State of Oregon
Department of Environmental Quality

Oregon CWSRF Proposed Intended Use Plan 2027

Date: May 12, 2026

Document information

This document was prepared by Oregon Department of Environmental Quality

Clean Water State Revolving Fund

700 NE Multnomah Street, Suite 600

Portland Oregon, 97232

Contact: Chris Marko

Phone: 503-880-6060

Visit our website for additional information.

Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age, sex, religion, sexual orientation, gender identity, or marital status in the administration of its programs and activities.

Visit DEQ's Civil Rights and Environmental Justice page.

Table of contents

List of tables

Introduction

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

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

The Oregon Department of Environmental Quality prepares the Intended Use Plan as required by the U.S. Environmental Protection Agency and Oregon Administrative Rules to inform Oregonians and Clean Water State Revolving Fund loan applicants about how DEQ proposes to use the fund during state fiscal year 2027 (July 1, 2026, through June 30, 2027).

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 for application review and scoring periods two times per year in April and October in 2026. Loan applicants should become familiar with the CWSRF application process and loan requirements prior to applying.

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

EPA requires that each state's Clean Water State Revolving Fund program develop a project priority list, which is a primary component of the Intended Use Plan. DEQ includes applications for eligible projects on the project priority list in ranked order for financing, based on project score in Appendices 1A and 1B. 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.

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. Loan increases to existing loans receive priority over new applications.

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

This Intended Use Plan 2027 Initial Edition will be used to apply for three additional cap grants allocated for the Oregon CWSRF by EPA for Federal Fiscal Year 2026 and Oregon State Fiscal Year 2027:

- Annual base capitalization grant allocated for federal fiscal year 2026 in the amount of $8,068,000.
- Infrastructure Investment and Jobs Act supplemental capitalization grant allocated for federal fiscal year 2026 in the amount of $27,829,000.

- Infrastructure Investment and Jobs Act emerging contaminants capitalization grant allocated for federal fiscal year 2026 in the amount of $2,402,000.

As a result of Oregon CWSRF program enhancements and incentives related to the 2021 Infrastructure Investment and Jobs Act, EPA federal funding is critical to support the program as demand and loan activity is increasing. DEQ adjusted the program to address requirements and priorities of the Infrastructure Investment and Jobs Act including increasing principal forgiveness, planning loans with principal forgiveness, updating affordability criteria, technical assistance for loan readiness and focus on timely and expeditious use of funds. These program enhancements are resulting in a record number of applications for Oregon CWSRF funding and increased loan activity for the program, which is expected to continue this year.

Note: Federal Infrastructure Investment and Jobs Act funds will be expiring this year, which will reduce the amount of principal forgiveness available and required for the Oregon CWSRF to provide. The program is revaluating principal forgiveness limits and priorities based on reduced principal forgiveness (PF) so effectively target limited principal forgiveness to projects and borrowers in the future. The program plans to update PF limits and priorities consistent with eligibility criteria and requirements per Clean Water Act and Oregon Administrative Rules to implement October 2026 and will update information in future IUPs.

Program goals

Mission statement:

Oregon's Clean Water State Revolving Fund program supports communities by financing projects that improve water quality and environmental outcomes. The program is dedicated to working with small communities and on water quality projects that increase financial and environmental sustainability, 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.
   - 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, 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 aligns 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 Annual Report 2025 demonstrates actions taken to achieve the program's goals.

Infrastructure Investment and Jobs Act priorities

The Infrastructure Investment and Jobs Act, Nov. 15, 2021, includes supplemental federal funding for Clean Water State Revolving Fund programs with new requirements and priorities. This Intended Use Plan addresses IIJA requirements and priorities in accordance with the Clean Water Act and EPA.

Principal forgiveness

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

Note: The program will continue to provide principal forgiveness based on these criteria and limits for loans signed through Sept. 30, 2026. The program anticipates new limits starting Oct. 1, 2026, which will be updated in future IUPs as noted in previous sub section.

Affordability criteria

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

To address EPA and IIJA requirements and priorities, the Oregon CWSRF program conducted a rulemaking in 2022 – 23. New rules adopted in 2023 allow the program to provide more principal forgiveness on a per loan basis and to document scoring criteria in the Intended Use Plan. These program updates are documented in Appendix 5 –Affordability criteria metrics, Appendix 6 – Project scoring criteria and Appendix 7 – Principal forgiveness eligibility criteria and limits of this IUP. The program will also conduct outreach and provide technical assistance to further address needs of communities in Oregon.

Technical assistance

Oregon CWSRF has developed technical assistance services internally for the program focused on loan readiness. The primary goal of CWSRF Technical Assistance for Loan Readiness is to provide communities on the IUP with assistance to help them move through the application process more efficiently, effectively, become better prepared to sign their CWSRF loan and meet EPA's timely and expeditious requirements. The program has dedicated staff to identify cohorts of applicants to provide technical assistance focused on meeting program requirements and moving forward to loan commitment in a timely and expeditious manner. Technical assistance is customized to meet specific needs of applicants to help understand requirements and move through the process from application to loan commitment, which may include:

- Trouble shooting areas of concern that may include financial management, environmental review crosscutter requirements, and other administrative challenges
- Working with external consultants/technical assistance providers, which may include EPA technical assistance, to share with cohort members as appropriate
- Ongoing meetings with communities to identify needs, provide direct assistance and identify action items that will resolve issues in a timely manner
- Provide specific services to each cohort based on their needs so communities can go through similar trainings, webinars, coaching and find solutions to current challenges while also working with others to share lessons learned and other strategies

Oregon DEQ CWSRF will not use federal capitalization grant funds for technical assistance. DEQ continues to assess needs and resources for technical assistance and coordinates with EPA region 10 staff regarding technical assistance by EPA and Oregon CWSRF in Oregon.

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, 2026, the program has approximately $2.44 million in the administrative fund. For state fiscal year 2027, DEQ will not utilize the annual capitalization

grant award toward program administrative expenses. DEQ will use loan repayment and admin funds up to four percent of federal capitalization grant amounts as allowed to cover 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. Current interest rates are based on the average municipal bond rates during the April 1 to June 30, 2026, period. New rates for the next quarter will be calculated and published on the Clean Water State Revolving Fund website on July 1, 2026.

Applications and program funding solicitation

DEQ conducts Annual Solicitation throughout the year. Program staff continues to conduct outreach with program information through Loan Information Request Form meetings, coordination with funding partners, One Stop meetings, conference and training events including League of Oregon Cities, Oregon Infrastructure Summit, Oregon Association of Clean Water Agencies, Oregon Infrastructure Workshops, and responding to inquiries, which are increasing as a result of program enhancements related to IIJA. Although DEQ accepts loan applications at any time, DEQ reviews and scores applications three times per year. The most recent application round for this Intended Use Plan was Dec. 12, 2025. Application deadlines for calendar year 2026 are April 10, 2026, and Oct. 9, 2026.

Under Oregon Administrative Rule 340-054-0025(6)(a), project applications may 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. Projects that have a design portion loan to be amended for construction remain on the IUP.

This Intended Use Plan 2027 Initial Edition includes 20 new loan applications requesting $61,738,165 from the December 2025 round of applications. The Proposed IUP 2027 Initial Edition includes a total of 78 loan applications on the Project Priority List including 58 non-planning (design/construction) loan applications requesting 445,364,601 and 20 planning loan applications requesting $6,845,100 for a total of $452,209,701 requested from the fund.

Table 1 - Intended Use Plan New Loan Applicants

Applicant	Application Number	Project Type and Name	Amount Requested
Arnold Irrigation District	24605	Section 212, Construction, Arnold Irrigation District Infrastructure Resiliency and Modernization Project	$ 8,699,900
City of Ashland	10498	Section 212, Design and Construction, Wastewater Treatment Plant Headworks Upgrade	$ 7,605,265
City of Bandon	77131	Section 212, Planning Wastewater Facility Plan	$100,000
City of Bend	19470	Section 212, Design and Construction, Airpark and Waco Sewer Project	$1,590,000
City of Bend	31695	Section 212, Design and Construction, Denning and Juniperhaven Sewer Project	$2,000,000
Clackamas Water Environment Services (WES)	12032	Section 319, Design and Construction, Sponsorship Option, Rose Creek and Mt Scott Creek Riparian Restoration Projects	$1,200,000
Clackamas Water Environment Services (WES)	65331	Section 212, Construction, Sponsorship Option, Middle Clackamas Interceptor Improvements	$23,500,000
City of Gold Beach	55016	Section 212, Planning, Wastewater Facility Plan	$100,000
City of Heppner	31544	Section 212, Planning, Wastewater Facilities Plan	$100,000
City of Hines	70616	Section 212, Planning, Wastewater Facilities Plan Revision	$100,000
City of Lincoln City	79103	Section 212, Design and Construction, 2nd Street Inflow and Infiltration Project	$8,000,000

Applicant	Application Number	Project Type and Name	Amount Requested
Medford Irrigation District	81809	Section 319, Design and Construction, Joint System Canal Modernization Project	$4,000,000
City of Myrtle Creek	53710	Section 212, Planning, Facilities Plan Amendment	$100,000
City of Port Orford	93479	Section 319, Design and Construction, Failing Vista Access Culvert Removal Project	$254,000
City of Reedsport	68700	Section 212, Planning, Wastewater Facility Plan	$100,000
City of Riddle	02531	Section 212, Planning, Wastewater Collection System Master Plan Amendment	$100,000
City of Stanfield	59187	Section 212, Planning, Effluent Outfall Inspection Report and Mixing Zone Study	$89,000
Terrebonne Sanitary District	85404	Section 212, Planning, Terrebonne Sanitary District Annexation Planning	$100,000
Tumalo Basin Sewer District	35320	Section 212, Planning, Tumalo Sewer Planning Phase 2: Environmental Review & Financial Readiness	$100,000
City of Warrenton	55127	Section 212, Design and Construction, Wastewater MBR Treatment Plant	$3,900,000

Since July 1, 2025 (beginning of SFY 2026) through March 13, 2026, DEQ executed 48 new and amended loan agreements totaling $166,175,747 listed on Table 2 below:

Table 2 – New and Amended Loans Beginning SFY 2026 (July 1, 2025 – March 13, 2026)

Applicant / Barrower	Application Number	Project Name	Loan Type	Loan Number	Type of Action	Action Date	Amount	Design Pending Construction
City of Brookings	18230-23	Brookings Wastewater System Improvement Project	D/C	R18231	New	7/18/2025	$24,996,000.00	No
City of Elkton	30770-24	Wastewater Facility Plan	P	RC0008	New	7/23/2025	$100,000.00	No
Town of Canyon City	62414	Wastewater Feasibility Study	P	RC0013	New	7/24/2025	$100,000.00	No
City of Glendale	37410-25	Wastewater Facility Plan	P	RC0011	New	7/30/2025	$200,000.00	No
City of Burns	19400-25	Burns Wastewater System Master Plan	P	RC0012	New	7/30/2025	$100,000.00	No
Rogue Valley Sewer Services (RVSS)	78495D	Cummins Stormwater Quality Facility	D/C	R78491	Amendment - Increase	8/11/2025	$36,901.00	No
City of Silverton	84470-25	City of Silverton Sewer Master Plan Update	P	RC0006	New	8/15/2025	$125,000.00	No
City of Ashland	DNA	Outfall Relocation Project	D/C	R11755	Amendment - Close Out	8/20/2025	-$6,775.00	No
City of Port Orford	74100-23	N. Hubbard Creek Acquisition	D/C	R74101	Amendment - Close Out	8/21/2025	-$17,062.00	No
Tri City Water and Sanitary Authority	81421	Inflow and Infiltration Improvements Project	D/C	RC0018	New	9/8/2025	$110,000.00	Yes

Applicant / Barrower	Application Number	Project Name	Loan Type	Loan Number	Type of Action	Action Date	Amount	Design Pending Construction
City of Estacada	31741	New WW Treatment Plant	D/C	RC31741	Amendment - Increase	9/8/2025	$46,500,000.00	No
City of Sutherlin	00298	Wastewater Collection System and Wastewater Facility Master Plan	P	RC0021	New	9/11/2025	$180,000.00	No
Bunker Hill Sanitary District	35783	Wastewater Collection System Master Plan	P	RC0019	New	9/15/2025	$100,000.00	No
City of Redmond	76070-21	Redmond Wetlands Complex	D/C	R76074	Amendment - Increase	10/6/2025	$34,850,000.00	No
City of Clatskanie	22650-25	New WWTP	D/C	RC0017	New	10/21/2025	$20,172,605.00	No
City of Astoria	11795	Sewer Lift Stations Rehabilitation	D/C	R11795	Amendment - Increase	10/27/2025	$3,084,108.00	No
Terrebonne Sanitary District	61346	Terrebonne Annexation & District Management Plan	P	RC0027	New	10/28/2025	$100,000.00	No
City of Rainier	75260-24	Wastewater Collection System Master Plan	P	R75265	Amendment - Close Out	10/28/2025	-$31,644.00	No
City of Madras	35335	Wastewater Master Plan update	P	RC0023	New	10/31/2025	$100,000.00	No
City of Tillamook	40636	Basin 3 WW I&I Feasibility Study and PER	P	RC0016	New	10/31/2025	$100,000.00	No

Applicant / Barrower	Application Number	Project Name	Loan Type	Loan Number	Type of Action	Action Date	Amount	Design Pending Construction
Clackamas Soil and Water Conservation District (CSWCD)	22408	Septic R/R & Water Conservation	D/C	R22408	Amendment - Increase	10/27/2025	$1,500,000.00	No
City of Coos Bay	24000-15	Sponsorship option, Stormwater Management Plan, Riparian Restoration, Low impact urban rain gardens	D/C	R24001	Amendment - Close Out	11/3/2025	-$285,401.00	No
City of Winston	32730	Sewer Siphon Project	C	RC0028	New	11/5/2025	$2,508,200.00	No
City of Pendleton	95698	WWTRRF Upgrades	D/C	RC0029	New	11/5/2025	$955,400.00	Yes
City of Canyonville	23122	Wastewater Collection System Master Plan	P	RC0026	New	11/13/2025	$100,000.00	No
Government Camp SD	38837	2024-2025 Collection Systems Upgrades	D/C	RC0025	New	11/19/2025	$510,000.00	No
Klamath Drainage District	17877	Community Canal Solar	D/C	RC0022	New	12/9/2025	$2,949,993.00	Yes
Port of Tillamook Bay	91561	Wastewater Improvements	D/C	R91561	Amendment - Increase	12/17/2025	$402,006.00	No
Oak Lodge WSD	72474	Tertiary Treatment - Disk Filters	D/C	RC0015	New	12/17/2025	$14,000,000.00	No
City of Willamina	97260	Wastewater Facilities Plan Study	P	R97260	Amendment - Close Out	12/18/2025	-$20,970.55	No

Applicant / Barrower	Application Number	Project Name	Loan Type	Loan Number	Type of Action	Action Date	Amount	Design Pending Construction
City of La Pine	55700	Wastewater treatment facility improvements	D/C	R55700	Amendment - Close Out	1/7/2026	-$1,248,870.00	No
City of Myrtle Point	57419	Facility Plan Update	P	RC0031	New	1/7/2026	$100,000.00	No
Westport Sewer Service District	13631	Wastewater System Improvements Design	P	RC0034	New	1/7/2026	$100,000.00	No
City of Reedsport	18703	Clear Lake Parcel Acquisition	D/C	RC0039	New	1/12/2026	$1,000,000.00	No
Rogue Valley Sewer Services (RVSS)	78491	Cummins Stormwater Project	D/C	R78491	Amendment - Close Out	1/15/2026	-$1,270.00	No
Rogue River Valley Irrigation District	26451	Floating Solar	D/C	RC0035	New	1/15/2026	$1,526,000.00	Yes
Ochoco Irrigation District	72106	Community Floating Solar	D/C	RC0038	New	1/23/2026	$1,450,000.00	Yes
City of Yoncalla	38666	Collection System Master Plan	P	RC0032	New	1/23/2026	$100,000.00	No
City of Wheeler	96340	Hemlock Street Engineering Report	P	R96340	Amendment - Increase	1/23/2026	$46,000.00	No
Tillamook County	91571	Manzanita Transfer Station Expansion and Repair	D/C	R91571	Amendment - Increase	1/23/2026	$740,974.00	No
South Suburban SD	2766	SSSD WWTP Upgrades	D/C	RC0037	New	1/29/2026	$6,000,000.00	Yes

Applicant / Barrower	Application Number	Project Name	Loan Type	Loan Number	Type of Action	Action Date	Amount	Design Pending Construction
Port of Morrow	89109	Secondary Treatment Improvements	D/C	RC0002	New	2/9/2026	$2,007,550.00	Yes
Tumalo Basin Sewer District	00278	Tumalo Basin Sewer District Planning Project	P	RC0033	New	2/11/2026	$100,000.00	No
Lone Pine ID	58710	Design for irrigation canal improvements	D/C	R58710	Amendment - Increase	2/12/2026	$200,000.00	No
City of Wasco	60081	Wastewater Master Plan Update	P	RC0010	New	2/12/2026	$100,000.00	No
City of Umatilla	51054	Umatilla WWTP Capacity Improvements	D/C	RC0043	New	2/12/2026	$200,000.00	Yes
City of Joseph	49802	Wastewater System Improvements - 2022	D/C	R49802	Amendment - Close Out	3/10/2026	-$309,923.00	No
City of John Day	48819	New WWTF Construction	D/C	RC0024	New	3/13/2026	$546,926.00	Yes
Total							**$166,175,747**	

Project descriptions include:

- Planning loan applications, design and construction loan applications, applications with loans signed for design to be amended for construction.
- Type of loan, loan amount and application numbers.
- 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).
- Reference to a Comprehensive Conservation and Management Plan for estuary management projects if applicable.
- Projects eligible for IIJA Emerging Contaminants funding included in project descriptions.

