

Oregon Clean Water State Revolving Fund Loan Program

Intended Use Plan

State Fiscal Year 2023, Initial Edition
May 3, 2022



**Clean Water State
Revolving Fund Loan
Program**

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DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.state.or.us.

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Introduction

The Oregon Department of Environmental Quality prepares this Intended Use Plan as required by the U.S. Environmental Protection Agency and Oregon Administrative Rules to inform Oregonians and the Clean Water State Revolving Fund loan applicants about how DEQ proposes to use the fund during state fiscal year 2023 (July 1, 2022, through June 30, 2023). ***DEQ is using an estimate for federal capitalization grant 2022 in the amount of \$17,949,000 based on the previous 2021 cap grant, which may be adjusted pending final allotment for cap grant 2022 per EPA.***

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. DEQ reviews applications for eligibility and scores applications based on the program's scoring criteria for [Non-planning Loans](#) and [Planning Loans](#).

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 website: <https://www.oregon.gov/deq/wq/cwsrf/Pages/CWSRF-IUP.aspx>. Loan applicants can begin completing any remaining 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 2](#). 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 Intended Use Plan includes 22 loan applications for a total of \$174,783,989 in requested funding. Currently, the loan program has \$312,610,437 net available to lend for state fiscal year 2023. DEQ can award a maximum individual loan amount of \$46,891,566.

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

The Clean Water State Revolving Fund program rules and regulations:

- 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](#)

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 [2021 Annual Report](#) demonstrates actions taken to achieve the program's goals.

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, 2022, the program has approximately **\$2.2 million** in the fee revenue account, also known as the administrative fund.

For state fiscal year 2023, 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 January 1 to March 31, 2022 period. New rates for the next quarter will be calculated and published on the [Clean Water State Revolving Fund website](#) in April 2022.

Applications

DEQ published the program's Annual Solicitation [Newsletter](#) in February 2022 to solicit loan applications. Although DEQ accepts loan applications at any time, DEQ reviews and scores applications three times per year. The next loan application deadline is April 8, 2022.

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.

DEQ used criteria in Oregon Administrative Rules [340-054-0026](#) and [340-054-0027](#) to rank projects. Project ranking criteria include: water quality standards, public health considerations, watershed health benefits, natural infrastructure inclusion, and other considerations. Rank order shifts as loan applications are added and removed from the project priority list. [Appendix 2](#) includes all loan applications in rank order based on project scores.

This Intended Use Plan includes 22 loan applications for a total of \$174,783,989 in requested funding, including four new loan applications:

Table 1: Intended Use Plan New Loan Applicants

Applicant	Application Number	Project Name	Amount Requested
City of Bend	14510E-22	Point Source, Design and Construction - Construction, Septic Solutions - Pettigrew & Bayou	\$3,367,315
City of Bend	14510F-22	Point Source, Design and Construction – Awbrey Glen and Westside Pump Stations	\$2,650,000
East Fork Irrigation District	30140-22	Nonpoint Source, Design and Construction – EFID Canal and Pipe Improvements	\$4,000,000
City of Willamina	97260-22	Point Source, Planning, Willamina Wastewater Facilities Planning Study	\$ 140,000

Since the publication of the last Intended Use Plan, DEQ executed four new loan agreements totaling \$7,582,000 with Bay City (13840-22), City of Bend (14510C-22), City of Dufur (29520-20) and City of Madras (R62370-21).

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.

Project descriptions

Table 2: Project Description List

Loan Application Number	Applicant and Project Description	Amount
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 (CIP) 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.</p>		
14510B-22	City of Bend (Deschutes County)	\$1,750,000
<p>Sec. 212, Planning, Collection System Master Plan Update. The City of Bend’s most recent Collection System Master Plan was adopted in 2014 and the city will update the plan. The city has experienced rapid growth, recently completed an Urban Growth Boundary expansion and annexed additional land that is currently without sewer service. The planning project will include: stakeholder engagement, wastewater modeling, growth projections, assessment of existing facilities and capacities, and climate action goals. The Collection System Master Plan update will include a Capital Improvement Plan (CIP) that identifies projects to complete over five, 10, and 20 years to provide sewer service throughout the city and improvements to achieve Bend’s climate action goals.</p>		
14510D-22	City of Bend (Deschutes County)	\$1,400,000
<p>Sec. 212, Design and Construction, Neff and Purcell Intersection Improvements Project. The City of Bend will complete this “synergy” project including stormwater, sewer and traffic control improvements at the same time. The city will utilize CWSRF funds for the stormwater and sewer portions of the project. The overall project will replace a traffic signal, widen the road, and upgrade the stormwater and sewer infrastructure in this area. The stormwater objective of the project is to address infiltration and reduce flooding in an area where flooding has been an issue. The city will decommission and replace existing stormwater structures that are at or near their design life with new conveyance structures (inlets), new pretreatment structures (sedimentation manholes) and new infiltration structures (drywells). The sewer objective of the project is to improve sanitary sewer infrastructure and address maintenance difficulties with manholes including a six-way manhole with inflow and infiltration. The city will eliminate a manhole with conflicting flows, remove redundant sewers on the east and west approaches to the intersection and combine flows into a single sewer main.</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</p>		

