

Oregon Source Water Protection Workshops 2022

Protecting Your Drinking Water Source for Communities and Fish: How to Increase Resiliency with Land Conservation and Acquisition

Workshop Notes

- 11/1/2022 North and Mid-Coast Workshop

Newport, OR - Samaritan Pacific Communities Hospital Center for Health Education

9:15-9:35 Why Land Use and Conservation Matters for Drinking Water

Michelle Smith, Coalition of Oregon Land Trusts (COLT)

- Source water protection not regulated, voluntary only. Needs pro-active approach. Presents challenge.
- Protecting water in first instance can result in decreased treatment costs (less needed), increased quality (after treatment), sufficient existing treatments (no upgrades needed), reliable quantity, increased resilience
- Co-benefits include climate resiliency and mitigation, recreation and open spaces, supporting local economies, healthier and more equitable communities, better control of source contamination
- Pollution - usually non-point sources (sedimentation, ag runoff), human inputs (suburban development placement), natural inputs (steep slopes, naturally occurring minerals). Sources may collide (forestry on steep slopes)
- Land conservation (working definition) - the use of voluntary legal tools to secure long-term protection of natural lands for their natural values and services
- Source Water Protection Tools - education, partnerships, incentives, land use laws, restoration, land conservation
- Land conservation - key tool for protecting natural lands that support our water sources. Clean drinking water starts on the land
- Land conservation practices can be used to control uses and management of the land; this can be done in a way that is beneficial to multiple parties
- Opportunities, information, capacity, partnerships

9:35-10:15 Source Water Protection Planning Resources

Julie Harvey, OR Department of Environmental Quality (DEQ)

- Oregon - 2500+ Public Water Systems, serve 85% of Oregonians. Many are small - 75% have less than 3,000 connections
- DEQ placed emphasis on their role with the watershed/aquifer before intake for drinking water (viewing the ecosystem as the first line of defense for protecting the water), pointing out that

the Safe Drinking Water Act is focused on the treatment/distribution component. Source water protection is implemented under the Clean Water Act

- Source Water Assessment Reports - completed for all community and NTNC systems. Include maps, susceptibility analyses, strategies, and resources to decrease risks. Maps of water system source areas are included in [DEQ's resource document](#).
- Water Systems need partners with common goals, communication with landowners/ratepayers should occur early and often
- Partnerships can include public/private consortiums such as watershed councils, land trusts, soil and water conservation districts, state and federal agencies (i.e. BLM, ODF, EPA) Non-profits and private partners.
- Gave overview of available funds
- "What's good for fish is good for drinking water (and vice versa)"

Case Study Presentation - Rick McClung, Yachats Water Treatment Plant Operator

- Key word - partnerships
- Tourism - major driver of Yachats economy, seasonal residents increase water needs in the summer when water quantity is most limited
- Yachats sources - : primary - Reedy Creek (USFS), secondary - Salmon Creek (Riggs – private ownership), untouched - Yachats River (while the City has water rights they have not developed these; this river is 'untapped' and current preference is to keep it that way)
- Lack of communication between private landowner and water system personnel – 2013 legal clearcut in Salmon Creek watershed above water treatment plant resulted in WTP off-line for 2-3 years (turbidity)
- Difficulty finding willing landowners for property acquisition. Need to include time and resources for education and outreach.
- DEQ suggested developing a Drinking Water Protection Plan (identified risks and effective strategies). 2017 - 2021. Worked with DEQ and GSI. Currently working on grant-funded second plan for implementation of original protection plan.

Q&A

- (Rick) Recommended contacting ODF/Private Forestry Division to stay aware of current logging activities in your area
- (GSI) Funding utilized for both plans. Includes community education and input, monitoring (storms, climate change effects over time), education and outreach (landscapers, realtors, etc.)