Project descriptions

Planning Loan Applications

City of Bandon (Coos County)

Loan application number: 77131
Amount requested: $100,000

Section 212, Planning, Wastewater Facility Plan. An update to the 2002 Wastewater Facility Plan will be developed, evaluating the existing plant's system conditions, capacity, any NPDES permit renewal requirements, develop plans for flood resiliency, and identify improvement projects with potential benefits of reducing inflow and infiltration, operations costs, energy consumption, and improving the useful life of equipment, including the pump stations and collection system reliability. A 3-phase capital improvement plan will be developed, including preliminary designs, layouts, costs, scheduling, and phasing of priorities over a 20-year period. A financing plan will be formulated considering O&M costs of improvements projects and a draft report will be assembled for review and comment by all stakeholders.

City of Bend (Deschutes County)

Loan application number: 26677
Amount requested: $500,000

Section 212, Planning, Stormwater Master Plan. Planning project to generate an updated stormwater master plan for the City of Bend. The city has specific deadlines in their NPDES MS4 permit. This project will incorporate recommendations for projects, programs, policies, and standards that will be targeted at regulatory compliance and meeting deadlines. The plan will address drainage and density, hydrogeological assessments, stakeholder engagement, existing facilities condition and capacity assessment, and city stormwater goals.

Clackamas Water Environmental Services (WES) (Clackamas County)

Loan application number: 80019
Amount requested: $100,000

Section 212, Planning, Hoodland WRRF Facility Plan. Clackamas WES' Hoodland WRRF Facility Plan will include a detailed assessment of the facility's condition, completion of its asset management database, and an analysis of current and future regulatory requirements. It will

also evaluate treatment alternatives, recommend a preferred approach, and outline an implementation plan. The plan aims to clearly communicate the planning process and recommendations to stakeholders, identify improvements that enhance treatment performance, reduce the risk of permit violations, and protect water quality in the Sandy River watershed.

Crescent Sanitary District (Klamath County)

Loan application number: 87385
Amount requested: $100,000

Section 212, Planning, Gilchrist Redesign and Replacement – Preliminary Engineering Report. Crescent Sanitary District will conduct a preliminary engineering report to replace the collection system for the community of Gilchrist. The existing system is comprised of terra cotta pipe, which is failing due to age and root encroachment and likely leading to contamination of the Little Deschutes River, residential yards and subsurface aquifers used to supply public drinking water for Gilchrist. The existing system needs to be mapped and surveyed including mainlines, location of manholes and analysis of design calculations to relocate all mainline and manholes for access in the future for maintenance. A goal of this analysis is to connect as many homes as possible to a gravity system. The preliminary engineering report can be used in public outreach forums with the community for education, input and support for plans and a future collection system project. This planning effort does not include the preparation of bid documents for construction, specifications, or construction of the redesigned system. Crescent Sanitary District can use the plan and design information to apply for additional funding to complete construction. The preliminary engineering report and environmental assessment portion of this project is a critical first step in replacing the collection system in the future.

City of Culver (Jefferson County)

Loan application number: 54946
Amount requested: $100,000

Section 319, Planning, City of Culver Stormwater Improvement Project - Stormwater Master Plan. The City of Culver requests $100,000 to support planning for a new stormwater system, including comprehensive design, wetland delineation and stream function assessment, environmental review, and cultural resource evaluation and monitoring. This effort will mitigate chronic drainage issues and flooding across the City by implementing a phased stormwater infrastructure upgrade that emphasizes the incorporation of existing and natural infrastructure, such as the existing and adjacent constructed wetlands located north of the City, mitigating strain on City capacity and finances in the long term.

Emerging Contaminants: The proposed planning effort will guide the design and implementation of a new stormwater system to better manage emerging contaminants such as sediments, pesticides, nutrients, and endocrine-disrupting chemicals. The current system is undersized and cannot adequately treat these pollutants, which pose environmental and public health risks. Located in a low-lying basin surrounded by farmland, the City receives agricultural runoff during flood events that clogs ditches and pipes with contaminated debris. Crews have also observed oily sheen on roadways, indicating oil-based contamination. The planned improvements will increase conveyance capacity, reduce flooding, and decrease exposure to pollutants. Stormwater will be routed through constructed wetlands that provide passive treatment through sedimentation, biological uptake, and natural breakdown, reducing contaminant movement into soil and groundwater. Although sampling has not yet been

conducted, the City recognizes the risk of emerging contaminants and is monitoring evolving regulatory requirements.

City of Dayville (Grant County)

Loan application number: 27499
Amount requested: $100,000

Section 212, Planning, City of Dayville Sewer Project. The purpose of the planning effort is to enable the City of Dayville to be able to get a mixing zone study, a rate study, a feasibility study and to get the recycled water reuse plan updated. These studies and plan are important so that the City of Dayville can ensure the safety of the public health and make sure they are within their permit regulations. The feasibility study will help the city determine what updates will be needed for the existing sewer facility.

Gleneden Sanitary District (Lincoln County)

Loan application number: 00742
Amount requested: $3,750,000

Section 212, Planning, Wastewater Treatment Plant Facilities Plan. The facility plan will further identify and solidify options for a new wastewater treatment plant and outfall. The plan will include a final project recommendation. The objective of the plan is to benefit public health by safely and environmentally providing sanitary sewer service.

City of Gold Beach (Curry County)

Loan application number: 55016
Amount requested: $100,000

Section 212, Planning, Wastewater Facility Plan. An update to the 2006 Wastewater Facilities Plan will be developed evaluating the existing plant's system conditions, capacity, NPDES permit renewal requirements and identify improvement projects with potential benefits of reducing inflow and infiltration, operations costs, energy consumption and improving useful life of equipment, including pump stations and collection system reliability. A 3-phase capital improvement plan will be developed, including preliminary designs, layouts, costs, scheduling and phasing of priorities over a 20-year period. A financing plan will be formulated considering O&M costs of improvements projects and a draft report will be assembled for review and comment by all stakeholders.

City of Heppner (Morrow County)

Loan application number: 31544
Amount requested: $100,000

Section 212, Planning, Wastewater Facilities Plan. The City is proposing to complete a Wastewater Facilities Plan (WWFP) to evaluate the present condition of the wastewater system components, establish design criteria for the proposed planning period, identify recommended system improvements, and pursue project design and construction funding. The WWFP will also include large-scale collection system investigations to evaluate the integrity of the collection system piping, which has not been inspected in more than 30 years.

City of Hines (Harney County)

Loan application number: 70616
Amount requested: $50,000

Section 212, Planning, City of Hines Wastewater Facilities Plan Revision. The City of Hines intends to revise its draft WWFP in accordance with DEQ requirements. The WWFP revision will include updated design criteria; evaluation of the existing collection, treatment, and disposal systems; development of improvement alternatives and estimated project costs; determination of a preferred alternative for a long-term solution; and a complete financial analysis of the preferred alternative. The completed WWFP will provide the city with a comprehensive planning document that will identify and prioritize needed system improvements and allow the City to appropriately plan and budget for the selected improvements, including improvements to accommodate the recently proposed residential development. The planning effort also includes developing a Wastewater System Emergency Response and Notification Plan, which is a Water Pollution Control Facilities (WPCF) Permit requirement.

City of Lakeview (Lake County)

Loan application number: 71015
Amount requested: $100,000

Section 212, Planning, Lakeview Wastewater Facility Plan, Infiltration & Inflow, & System Development Charge System Study. The proposed planning effort will develop a Wastewater Facility Plan (WWFP) for the Town of Lakeview, which to this point has never had a WWFP, along with an Infiltration & Inflow (I&I) Study. This will allow for the development of a System Development Charge (SDC)/Rate Study, which will allow the Town to appropriately charge its customers to support future capital projects and improvements. Together, the WWFP, I&I Study and Rate Study will allow the Town to ensure it can continue providing reliable sewer service to its customers while also maintaining permit requirements and water quality objectives.

City of Myrtle Creek (Douglas County)

Loan application number: 53710
Amount requested: $100,000

Section 212, Planning, Facilities Plan Amendment. This new Facilities Plan will evaluate current conditions, identify sustainable alternatives and improvements, and promote continued compliance with the City's NPDES permit. Anticipated population increases over the next 20 years further underscore the need for a forward-looking strategy to protect water quality and public health.

City of Prairie City (Grant County)

Loan application number: 68409
Amount requested: $100,000

Section 212, Planning, City of Prairie City Wastewater Facilities Plan. The Wastewater Facilities Plan will be updated to address the current wastewater system and the current and future needs. The document will provide a detailed study of the inflow and infiltration issue the system has. The document will identify projects to improve the system, reduce I/I, and expand the system into underserved areas within the city limits and Urban Growth Boundary. High potential flow from I/I reduces the capacity of the system and increases the potential for breakdowns and overflows, creating unsafe/unhealthy conditions for the operators and the general public.

City of Reedsport (Douglas County)

Loan application number: 687000
Amount requested: $100,000

Section 212, Planning, Wastewater Facility Plan. The Wastewater Facility Plan project will be an update to the city's 2004 Wastewater Facility System Plan, evaluating the existing plant's system conditions, capacity, NPDES permit renewal requirements, and identify improvement projects with potential benefits of reducing inflow and infiltration, operations costs, energy consumption and improving useful life of equipment, including pump stations. A capital improvement plan will be developed, including preliminary designs, layouts, costs, scheduling and phasing of priorities over a 20-year period. A financing plan will be formulated considering O&M costs of improvements projects and a draft report will be assembled for review and comment by all stakeholders.

City of Riddle (Douglas County)

Loan application number: 02531
Amount requested: $100,000

Section 212, Planning. Wastewater Collection System Master Plan Amendment. This new plan will review alternatives for sustainable infrastructure regarding the City's aging wastewater collection system and promote compliance with the City's NPDES permit. The population trends for the City will be analyzed to provide a forward-looking strategy to protect the community's water quality and public health for the next 20 years. With a new housing development currently being implemented on the north-east side of the town an updated Plan is essential in supporting the growing community.

City of Stanfield (Umatilla County)

Loan application number: 59187
Amount requested: $89,000

Section 212, Planning, City of Stanfield Effluent Outfall Inspection Report and Mixing Zone Study. The Effluent Outfall Inspection Report and Mixing Zone Study will analyze the City's outfall conditions, evaluate impacts of treated wastewater disposal into the Umatilla River, and help determine the appropriate size of the City's mixing zone. The Effluent Outfall Inspection Report and Mixing Zone Study will satisfy the City's National Pollutant Discharge Elimination System (NPDES) Permit requirement of completing an Effluent Outfall Inspection Report by June 2026 and an updated Mixing Zone Study by December 2026.

Terrebonne Sanitary District (Deschutes County)

Loan application number: 85404
Amount requested: $100,000

Section 212, Planning, Terrebonne Sanitary District Annexation Planning. This planning loan will include: community outreach to connect with residents for additional annexation into the district, legal fees, surveying, and admin costs to support the annexation process, a contract to develop the district's user charge system, including monthly rates and connection charges, and complete preliminary engineering and design for annexed properties. Connecting more properties to the TSD will improve public health by reducing the amount of hazardous waste that leaks into the ground, local water sources, and public areas.

City of The Dalles (Wasco County)

Loan application number: 06433
Amount requested: $650,000

Section 212, Planning, The Dalles Wastewater Plan Update. The project will provide a 10-year update to the City's 20-year Wastewater Facilities Plan as it applies to the wastewater treatment plant. The updated Plan will improve water quality and thereby protect public health of recreationists in the Columbia River by addressing a compliance issue of a broken outfall pipe. The updated Plan will identify any plant improvements needed to maintain NPDES permit compliance as the community grows, and as additional low-strength wastewater is received from new data centers.

Tumalo Basin Sewer District (Deschutes County)

Loan application number: 35320
Amount requested: $100,000

Section 212, Planning, Tumalo Sewer Planning Phase 2: Environmental Review and Financial Readiness. This planning effort will build upon the District's Preliminary Engineering Report (PER) and wastewater planning efforts. This effort will substantially complete the State Environmental Review Process (SERP) required for future DEQ design/construction loan and update the project's financial plan - including preparing a refined 30% design cost estimate and updating the PER pro-forma and user charge analysis with the latest project costs and financial data. By addressing environmental review and financial sustainability, the District will be prepared to secure construction funding and proceed with improving wastewater infrastructure to protect water quality, safeguarding the Deschutes River and local groundwater, and enhancing public health in Tumalo.

City of Yoncalla (Douglas County)

Loan application number: 21803
Amount requested: $100,000

Section 212, Planning, City of Yoncalla Wastewater Treatment Plant (WWTP) Upgrades. The Dyer Partnership Engineers and Planners, Inc. (The Dyer Partnership) prepared a Wastewater Facilities Plan (WWFP) for the City of Yoncalla (City) in 2024. The WWFP was conditionally approved by the Oregon Department of Environmental Quality (DEQ) in March 2024. Recommended WWTP upgrades, as presented in the WWFP, will address ongoing discharge permit compliance issues, as well as provide upgrades to ensure compliance with the upcoming ammonia discharge permit limit.

Design and Construction Loan Applications

Arnold Irrigation District (Deschutes County)

Loan application number: 24605
Amount requested: $8,699,900

Section 319, Construction, Arnold Irrigation District Infrastructure Resiliency and Modernization Project. The Arnold Irrigation District Infrastructure Resiliency and Modernization Project will enclose 11.9 miles (62,868 length-feet) of open porous canal into leak-free piping resulting in the conservation of 11,083 acre-feet (AF) of water per year. Piping the canals has two

immediate outcomes: (1) a substantial reduction in water quantity diverted; and (2) substantial increase of water quantity remaining instream. These outcomes have an immediate benefit to improving streamflow that will result in improvements to water quality, habitat, and habitat availability in the Deschutes River downstream from Wickiup Reservoir.

City of Ashland (Jackson County)

Loan application number: 10498
Amount requested: $7,605,265

Section 212, Design and Construction, Wastewater Treatment Plant Headworks Upgrade. The new facilities include replacement of the existing mechanical bar screen, addition of a second mechanical bar screen and constructing a new separate downstream grit removal facility.

City of Athena (Umatilla County)

Loan application number: 96648
Amount requested: $4,544,000

Section 212, Design and Construction, Wastewater System Improvements- 2027. The purpose of the project is to eliminate the existing mechanical treatment plant and lift station to avoid a costly plant upgrade. The existing storage pond and wetland cells can be modified to use aerated facultative lagoons for treatment, followed by the current wetland cell treatment and disposal of treated wastewater. The current discharge method will not change.