<p>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 (CSMP) and 2018 Public Facilities Plan (PFP). 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>		
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 BOD and TSS. 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 WWTF and outfall pipe to the Williamson River. The project includes a new or modified pumping system that will provide transmission from the existing WWTF 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 River. DEQ plans to issue a WPCF permit for the new lagoon facility in 2022.</p>		
26110-20	City of Dallas (Polk County)	\$9,000,000
<p>Sec. 212, Design and Construction, Dallas WWTF Recycled Water Project. The city will use treated municipal wastewater for industrial paper manufacturing and system cooling as well as irrigation of a public park landscape. This city will proactively reduce thermal loading to Rickreall Creek in anticipation of thermal load limits in the upcoming NPDES permit renewal. The project will reduce demand on the city's limited drinking water supply by an estimated 45 percent, because it will no longer need to be used for public park landscape irrigation.</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 (EFID) 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 O&M 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>		
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	City of Joseph (Wallowa County)	\$3,838,600
<p>Sec. 212, Design and Construction, Wastewater System Improvements – 2022. The City of Joseph recently renewed the National Pollution Discharge Elimination System permit for their wastewater system including new requirements for ammonia treatment. The city also has aging infrastructure at the wastewater treatment facility that needs to be upgraded to continue reliable operation. The 2021 Wastewater Facilities Plan identifies a number of improvements to address both permit requirements and aging infrastructure. Proposed wastewater system improvements include: ammonia treatment equipment; new chlorine disinfection system and de-chlorination system; repair of existing primary clarifier and aerobic digester; new lagoon aeration equipment, removal of sludge from lagoon number one, and potential lagoon liner replacement; yard piping and valve improvements; new irrigation system pump station, equipment and effluent irrigation center pivot and inflow and infiltration investigation work. The project will result in improved treatment for ammonia and chlorine, increased reliability of treatment for the wastewater facility and compliance with permit requirements.</p>		
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 Street. 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 2000 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 Loves 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>		
69660-21	North Unit Irrigation District (Deschutes County)	\$8,150,000
<p>Sec. 319, Design and Construction, North Unit Irrigation District: Lateral 43 and Juniper Butte Piping Project. The North Unit Irrigation District’s System Improvement Plan (2017) proposes to pipe the district’s open canal network, including the addition of pressure reducing stations, reuse/retention reservoirs, and metered turnouts for every water user. The current project proposes to start in one portion of the district by piping laterals 31, 32, 34 and 43, which represents a total of 8.2 miles of leaky canal and serves over 9,800 acres of agricultural land. The project will improve water quality in the lower Crooked River, Lake Billy Chinook and the lower Deschutes River by removing canal seepage</p>		

