

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](#)

11/3/22 South Coast Workshop - North Bend, North Bend Community Center

9:15-9:55 Why Land Use and Conservation Matters for Drinking Water

Building Capacity to Protect Oregon Water Resources - Michelle Smith, Coalition of Oregon Land Trusts (COLT)

- Connection between land conservation and drinking water source water protection. Connecting, protecting, stewarding land. Common mission.
- Role is conserving land to protect drinking water sources with an emphasis on land conservation to provide better quality drinking water with reliable quantity, reduction in treatment costs, and increased resiliency.
- Source water – water that serves as a community water supply. It’s quality affects what comes out our tap (proactive). Distinct from water treatment (reactive)
- 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
- It is important to think of the water system as a whole (holistic approach)
- Opportunities, information, capacity, partnerships

Case Study – Reedsport: – Deanna Schafer, City of Reedsport

- Background – 310 acres serving Reedsport Winchester Bay and Gardner. Bought water rights in 1919 from Clear Lake Water Company. Source - lake at bottom of Scofield Creek. 500,000 gal/day are produced in the winter and 800,000/day in the summer. Includes lines laid by the CCC. 1955 – Acquired 330 acres. 1948 – Eel Lake (now Tubman State Park). A perpetual easement was established along highway 101 in 1955 - this was done for source water protection
- Currently one of last unfiltered sources in Oregon. If lose unfiltered status - \$10 million (2019 estimate).
- Goal – They are still working on purchasing more land to protect the water source; the last 300 acres they want to buy is now worth more money because of the age of the timber (ideal for logging), so they are in need of creative solutions - one idea has been to enter an agreement with the landowner where they protect a portion of the land (easement to create 200' barrier (currently 70') in timberland above eastern part of lake) that buffers the lake from logging through a conservation easement. Preserve for future generations.

Q&A

- Is there a resistance on buying land? (Deanna) No resistance from community or city, need funding. Was \$500,000 now \$1 million. May need to protect it without purchasing.
- Has Reedsport approached landowners? (Deanna) FIA (investment group) was approached. Willing to enter into an agreement.
- A land trust might be a good option for Reedsport - to help them with the transaction for purchasing the land, helping them secure the property either under their own ownership or someone else who can manage it with water protection as the priority
- (Michelle) Tips for economic purchase and value? Managing for drinking water is not inconsistent with economic benefits. Use of land needs to be intentional.

9:55 – 10:20 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 <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, treated under the Safe Drinking Water Act (SDWA). Source Water Protection occurs prior to intake, treatment/distribution, public
- Source Water Assessment Reports - completed for all community and NTNC systems. Include interactive map(s), 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 – wear many hats, usually outside of their system. