITY OR QUANTITY ISSUES WITHIN A PUBLIC DRINKING WATER SYSTEM AND SHOULD BENEFIT NATIVE FISH AND THEIR HABITAT.
- PROPOSED WORK SHOULD BE IDENTIFIED IN A RECOGNIZED SOURCE WATER PROTECTION PLAN, RESTORATION ACTION PLAN, RARE SPECIES RECOVERY PLAN, OR OTHER PUBLICLY VETTED PRIORITIZATION DOCUMENT.



EXAMPLES OF ELIGIBLE PROJECTS

- CULVERT REMOVAL/REPLACEMENT WITH STREAMBED SIMULATION OR BRIDGES
- ROAD DRAINAGE IMPROVEMENTS TO ROUTE ROAD RUNOFF INTO VEGETATION INSTEAD OF STREAMS
- REMOVAL OF DAMS OR BREACHING/REMOVAL OF LEVEES AND TIDE GATES
- ROAD DECOMMISSIONING OR MODIFICATION/FINE SEDIMENT PREVENTION
- REESTABLISHING RIVER FLOW MEANDERS AND RESTORING STREAM COMPLEXITY AND ROUGHNESS.
- REDUCING PESTICIDE APPLICATION RATES AND LOADINGS.
- REFORESTATION OR REPLANTING IN SENSITIVE OR RIPARIAN AREAS
- INSTALLATION OF FENCING TO PROTECT SENSITIVE AREAS
- EDUCATIONAL OUTREACH PROJECTS EMPHASIZING WATERSHED RESOURCE CONSERVATION, INCLUDING FLYERS/BROCHURES AND SIGNS
- PLANNING FOR PURCHASE OF LANDS WITHIN THE DRINKING WATER SOURCE AREA
- PLANNING FOR THE PURCHASE OF WATER FOR INSTREAM FLOW PURPOSES

INCREASING PROJECTS AND BENEFITS

- STEADY INCREASE OF FUNDED PROJECTS

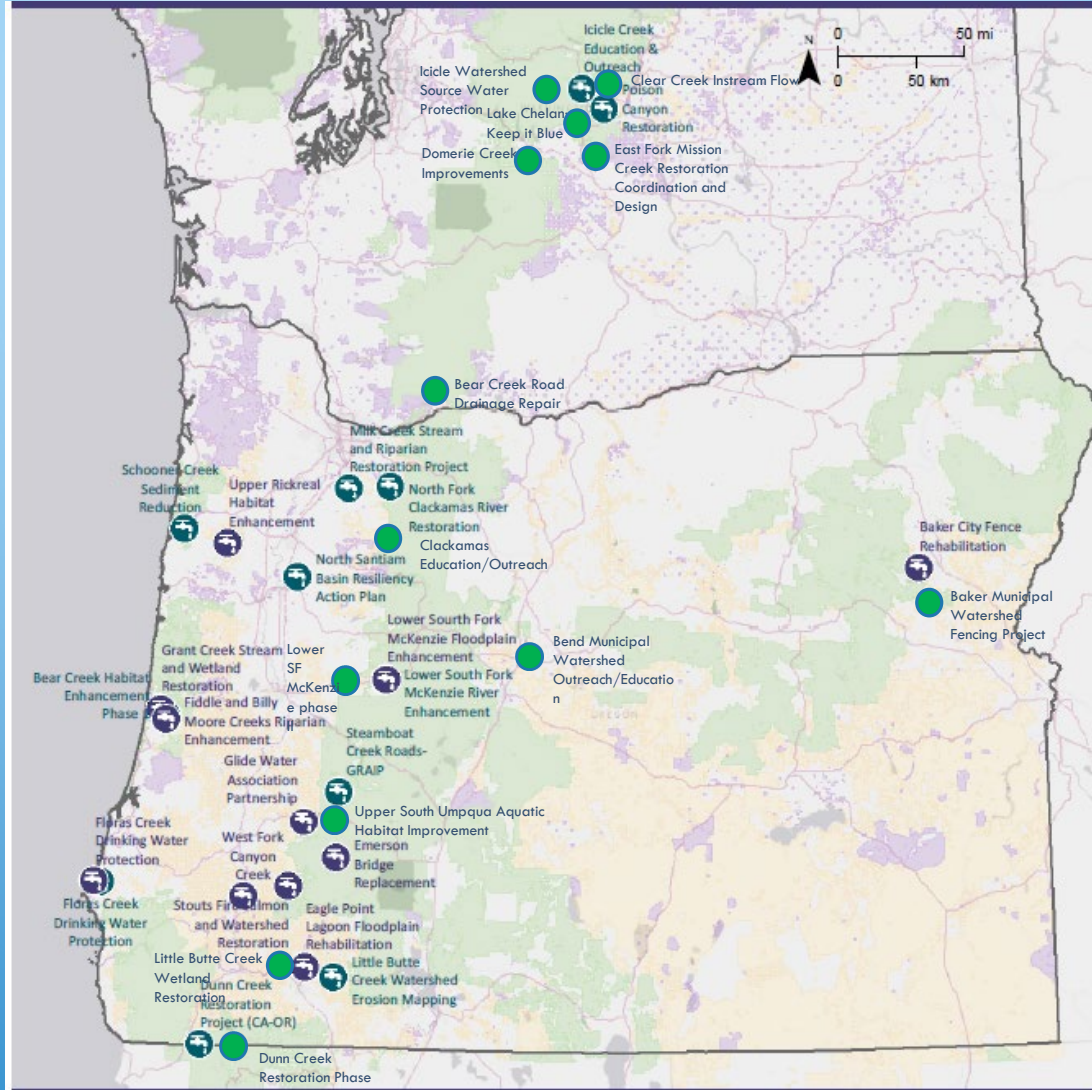
- 11 PROJECTS IN 2016 (\$660,000)
- 12 PROJECTS IN 2017 (\$688,000)
- 14 PROJECTS IN 2018 (\$519,000)
- 14 PROJECTS IN 2019 (\$522,000)