<p>and minimizing and eliminating return flow from agricultural lands. Piping of the laterals will also encourage on-farm efficiency by providing pressurized water, which enables the switch from furrow irrigation to sprinkler irrigation, reducing excessive seepage and agricultural runoff from fields. The project is consistent with the 2014 Nonpoint Source Management Program Plan sections 3.6.1 Watershed Approach Basin Reports (Deschutes Basin) and 6.1 Clean Water State Revolving Fund.</p>		
76070-20	City of Redmond (Deschutes County)	\$31,000,000
<p>Sec. 212, Design and Construction, WPCF Improvements. The City of Redmond will complete Water Pollution Control Facilities improvements to address current and projected service needs for capacity, ability to meet current and potential future regulatory requirements, reliability of unit process performance and ability to maintain the facilities over a 20-year planning horizon. The major project components include expanding the Orbal System, installing new tertiary treatment filtration and UV disinfection, rehabilitating the solids de-watering building and equipment, installing a solar biosolids drying and storage system, installing a new standby generator, and other facility improvements including a new operations building.</p>		
76070-21	City of Redmond (Deschutes County)	\$41,600,000
<p>Sec. 212, Design and Construction, Water Pollution Control Facility Treatment Plant Expansion – 2022. The City of Redmond needs to upgrade its Water Pollution Control Facility that was constructed in 1978 to address regulatory requirements and meet the needs of a growing community. The city evaluated a number of alternatives and submitted a CWSRF loan application in August 2019 to expand and improve the WPCF at its current location. The city submitted this second loan application because the city reevaluated alternatives and decided to abandon the existing treatment plant and construct an aerated lagoon with wetland treatment and disposal facility at a new location because the facility is located too close to residential development. The project will include a headworks component for primary treatment, a series of aeration and settling lagoons for secondary treatment, lined constructed wetlands for tertiary treatment and unlined disposal wetlands for effluent disposal. For now, the city intends to keep loan application 76070-20 on the Intended Use Plan until it obtains the land use approvals for this new project alternative. If the city obtains all necessary land use approvals to move forward with this alternative, the city will withdraw loan application 76070-20. However, if the city does not obtain all necessary land use approvals, this city will abandon this alternative, withdraw this loan application, and proceed with the proposed project as outlined in loan application 76070-20.</p>		
78600-21	Rogue River Valley Irrigation District and Medford Irrigation District (Jackson County)	\$24,334,500
<p>Sec. 319, Design and Construction, Joint System Canal Piping Project. Rogue River Valley Irrigation District and Medford Irrigation District jointly use the Joint System Canal to serve several thousand customers with crop irrigation. Seepage and evaporation are occurring along the canal, which is resulting in lost water and ultimately less water flowing through the canal downstream to other water bodies. The proposed project includes design and construction of piping up to 4.4 miles of canal and diversions, replacement of siphons, improvements to water diversion structures and fish passage. The project will address water quantity and quality for downstream streams, including South Fork Little Butte Creek, which experience low flow in some seasons. The project focuses on best management practices for irrigation to improve water quality from nonpoint sources and is consistent with the 2014 Nonpoint Source Management Program Plan sections 3.6.1 Watershed Approach Basin Reports and 6.1 Clean Water State Revolving Fund.</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</p>		

<p>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: 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>		
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 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>		
91800A-20	City of Toledo (Lincoln County)	\$600,000
<p>Sec. 212, Construction, Sanitary Sewer Improvements and Butler Bridge Force Main Replacement. The city has a Mutual Agreement and Order executed in March 2019 due to inflow and infiltration and sanitary sewer overflows into the Yaquina River. The project will include inspecting the entire collection system, “Priority 1” collection system improvements identified in the wastewater facility plan, eliminating inflow and infiltration, replacing the Butler Bridge Sewer force main and installing flow meters to eliminate sanitary sewer overflows and achieve compliance.</p>		
91800B-20	City of Toledo (Lincoln County)	\$750,000
<p>Sec. 212, Planning, MAO/I&I Sanitary Sewer Improvement Evaluations and Studies. The City of Toledo has a Mutual Agreement and Order for non-compliance. The city will perform a comprehensive inflow and infiltration study including evaluation of wet weather flows to assess the capacity of the plant to treat projected flows. The city will clean, perform a CCTV inspection and smoke test the collection system. The project includes purchase of three flow meters for the treatment plant’s influent lines to collect flow data, which will be used to support future pump station improvements.</p>		
97260-22	City of Willamina (Polk County)	\$140,000
<p>Sec. 212, Planning, Willamina Wastewater Facilities Planning Study. The City of Willamina will utilize a CWSRF planning loan to complete a wastewater facilities plan. The plan will assess and address existing and future needs for the city wastewater treatment plant and collection system. Components of the project include: project management; data acquisition and facility tours to assess the system; project planning addressing regulatory requirements; existing facilities evaluation including physical condition and deficiencies, collection system capacity evaluation, treatment system evaluation, operation and maintenance issues including sustainability issues, capital improvement projects and energy, water and waste audits; system improvement requirements; collection system alternatives and selection including sustainability, water and energy efficiency and green infrastructure considerations; treatment system alternatives and selection including sustainability considerations; estimated project costs including capital improvement plan, preliminary project schedule and sustainability considerations. The project will result in addressing system deficiencies with estimated project costs, meeting regulatory requirements, and a capital improvement plan for six and 20 year time horizons.</p>		

Project priority list in alphabetical order

[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 is in alphabetical order by applicant and includes the following additional information required by the EPA: 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), and preliminary project schedule.