10:35 – 11:55 Legal Steps for Land Conservation

Process of Land Acquisitions - Ben Pittenger, Lower Nehalem Community Trust

- Compared 2 types of land acquisition processes – 1. Fee simple (own, manage, full title) 2. Conservation easements (where some right of the land is transferred, allows someone/organization to enter land, legally enforceable, binding, in perpetuity)

- Steps – 1. Policy/Strategy (fee simple or conservation easement?) 2. ID project (values we want or willing to do the work?) 3. Due diligence (land’s unique benefits and challenges) 4. Negotiate (appraisal, know your limits) 5. Fund (sources - grants, loans) 6. Purchase/Close (legally record)
- Land conservation is not a very clear cut process; can be complex and “muddy”. Due diligence is a critical part of the process to ensure there aren’t any unexpected (or costly) surprises down the road. Partnering with the local Land Trust organization can help.
- To have ownership means to hold enforceable rights to a property.

Land Conservation in Partnership with USFS – James (Jim) Capurso, USDA Forest Service (USFS)

- Discussed Land and Water Conservation Fund (LWCF) – now permanently funded by Great American Outdoors Act. Rick Pringle - regional contact
- Discussed Grants and Agreements (decision tree)
- Discussed Wyden Amendment (previously Wyden Authority, now permanent, questions to ask prior to applying). The Wyden Amendment allows federal agencies to enter into cooperative agreements with willing partners and landowners downstream for the protection of resources on non-Federal lands.

Land Conservation Case Study Presentation – Ben Pittenger, Lower Nehalem Community Trust

- Alder Creek Farm between Nehalem and Manzanita. 54 acres, 50-acre easement to increase wetland qualities and deal with drainage. Easement negotiated (perpetual, encumbered), Oregon Watershed Enhancement Board (OWEB) easement also on property
- When a plot of land is transferred, the easement goes with it
- The new owner will have to make sure they continue to follow the rules of the easement; for this and other reasons it is important to write a good and thorough agreement
- Advised attendees to use concepts from others (don’t reinvent the wheel), responsibilities can be delegated to another party (land manager)
- 15 years later – riparian planting, current efforts - controlling blackberries. Practical impacts include helpful expert input, Compatible Use Agreements, 60-80 resident elk herd

Q&A

- (Ben) If dissolution of the land trust occurs, ownership will be given to another organization that will protect same interests
- (Jim) Under Wyden Amendment - take ideas early to USFS forest-specific district hydrologist or biologist
- (Julie) Drinking Water Providers Partnership – not much awareness of this, encouraged developing relationships, advised extra money available next year (BIL). (Example - Baker City cryptosporidium. Fencing bought/installed around source)
- (Jim) Best initial coordination point for USFS is District Hydrologist or District Fisheries Biologist.
- (Jim & Ben) Recommend getting on USFS mailing list (NEPA) mailing list for notification of activities on USFS lands – USFS - must notify entities of proposed projects, communication required by federal law

- (Ben) Enter, monitor, protect/restore land in ways that benefit your agency. Land Trusts are great partners – help work through process, planning and acquisition funding, Consider Community Forest Program. Partner with federal government (culverts, restoration, etc.)

Break Out - Challenges Discussion

1:45-12:15 Working Lunch: Funding Sources and Requirements – Financing Your Acquisition

Conservation Funding & How to Stack and Package Funding

Funding Sources and Requirements - Financing Your Acquisition - Chris Marko, OR DEQ Clean Water State Revolving Fund (CWSRF)

- Oregon DEQ has separate applications to cover different categories of Clean Water State Revolving Funds (CWSRF) projects: point source, nonpoint source, planning, local community (which can then be delegated from the local community to a private entity, since DEQ cannot provide funds to private entities). Categories include Brownfield sites, landfills, source/ground water protection & restoration, green infrastructure.
- Projects can include planning, construction, acquisition, watersheds, wastewater. Non-point source water pollution control projects focusing on actions beneficial for drinking water as well
- Eligible borrowers include Tribes, soil & water conservation districts, cities, counties, sanitary & irrigation districts
- The program accepts applications at any time and received applications are reviewed three times during the year
- Business Oregon - good resource

Drinking Water State Revolving Fund (DRSRF) - Melissa Murphy, Business Oregon (BIZ OR) Regional Development Officer