City of Aumsville (Marion County)

Loan application number: 24280
Amount requested: $23,977,650

Section 212, Construction, Aumsville Wastewater System Improvements. The City of Aumsville plans to construct a new treatment plant that will meet discharge limits for ammonia related to their NPDES permit and address a Mutual Agreement and Order with DEQ. In addition to addressing ammonia, the new treatment plant will improve biological oxygen demand (BOD), total suspended solids (TSS), which will reduce bacteria, address dissolved oxygen levels and reduce nitrates in the effluent. The City will also complete upgrades to the wastewater collection system including reconstruction of 5,350 feet of gravity mainline pipe and increases to the size of pipes that are operating over capacity, particularly during storm events. The proposed improvements also include removal of biosolids from lagoons. These improvements will allow the City to treat wastewater to the higher standard to achieve compliance with the NPDES permit and increase capacity for the collection system for reliability and resiliency.

City of Bay City (Tillamook County)

Loan application number: 17848
Amount requested: $ 730,000

Section 319, Design and Construction, Patterson Creek Culvert Replacement. The City of Bay City will remove one culvert on 7th St. and one culvert on 8th Street from Patterson Creek. The 7th St. undersized culvert will be replaced with a fish passage structure; the 8th St. culvert removal will result in an open channel. The project will also result in relocating approximately 350 linear feet of water main, 560 lineal feet of new sewer pipe, a small sewer lift station and one block of new street. This project also includes creek bed restoration, wetland and vegetated

corridor plantings and placement of woody debris in the creek for habitat. As phase 1 of a much larger effort, this project will begin to bring reliability and resiliency to the city's infrastructure and crucial upgrades to address winter storms in the Pacific Northwest.

City of Bend (Deschutes County)

Loan application number: 77739
Amount requested: $10,000,000

Section 212, Design and Construction, South Awbrey Butte Drainage Improvements. Drainage issues on South Awbrey Butte have persisted for decades and continue to inconvenience residents and require a disproportionate amount of the City of Bend's maintenance resources and funding. In 2017, the South Awbrey Butte Drainage Study was completed that identified 7 major Preferred Improvement Areas. In 2023, the highest priority PIA, the Newport Corridor Improvements Project, was completed at the base of Awbrey Butte to collect and treat runoff at the bottom of the watershed before it infiltrated into Underground Injection Control areas or discharged into the Deschutes River. The scope of this project will be to design and construct the six remaining PIAs upstream of Newport Avenue to capture runoff and convey it to minimize property damage resulting from flooding. Specific drainage issues identified include locations of flooding, non-compliant structures, insufficient pipe capacity and inlet clogging.

City of Bend (Deschutes County)

Loan application number: 57924
Amount requested: $3,425,000

Section 212, Design and Construction, Azalia and Windsor Sewer Project. The project is part of the City of Bend's Septic to Sewer Conversion program. The scope for the Windsor Drive portion of the project includes design and construction of approximately 2,345 linear feet of gravity sewer main and service laterals on Windsor Drive from Woodside Ct to Brosterhous Rd., extending down Brosterhous Rd. and tying into a manhole just south of the under crossing with BNSF railroad. The scope for the Azalia Avenue portion of the project includes design and construction of approximately 1,650 linear feet of pressure sewer main and pressure service laterals on Azalia Ave from Fargo Ln, to just east of Pettigrew Rd. as well as on Fargo Ln between Gardenia Ave and Thomas Dr. The sewer main and lateral installation on both project portions will result in full-width roadway/pavement reconstruction to current City standards. The Project will allow 52+ properties to decommission septic systems and connect to public sewer supporting water quality protection and helping to eliminate potential public health hazards associated with failing septic systems.

This project addresses potential sources of emerging contaminants (including PFAS) in that septic systems lack treatment capability. Connecting septic systems to centralized sewer systems is progress toward mitigating impacts of emerging contaminants.

Emerging contaminants: Decommissioning septic systems that may contribute to PFAS and other pollutants reduces the risk for discrete conveyance and contamination of groundwater sources and allows for the opportunity to centrally collect and treat at a publicly operated treatment facility. Centralized treatment affords the City an opportunity to provide treatment services at scale for current and future pollutants of concern. Many septic systems are not currently designed, or are in an existing condition, to remove such pollutants. PFAS has been found in toilet paper products and originates from consumer products such as food packaging, nonstick cookware, and household cleaning products. Due to the common presence of these

products in households, raw sewage may contain PFAS. Connecting septic systems to centralized sewer systems is progress towards mitigating impacts of emerging contaminants.

City of Bend (Deschutes County)

Loan application number: 75180
Amount requested: $2,875,000

Section 212, Design and Construction, King Hezekiah and Fargo Sewer Project. The project is part of the City of Bend's Septic to Sewer Conversion program. The scope for the project includes design and construction of approximately 2,925 linear feet of gravity sewer main and service laterals on SE King Hezekiah Way between SE 15th St. an SE King Jehu Way and on Fargo Lane between SE Perrigan Ln and SE Orion Dr. The sewer main and lateral installations on both project portions will result in full-width roadway/pavement reconstruction to current City standards. The Project will allow 42+ properties to decommission aging septic systems and connect to public sewer supporting water quality protection and helping to eliminate potential public health hazards associated with failing septic systems. This project addresses potential sources of emerging contaminants (including PFAS) in that septic systems lack treatment capability. Connecting septic systems to centralized sewer systems is progress toward mitigating impacts of emerging contaminants.

Emerging contaminants: Decommissioning septic systems that may contribute PFAS and other pollutants reduces the risk for discrete conveyance and contamination of groundwater sources and allows for the opportunity to centrally collect and treat at a publicly operated treatment facility. Centralized treatment affords the City an opportunity to provide treatment services at scale for current and future pollutants of concern. Many septic systems are not currently designed, or are in an existing condition, to remove such pollutants. PFAS has been found in toilet paper products and also originates from consumer products such as food packaging, nonstick cookware, and household cleaning products. Due to the common presence of these products in households, raw sewage may contain PFAS. Connecting septic systems to centralized sewer systems is progress towards mitigating impacts of emerging contaminants.

City of Bend (Deschutes County)

Loan application number: 73369
Amount requested: $8,675,000

Section 212, Design and Construction, Southwest Sewer Basin Improvements Phase 3. The purpose of the project is to address sewer deficiencies in the southwest basin of the City as outlined in the 2018 Public Facilities Plan and further identified by City of Bend Utility Department including pump station decommissioning and eliminating on-site septic system issues. The installation of sewer may result in a full-width and full-depth pavement restoration within the existing roadways, as well as address any stormwater concerns within the project area. The project provides overall system reliability and will protect water quality and help eliminate potential health hazards associated with failing septic systems and/or potential pump station failures. This project addresses potential sources of emerging contaminants (including PFAS) in that pump stations and septic systems have limited (or lack) treatment capability respectively. Connecting septic systems to centralized sewer systems and eliminating pump stations are progress toward mitigating impacts of emerging contaminants.

Emerging contaminants: Eliminating pump stations, which have the potential to fail and release raw sewage as well as decommissioning septic systems that may contribute PFAS and other pollutants, reduces the risk for discrete conveyance and contamination of groundwater

sources and allows for the opportunity to centrally collect and treat at a publicly operated treatment facility. Centralized treatment affords the City an opportunity to provide treatment service at scale for current and future pollutants of concern. Many septic systems are not currently designed, or in an existing condition, to remove such pollutants. PFAS has been found in toilet paper products and also originates from consumer products such as food packaging, nonstick cookware, and household cleaning products. Due to the common presence of these products in households, raw sewage may contain PFAS. Connecting septic systems to centralized sewer systems and eliminating pump stations are progress toward mitigating impacts of emerging contaminants.

City of Bend (Deschutes County)

Loan application number: 19470
Amount requested: $1,590,000

Section 212, Design and Construction, Airpark and Waco Sewer Project. This project is part of the City of Bend's Septic to Sewer Conversion program. Project includes design and construction of approximately 1,920 linear feet of pressure sewer main and service laterals, tying into the existing sewer main. The project will allow 22+ properties to decommission septic systems and connect to public sewer supporting water quality protection and helping to eliminate potential public health hazards associated with failing septic systems.

Emerging contaminants: Decommissioning septic systems that may contribute PFAS, and other pollutants reduces the risk for discrete conveyance and contamination of groundwater sources and allow for the potential opportunity to centrally collect and treat at a publicly operated treatment facility. Connecting septic systems to centralized sewer systems is progress towards mitigating impacts of emerging contaminants.

City of Bend (Deschutes County)

Loan application number: 31695
Amount requested: $2,000,000

Section 212, Design and Construction, Denning and Juniperhaven Sewer Project. This project is part of the City of Bend's Septic to Sewer Conversion program. Project includes design and construction of approximately 2,085 linear feet of pressure sewer main and service laterals, tying into the existing sewer main. The project will allow 24+ properties to decommission septic systems and connect to public sewer supporting water quality protection and helping to eliminate potential public health hazards associated with failing septic systems.

Emerging contaminants: Decommissioning septic systems that may contribute PFAS, and other pollutants reduces the risk for discrete conveyance and contamination of groundwater sources and allows for the potential opportunity to centrally collect and treat at a publicly operated treatment facility. Connecting septic systems to centralized sewer systems is progress towards mitigating impacts of emerging contaminants.

City of Chiloquin (Klamath County)

Loan application number: 67109
Amount requested: $1,300,000

Section 212, Design and Construction, City of Chiloquin Wastewater Treatment Plant Replacement. The City of Chiloquin’s existing wastewater treatment facility does not meet the NPDES discharge limits for Biological Oxygen Demand BOD and Total Suspended Solids. The

discharge also exceeds the TMDL limits for dissolved oxygen and phosphorus which impact the Williamson River. The city will construct a new lagoon storage and effluent reuse facility and will abandon the existing plant and outfall pipe to the Williamson River. The project includes a new or modified pumping system that will provide transmission from the existing plant location to a new two-cell facultative lagoon system of approximately 15 acres total with maximum eight feet water depth to treat effluent and store reclaimed water for reuse in irrigation. The city will disinfect effluent in chlorine disinfection facilities before transferring 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.

Clackamas Water Environmental Services (Clackamas County)

Loan application number: 12032
Amount requested: $1,200,000

Section 319, Design and Construction, Sponsorship Option. Rose Creek and Mount Scott Creek Riparian Restoration Projects. Clackamas WES will improve in-stream/ riparian habitat, water quality, and public access by such as activities as installing log jams & boulders, adding public signage, remove invasives and restore native vegetation, or creating access where needed at 2 locations: Rose Creek and Mt Scott Creek Oak Bluff. This work will improve water quality by increasing filtration time, reducing pollutant levels, and decreasing runoff; it will involve local partners and landowners; and will build on previous CWSRF funded work nearby at 3 Creeks.

Clackamas Water Environmental Services (Clackamas County)

Loan application number: 65331
Amount requested: $23,500,000

Section 212, Construction, Sponsorship Option. Middle Clackamas Interceptor Improvements. With the Middle Clackamas Interceptor Improvements project, Clackamas WES will address capacity constraints and aging infrastructure within a key segment of WES' wastewater collection system. The project includes rehabilitation and upsizing of approximately 2.4 miles of 42-inch to 48-inch diameter sewer pipeline and associated manholes, as well as slip lining existing sewers, abandonment of existing sewers and manholes, roadway restoration and bypass pumping. These improvements to address deteriorated interceptor assets beyond their useful life and construct new conveyance capacity will reduce the risk of sanitary sewer overflows, protecting both public health and water quality.

City of Culver (Jefferson County)

Loan application number: 17253
Amount requested: $1,820,500

Section 212, Design and Construction, Wastewater Expansion Project. This project will acquire land adjacent to the current WWTF lagoons for the construction of an additional storage pond. The city is approaching its limit of winter months wastewater storage. Available storage for wastewater ponds is 17.59 MG. Average hold for 7-month hold period is 16.4 MG. This project will purchase the land adjacent to the current wastewater storage lagoons with the purpose of constructing additional storage ponds. Additionally, the land acquisition will be large enough for the city to construct storm water treatment wetlands for their NPS storm water conveyance and treatment project.

Emerging Contaminants: The land purchase will allow the City to own and expand the stormwater treatment wetlands. Currently, stormwater runoff from high-traffic roadways, agricultural land, and Helena Agri-Enterprises, an agricultural chemical manufacturing facility, is conveyed through open ditches into an existing wetland without pretreatment. The runoff likely contains pesticides, herbicides, fertilizers, and roadway-derived contaminants such as tire wear particles, including 6PPD and 6PPD-Q. The expanded constructed wetland system will improve pollutant removal through sedimentation, filtration, plant uptake, and microbial degradation. Wetland soils and vegetation promote sorption and breakdown of organic compounds, and increased hydraulic residence time enhances the degradation of toxic compounds such as 6PPD-Q before they reach downstream waterways.

City of Culver (Jefferson County)

Loan application number: 87677
Amount requested: $1,397,053

Section 319, Design and Construction, Stormwater Phase 2- Project 1. This project represents Phase 2 of a citywide stormwater infrastructure improvement effort. During heavy rainfall events, several city streets and downtown homes and businesses experience flooding from untreated stormwater. To address this, the city needs improved stormwater conveyance and treatment systems. This phase includes boring under the BNSF railway to connect to the existing stormwater treatment wetlands, as boring is required to install the large-diameter conveyance piping. Project funding will also support the purchase of a water truck for cleaning existing stormwater pipes, minor improvements to the treatment wetlands, project administration costs (including legal, engineering, and permitting), and road improvements needed for equipment mobilization.

Emerging Contaminants: This project directly addresses emerging contaminants in stormwater, including pesticides, herbicides, fertilizers, tire wear particles, 6PPD, and its transformation product 6PPD-Q. Currently, runoff from high-traffic roadways, agricultural lands, and the Helena Agri-Enterprises, an agricultural chemical manufacturing facility, enters an existing wetland untreated. The City also lacks sufficient conveyance infrastructure, resulting in flooding during heavy rainfall events and uncontrolled discharge of contaminated stormwater. The project will increase treatment capacity by conveying stormwater to an expanded constructed wetland system designed to enhance pollutant removal through sedimentation, filtration, absorption, and microbial degradation. These processes have been demonstrated to break down organic contaminants and reduce concentrations of pesticides and herbicides. As a result, this project will significantly reduce the load of emerging contaminants discharged to receiving waters and improve aquatic ecosystem protection.

East Fork Irrigation District (Hood River County)

Loan application number: 75993
Amount requested: $7,000,000

Section 319, Design and Construction, East Fork Piping and Hydropower Project. The East Fork Irrigation District (EFID) proposes piping a section of open canal and installing an in-conduit hydropower facility to generate renewable energy and deliver pressurized water to water users. A powerhouse building will be constructed to house the turbine, valves, generator, switchgear, flow meter, and electrical controls. This project will reduce seepage and evaporation, reduce end spills, and conserve water instream. The District would allocate 75% of the total water saved instream, improving streamflow in the East Fork Hood River and the Hood River during

irrigation season. This project will also generate reliable renewable energy for Hood River County - generating an estimated 2.6 million kWh annually.

City of Grass Valley (Sherman County)

Loan application number: 40987
Amount requested: $2,800,000

Section 212, Design and Construction, Wastewater Collection and Lagoon System. The City of Grass Valley does not have a community-wide wastewater system but instead relies on individual septic fields. Many of these septic systems are past their useful life and failing. This project will construct a new community-wide gravity sewer collection system, a duplex pump station, a facultative treatment lagoon, and a recycled water irrigation system.

City of Gresham (Multnomah County)

Loan application number: 07291
Amount requested: $25,570,000

Section 212, Design and Construction. WWTP Anaerobic Digestion and Cogeneration Expansion, Phase 1. The City of Gresham WWTP currently has two 1-million-gallon anaerobic digesters, one with a fixed cover and one with a floating cover that provides gas storage volume. Under existing process conditions, the digesters operate near their maximum hydraulic capacity. The project has two major components: 1) Construct a new 1-million-gallon anaerobic digester (Digester #3) to provide redundancy and increase overall digestion capacity for the WWTP. 2) Construct a new digester control building to house equipment associated with the new digester, such as heat exchangers, recirculation pumps, digested sludge pumps, and control center.