Project priority list in rank order

[Appendix 2](#) includes all loan applications in rank order, project scores, 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.

Priority ranking criteria

DEQ used criteria in Oregon Administrative Rules [340-054-0026](#) and [340-054-0027](#) to rank projects. Project ranking criteria include: water quality standards, public health considerations, watershed health benefits, natural infrastructure inclusion, and other considerations.

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 3](#) indicates six applicants are ready to proceed: City of Bend 14510A-22, City of Bend, 14510B-22, City of Bend R14510D-22, City of Joseph 48900-22, North Unit Irrigation District 69660-21 and Rogue River Valley Irrigation District and Medford Irrigation District 78600-22.

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 2023

Currently, the loan program has \$312,610,437 net available to lend for state fiscal year 2023. [Appendix 4](#) provides the calculation of funds available for state fiscal year 2023 and includes the projections for state fiscal years 2023, 2024 and 2025. This calculation includes the federal fiscal year 2022 capitalization grant in the amount of \$17,949,000.

Sources and uses of funds

Federal capitalization grant funds and state match

To increase funds available, DEQ annually applies for and receives a capitalization grant from EPA. The grant obligates DEQ to provide a 20 percent match in new money to capitalize the fund. 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 funds) to borrowers.

DEQ raised match bonds in May 2021 to meet the match requirement for state fiscal years 2022, 2023 and 2024. [Appendix 4](#) 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 in order to provide the required 20 percent state contribution.

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 4](#) shows projected repayments (principal and interest) based on existing loan agreements for state fiscal years 2023, 2024 and 2025 in the amount of \$124,536,637 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 2024.

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 4 do not include repayments from future loan agreements not yet executed, but that could be executed and start repayment during state fiscal year 2023.

State fiscal years 2023 and 2024-25 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 2023, 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 2023, the program will pay approximately \$1,320,875 in debt service costs on bonds issued in previous years. 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) capitalization grant allocation, required subsidy, required green project reserve and state match allocation.

EPA will provide DEQ the federal fiscal year 2022 capitalization grant the amount of \$17,949,000 (*estimated*). DEQ will demonstrate \$3,589,800 in state match.

Estimated federal fiscal year 2022 capitalization grant payment schedules:

FFY-2021/Q4 (7/1/22 to 9/30/22) \$1,794,900

FFY-2022/Q1 (10/1/22-12/31/22) \$5,384,700

FFY-2022/Q2 (1/1/23-3/31/23) \$5,384,700

FFY-2022/Q3 (4/1/23-6/30/23) \$5,384,700

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

Reporting requirements

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.

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 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 \$1,794,900 to the green project reserve for federal fiscal year 2022.

[Appendix 2](#) lists the projects any of the four green project reserve qualifications categories: Green Infrastructure – GI, Water Efficiency – WE, Energy Efficiency – EE and Environmentally Innovative Activity – EIA. 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 year 2022 green project reserve requirement of \$1,794,900 by executing a loan agreement with at least one of the twelve 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 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 2022 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 capitalization grant.

In accordance with Oregon Administrative Rule [340-054-0065\(12\)\(d\)](#), DEQ determined the maximum percentage for state fiscal year 2023 to be 20 percent of the estimated 2022 capitalization grant amount, or \$3,589,800

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/sustainability criteria per Oregon Administrative Rule [340-054-0065\(12\)\(a\)\(B\)](#). Accordingly, for state fiscal year 2023, DEQ reserves \$2,512,860 for applicants that meet the affordability criteria and \$1,076,940 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.

DEQ will award up to \$500,000 in principal forgiveness per project, or 50 percent of the loan for a distressed community, or 50 percent of the eligible project costs for green/sustainability projects, whichever is less.

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	Amount
City of Bay City	22130-22	Affordability	\$150,000
City of Bend	14510A-22	Green/Sustainability	\$375,000
City of Bend	14510B-22	Green/Sustainability	\$500,000
City of Chiloquin	22130-21	Affordability	\$500,000
City of Dufur	29520-20	Affordability	\$500,000
East Fork Irrigation District	30140-22	Green/Sustainability	\$4,000,000
City of Falls City	32100-22	Affordability	\$500,000
City of Joseph	49800-22	Affordability	\$500,000
City of Madras	62370-21	Affordability	\$300,000
City of Madras	62370A-22	Affordability	\$500,000
City of Madras	62370B-22	Affordability	\$500,000
City of Madras	62370C-22	Affordability	\$500,000
North Unit Irrigation District	69660-21	Green/Sustainability	\$500,000
City of Redmond	76070-20	Green/Sustainability	\$500,000
Rogue Valley Irrigation District and Medford Irrigation District	78600-21	Green/Sustainability	\$500,000
City of Sweet Home	89750-21	Affordability	\$500,000
City of Toledo	91800A-20	Affordability	\$300,000
City of Willamina	97260-22	Green/Sustainability	\$140,000

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 **\$46,891,566**

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 2023, DEQ allocates \$78,152,609 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 2023 activity

[Appendix 5](#) includes the project priority list, anticipated loan increases and funding allocations from current funds available as calculated in [Appendix 4](#).

The top section of Appendix 5 lists borrowers that may receive increases to existing loan agreements. The lower section shows loan applicants that may become ready to proceed in the current state fiscal year.

Timely use of funds

DEQ intends to use funds in a timely and expeditious manner. [Appendix 6](#) calculates the amount of funds available in state fiscal year 2023 compared to the amount of binding commitments executed as of February 28, 2022 to demonstrate DEQ's compliance with the timely and expeditious use of funds requirement.

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.

Environmental review and compliance with 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 governments, wastewater treatment

facilities, environmental advocacy, federal and state agencies, and local conservation districts. 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 2023, Initial 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 2023, Initial Edition

Notice Issued: March 23, 2022
Comments Due: April 6, 2022

What is proposed?

The Oregon Department of Environmental Quality has prepared a *Proposed Intended Use Plan State Fiscal Year 2023, Initial 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 2023, Initial Edition* includes 22 loan applications for a total of **\$174,783,989** 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 2023, Initial Edition* and the option to sign up for notifications through GovDelivery are available on DEQ's website at:
<http://www.oregon.gov/deq/wq/cwsrf/Pages/CWSRF-IUP.aspx>.

Comments on this plan must be submitted in writing via mail, fax or email any time prior to the comment deadline of 5 p.m. on April 6, 2022 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

Appendices

Appendix 1: Project Priority List in Alphabetical Order

This Intended Use Plan includes 22 loan applications for a total of \$174,783,989 in requested funding for planning, design and construction of water quality improvements projects in Oregon.

Applicant	Application Number	Amount Requested	EPA Needs Category	Permit Number	Application Deadline	Start	Completion
Bend	14510A-22	750,000	I, II, VIII, IX, XII	WPCF 101572	21-Apr	21-Jul	23-Jun
Bend	14510B-22	1,750,000	III-B, IV-A, IV-B, VIII, IX	WPCF 101572	21-Apr	21-Jul	23-Jun
Bend	14510D-22	1,400,000	IV-A, VI-A	WPCF 101572	21-Apr	22-Apr	22-Oct
Bend	14510 E-22	3,367,315	IV-A	WPCF 101572	21-Dec	22-Feb	23-Nov
Bend	14510 F-22	2,650,000	III-B	WPCF 101572	21-Dec	22-Feb	23-Dec
Chiloquin	22130-21	1,300,000	I	OR0020320	Dec-20	Jun-21	Dec-23
Dallas	26110-20	9,000,000	I, II, XI	OR0020737	Apr-19	Jan-20	Sep-21
East Fork Irrigation District	30140-22	4,000,000	VII-A	N/A	Dec-22	Jun-22	Mar-26
Falls City	32100-22	1,700,000	I	OR0032701	21-Apr	22-Jun	23-Jun
Joseph	49800-22	3,838,600	I, II, VIII, X, XI	OR0020605	21-Aug	22-Mar	23-May
Madras	62370A-22	1,550,000	IV-B	WPCF 101739	Aug-21	Jan-22	Nov-23
Madras	62370B-22	1,030,000	IV-B	WPCF 101739	Aug-21	Sep-21	Jun-22
Madras	62370C-22	1,240,000	IV-B	WPCF 101739	Aug-21	Sep-21	Aug-24
North Unit Irrigation District	69660-21	8,150,000	VII-A, VII-B	N/A	Aug-20	Jul-21	Jul-28
Redmond	76070-20	31,000,000	I	101500	Aug-19	Jan-21	Jan-23
Redmond	76070-21	41,600,000	I, II, XI	101500	Dec-20	Feb-21	Jan-25
Rogue River Valley Irrigation District and Medford Irrigation District	78600-21	24,334,500	VII-A	N/A	Aug-20	Jun-21	Jun-25
Sheridan	83810A-19; 83810B-19	4,577,513	IV-B, VII-D	OR0020648	Dec-18	May-20	Jun-22
Sweet Home	89750-21	30,056,061	I	OR0020346	Dec-20	Jan-22	Oct-23
Toledo	91800A-20	600,000	III-A, III-B	OR0020869	Apr-19	Mar-20	Dec-20
Toledo	91800B-20	750,000	XIII	OR0020869	Aug-19	Jun-19	Dec-21
Willamina	97260-22	140,000	XIII	OR0022713	Dec-22	Dec-22	Dec-22
		174,783,989					