- OHA's DWSRF loan program is funded through the Safe Drinking Water Revolving Loan Fund which is administered by Business Oregon. The DWSRF provides low-cost loans to community and nonprofit non-community water systems for planning, design and construction of drinking water infrastructure improvements. Source water protection loans and grants come from DWSRF "set-aside" funding and follow similar eligibility requirements; water systems can apply for grant funds Jan-March.
- Economic development & infrastructure funding. EPA \$. SIPP Sustainable Infrastructure Planning Projects. BIZ OR can help determine appropriate funding source.
- Principal forgiveness & interest rates based on income, etc. Address technical, managerial and financial (TMF) or resolve current health and/or compliance issues (examples – old system, leaks).
- Shovel-ready projects (start within 1-2 years). Master Plan or feasibility study completed; facility plans approved. Assistance available, Circuit Riders on contract (OHA).
- CWSRF and DWSRF must incorporate BABA (Build America Buy America) and AIS (American Iron and Steel), though there are some waivers that may apply.

- Discussed BIL and Source Water Protection Grants. Multi-agency Regional Solutions Team meets monthly to discuss water/wastewater issues and needs.

All Other Grant-Type Funds-From Perspective of Grant Writer - Ben Dair Rothfuss, The Nature Conservancy; Daniel Weir, Sustainable NW

- USFS Forest Legacy Program - most competitive. Mention endangered species, partnerships (DEI interests). Most projects are fee simple acquisitions and fund up to 75%. Municipalities, local water districts can apply
- USFS Community Forest and Open Space Program. 50% match up to \$600,000. Education, public engagement (youth), economic development (mountain bike park). Non-profits eligible. Examples: Clackamas SWCD Eagle Creek property and NW Community Forest Project.
- OWEB Land Acquisition Grants and Stakeholder Engagement Grants. Easy to apply. Create stakeholder engagement map. Many projects on coast.
- Private funding – voluntary carbon markets
- Some features of a good grant application are a detailed map, description of the resource, description of the history of land use, and community demographics.

Department of Land Conservation and Development (DLCD) - Oregon Coastal Management Program (OCMP) is nested inside DLCD. Funding from NOAA is passed through the state to OCMP (they are the applicant). Habitat restoration or protection, conservation. Funding available for projects to buy land, restore land, or do restoration planning. Each coastal state can submit 3 projects per year for next 5 years, up to 5 million each. This is a nationally competitive program and projects submitted by Oregon DLCD will compete against projects from other coastal states. They are looking for projects to submit for the next round of funding; Letter of Interests will be accepted in Spring 2023. The ideal candidate to submit a LOI for this funding source is one who wants to manage land for drinking water, recreation, and habitat conservation benefits.

Q&A

- Projects can use multiple funding sources. Leverage resources
- (Chris) CWSRF - principal forgiveness (50% or up to \$500,000, whichever is less, for eligible borrowers)
- (Melissa) BIZ OR acquisition loans used within existing water infrastructure
- (Julie) DWSRF – treatment plant is example. CWSRF – eligible for land acquisition
- Resource groups – TA providers, Water Resources Department (WRD), land trusts
- (Michelle Tucker – EPA) EPA setting up EFC specific to BIL for small communities ready to apply
- (Question) Flexibility between funding sources to meet all restrictions? (Ben) Look at details. (Chris) Know information up front, has guide to help streamline sources. (Melissa) Use consultant, grant manager, land trust to help. Has email list on awards, new items. Low Impact Development (LID) funding sources (Green Infrastructure Development)
- (Question) Funds to restore previously logged areas? (Michelle) look to WRD. Must have repayment source. OR Regional Solutions Team. (Julie) Department of Land Conservation and Development (DLCD). NOAA funding for land acquisition in coastal areas through BIL. OWEB – connections to fish habitat and restoration