City of Gresham (Multnomah County)

Loan application number: 64297
Amount requested: $4,000,000

Section 212, Construction, WWT Upper Plant Nitrification Improvements & Secondary Clarifier No. 5. City of Gresham will improve the WWT Upper Plant's ability to treat increasing future influent ammonia loads, while discharging ammonia concentrations below the permit limits. The nitrification improvements will allow the upper plant (one of Gresham's two parallel treatment paths) to nitrify in the summer months and treat ammonia concentrations; the most major project components are improvements to the upper plant aeration basins. The secondary clarifier no. 5 will be constructed to provide redundancy; project components will include a new 130'-diameter clarifier structure that is generally designed to match the existing adjacent secondary clarifier no. 4.

Harbor Sanitary District (Curry County)

Loan application number: 91516
Amount requested: $1,750,000

Section 212, Design and Construction, Harbor Sanitation Sewer Improvements. Harbor Sanitary District manages a sewer collection system composed of gravity sewer pipe, sewer force mains, and five pumping stations. The system includes old asbestos-cement and concrete pipe, which must be removed and disposed of at distant sites. The gravity pipe network is experiencing

inflow and infiltration from leaking joints, holes and cracks and wastewater can leak into the ground during dry times. The project includes replacing approximately 5,200 linear feet of pipe, concrete manholes, PVC sewer pipe, lining if appropriate, and road resurfacing. Some pipe may be repaired in place with liners or by bursting, which will be determined during the design phase.

Hermiston Irrigation District (Umatilla County)

Loan application number: 40122
Amount requested: $6,000,000

Section 319, Design and Construction, B-Line Lateral Modernization Project. This project will pipe the B-Line lateral (owned by Bureau of Reclamation) to improve HID operations and water management, eliminate leakage from open canals, improve the quality of conveyed irrigation water by eliminating NPS pollution, and support future on-farm innovations. B-Line loses up to 2.77 cfs per day from seepage and evaporation - B-Line irrigation water also interacts with Cold Springs Wash drain which ultimately connects to the Columbia River. Major project components include: replacing the siphon at the head of the B-Line, installing pressure rated pipe in open canal, replacing PVC or concrete pipe with pressure rated pipe, installing pressure rated pipe in new alignments, decommissioning open or non-pressured pipe, installing potential booster pumps and/or pump stations to ensure appropriate pressurization. The project will enhance water quality by diverting less water, lowering water temperature, and less water lost to evaporation and seepage, and support long-term goals in the 2024 Oregon Nitrate Reduction Plan for the Lower Umatilla Basin Groundwater Management Area (LUBGWMA). 75% of the project's saved water would be dedicated to the Columbia River or Cold Springs Reservoir.

Emerging contaminants: pesticides and herbicides – the project will allow Hermiston Irrigation District to eliminate the need for aquatic herbicide treatments on the B-Line system to control aquatic weeds and algal blooms.

City of Lincoln City (Lincoln County)

Loan application number: 79103
Amount requested: $8,000,000

Section 212, Design and Construction, 2nd Street Infiltration and Inflow Project. SE 2nd Street Inflow & Infiltration Project (Project) includes construction to upgrade an existing 14-inch asbestos-cement (AC) sanitary sewer line to replace an existing sanitary sewer line (constructed in 1968) that crosses wetland and under Devils Lake. To eliminate inflow and infiltration (I&I) and to meet NPDES Permit for temperature (copper and zinc) and reducing flow. The project is located east of U.S. Highway 101 (US101) between SE 1st Street and south of NE 6th Street. The project will substantially reduce the amount of sewage that currently is pumped and treated at the treatment plant.

City of Madras (Jefferson County)

Loan application number: 08736
Amount requested: $1,800,000

Section 212., Design and Construction. Mountain View Sewer Extension Phase 2. This project will extend the gravity sewer to the Mountain View subdivision. The project's objective is to expand the gravity sewer to property owners currently on septic systems, decommission septic systems, and have the properties connect to the city sewer.

Medford Irrigation District (Jackson County)

Loan application number: 81809
Amount requested: $4,000,000

Section 319, Design and Construction, Joint System Canal Modernization Project. The project will pipe 11.1 miles of the existing Joint System Canal and add roughly 0.4 miles of new siphon routes, for a total of about 11.5 miles of canal converted to pressurized pipeline. It will upgrade three existing siphons—Lake Creek, Wyant, and Osborne—and install three new siphons, allowing the system to be straightened and shortened while retiring about 1.6 miles of open canal. In addition, the project will upgrade 24 irrigation turnouts to enable pressurized water delivery, and some of these turnouts may be designed to accommodate fire-hydrant fittings so they can serve as a water supply for wildland firefighting.

City of Mosier (Hood River County)

Loan application number: 61520
Amount requested: $1,478,301

Section 212, Design and Construction, Implementation of the City of Mosier LIDA Stormwater Plan. The City of Mosier currently does not have a well-connected stormwater system or piped infrastructure. The Mosier City Council identified strategic goals focused on sustainable practices to protect and enhance the environment and develop and maintain a robust infrastructure system. The City will incorporate low-impact development alternatives (LIDA) for stormwater treatment into four planned projects throughout the city including an update to Mosier's sewage treatment plant, refurbished streetscapes and electric vehicle charging stations, a new building containing the fire hall/community center/city hall and a new city plaza. The landscape level and green infrastructure stormwater treatment will be built throughout the sites of the four projects. Various treatment types will be utilized including vegetated swales, extended dry basins, rain gardens, constructed wetlands, flow-through and street-side planters and porous pavement. The project will help the City achieve strategic goals for sustainable infrastructure and result in fully treated stormwater before it flows into Mosier Creek or Rock Creek to benefit watershed health.

City of Port Orford (Curry County)

Loan application number: 93479
Amount requested: $254,000

Section 319, Design and Construction, Failing Vista Access Culvert Removal Project. The failing culvert removal project, an urgent project, will remove a failing culvert and associated fill, resulting in the daylighting of a natural stream by restoring stream function on a salmon stream that is located at North Fork Hubbard Creek, 0.4 miles upstream of the sole source of water for the City of Port Orford's drinking water system. The project is identified in the 2023 DEQ Approved Forest Stewardship Plan as a high priority for the city to complete because the culvert was assessed to be at high risk of failure and already partially collapsed. Due to an unexpected further collapse of the culvert in March of 2025, by not removing the failing artificial culvert it is essentially a certainty that both of the state's turbidity standards would be exceeded for an unknown period of time into the future.

City of Rainier (Columbia County)

Loan application number: 73256
Amount requested: $12,710,000

Section 212, Design and Construction, WWTP Improvements. The City of Rainier will design and construct or install improvements to the WWTP to meet MAO and permit requirements. Improvements will include increasing plant capacity, replacing outdated equipment, installing new equipment, updating plant maintenance practices, updating the biosolids plan, and clearing the majority if not all of the deferred maintenance backlog. This will help the city come back into compliance and maintain future compliance in the future in normal and high-volume storm events.

City of Rockaway Beach (Tillamook County)

Loan application number: 23217
Amount requested: $5,000,000

Section 319, Design and Construction, Lower Jetty Creek Land Acquisition. City of Rockaway Beach will acquire fee title to 800 acres of forested Lower Jetty Creek watershed. Funding will support all aspects of acquisition costs including but not limited to: appraisal, price negotiation, parcel analysis, legal fees, closing and escrow costs, and future management plan development. This acquisition will protect the City's main surface water supply by using forests as green infrastructure. The City will develop and implement a sustainable forestry management plan for the acquired property to increase water quality.

Rogue Valley Sewer Services (Jackson County)

Loan application number: 40184
Amount requested: $11,059,100

Section 212, Construction, Gold Hill Regional Sewer Intertie. Construction of an intertie to connect the Gold Hill collection system to the City of Medford treatment plant. Project will include construction of pipeline, pump stations and decommissioning of the current Gold Hill treatment plant. During project design additional components may also be identified for construction.

City of Stayton (Marion County)

Loan application number: 91519
Amount requested: $5,784,730

Section 212, Design and Construction, Evergreen and Ida Street East Pipeline Upsizing Project. The project includes: replacement of undersized pipes on Evergreen and W Ida street, upsizing gravity main along these road segments, and installing approximately 2,720 LF of 15-inch pipe on Evergreen and approximately 2,780 linear feet of 18-inch pipe on West Ida Street.

City of Stayton (Marion County)

Loan application number: 27093
Amount requested: $3,388,979

Section 212, Design and Construction, Mill Creek Force Main Extension and Gardner Pump Station Displacement. Mill Creek Force Main Extension - The force main on Mill Creek will be extended to reroute flows away from Jetters Way which has capacity issues. Force main will instead connect to a discharge vault upstream of the WWTP headworks. Gardner Pump Station

Displacement - The gravity mains near the Gardner Pump Station are at capacity. Wastewater flow will be rerouted, and the Gardner pump station will be decommissioned. New gravity pipe will be installed on N. Gardner Ave.

City of St. Helens (Columbia County)

Loan application number: 53117
Amount requested: $16,400,000

Section 212, Design and Construction, Sanitary Sewer Capacity Improvements. The City of St. Helens Sanitary Sewer Capacity Improvements Project will focus on three critical sanitary sewer basins (Basins 4, 5, and 6). As noted in the City's November 2021 Wastewater Management Plan, the majority of the City's sewer mains are currently operating at or above capacity. The project includes design and construction and will replace the existing sewer trunklines with larger sized pipes. The Sanitary Sewer Capacity Improvements Project will achieve several objectives by increasing the capacity in Basins 4, 5, and 6: reduce risk of potential sanitary sewer overflows in the collection system and manholes, which will protect public health and streams; reduce inflow and infiltration in the collection system and provide for growth and expansion into the City's Urban Growth Boundary.

Talent Irrigation District (Jackson County)

Loan application number: 39460
Amount requested: $1,250,000

Section 319, Design and Construction, Billings Siphon & Eastside Canal Project. The Talent Irrigation District (TID) proposes to modernize the Billings Siphon and Eastside Canal by assessing the conditions of the Billings Siphon, implementing recommended alternatives, which could include a combination of lining the existing pipeline, spot repairs, or installing new pipelines, and evaluate options to modernize the 23-mile Eastside Canal including piping and/or lining the canal from Emigrant Reservoir, 11-miles, to the Billing Siphon. TID hopes to reduce the risk of infrastructure failure, reduce safety risks to key transportation along Interstate 5 and Highway 99, secure water supplies for agricultural produces and reduce water seepage and evaporation 28% encouraging water efficiency and enhanced streamflow for protected aquatic species including the coho & chinook salmon.

Terrebonne Sanitary District (Deschutes County)

Loan application number: 82913
Amount requested: $7,745,480

Section 212, Design and Construction, Terrebonne Wastewater Collection System. The unincorporated community of Terrebonne, Oregon does not have a municipal wastewater system. All developed properties rely on drainfields, sand filters, or unpermitted sewage injection wells for onsite wastewater disposal. The aging onsite wastewater disposal systems and limited soil depth and permeability are resulting in a high rate of onsite system failures, which pose human and environmental health risks including surfacing wastewater and contamination of groundwater and irrigation canals. The Terrebonne Wastewater Feasibility Study initiated by Terrebonne community members in 2019 determined that the only sustainable long-term solution is to provide a community sewer system to Terrebonne. This project includes the design and construction of a Septic Tank Effluent Pump collection system and connection with the City of Redmond Wetlands Complex. The Terrebonne STEP sewer collection system is planned for implementation in three phases. This funding request is for completion of Phase A

of the system layout, which will be partially constructed by the Oregon Department of Transportation. The Phase A service area includes the commercial core and many of the currently failing residential systems. Phase A will collect wastewater within the service territory and convey the wastewater to the new City of Redmond Wetlands Complex for wastewater treatment. The objectives of this project are to minimize public/environmental health risks from untreated sewage and to provide a cost-effective alternative to the onsite disposal systems in Terrebonne.

Three Sisters Irrigation District (Deschutes County)

Loan application number: 30501
Amount requested: $7,000,000

Section 319, Design and Construction, Three Sisters Irrigation District Floating Solar and Battery Storage. Floating solar panels to cover approximately 8 acres of a reservoir owned by TSID. The project will have water quantity and water quality benefits - the solar panels will reduce evaporation on the reservoir, improving water supply reliability for agriculture. By shading the reservoir, the solar panels will also reduce water temperature in the summer, reducing the growth of algae and aquatic weeds and improving the quality of irrigation water delivered to farms and other users. Major project components include: installing 4 megawatts (MW) of solar panels in single connected array, attached to a series of floating modules made of HDPE to form a platform, a small shed for electrical components constructed at the edge of the reservoir, and 2.4 MW of battery storage adjacent to reservoir - 2 iron flow battery units. The project will generate an estimated 7 million kWh of renewable energy annually and create sustainable revenue for TSID to support District operations and future irrigation modernization projects.

City of Warrenton (Clatsop County)

Loan application number:55127
Amount requested: $3,900,000

Section 212, Design and Construction Wastewater MBR Treatment Plant. The city of Warrenton will construct a new Wastewater Membrane Bioreactor Treatment Facility to replace the City's existing SBR plant and ensure long-term compliance with its NPDES permit. The upgrades include site prep, new tanks and buildings, lagoon cleanout, and associated tasks to commission the new system. The project will significantly improve effluent quality by reducing nutrients, suspended solids, and pathogens prior to discharge, resulting in enhanced protection of receiving waters. The project will improve treatment reliability and operational resilience under existing and future flow conditions with planned for expansion to keep up with population growth.

City of Wasco (Sherman County)

Loan application number: 05137
Amount requested: $400,000

Section 212, Design and Construction, Clark Street Sewer. The project will repair the section of the Clark Street main line that has degraded and repeatedly collapsed. When collapsed the pipe clogs and wastewater overflows onto the surface streets which then drains into the stormwater

drain or into adjacent properties. The stormwater system drains into the Spanish Hollow Creek that runs through the city and close to Clark Street.

Westland Irrigation District (Umatilla County)

Loan application number: 78484
Amount requested: $12,000,000

Section 319, Design and Construction, Community Canal Solar. Westland Irrigation District (WID or the District) is developing a community canal solar project to provide low-cost, locally produced renewable energy to irrigators and area residents. Under Oregon's Community Solar Program, 40% of the energy will be offered to local businesses, and 60% to Umatilla County residents, with at least 20% allocated to low-income community members. Covering approximately 1 mile of the District's A-line Canal with solar panels will reduce evaporation, improve water supply reliability, lower water temperatures, and reduce algae and aquatic weed growth, enhancing water quality.

City of Wilsonville (Clackamas County)

Loan application number: 61437
Amount requested: $18,000,000

Section 212, Construction, Boeckman Creek Sewer Interceptor. This project will upsize the existing 1.4 miles of the sanitary sewer pipeline running along the Boeckman Creek greenway corridor between the Memorial Park Lift Station and SW Boeckman Road. The project will provide necessary sewer capacity to serve existing and planned residential areas on the east side of Wilsonville by upsizing the existing 12-inch -18-inch diameter pipelines to 18-inch - 24-inch diameter pipelines. The project includes addition of a pathway to provide equipment access and regular maintenance of the sewer trunk line that is currently inaccessible.

Wood River District Improvement Company (Klamath County)

Loan application number: 95475
Amount requested: $2,000,0000

Section 319, Design and Construction, Wood River District Pumpback Project. This project will capture and reuse up to 36 cubic feet per second of irrigation tailwater from the Wood River District Improvement Company's (WRDIC) West Canal by pumping it back to upstream lands for reuse. The pumpback system will capture, convey, and reuse irrigation tailwater within WRDIC. This recycling of irrigation water will extend the availability of water throughout the growing season and also decrease phosphorus and nitrogen loading into the Upper Klamath Lake. By reducing these nutrient loads, the project will help reduce the development of harmful algal blooms.

Design loans pending construction

City of Gresham (Multnomah County)

Loan application number: 39194
Amount requested: $ 2,362,593

Section 212, Design and Construction, Powell Blvd. Tree Lining. The City of Gresham will add nearly 200 trees along Powell Blvd through downtown Gresham in modified stormwater tree

wells, which will be designed to capture and treat runoff from the existing roadway and infiltrate or filter the runoff using bioretention facilities that combine street trees in planters containing stormwater planting media, as well as structural soil under the sidewalk. Powell Blvd. is a primary artery running east-west through the City of Gresham; it has large stretches that are void of street trees and runoff from the roadway receives minimal treatment before flowing into the nearby fish-bearing waters of Johnson Creek. The project will also decrease urban heat zones through healthy urban trees that provide shade for the street as well as pedestrians using this busy corridor. Increasing urban tree canopy is a critical tool for creating a more resilient urban environment.