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
XIII	Planning and Assessments

Appendix 2: Project Priority List in Rank Order

Appendix 2 lists loan applications in rank order, applicable green project reserve category (Green Infrastructure – GI, Water Efficiency – WE, Energy Efficiency – EE and Environmentally Innovative Activity – EIA), whether the project will serve a small community and whether the loan will finance the development of a planning document.

Priority Ranking	Score	Applicant	Application Number	Amount Requested	Green Project Reserve Category and Amount	Small Community & Planning
1	83	East Fork Irrigation District	30140-22	4,000,000	WE - \$3,800,000; EE - \$200,000	SC
2	65	North Unit Irrigation District	69660-21	8,150,000	EE - \$8,150,000	SC
3	64	Sweet Home	89750-21	30,056,061	WE - \$207,000; EE - \$1,651,000	SC
4	62	Redmond	76070-21	41,600,000	GI - \$13,800,000; WE - \$4,000,000; EE - \$12,800,000; EI - \$4,200,000	N/A
4	62	Chiloquin	22130-21	1,300,000	N/A	SC
5	58	Rogue River Valley Irrigation District and Medford Irrigation District	78600-21	24,334,500	WE - \$21,604,500	SC
5	58	Falls City	32100-22	1,700,000		SC
6	48	Sheridan	83810A-19; 83810B-19	4,577,513	N/A	SC
7	47	Toledo	91800A-20	600,000	N/A	SC
7	47	Redmond	76070-20	31,000,000	EE - \$4,450,000	N/A
8	44	Dallas	26110-20	9,000,000	WE - \$1,577,000	N/A
9	43	Madras	62370A-22	1,550,000	N/A	SC
9	43	Madras	62370C-22	1,240,000	N/A	SC
10	41	Madras	62370B-22	1,030,000	N/A	SC
10	41	Joseph	49800-22	3,838,600	N/A	SC
11	40	Bend	14510E-22	2,650,000	N/A	N/A
12	36	Bend	14510F-22	3,367,315	N/A	N/A
13	35	Bend	14510D-22	1,400,000	N/A	N/A
14	23	Willamina	97260-22	140,000	EI - \$140,000	SC
15	16	Toledo	91800B-20	750,000	N/A	SC & P
16	15	Bend	14510B-22	1,750,000	EI - \$1,750,000	FP
17	14	Bend	14510A-22	750,000	EI - \$750,000	FP

Appendix 3: Applicants Ready to Proceed

The following applicants 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 & Facility Planning
17	14	Bend	14510A-22	750,000	EI - \$750,000	FP
16	15	Bend	14510B-22	1,750,000	EI - \$1,750,000	FP
13	35	Bend	14510D-22	1,400,000	N/A	
10	41	City of Joseph	49800-22	3,838,000	N/A	SC
2	65	North Unit Irrigation District	69660-21	8,150,000	EE - \$8,150,000	SC
5	58	Rogue River Valley Irrigation District and Medford Irrigation District	78600-21	\$24,334,500	WE - \$21,604,500	SC

Appendix 4: Estimated Funds Available

Appendix 4 provides the calculation of funds available for state fiscal year 2023 and includes the forecasts for state fiscal years 2023, 2024 and 2025. This calculation includes the estimated federal fiscal year 2022 capitalization grant in the amount of \$17,949,000.