- THESE PROJECTS WILL BENEFIT:

- COHO, CHINOOK, STEELHEAD, LAMPREY, BULL TROUT, CUTTHROAT TROUT, AND OTHER BIOTA
- WATER RECREATIONISTS
- EVERYONE RELYING ON THESE STREAMS AND RIVERS FOR THEIR DRINKING WATER



DWPP PROJECT LOCATIONS



GLIDE, OR

- **Problem:** Road sedimentation affecting the North Umpqua River (drinking water source for Glide).
- **Solution:** Identify highest risk locations and restore roads to reduce hydrologic risk. DWPP funds were used to survey/analyze situation, remove 8 crossdrain pipes; remove 4 fish passage barrier culverts at stream crossings, including 8,000 cubic yards of fill.



BAKER CITY, OR

- **Problem:** Baker City experienced a cryptosporidium outbreak in 2013 and identified cattle as a probable source. City is one of only 3 unfiltered sources in Oregon.
- **Solution:** Protect watershed from cattle grazing with exclosures.



LEAVENWORTH, WA

- **Problem:** Icicle Creek, town's source water, is also an overly loved recreation destination impacting water quality. The stream also supports ESA listed Spring Chinook, steelhead and Bull Trout.
- **Solution:** Provide outreach messages to visitors and improve popular trails and camping areas within the watershed to decrease pollution.



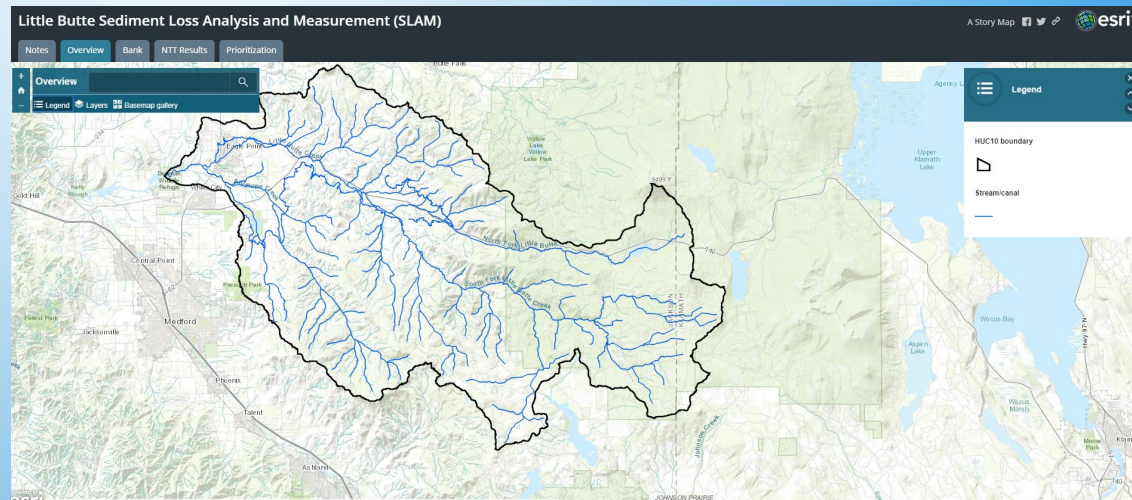
CASHMERE, WA

- **Problem:** Mission Creek joins Wenatchee River, source water for Cashmere. A legacy road/trail is eroding into the stream.
- **Solution:** Re-route trail and restore floodplain for ESA listed steelhead & spring Chinook.
- DWPP funds will be used to develop alternatives for trail re-route, conceptual plan, baseline monitoring and community outreach.



MEDFORD, OR

- **Problem:** Medford area partners wanted to understand and prioritize restoration in their municipal watershed, Little Butte Creek.
- **Solution:** Under the leadership of The Freshwater Trust, they developed the Sediment Loss and Measurement Tool to prioritize actions.
- DWPP funds were used to fund the development and application of the tool.



CITY OF DALLAS, OREGON

- **Problem:** Fire, past flood responses, and land management in the upper Rickreall Creek watershed increased erosion and decreased instream wood, affecting water quality at Mercer Reservoir, the drinking water source for Dallas, Oregon.
- **Solution:** DWPP funds were used to air-lift 522 logs for 34 new instream structures placed in 2016. The strong partnership led to successful DEQ CWSRF loan for City of Dallas land acquisition in drinking water source area



SUMMARY

- Public health issues can leverage water quality interest and implementation
- Additional funding may be available by collaborating with drinking water providers
- DWPP can help to identify partner, resource, and funding sources.
- GIS/mapping support available for communities and partners for restoration and protection.



The Source Water Collaborative/USDA Toolkit

For More Information:

Drinking Water Providers Partnership:

<https://www.workingwatersgeos.org/drinking-water-providers-partnership>

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Oregon Department of Environmental Quality (DEQ) Drinking Water Protection Program

<https://www.oregon.gov/deq/wq/programs/Pages/dwp.aspx>

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Washington Department of Health Source Water Protection Program

<https://www.doh.wa.gov/CommunityandEnvironment/DrinkingWater/SourceWater/SourceWaterProtection>

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