Emerging Contaminants: Powell Blvd. is a high-traffic arterial street in Gresham, which is why it was identified as a high-priority site for retrofitting with stormwater tree wells. Gresham stormwater monitoring data has identified high-traffic streets (those with greater than 1,000 vehicle trips per day) as contributing higher pollutant loads of contaminants associated with automobiles, including heavy metals, combustion by-products such as PAHs and hydrocarbons, and tire wear particles, including the recently documented anti-ozonate, 6PPD-quinone. With 20,000-30,000 vehicle trips per day, Powell Blvd. is one of the highest traffic streets in the Johnson Creek watershed, one of the few remaining steelhead and coho salmon spawning streams in the Portland/Gresham metropolitan area. Several spawning coho are usually documented in the Gresham reach of Johnson Creek each year. Research has shown that both coho and steelhead are extremely sensitive to 6PPD-quinone and that filtering stormwater through bioretention soil media removes this emerging contaminant and makes the water safe for fish. While space constraints along a busy arterial make traditional bioretention challenging to install and maintain, the innovative tree wells being proposed in this project will provide bioretention to improve water quality for fish in Johnson Creek while also providing additional benefits (shade, traffic calming, aesthetics, habitat, etc.) along this busy arterial street.

City of Eugene (Lane County)

Loan application number: 31246
Amount requested: $1,650,000

Section 212, Design and Construction, South of the Beltline Highway Wastewater Extension. The South Beltline Highway Wastewater Extension project will extend the wastewater collection system pipeline south of Beltline Highway along Prairie Road. The project will provide public wastewater lateral services lines from the mainline to the right of way boundary at the property line. The new mainlines will be designed to flow under gravity conditions and will tie into a downstream gravity fed pipe. The project area is developed with industrial zoning, with the possibility to connecting approximately 28 tax lots (presumed to be on septic) to the public wastewater system. **Design loan signed for $30,000 to be amended for construction in the amount of $1,620,000.**

City of John Day (Grant County)

Loan application number: 48819
Amount requested: $30,000,000

Section 212, Construction, New WWTP Construction. This project will construct a new wastewater treatment facility. The existing wastewater treatment facility is well past its useful life and in need of a complete replacement and reconfiguration. This project is essential to ensure human health and safety for residents within the City of John Day as well as complying with environmental regulations and Clean Water Act standards**. Design loan signed for $546,926 to be amended for construction.**

Klamath Drainage District (Klamath County)

Loan application number: 17877
Amount requested: $6,000,000

Section 319, Construction, Community Canal Solar Project. Klamath Drainage District is building solar panels which will cover and shade approximately one mile of KDD's North Canal, which will reduce evaporation and improve water supply reliability and quality for agriculture and the Lower Klamath Wildlife Refuge. The project will install multiple sections of solar panels, designed to be removable if major maintenance is required on the canal. The 30 x 100 ft panels will be elevated by a steel structure approximately 6-8 ft above the high-water surface of the canal. A small shed for electrical components will be constructed adjacent to the canal. By shading the canal, the solar panels will also reduce water temperature in the summer, reducing the growth of algae and aquatic weeds and improving the water quality. Solar panels will provide low-cost, locally produced, renewable energy to irrigators and area residents. 40% of the energy produced by the project will be offered to local businesses, and 60% to Klamath County residents, with at least 20% to low-income community members. Design loan portion signed for $2,949,993.

City of Madras (Deschutes County)

Loan application number: 62376
Amount requested: $1,000,000

Section 212, Design and Construction, Demer's Pump Station Upgrade. The project will refurbish and upgrade the City of Madras Demers pump station, including the replacement of piping, pumping, coatings, electrical, and valving equipment. The existing pump station is beginning to fall apart and is unable to meet the growing needs of the industrial area in the city. In accordance with the Wastewater Master Plan, the pump will be completely replaced in 15-20 years. Upgraded pump components will be arranged in such a way that when the future replacement is done, it will be easier and cheaper for the city. Current, outdated pump components will be replaced with more energy efficient Flight Convertor Smart Pumps with VFDs. **Design loan signed for $150,000 to be amended for construction in the amount of $850,000.**

Ochoco Irrigation District (Deschutes County)

Loan application number: 72106
Amount requested: $3,750,000

Section 319, Design and Construction, Community Floating Solar. The proposed project will install floating solar panels on one of Ochoco Irrigation District's reregulation reservoirs. The purpose of the floating community solar project is to provide low-cost, locally produced, renewable energy to irrigators and area residents and to improve water quality. The panels will reduce evaporation on the reservoir, improving water supply reliability for agriculture. By shading the reservoir, the solar panels will also reduce water temperature in the summer, reducing the growth of algae and aquatic weeds and improving the quality of irrigation water delivered to farms and other users. Design loan signed for $1,450,000.

City of Pendleton (Umatilla County)

Loan application number: 95698

Amount requested: $9,000,000

Section 212, Design and Construction, WWTRRF Upgrades. The City of Pendleton will upgrade various components of Pendleton's Wastewater Treatment Resource Recovery Facility to increase resiliency and ensure continued compliance with the City's National Pollutant Discharge Elimination System permit. Many components of the WWTRRF were built in 1942 and 1952 and have not seen any major improvements. Upgrades include rehabilitation of the secondary digester complex, adding ferric chloride to the primary and secondary digester, a new automatic entrance gate, a new storage warehouse, and a new administration building. **Design loan signed for $955,400 pending construction.**

Port of Morrow (Morrow County)

Loan application number: 89109
Amount requested: $50,000,000

Section 212, Design and Construction, Secondary Treatment Improvements. The Port of Morrow has identified needs for several wastewater system improvements. Much of the current infrastructure is over 40 years old and well beyond its useful life. This project will focus on secondary wastewater treatment including upgrades to the secondary treatment operations. The project will help the Port of Morrow achieve and maintain permit compliance with DEQ. The Port is also working with EPA on Water Infrastructure Finance and Innovation Act funding for wastewater system improvements to be co-funded with Oregon CWSRF. **Design loan signed for $2,007,550 pending construction.**

Rogue River Valley Irrigation District (Jackson County)

Loan application number: 26451
Amount requested: $5,000,000

Section 319, Design and Construction, Agate Lake Floating Solar Project. The purpose of the floating solar battery storage project is to provide low-cost, locally produced, renewable energy to irrigators and area residents, provide backup power, improve water quality, and generate sustainable revenue. The floating solar panels will cover approx. 3 acres of Agate Lake, a reservoir owned by the Bureau of Reclamation and operated by Rogue River Valley Irrigation District. The project will have water quantity and quality benefits for RRVID and patrons. The panels will reduce evaporation on the reservoir, and reduce water temperature in the summer, reducing the growth of algae and aquatic weeds, improving the quality of irrigation water delivered to farms and other users and improving the water that flows into the Dry Creek. **Design loan signed for $1,526,000 pending construction**.

Roseburg Urban Sanitary Authority (Douglas County)

Loan application number: 14637
Amount requested: $4,000,000

Section 212, Construction, Renewable Energy Additions to RUSA through Solar PV. Installation of solar array to improve energy reliability at the WWTP and Natural Treatment System. The solar PV array will require solar panels, interconnection to the power grid and possibly canopy structures at certain locations to optimize beneficial use. Canopy structures would allow for: parking of staff vehicles in areas, shading of critical process infrastructure, and optimization of space. **Design loan signed for $1,822,735 to be increased for construction in the amount of $2,177,265.**

Roseburg Urban Sanitary Authority (Douglas County)

Loan application number: 38935
Amount requested: $3,000,000

Section 212, Design and Construction, Floating Solar at the RUSA NTS Storage Pond. RUSA has contracted with Ameresco, an Energy Services Company (ESCO), to design, develop, construct and guarantee solar PV projects at the Natural Treatment System (NTS) facility. The proposed solar PV project at NTS is a 400kW-dc installation featuring a floating solar panel system. This innovative configuration leverages the unique characteristics of the site, optimizing energy generation potential while minimizing land use. Maintaining the discharge and water quality of the effluent and stabilizing the water temperature and reducing algae growth. Additionally, the integration of renewable technologies enhances the resiliency of RUSA's facility, contributing to continuous and reliable wastewater treatment operations, bolstering the facilities resilience to extreme weather and power outages, reducing the risk of environmental contamination and risks to public health. **Design loan signed for $1,511,941 to be amended for construction in the amount of $1,488,059.**

City of Salem (Marion County)

Loan application number: 23167
Amount requested: $5,292,350

Section 212, Design and Construction, Ferry Street Sewer Pump Station. This project is a replacement of a 1960s-era wastewater pump station serving a 69-acre basin in Salem's downtown core which is at the end of its useful life. The existing pump station is located in a median in an ODOT highway, is difficult to operate and maintain, requires supplemental manually operated pumping during peak flow events, presents safety risks for vehicles and City staff, and is unable to be retrofitted or significantly upgraded at its present location which presents an increasing risk for SSOs into basements, Pringle Creek, and the Willamette River. The new pump station will be relocated to an adjacent city-owned property, will be adequately sized to convey peak flows with full atomization, will be designed to current seismic code, and will include a permanent onsite emergency power generator. The new pump station will also include a dedicated emergency overflow pipe to Pringle Creek, ensuring that in the unlikely event of an SSO, overflows to basements in the basin and associated human health risks will be avoided. The additional capacity and resiliency of the new station will substantially reduce the risks of SSOs and associated public health and environmental impacts. **Design loan signed for $1,110,000 to be amended for construction in the amount of $4,182,350.**

South Suburban Sanitary District (Klamath County)

Loan application number: 02766
Amount requested: $23,978,200

Section 212, Construction, SSSD WWTP Upgrades. The South Suburban Sanitary District existing lagoon system cannot meet current requirements under their National Discharge Pollutant Elimination System permit and frequently exceeds Total Maximum Daily Load limits. The SSSD Wastewater Treatment Plant is not expected to meet the new discharge limits for nitrogen and phosphorus. The SSSD will complete upgrades to the existing WWTP including the installation of a moving bed biofilm reactor (MBBR) treatment system, disinfection improvements, recycled water capabilities, effluent pump station, biosolids processing facilities, influent pump station improvements, headworks improvements, and existing treatment lagoon

rehabilitation. These improvements will ensure that the future system can meet NDPES compliance for nitrogen and phosphorus discharge limits and protect water quality in the Klamath River. **Design loan signed for $6,000,000 pending construction.**

Tri City Joint Water and Sanitary Authority (Douglas County)

Loan application number: 81421
Amount requested: $2,000,000

Section 212, Design and Construction, Inflow and Infiltration Improvement Project. The purpose of the project is to significantly reduce peak hydraulic flows in the collection system resulting from excessive inflow and infiltration into the collection system. During peak flow periods the wastewater treatment facility operated by the City of Myrtle Creek approaches peak hydraulic capacity. If the treatment facility is inundated with damage can occur to the disinfection system rendering it inoperable for an extended period of time. The project will significantly reduce the risks of overflows and inundation of the wastewater treatment facility, which could directly impact public health and water quality. The project will apply various state-of-the-art repairs commonly used in the industry, including sewer line replacement, cast-in-place pipe, lateral repairs, structure lining, and other mitigations and repairs to be fully defined in the project design. The design process will fully define the types of repairs and locations needed to ensure the greatest possible reductions of inflow and infiltration.

City of Umatilla (Umatilla County)

Loan application number: 51054
Amount requested: $10,701,000

Section 212, Construction, Umatilla WWTP Capacity Improvements. The project will upgrade elements of the collection system and WWTF processes and will have four primary elements:

- Increase size of 380 feet of collection system mainline from 18-inch to 24-inch.
- Upgrade and update headworks.
- Upgrade the current UV disinfection system.
- Install a new belt filter press.

These upgrades will increase the treatment capacity and replace outdated equipment. **Design loan signed for $200,000 pending construction**.

City of Wilsonville (Clackamas County)

Loan application number: RC0007
Amount requested: $11,000,000

Section 212, Design and Construction, WWTP Aeration Basin Expansion. The City of Wilsonville will increase the capacity of secondary wastewater treatment processes by constructing a new (fourth) aeration basin adjacent to existing aeration basins: coarse bubble mixing, fine bubble aeration diffusers, intermediate baffle walls, mixed liquor recycle pumping; basin covers and connections to outdoor odor control system, instrumentation and control systems; modify the influent splitter box to include a fourth gate to evenly distribute influent between aeration basins; access for equipment and maintenance around the new aeration basin expansion; add an additional 3,000 scfm blower to provide adequate air flow to the new aeration basin. The project will ensure the WWTP meets the NPDES permit limits. **Design loan signed for $2,000,000 to be amended for construction.**

City of Winston (Douglas County)

Loan application number: 97795
Amount requested: $4,000,000

Sec. 212, Design and Construction, Sewer Siphon Crossing and Abraham Mainline Replacement. Project 1 is to replace the aging and undersized inverted sanitary sewer system that crosses the South Umpqua River in order to convey sanitary sewer from the City of Winston to the Winston-Green Wastewater Treatment Facility. This task will include design and construction of a new inverted siphon under the Umpqua River as well as installation of a surge/flow equalization basin to better regulate surges in flow. Project 2 is to replace the undersized sewer mainline from near Lookingglass Road to the Snow Avenue Lift Station. Work scope associated with this task will include upgrading the piping (size and materials) as well as upgrading/installation of new manholes and general landscaping. Project 3 is to replace the stretch of undersized and leaky pipeline along Highway 42 from Abraham Avenue West to City Limits. As with Task 2, this will include replacement of piping and installation of new/upgraded manholes and appurtenances. **Design loan signed for $205,000 to be amended for construction**.

Table 3– Eligible Emerging Contaminants Projects – *estimated amounts*
Note: One EC award per borrower per State Fiscal Year.

Applicant	Application Number	Project	EC Amount
City of Gresham	39194	Powell Blvd. Tree Lining (stormwater)	$ 1,000,000
Hermiston Irrigation District	40122	B-Line Lateral Modernization Project	$1,000,000
City of Bend	73369	Southwest Sewer Basin Improvements Phase 3	$1,000,000
City of Bend	75180	King Hezekiah and Fargo Sewer Project	$1,000,000
City of Bend	31695	Denning and Juniperhaven Sewer Project	$1,000,000
City of Bend	19470	Airpark and Waco Sewer Project	$1,000,000
City of Culver	54946	City of Culver Stormwater Improvement Project - Stormwater Master Plan	$100,000
City of Culver	17253	Wastewater Expansion, Land Acquisition	$910,250
City of Culver	87677	Stormwater Phase 2-Project 1	$698,527
Total			**$7,708,777**

Priority scoring and ranking criteria

DEQ uses criteria categories in Oregon Administrative Rules to score and rank applications on this Intended Use Plan Project including water quality standards and public health considerations, watershed health benefits and other considerations. Appendix 6 includes detailed CWSRF scoring criteria for Non-planning and Planning Loans.

Project priority list

Appendix 1A and Appendix 1B includes all loan applications, including non-planning and planning applications and those ready to proceed to an executed loan agreement. An applicant must complete all applicable Clean Water State Revolving Fund loan requirements before DEQ will execute a loan agreement. The project priority list includes all loan applications in rank order, project scores, applicant, application number, amount requested, EPA needs category, water quality permit number, green project reserve category and dollar amount, small community as defined under Oregon Administrative Rule 340-054-0010(28) and planning. Rank order shifts as loan applications are added and removed from the project priority list.

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

When an applicant satisfies all loan requirements, the applicant is considered “ready to proceed” and DEQ will begin the loan agreement execution process. Appendix 2 estimates applications ready to proceed to a loan. A total of 61 applications are estimated ready to proceed for the remainder of SFY 2026 and through SFY 2027 (31 applications ready to proceed to a loan March – June 30, 2026, and 30 applications estimated ready to proceed July 1, 2026 – June 30, 2027).

Funding award bypass procedure

DEQ estimates funds are available for projects ready to proceed for remainder of SFY 2026 and SFY 2027. Funds are not committed until an applicant is ready to proceed and signs a loan. 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. DEQ gives priority to increasing existing loans (i.e. design portion loan to be increased for construction) over new applications on the Intended Use Plan.