	Actual Through SFY 2022	Estimated For SFY 2023	Estimated For SFY 2024-25	Total
Sources of Funds				
Federal Capitalization Grants	549,348,785	17,949,000	35,898,000	603,195,785
State Match	113,384,322	0	0	113,384,322
Investment Earnings	62,226,711	2,000,000	4,000,000	68,226,711
Loan Principal Repayments	775,933,982	45,692,559	78,844,078	900,470,619
Loan Interest Payments	222,068,087	12,774,145	19,031,418	253,873,650
Total Sources of Cash	1,722,961,887	78,415,704	137,773,496	1,939,151,087
Uses of Funds				
Loans and Amendments	1,493,916,449	0	0	1,493,916,449
Administration Expense paid with Grant	10,960,452	3,000,000	717,960	14,678,412
Debt Service on Match Bonds	134,208,539	1,320,875	2,416,375	137,945,789
Total Uses of Cash	1,639,085,439	4,320,875	3,134,335	1,646,540,649
Sources of Cash Less Uses of Cash	83,876,447	74,094,829	134,639,161	292,610,437
Net Available to Loan - SFY 2023				292,610,437

Appendix 5: Estimated State Fiscal Year 2023 Activity

Appendix 5 includes the project priority list compared to the funds available as calculated in [Appendix 4](#) and each fund reserve.

Applicant	Application No./Loan Number	Facility Planning	Small Comm.	GPR Funding (Cap Grant Year 2021)	Fund	FP,SC,GPR and Fund Total
Current Available Funds		3,000,000	78,152,609	1,794,900	209,662,928	292,610,437
Use of Available Funds - Anticipated Increases						
Bay City	22130-22 (R13842)				250,000	300,000
Coos Bay	24000D-19 (R24003)				346,340	346,340
Coos Bay	24000B-19 (R24005)				1,423,000	1,423,000
Coos Bay	24000A-19 (R24004)				13,015,156	13,015,156
Dayton	26750-20 (R26753)		3,516,325			3,516,325
Molalla	66100-20 (R66101)				22,127,909	24,833,204
Redmond	76070-21 (R76074)				35,200,000	35,200,000
Subtotals		\$ -	\$ 3,516,325	\$ -	\$ 72,362,405	\$ 78,634,025
Use of Available Funds - SFY 2022 Loan Applications						
Bend	14510A-22	750,000				750,000
Bend	14510B-22	1,750,000				1,750,000
Bend	14510D-22				1,400,000	1,400,000
Bend	1.4510E-22				3,367,315	
Bend	14510F-22				2,650,000	
Chiloquin	22130-21		1,300,000			1,300,000
Dallas	26110-20		9,000,000			9,000,000
East Fork Irrigation District	30140-22		4,000,000			4,000,000
Falls City	32100-22		1,700,000			1,700,000
City of Joseph	49800-22		3,838,600			3,838,600
Madras	62370A-22				1,550,000	1,550,000

Intended Use Plan - State Fiscal Year 2023

Madras	62370B-22				1,030,000	1,030,000
Madras	62370C-22				1,240,000	1,240,000
North Unit Irrigation District	69660-21				8,150,000	8,150,000
Redmond	76070-20				31,000,000	31,000,000
Rogue River Valley ID and Medford ID	78600-21			1,794,900	22,539,600	24,334,500
Sheridan	83810A-19		4,577,513			4,577,513
	83810B-19					-
Sweet Home	89750-21		30,056,061			30,056,061
Toledo	91800A-20		600,000			600,000
Toledo	91800B-20		750,000			750,000
Willamina	97260-22	140,000				140,000
Subtotal		2,640,000	55,822,174	1,794,900	72,926,915	127,166,674
Balance		360,000	18,814,110	0	64,373,608	86,809,738

Appendix 6: Binding Commitments and Funds Available

Funds Available as of February 28, 2022:

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
549,348,785	113,384,322	775,933,982	222,068,087	62,226,711	-156,182,490	1,722,961,887
					Admin allowance -21,973,951	
					Bond debt service -134,208,539	
					Adjusted Total of Funds Available	1,566,779,396
						1,493,916,449
Binding Commitments as a Percentage of Funds Available From 2/28/2022						95.35%