Break Out - Community Progress

2:35 – 3:50 Stewardship Considerations

So, You Bought a Watershed – Ben Hayes, Springboard Forestry

- Bring in land trusts at planning stages
- 3 stages – Planning, Restoration, Stewardship. 3 ways of thinking about plan – Strategize big picture, tech and science based, outcomes
- Plan to meet all demands – 1. What do you have? (inventory) 2. What do you want? (values/stakeholders) 3. Legal requirements of agencies 4. Barriers to achieving goals? (finances)
- Planning workflow – existing (forest, road inventory), GIS, stakeholders, draft
- Forest Management Plans – May be funding requirement. Shows understanding of complexities/forest inventory, long-term commitment. OR Dept. of Forestry - template
- Fielded questions on herbicides, forest management paying for itself (forest age), Forest Management Plans. There are tradeoffs associated with using herbicide to combat an invasive species versus not being able to use the herbicide and letting the invasive species get out of control. He also mentioned the practices of pre-commercial thinning (releases over-crowded pine or hardwood stands to prevent stagnation, decrease the risk of insects and disease, and increase the growth of remaining trees) and commercial thinning, choosing the correct practice is dependent on forest age.

Case Study – Cape Arch, Ben Dair Rothfuss (TNC), Phil Chick (Arch Cape Water District)

- Project overview and background – 1,500 acres, serves 300 connections, 2017 – 2022 (start to closing), partnered with - Sustainable NW. Pro bono legal counsel, OWEB – web site and project coordinator.
- Water systems know pumps, pipes and pressure. Arch Cape recognized they needed partnerships and planning to make it happen. The process was creative and required , emotional work as well, especially with education and outreach component. Gathering community support can take a lot of time. Arch Cape used OWEB Stakeholder Engagement Grant. Polling and getting input from public at every meeting is important.
- Know your watershed. Fog drip is important for water quantity and therefore quality.
- Suggested getting an aspirational statement about land acquisition into Water Management and Conservation Plan. Having this type of language incorporated in an official plan or report allows it to be referenced in applications for funding.
- Process – 1. Facilitation (visioning, planning) 2. Fundraising (grant requirements, briefing agencies/legislatures) 3. Implementation (Forest Management Plan, community engagement)
- Discussed the importance of maintaining the drinking water quality and quantity using a SWP strategy. Need to treat the system holistically. Modeled watershed services and economic benefits. Stream gauges would have been helpful for Arch Cape. In general, stream gauges and flow data are a necessary component to answer modeling questions about how stream flow quantity could be impacted by different timber management regimes in a watershed.

- Fielded questions. American Rescue Plan Act (ARPA) can lead to opportunities in planning and working with stakeholders. Acknowledged need for Bridge funders – especially with property development pressure in coastal communities. Conservation Fund can be bridge funder short-term. Bridge funder list in handout. [Natural Resources Conservation Service](#) (NRCS) is a potential source for help with technical assistance and funding. Another source for funding is the Drinking Water Providers Partnership, DWPP.

Break Out – Identifying Barriers and Next Steps

3:50 – 4:30 Concluding Conversation

Julie Harvey, OR DEQ

- Natural/Green infrastructure (includes aquifers and watersheds) is part of water system infrastructure. Water systems may realize significant economic and health benefits by paying for ecosystem services. Pay now or pay later
- Urgency to apply for funds – SRF doubling over next 5 years, land conservation and acquisition fits within the scope for low interest CWSRF loans, significant forgiveness/grants. This is a once in a generation opportunity.
- Private Forest Accords Draft rules in 2023 will include bigger buffers for harvesting (potentially allowing more affordable purchases)
- Encourage water systems and communities to “tell their story” and demonstrate needs to help demonstrate the case for funding. Technical Assistance Providers (TAPs) available, upcoming legislation may provide for water districts to apply to SRF (not limited to municipalities)
- Keep your legislators informed of community needs.
- Resource – Coalition for Oregon Land Trust: [Protecting Your Source: A Guide to Land Acquisition](#)
- BIL – collaborative efforts for once in a generation opportunity over next 5 years
- DEQ site will have all materials from workshop, available to help (<https://www.oregon.gov/deq/wq/programs/Pages/water-protection-workshops.aspx>)