Estimated funds available for state fiscal year 2027

The program is experiencing an increase in demand for funding with 78 applications requesting a total of $452,209,701 in this Intended Use Plan SFY 2027 Initial Edition over a three year period. Applicants can remain on the IUP for up to 36 months and not all applicants will be ready to proceed with a loan this year. DEQ estimates 30 applications ready to proceed for remainder of SFY 2026 through June 30, 2026 ($79,302,437) and 30 applicants ready to proceed in SFY 2027 July 1, 2026 – June 30, 2027 ($203,998,662) for a total of $283,301,099 (see Appendix 2 – Applicants estimated ready to proceed). Several of these loans will be design portion only to be increased for construction (not for the full amount requested initially). The

program estimates $136,863,816 funds available for SFY 2027. Continued federal funding to capitalize the program and providing principal forgiveness as required is critical to support Oregon CWSRF to finance water quality and infrastructure projects for Oregon communities over the next three years and in perpetuity.

Appendix 3 provides the calculation of funds available for state fiscal year 2027 including the projections for state fiscal year 2027-28. This calculation includes the federal fiscal year 2026 annual base capitalization grant in the amount of $8,068,000 federal fiscal year 2026, federal fiscal year 2026 IIJA supplemental capitalization grant in the amount of $27,829,000 and federal fiscal year 2026 IIJA emerging contaminant capitalization grant in the amount of $2,402,000. For SFY 2028, the program estimates an annual base cap grant in the amount of $8,000,000 for federal fiscal year 2027 pending future appropriations.

State match funds and estimated repayments of principal, interest paid, and interest earned are also included in estimated funds available.

For the annual base cap grant, DEQ is required to provide a minimum of 20 percent state match to capitalize the fund.

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

There is no match requirement for IIJA emerging contaminants cap grants.

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 (repaid or “recycled” funds) to borrowers.

DEQ raised match bonds in May 2021 to meet the match requirement for state fiscal years 2023, 2024 and 2025. DEQ raised a match bond for $20 million in SFY2025 to meet the match requirement for state fiscal years 2026, 2027 and 2028. Appendix 3 represents the estimated timing of the fund supply to the demand for funds. DEQ has the statutory and budgetary authority to raise sufficient match bonds to provide the required percent state contribution. DEQ will document the required match requirements prior to disbursing federal funds.

CWSRF Annual Base Capitalization Grant FFY2026

DEQ is applying for the CWSRF Annual Base Capitalization Grant in amount of $8,068,000 allocated to the Oregon CWSRF for federal fiscal year 2026.

Infrastructure Investment and Jobs Act CWSRF Supplemental Capitalization Grant FFY2026

DEQ is applying for Infrastructure Investment and Jobs Act supplemental funds in the amount of $27,829,000 allocated to the Oregon CWSRF for federal fiscal year 2026.

Infrastructure Investment and Jobs Act CWSRF Emerging Contaminants Capitalization Grant FFY2026

DEQ is also applying for IIJA Emerging Contaminants supplemental funds in the amount of $2,402,000 allocated to the Oregon CWSRF for federal fiscal year 2026.

Investment earnings

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

Repayments

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

Appendix 3 includes projected repayments (principal and interest) based on existing loan agreements for state fiscal years 2026, 2027 and 2028 in the total amount of $181,382,215 ($46,158,327 principal and interest payments under "Estimated for SFY 2026", $85,477,961 principal and interest payments under "Estimated for SFY 2027", and $49,745,927 principal and interest payments "Estimated for SFY2028") based on loan repayment schedules. 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 2028.

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

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

The net effect of these factors in recent years resulted in an increase in actual repayments received over the amount projected. The projections in Appendix 3 do not include repayments from future loan agreements not yet executed.

State fiscal years 2026 and 2027-28 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 2027, DEQ will not utilize annual capitalization grant federal funds toward program administrative expenses. DEQ will cover administrative expenses from annual loan fees dedicated to support program administration and repayments as allowed by EPA.

Debt service on match bonds

When the State of Oregon issues bonds through DEQ 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 2027, the program will pay $304,000 in debt service costs on bonds issued in previous years (2012). 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. In 2025, DEQ raised a bond for $20 million to cover state match for cap grants over the next 1 – 3 years.

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 funding from federal fiscal year 2026 CWSRF Annual Base capitalization grant, FFY 2026 Infrastructure Investment and Jobs Act supplemental capitalization grant, and FFY 2026 IIJA emerging contaminants supplemental capitalization grant, subsidy requirements, required green project reserve and state match allocations.

FFY 2026 Annual Base Capitalization Grant Payment Schedule

EPA will provide DEQ the federal fiscal year 2026 annual base cap grant in the amount of $8,068,000 and DEQ will demonstrate $1,613,600 in state match.

Estimated federal fiscal year 2026 annual base capitalization grant payment schedules:

- FFY-2027/Q1 (10/1/26 to 12/31/26) $4,000,000
- FFY-2027/Q2 (1/1/27-3/31/27) $4,068,000
- FFY-2027/Q3 (4/1/27-6/30/27) $0
- FFY-2026/Q3 (7/1/27-9/30/27) $0

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

FFY 2026 Infrastructure Investment and Jobs Act Supplemental Capitalization Grant Payment Schedule

EPA will provide DEQ the federal fiscal year 2026 IIJA supplemental grant in the amount of $27,829,000 and DEQ will demonstrate $5,565,800 in state match.

Estimated federal fiscal year 2026 IIJA supplemental capitalization grant payment schedules:

- FFY-2027/Q1 (10/1/26 to 12/31/26) $10,000,000
- FFY-2027/Q2 (1/1/27-3/31/27) $17,829,000
- FFY-2027/Q3 (4/1/27-6/30/27) $0
- FFY-2026/Q3 (7/1/27-9/30/27) $0

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

FFY 2026 Infrastructure Investment and Jobs Act Emerging Contaminants Capitalization Grant Payment Schedule

EPA will provide DEQ the federal fiscal year 2026 IIJA emerging contaminants grant in the amount of $2,402,000. There is no match requirement for this grant per EPA.

Estimated federal fiscal year 2026 IIJA emerging contaminants capitalization grant payment schedules:

- FFY-2027/Q1 (10/1/26 to 12/31/26) $2,402,000
- FFY-2027/Q2 (1/1/27-3/31/27) $0
- FFY-2027/Q3 (4/1/27-6/30/27) $0
- FFY-2026/Q3 (7/1/27-9/30/27) $0

Reporting requirements

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

- Annual Base Capitalization Grant FFY 2026
- Infrastructure Investment and Jobs Act Supplemental Capitalization Grant FFY 2026
- Infrastructure Investment and Jobs Act Emerging Contaminants Capitalization Grant FFY 2026

Clean Water Benefits Reporting and Federal Funding Accountability and Transparency Act

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

Additionally, DEQ meets the Federal Funding Accountability and Transparency Act requirement by reporting loan award data for loans in an amount equal to the capitalization grant amount for the given state fiscal year. DEQ enters loan data into Sam.gov 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 2026 allocations require DEQ to use at least 10 percent of the grant amounts 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 $3,829,900 to the green project reserve total.

- For the federal fiscal year 2026 annual base cap grant, DEQ must provide $806,800 to the green project reserve.
- For the federal fiscal year 2026 IIJA supplemental cap grant, DEQ must provide $2,782,900 to the green project reserve.
- For the federal fiscal year 2026 IIJA emerging contaminants grant, DEQ must provide $240,200 for green projects.

DEQ expects to satisfy the federal fiscal year 2026 cap grant green project reserve requirements of $3,829,900 total by executing loan agreements with at least one or more of the applicants that have project costs that meet the EPA green project reserve criteria. DEQ documents green project reserve eligibility for each project and reports the GPR amount in the EPA SRF Data System reporting database.

Principal forgiveness (additional subsidization)

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

The federal fiscal year 2026 base cap grant allocation requires states to offer a minimum of 20 percent of the capitalization grant amount as additional subsidization in the amount of $1,613,600 EPA allows states the option to increase the amount of additional subsidization up to a total maximum 40 percent of the annual base capitalization grant in the amount of $3,227,200.

The federal fiscal year 2026 IIJA supplemental cap grant allocation requires states to offer 49 percent of the IIJA supplemental capitalization grant amount as additional subsidization in the amount of $13,636,210.

The federal fiscal year 2026 IIJA emerging contaminants cap grant requires states to offer 100 percent of this cap grant as additional subsidization. DEQ will award the total amount of $2,402,000 for CWSRF eligible projects that address emerging contaminants as principal forgiveness to meet this requirement for the emerging contaminants cap grant.

DEQ reserves 70 percent of the principal forgiveness allocation for applicants that meet DEQ's affordability criteria as a distressed community per Oregon Administrative Rule 340-054-0065(12)(c)(A). DEQ reserves 30 percent of the annual principal forgiveness allocation for applicants with projects that meet DEQ's green/stormwater/sustainability criteria per Oregon Administrative Rule 340-054-0065(12)(a)(B) for base and IIJA supplemental cap grants. Accordingly, for state fiscal year 2027, DEQ reserves a total of $11,804,387 in principal forgiveness for applicants that meet the affordability criteria and $5,059,023 in principal forgiveness for applicants with green/sustainability projects. DEQ will provide $2,402,000 in principal forgiveness for eligible emerging contaminants projects.

DEQ will offer principal forgiveness to applicants that meet appropriate 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. Table 4 lists current applicants that are eligible for principal forgiveness.

Table 4 - Applicants eligible for principal forgiveness (note: these are estimated maximum amounts, not committed funds, for loans signed through September 30, 2026).

Applicant	Application Number	Criteria	PF Amount
Arnold Irrigation District	24605	Green	$2,000,000
City of Ashland	10498	Affordability/ratepayer hardship	$2,000,000
City of Athena	96648	Affordability/Green	$2,000,000
City of Aumsville	24280	Affordability	$2,000,000
City of Bandon	77131	Affordability/sustainability	$100,000
City of Bay City	17848	Green/Sustainability	$365,000
City of Bend	2 6677	Green/stormwater/sustainability	$100,000
City of Bend	7 7739	Green/stormwater/sustainability	$2,000,000
City of Bend	57924	Affordability/ratepayer hardship	$1,622,500

Applicant	Application Number	Criteria	PF Amount
City of Bend	75180	Affordability/ratepayer hardship	$1,437,500
City of Bend	73369	Affordability/green/ratepayer hardship	$2,000,000
City of Bend	19470	Ratepayer hardship	$795,000
City of Bend	31695	Ratepayer hardship	$1,000,000
City of Chiloquin	67109	Affordability	$500,000
Clackamas Water Environment Services	80019	Green/sustainability/Ratepayer hardship	$100,000
Crescent Sanitary District	87385	Affordability	$100,000
City of Culver	54946	Affordability/Green (stormwater)	$100,000
City of Culver	17253	Affordability/Green (stormwater)	$910,250
City of Culver	87677	Affordability/Green (stormwater)	$698,527
City of Dayville	27499	Affordability/sustainability	$100,000
East Fork Irrigation District	75993	Green (energy efficiency)	$2,000,000
City of Eugene	31246	Affordability	$825,000
Gleneden Sanitary District	37440	Affordability/green sustainability	$100,000
City of Gold Beach	55016	Affordability	$100,000
City of Grass Valley	40987	Green/water efficiency	$1,400,000
City of Gresham	39194	Green/stormwater/ sustainability/Emerging Contaminants	$1,181,297
City of Gresham	64297	Ratepayer hardship	$2,000,000
City of Gresham	07921	Affordability/Green	$2,000,000
City of Heppner	31544	Affordability	$100,000
Harbor Sanitary District	91516	Affordability	$875,000
Hermiston Irrigation District	40122	Affordability/Green (WE)	$2,000,000
City of Hines	70616	Affordability	$100,000
City of John Day	48819	Affordability (also green)	$1,726,537*
Klamath Drainage District	17877	Green/Energy Efficiency	$525,003.50*
City of Lakeview	71015	Affordability	$100,000
City of Lincoln City	79103	Affordability	$2,000,000
City of Madras	62376	Affordability	$500,000
City of Madras	08736	Affordability	$900,000
Medford Irrigation District	81809	Affordability/Green (WE)	$2,000,000
City of Myrtle Creek	53710	Affordability/sustainability	$100,000
Ochoco Irrigation District	72106	Affordability, Green/stormwater/sustainability	$1,150,000*
Port of Morrow	89109	Affordability	$996,225*
City of Port Orford	93479	Affordability/Green (GI/EI)	$127,000
City of Prairie City	68409	Affordability/sustainability	$100,000

Applicant	Application Number	Criteria	PF Amount
City of Rainier	73256	Affordability/Green	$2,000,000
City of Reedsport	68700	Affordability	$100,000
City of Riddle	2531	Affordability/stormwater	$100,000
City of Rockaway Beach	23217	Affordability/green/ratepayer hardship	$2,000,000
Rogue River Valley Irrigation District	26451	Affordability/Green (EE)	$1,237,000*
Rogue Valley Sewer Services	40184	Green/sustainabiity	$2,000,000
Roseburg Urban Sanitary Authority	14637	Green/sustainability	$2,000,000
Roseburg Urban Sanitary Authority	38935	Affordability/green, energy effficiency	$1,500,000
City of Salem	23167	Green/stormwater/sustainability	$2,000,000
City of Stanfield	59187	Affordability	$89,000
City of St. Helens	53117	Affordability	$2,000,000
City of Stayton	91519	Affordability	$2,000,000
City of Stayton	27093	Affordability	$1,694,490
Talent Irrigation District	39460	Affordability/Green, water efficiency	$625,000
Terrebonne Sanitary District	82913	Affordability/Green	$2,000,000
Terrebonne Sanitary District	85404	Affordability/sustainability	$100,000
City of The Dalles	6433	Affordability/ratepayer hardship	$100,000
Three Sisters Irrigation District	30501	Affordability/Green (EE)	$2,000,000
Tri-City Joint Water and Sanitary Authority	81421	Affordability/Green	$1,000,000
Tumalo Basin Sewer District	35320	Affordability/sustainability	$100,000
City of Umatilla	51054	Affordability	$1,900,000*
City of Warrenton	55127	Affordability	$1,800,000
City of Wasco	0 5137	Affordability	$200,000
Westland Irrigation District	78484	Affordability/Green (EE)	$2,000,000
City of Wilsonville	RC0007	Ratepayer hardship	$2,000,000
City of Wilsonville	61437	Green, stormwater, sustainability (I and I)/Ratepayer hardship	$2,000,000
City of Winston	97795	Affordability	$2,000,000
Wood River District Improvement Company	95475	Affordability/Green (WE)	$1,000,000
City of Yoncalla	21803	Affordability	$100,000
Totals			**$72,945,564**

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)(b)(A) limits awarding no more than 15 percent of funds available in any given fiscal year to a single loan. For state fiscal year 2027, DEQ estimates a maximum loan amount of $20 million.

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. DEQ may also allocate additional funds if funds are available after allocating the maximum amount to each public agency borrower who requested project funding in a state fiscal year. Loan increases for existing loans have first priority for new funding allocations if funds are available.

Planning reserve

The total planning reserve allocation cannot exceed $3 million 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). 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 2027 activity

Timely use of funds

DEQ intends to use funds in a timely and expeditious manner. Appendix 3 calculates the amount of funds available in state fiscal year 2027 compared to the amount of binding commitments cumulative through June 30, 2026 (estimated in March 2026 for this IUP 2027).

Oregon CWSRF Timely and Expeditious Use of Funds Plan SFY 2027

Timely and Expeditious Use of Funds Plan update

Last year, the Oregon CWSRF program included a plan to address Timely and Expeditious Use of Funds requirement per EPA in the IUP 2026 - Oregon CWSRF Plan and Measures to ensure compliance with Timely and Expeditious Use of Funds. Oregon CWSRF and EPA acknowledged the program experienced a decrease in loan activity the previous three years due to many factors including COVID pandemic, project delays due to increasing costs of materials and labor and program changes to address new requirements and priorities under the Infrastructure Investment and Jobs Act, including a rulemaking as documented in the IUP in 2022-23. These program changes were needed for IIJA implementation, which took time. This year is the fourth full year of implementing IIJA funds for the program received from EPA in September 2023. The program has had a significant increase in demand and loan activity and reduced funds available the past two years. Oregon CWSRF is meeting goals of timely and expeditious use of funds.

Increased principal forgiveness limits

The program increased principal forgiveness limits per loan from $500,000 per loan to up to $2 million per design/construction loan per borrower each state fiscal year. This helps ensure the program meets the IIJA requirement to provide 49 percent of each IIJA supplemental cap grant amount as additional subsidy. Most applicants eligible for principal forgiveness meet affordability criteria or green, stormwater, and sustainability project criteria, some meet ratepayer hardship criteria. The program is providing more principal forgiveness communities that meet affordability criteria metrics.

Affordability criteria

The program updated affordability criteria metrics, which include water pollution and health burdened metrics, and small and very small communities in addition to income, employment and population trend data. More public agency borrowers in Oregon are eligible for principal forgiveness based on new affordability criteria metrics. CWSRF is proactive about addressing affordability criteria metrics, which has been recognized by EPA as an example nationally and is leading to increased interest, demand, applications and loan activity particularly with small communities.

Principal forgiveness for planning loans

The program also introduced 100% forgivable planning loans up to $100,000. The program adjusted rules to create this new incentive to further develop a pipeline of projects over the next five years. As a result, the program has received an unprecedented number of planning loan applications the past two years. Several of these applications are ready to proceed with loan commitments. Planning loans move faster from application to loan due to fewer requirements, which will help the program address timely and expeditious use of funds this year.

Outreach for project pipeline development

The program has also increased outreach and technical assistance to assist communities with CWSRF financing for water quality and infrastructure projects. The program created a Loan Information Request Form to connect with communities interested in CWSRF funding prior to submitting an application. CWSRF staff meet with communities that submit a LIRF to discuss projects, program and finance requirements. Most LIRFs lead to applications and most of the applications from LIRFs are for planning loans, which move quicker through the loan process than design and construction loans and will help timely and expeditious use of funds.

Technical assistance for loan readiness

This past year, the program continues to focus on technical assistance for loan readiness. The primary goal of CWSRF Technical Assistance for Loan Readiness is to provide assistance to communities on the IUP and help applicants move through the application and loan process more efficiently and effectively to loan commitment and meet timely and expeditious goals. Once on the IUP, program staff meets with applicants as “cohorts” to identify needs for assistance, provide customized training and technical assistance on loan requirements, required exhibits, documentation for financing, and specific needs identified. In SFY2025, DEQ also hired an additional Loan Specialist to increase program financing capacity.

Process enhancements and coordination

The program has started implementing a new software system, the Oregon Clean Water Funding Hub. The system will improve processes, efficiencies, internal controls and data management related to applications, projects and loans. The Oregon Clean Water Funding Hub will help streamline project and financing processes for borrowers and staff, improve data tracking and increase capabilities for reporting, all of which will help with timely and expeditious use of funds. DEQ is using the system to process disbursements and is developing standard operating procedures for using the system for applications, project tracking, and reporting.

Oregon CWSRF coordination with EPA on Timely and Expeditious Use of Funds

This past year, CWSRF met with EPA region 10 staff on a regular basis to address any issues regarding the IUP and Timely and Expeditious Use of Funds Plan. The program reviews status of loan activity at team meetings and tracks progress from application to loan commitments at least monthly. CWSRF staff will meet with EPA region 10 at least quarterly to review and discuss actions related to this plan including outreach, technical assistance for loan readiness, status of loan activity, guidance from EPA and any adjustments needed to address timely and expeditious use of funds. The program will also ensure that loan data is entered in the EPA SRF data system at least quarterly and end of year.

These program enhancements, incentives and focus on timely and expeditious use of funds will continue to result in greater demand and more loan activity for projects in Oregon.

Table 5 - Oregon CWSRF Timely and Expeditious Use of Funds Action Plan SFY 2027

Action Category	Specific Actions	Timeframe	Notes
Infrastructure Investment and Jobs Act Implementation	Continue implementing new requirements and priorities under IIJA including principal forgiveness, technical assistance, Build America Buy America	Application review and scoring, IUP updates, loan commitments, principal forgiveness awards, project implementation with requirements April	DEQ has developed guidance on new principal forgiveness limits, affordability criteria metrics, BABA guidance, and guidance on emerging contaminants for

Action Category	Specific Actions	Timeframe	Notes
	and emerging contaminants.	2026 and October 2026.	implementation of IIJA funds.
Outreach and Project Pipeline Development	Loan Information Request Form meetings, One Stop meetings, conferences, trainings and events	LIRF meetings as requested (ongoing) One Stop Meetings (monthly or as scheduled) Oregon Association of Clean Water Agencies Committee meetings and Annual Conference 2026 Oregon Infrastructure Summit 2026 League of Oregon Cities Annual Conference 2026	Loan Information Request Form meetings are leading to more applications, which is expected to continue. DEQ continues to develop a project pipeline for future federal funding.
Technical Assistance for Loan Readiness	Individual and group meetings and trainings with applicants on IUP to assist with requirements and move to loan commitments. DEQ CWSRF will dedicate existing staff and intends to hire limited duration staff to provide support to applicants/borrowers for timely and expeditious use of funds as a priority.	Continue meetings and webinars with applicants from April 2026 – April 2027 application rounds to provide guidance on program requirements and address specific needs for technical assistance. Meet with applicants to assess loan readiness and identify TA needs for applicants added to the IUP from April 2026 through April 2027 application rounds.	DEQ will initiate meetings to assist applicants with loan readiness from April 2026 round through SFY 2027. Specific topics may include loan requirements, environmental review, and others to be addressed depending on needs.
Process Enhancements and Coordination – CWSRF Clean	Continue using Clean Water Funding Hub for disbursements.	July 2026 – June 2027	Oregon CWSRF is phasing in elements of the software system and will identify users for applications and

Action Category	Specific Actions	Timeframe	Notes
Water Funding Hub	Continue developing standard operating procedures for processing applications Implement Oregon Clean Water Funding Hub with new applicants. Utilize the Hub for reporting during the next year.		loan processing in SFY2027. The system will help timely and expeditious use of funds by centralizing data, improve project and finance processes and track progress with loan commitments and disbursements.
Oregon CWSRF Coordination with EPA on Timely and Expeditious Use of Funds	Internal team meetings regarding loan status and progress at least monthly. Meetings with EPA for updates, status and progress with T and E plan at least quarterly	DEQ internal team meetings at least monthly Meetings with EPA at least quarterly	Oregon CWSRF will meet with EPA region 10 for program coordination monthly (scheduled)

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. Oregon CWSRF intends to use City of Redmond loan R76064 and City of Estacada loan R31741 to meet equivalency requirements for federal cap grants in SFY2026 will identify additional loans for equivalency in SFY2027 to meet future cap grant requirements.

Build America Buy America requirements

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

Environmental review and compliance with federal cross-cutters

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

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

This year, DEQ CWSRF staff will continue coordinating closely with EPA staff regarding environmental review and consultation with federal agencies as appropriate.

DEQ is updating the State Environmental Review Process (SERP) guide this year.

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

The 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. The rulemaking process includes input from a public advisory committee, public hearings and public comment periods. The public is also encouraged to provide comments directly to the Environmental Quality Commission on administrative rule changes.

Advisory committee

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

federal and tribal agencies, water and wastewater utilities, organizations serving low income, rural, and farmworker populations, environmental advocacy organizations and statewide associations. Committee meetings are open to the public.

Public notice of an environmental determination

The public may request information and comment on the environmental determination for projects funded by the Clean Water State Revolving Fund during the public notice period, which is generally 30 days. DEQ currently issues a public notice on the DEQ public notice website 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 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. 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 2027, 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 2027, Initial Edition

Notice Issued: April 17, 2026

Comments Due May 1, 2026

What is proposed?

The Oregon Department of Environmental Quality has prepared a *Proposed Intended Use Plan State Fiscal Year 2027, 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 2027, Initial Edition* includes 82 applications on the Project Priority list for a total of $460,749,701 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 2027, Initial Edition* and the option to sign up for notifications through GovDelivery are available on DEQ's Clean Water State Revolving Fund Intended Use Plan web page.

Comments on this plan must be submitted in writing via mail, fax or email any time prior to the comment deadline of May 1, 2026, at 5 p.m. to:

Mail:
Oregon Department of Environmental Quality, Water Quality Division
Attn: Chris Marko
700 NE Multnomah Street, Suite 600
Portland, OR 97232
Email: intendeduseplancomments@deq.state.or.us

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

Nicole Taylor
U.S. Environmental Protection Agency
1200 6th Avenue
Seattle, WA 98101

Appendix 1A: Project priority list non-planning applications (new in gray)

- **58 non-planning applications**
- **Total Amount Requested: $445,364,601**
- **Total Green Project Reserve: $143,637,024**

Table 6 – Project priority list non-planning applications

Priority Ranking	Score	Applicant	Application Number	Amount Requested	EPA Needs Category	Permit Number	Green Project Reserve Category and Amount	Small Community
1	84	City of Rockaway Beach	23217	5,000,000	VII-N	N/A	GI - $2,500,000; EI - $2,500,000	Yes
2	81	City of Bay City	17848	730,000	VII-D	N/A	GI - $730,000	Yes
2	81	Medford Irrigation District	81809	4,000,000	VII-A	N/A	WE - $4,000,000	Yes
2	81	City of Port Orford	93479	254,500	VII-C, Other	N/A	GI - $127,250; EI - $127,250	Yes
3	80	Rogue Valley Sewer Services	40184	11,059,100	IV-B	OR0022594	EE - $11,059,100	Yes
4	75	Water Environment Services of Clackamas County	12032	1,200,000	IV-B	N/A	GI - $300,000; Sustainability - $900,000	No
5	74	City of Gresham	39194	2,362,593	VII-D	ORS108013	GI - $1,181,297, EI - $1,181,296	No
6	73	City of Aumsville	24280	23,977,650	I, II, III-B	OR0022721	N/A	Yes
6	73	Roseburg Urban Sanitary Authority	38935	3,000,000	IX	OR0031356	GI - $600,000 WE - $600,000, EE - $600,000, EI - $600,000, Sustainability - $600,000	No
7	72	Terrebonne Sanitary District	82913	7,745,480	IV-A	N/A	EI - $7,745,480	Yes

Priority Ranking	Score	Applicant	Application Number	Amount Requested	EPA Needs Category	Permit Number	Green Project Reserve Category and Amount	Small Community
8	71	Roseburg Urban Sanitary Authority	14637	4,000,000	VIII, IX	OR0031356	EE - $1,500,000	No
9	68	Port of Morrow	89109	50,000,000	I	WPCF 102325	N/A	Yes
10	67	City of Athena	96648	4,544,000	I, VIII	OR0022811	GI - $3,034,000; EI - $638,000	Yes
11	66	City of Stayton	27093	3,388,979	IV-A	OR0020427	N/A	Yes
11	66	City of Rainier	73256	12,710,000	I, XI	OR0020389	WE - $3,000,000	Yes
12	65	Arnold Irrigation District	24605	8,699,900	VII-A	N/A	WE - $4,349,950; GI - $4,349,950	Yes
13	64	City of Warrenton	55127	3,900,000	I	OR0020877	N/A	Yes
14	62	City of Chiloquin	67109	1,300,000	I	OR0020320	N/A	Yes
14	62	City of Stayton	91519	5,784,730	IV-A	OR0020427	N/A	Yes
15	60	City of St. Helens	53117	16,400,000	III-B, IV-A, VII-D	OR0020834	GI - $200,000	Yes
15	60	Water Environment Services of Clackamas County	65331	23,500,000	VII-D; VII-K	OR0031259; OR0026221	N/A	No
16	58	City of Grass Valley	40987	2,800,000	I, IV-A, XI	N/A	WE - $2,800,000	Yes
16	58	Three Sisters Irrigation District	30501	7,000,000	VII-A	N/A	EE - $233,334, EI - $233, 333, Sustainability - $233,333	Yes
16	58	City of Culver	87677	1,397,053	VII-D	N/A	GI - $150,000	Yes

Priority Ranking	Score	Applicant	Application Number	Amount Requested	EPA Needs Category	Permit Number	Green Project Reserve Category and Amount	Small Community
17	57	City of John Day	48819	30,000,000	I	WPCF 103281	N/A	Yes
18	55	City of Gresham	07291	25,570,000	I	OR0026131	EI - $20,000,000; GI - $5,000,000	No
19	54	City of Umatilla	51054	10,701,000	I, III-B	OR0022306	N/A	Yes
19	54	City of Culver	17253	1,820,500	I	WPCF 102366	N/A	Yes
20	53	City of Madras	62376	1,000,000	III-B	WPCF 101739	EE - $85,000	Yes
20	53	City of Salem	23167	5,292,350	III-B, VI-B	OR0026409	GI - $100,000; Sustainability - $50,000	No
20	53	City of Wilsonville	61437	18,000,000	IV-B	OR0022764	EE - $5,000,000	No
21	52	City of Mosier	61520	1,478,301	VI-B, VIII, X, XI	N/A	GI - $1,478,301	Yes
21	52	Klamath Drainage District	17877	6,000,000	VII-A	N/A	EE - $3,000,000, EI - $3,000,000	Yes
21	52	City of Wasco	05137	400,000	III-B	WPCF 102046	N/A	Yes
21	52	City of Bend	77739	10,000,000	VI-A	ORS113602	GI - $10,000,000	No
22	51	City of Wilsonville	RC0007	11,000,000	I	OR0022764	N/A	No
23	50	Harbor Sanitary District	91516	1,750,000	III-A, III-B	OR0020354	N/A	Yes
24	49	South Suburban Sanitary District	02766	23,978,200	I	OR0023876	N/A	No
24	49	City of Winston	97795	4,000,000	III-A, III-B	OR0030392	N/A	Yes

Priority Ranking	Score	Applicant	Application Number	Amount Requested	EPA Needs Category	Permit Number	Green Project Reserve Category and Amount	Small Community
24	49	Tri City Joint Water and Sanitary Authority	81421	2,000,000	III-A, III-B	OR0028665 (Myrtle Creek)	EE - $2,000,000	Yes
25	48	Talent Irrigation District	39460	1,250,000	VII-A	N/A	WE - $1,250,000	Yes
26	44	City of Gresham	64297	4,000,000	I, II	OR0026131	N/A	No
26	44	Ochoco Irrigation District	72106	3,750,000	VII-A	OR0034215	EE - $3,750,000	Yes
27	43	City of Madras	08736	1,800,000	IV-A	WPCF 101739	N/A	Yes
27	43	City of Ashland	10498	7,605,265	I	OR0026255	N/A	No
28	42	Westland Irrigation District	78484	12,000,000	VII-A	N/A	WE - $6,000,000, EE - $6,000,000	No
28	42	Rogue River Valley Irrigation District	26451	5,000,000	VII-A	N/A	EE - $5,000,000	Yes
29	41	City of Pendleton	95698	9,000,000	I	OR0026395	N/A	No
30	40	City of Bend	73369	8,675,000	IV-A, VI-A	WPCF 101572/ ORS113602	EE - $1,000,000	No
30	40	Hermiston Irrigation District	40122	6,000,000	VII-A	ORG87J001	WE - $6,000,000	No
30	40	Wood River District Improvement Company	95475	2,000,000	VII-A	N/A	WE - $2,000,000	Yes
31	39	City of Lincoln City	79103	8,000,000	IV-B	OR0020478	N/A	No
32	36	City of Eugene	31246	1,650,000	IV-A	OR0044725	N/A	No
32	36	City of Bend	57924	3,425,000	IV-A	WPCF 101572	N/A	No

Priority Ranking	Score	Applicant	Application Number	Amount Requested	EPA Needs Category	Permit Number	Green Project Reserve Category and Amount	Small Community
32	36	City of Bend	75180	2,875,000	IV-A	WPCF 101572	N/A	No
32	36	City of Bend	19470	1,590,000	IV-A	WPCF 101572	N/A	No
32	36	City of Bend	31695	2,000,000	IV-A	WPCF 101572	N/A	No
33	31	East Fork Irrigation District	75993	7,000,000	VII-A	N/A	WE - $3,500,000, EE - $3,500,000	Yes

Appendix 1B: Project priority list for planning applications (new in gray)

- **20 planning applications**
- **Total Amount Requested: $6,845,100**
- **Total Green Project Reserve: $500,000**

Table 7 – Project priority list for planning applications

Priority Ranking	Score	Applicant	Application Number	Amount Requested	EPA Needs Category	Permit Number	Green Project Reserve Category and Amount	Small Community and Planning
1	24	City of Culver	54946	100,000	VII-D	N/A	GI - $100,000	Yes
2	23	City of Heppner	31544	100,000	Planning and Assessments	OR0020770	N/A	Yes
2	23	City of Hines	70616	50,000	Planning and Assessments	WPCF 101045	N/A	Yes
2	23	Tumalo Basin Sewer District	35320	100,000	I, IV-A	N/A	Sustainability - $100,000	Yes
3	22	City of Bend	26677	500,000	XIV	ORS113602	N/A	No
3	22	Gleneden Sanitary District	00742	3,750,000	Planning and Assessments	N/A	N/A	Yes
4	20	City of Myrtle Creek	53710	100,000	I, III-A, III-B, V-III	OR0028665	Sustainability - $100,000	Yes
5	18	Crescent Sanitary District	87385	100,000	III-B, IV-A	WPCF 103200	N/A	Yes
5	18	City of Prairie City	68409	100,000	Planning and Assessments	WPCF 101739	N/A	Yes
5	18	City of Dayville	27499	100,000	Planning and Assessments	OR0041505	N/A	Yes
5	18	City of Bandon	77131	100,000	II, III-A, III-B, V-III	OR0020206	Sustainability - $100,000	Yes

Priority Ranking	Score	Applicant	Application Number	Amount Requested	EPA Needs Category	Permit Number	Green Project Reserve Category and Amount	Small Community and Planning
5	18	City of Gold Beach	55016	100,000	II, III-A, III-B, V-III	OR0020303	N/A	Yes
5	18	City of Reedsport	68700	100,000	II, III-A, III-B, IX	OR0020826	N/A	Yes
6	17	City of Riddle	02531	100,000	III-A, III-B, V-III	OR0020630	Sustainability - $100,000	Yes
7	16	City of Lakeview	71015	100,000	Planning and Assessents	OR0041386	N/A	Yes
7	16	City of The Dalles	06433	650,000	Planning and Assessments	OR0020885	N/A	No
7	16	Clackamas Water Environment Services	80019	100,000	Planning and Assessments	OR0031020	N/A	No
8	14	City of Yoncalla	21803	406,100	I	OR0022454	N/A	Yes
8	14	Terrebonne Sanitary District	85404	100,000	Planning and Assessments	N/A	N/A	Yes
9	11	City of Stanfield	59187	89,000	Planning and Assessments	OR0026972	N/A	Yes

78 total applications (non-planning and planning) requesting a total of $452,209,701.

Table 8 – Project and EPA Needs categories

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 (Section 320) Assessments
XIII	Desalination
XIIII	Planning and Assessments

Appendix 2: Estimated applicants ready to proceed

* Loans estimated ready to proceed by 6/30/2026 remainder of SFY2026 (June 30, 2026).

** Loans estimated to be signed in SFY2027 (July 1, 2026 – June 30, 2027) for design, less than total requested, to be increased for construction.

Table 9 – Estimated applicants ready to proceed

Applicant/Barrower	Application / Loan Number	Previous Funded Amount	Amount Requested (not committed until ready to proceed)	Green Project Reserve Category and Amount	Small Community and Facility Planning	Ready to proceed by
City of Ashland	R11754	$3,616,900	$299,000			June 30, 2026
City of Athena	96648/RC0044		$500,000	GI - $3,034,000; EI - $638,000	Yes	June 30, 2026
City of Bend	R14538		$500,000	N/A	Planning	June 30, 2026
City of Bend	57924		$3,425,000	N/A	N/A	June 30, 2026
City of Bend	75180		$2,875,000	N/A	N/A	June 30, 2026
City of Chiloquin	22130-21		$68,500	N/A	SC	June 30, 2026
City of Dayville	27499/RC0046		$100,000	N/A	Yes	June 30, 2026
City of Eugene	RC0003	$30,000	$1,650,000	N/A	N/A	June 30, 2026
City of Gresham	RC0042		$4,000,000	N/A	N/A	June 30, 2026
Harbor Sanitary District	41410-23		$1,750,000	N/A	SC	June 30, 2026
City of Independence	R47603	$4,053,000	$5,947,000	N/A	N/A	June 30, 2026
Klamath Drainage District	RC0022	$2,949,993	$1,450,007	EE - $3,000,000, EI - $3,000,000	Yes	June 30, 2026
City of Lincoln City	79103		$1,600,000	N/A	No	June 30, 2026
City of Madras	R62376	$150,000	$850,000	EE - $85,000	Yes	June 30, 2026
Ochoco Irrigation District	RC0038	$1,450,000	$3,170,000	EE - $3,750,000	Yes	June 30, 2026
Roseburg Urban Sanitary Authority	RC0005	$1,511,941	$1,488,059	GI - $600,000; EE - $600,000; WE - $600,000; EI - $600,000;		June 30, 2026

Applicant/Barrower	Application / Loan Number	Previous Funded Amount	Amount Requested (not committed until ready to proceed)	Green Project Reserve Category and Amount	Small Community and Facility Planning	Ready to proceed by
				Sustainability - $600,000		
City of Port Orford	93479		$254,500	GI - $127,250; EI - $127,250	Yes	June 30, 2026
City of Rockaway Beach	RC0036		$5,000,000	GI - $5,000,000	SC	June 30, 2026
Rogue River Valley Irrigation District	RC0035	$1,526,000	$1,474,000	EE - $5,000,000	SC	June 30, 2026
Rogue Valley Sewer Services	40184		$8,897,562	EE - $11,059,100	SC	June 30, 2026
City of Salem	R80214	$1,100,000	$4,192,350	GI - $100,000; Sustainability - $50,000		June 30, 2026
City of Stayton	91519		$400,000	N/A	SC	June 30, 2026
City of Stayton	27093		$250,000	N/A	SC	June 30, 2026
City of St. Helens	53117		$25,500,000	GI - $200,000	SC	June 30, 2026
Talent Irrigation District	RC0009		$145,000	WE - $1,250,000	SC	June 30, 2026
Tillamook County Solid Waste Service District	R91570	$86,424	$1,667,459	GI - $133,800	N/A	June 30, 2026
Water Environment Services of Clackamas County	80019/RC0045		$100,000	N/A	No	June 30, 2026
Water Environment Services of Clackamas County	12032		$48,000	GI - $300,000; Sustainability - $900,000	No	June 30, 2026
Water Environment Services of Clackamas County	65531		$1,000,000			June 30, 2026
City of Warrenton	55127		$1,000,000	N/A	Yes	June 30, 2026
SUBTOTAL: Expected to sign in SFY June 30, 2026			**$79,302,437**	**$38,070,230**		
City of Athena	96648	$500,000	$4,044,000	GI - $3,034,000; EI - $638,000	Yes	6/30/2027

Applicant/Barrower	Application / Loan Number	Previous Funded Amount	Amount Requested (not committed until ready to proceed)	Green Project Reserve Category and Amount	Small Community and Facility Planning	Ready to proceed by
City of Aumsville	11855-23		$9,000,000	N/A	SC	6/30/2027
City of Bay City	17848		$1,073,250			6/30/2027
City of Bend	73369		$8,675,000	EE - $1,000,000	N/A	6/30/2027
City of Bend	77739		$10,000,000	GI - $10,000,000	N/A	6/30/2027
City of Culver	87677		$1,397,053	GI - $150,000	Yes	6/30/2027
City of Culver	17253		$1,820,500	N/A	Yes	6/30/2027
City of Culver	54946		$100,000	GI - $100,000	Yes	6/30/2027
City of Gresham	R39194	$121,575	$364,760	GI - $1,181,297, EI - $1,181,296	N/A	6/30/2027
City of Gresham	07921		$6,430,000	EI - $20,000,000; GI - $5,000,000	No	6/30/2027
City of Heppner	31544		$100,000	N/A	Yes	6/30/2027
City of Hines	70616		$50,000	N/A	Yes	6/30/2027
City of John Day	RC0024	$546,926	$22,953,074	N/A	SC	6/30/2027
City of Madras	8736		$1,800,000	N/A	Yes	6/30/2027
City of Mosier	61520		$1,478,301	GI - $1,478,301	SC	6/30/2027
Port of Morrow	RC0002	$2,007,550	$47,992,450	N/A	SC	6/30/2027
Rogue River Valley Irrigation District**	RC0035	$3,000,000	$2,000,000	EE - $5,000,000	SC	6/30/2027
Rogue River Valley Irrigation District	R78600	$1,500,000	$22,834,500			6/30/2027
Roseburg Urban Sanitary Authority**	RC0004	$1,822,735	$2,177,265	EE - $1,500,000	N/A	6/30/2027
South Suburban Sanitary District	RC0037	$6,000,000	$14,000,000	N/A	No	6/30/2027
City of Stanfield	59187		$ 89,000	N/A	Yes	6/30/2027

Applicant/Barrower	Application / Loan Number	Previous Funded Amount	Amount Requested (not committed until ready to proceed)	Green Project Reserve Category and Amount	Small Community and Facility Planning	Ready to proceed by
City of Stayton**	91519	$400,000	$5,384,730	N/A	SC	6/30/2027
City of Stayton**	27093	$250,000	$3,138,979	N/A	SC	6/30/2027
Terrebonne Sanitary District	85404		$100,000	N/A	Yes	6/30/2027
Tri City Joint Water and Sanitary Authority**	81421	$110,000	$1,890,000	EE - $2,000,000	SC	6/30/2027
Tumalo Basin Sewer District	35320		$100,000	Sustainability - $100,000	Yes	6/30/2027
City of Umatilla**	51054/RC0043	$200,000	$10,501,000	N/A	SC	6/30/2027
City of Wasco	5137		$400,000	N/A	Yes	6/30/2027
Water Environment Services of Clackamas County	65531	$1,000,000	$22,500,000	N/A	No	6/30/2027
City of Winston	R97795	$205,000	$1,604,800	N/A	Yes	6/30/2027
SUBTOTAL: Expected to sign in SFY2027			**$203,998,662**	**$66,611,627**		
TOTAL			**$283,301,099**	**$104,681,857**		

Appendix 3: Estimated funds available

Appendix 3 provides the calculation of funds available for state fiscal year 2026 and includes the forecasts for state fiscal years 2027 and 2028.

Table 10 – Estimated funds available

Sources of Funds	Cumulative through 6/30/2025	Estimated For SFY 2026	Estimated Cumulative through 6/30/2026	Estimated For SFY 2027	Estimated Cumulative through 6/30/2027	Estimated For SFY 2028	Estimated Cumulative through 6/30/2028
Federal Capitalization Grants	618,261,165	76,288,179	694,549,344	38,274,179	732,823,523	8,000,000	740,823,523
State Match	123,902,722	15,257,636	139,160,358	7,654,836	146,815,194	1,600,000	148,415,194
Investment Earnings	94,226,401	13,977,159	108,203,560	13,000,000	121,203,560	13,000,000	134,203,560
Loan Principal Repayments	899,275,280	38,646,428	937,921,708	71,517,824	1,009,439,532	40,346,101	1,049,785,633
Loan Interest Payments	250,563,234	7,511,899	258,075,133	13,960,137	272,035,270	9,399,826	281,435,096
Total Sources of Cash	**1,986,228,802**	**151,681,300**	**2,137,910,102**	**144,406,976**	**2,282,317,078**	**72,345,927**	**2,354,663,005**
Uses of Funds							
Loans and Amendments	1,762,590,201	245,777,184	2,008,367,385	0	2,008,367,385	0	2,008,367,385
Technical Assistance	0	0	0	0	0	0	0
Administration Expense paid from the CWSRF	13,073,412	2,857,640	15,931,052	1,435,880	17,366,932	320,000	17,686,932
Debt Service on Match Bonds	165,805,800	16,073,886	181,879,686	7,958,836	189,838,522	1,906,350	191,744,872
Total Uses of Cash	**1,941,469,413**	**264,708,710**	**2,206,178,123**	**9,394,716**	**2,215,572,839**	**2,226,350**	**2,217,799,189**
Funds Available	**44,759,389**	**-113,027,410**	**-68,268,021**	**135,012,260**	**66,744,239**	**70,119,577**	**136,863,816**
Net Available to Loan - SFY	**44,759,389**		**-68,268,021**		**66,744,239**		**136,863,816**

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

Appendix 4: Binding commitments and funds available

Table 11 – Estimated Funds Available through June 30, 2026 (SFY2026)

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
694,549,344	139,160,358	937,921,708	258,075,133	108,203,560	-197,810,738	2,137,910,102
				Admin Cost	-15,932,052	
				Debt Service	-181,879,686	
					Adjusted Total of Funds Available	1,940,099,364
					Funds Committed	2,008,367,385
					Uncommitted Funds	-68,268,021

Binding commitments as a percentage of funds through 6/30/2026 = **103.52%**

Table 12 - Estimated Funds Available through June 30, 2027 (SFY2027)

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
732,823,523	146,815,194	1,009,439,532	272,035,270	121,203,560	-207,205,454	2,282,317,078
				Admin Cost	-17,366,932	
				Debt Service	-189,838,522	
					Adjusted Total of Funds Available	2,075,111,624
					Funds Committed	2,008,367,385
					Uncommitted Funds	62,744,239

Note: does not include estimated loans signed SFY 2027. Binding Commitments as a Percentage of Funds Through 6/30/2027 = **96.78%**

Appendix 5: Affordability criteria metrics

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

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

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

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

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

Appendix 6: Project scoring criteria

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

Category one: Water quality standards and public health considerations

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

Category two: Watershed health benefits

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

- 2h. Does project incorporate or expand energy efficiency including, but not limited to, the use of improved technologies and practices to reduce the energy consumption of water quality projects, use energy in a more efficient way, or to produce or utilize renewable energy?
- 2i. Does project incorporate or expand environmentally innovative projects including, but not limited to, demonstrating new or innovative approaches to deliver services or manage water resources in a more sustainable way?

Category three: Other considerations

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

Internal CWSRF procedures for scoring criteria for planning loans are as follows:

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

Appendix 7: Principal forgiveness - eligibility criteria and limits

Principal forgiveness eligibilities

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

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

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

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

Affordability criteria requirements

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

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

The Oregon CWSRF program has updated affordability criteria consistent with requirements under the Clean Water Act priorities of the Infrastructure Investment and Jobs Act and EPA). The table below describes the Oregon CWSRF program affordability criteria:

Table 13 - Affordability criteria metrics

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

Principal forgiveness scoring

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

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

Table 14 - The principal forgiveness scoring system

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

Principal forgiveness limits

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

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

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

The maximum subsidization that a borrower can receive per state fiscal year is $2,000,000 Additional subsidization is subject to availability of funds. Borrowers eligible for principal forgiveness can only be awarded a maximum amount of $2,000,000 in additional subsidization per state fiscal year, regardless of the number of active loans or projects the borrower has with the program. This includes additional subsidization awarded to all loan types (planning loans, design only loans, construction only loans and design and construction loans).

Borrowers that are eligible recipients may only receive a max subsidization award per project up to the max of $2,000,000 or 50% of the loan amount, whichever is less. *This does not include subsidization awarded for emerging contaminants which may exceed the $2,000,000 max.

Table 15 – Loan types, maximum PF per fiscal year, and number of loans

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

Infrastructure Investment and Jobs Act CWSRF funding to address emerging contaminants

*The Infrastructure Investment and Jobs Act includes provisions for supplemental federal capitalization funding for CWSRFs to address emerging contaminants under the Clean Water Act. The EPA IIJA implementation guidance memo regarding EC provisions for CWSRFs states “funds provided under this paragraph in this Act deposited into the state revolving fund shall be provided to eligible recipients as assistance agreements with 100 percent principal forgiveness or as grants (or a combination of these)”. This language requires states to provide 100% of the capitalization grant amount as additional subsidization in the form of principal forgiveness and/or grants. Additional subsidization may be provided to any eligible CWSRF assistance recipient for any project eligible under section 603(c) of the CWA that addresses emerging contaminants.

Oregon CWSRF may offer up to 100% principal forgiveness for any CWSRF eligible project to address emerging contaminants per EPA. A project that is eligible for principal forgiveness under other eligibilities may receive an additional award of principal forgiveness related to funding for emerging contaminants. A project funded to addresses emerging contaminants may receive an additional award of principal forgiveness above the maximum limit of $2,000,000.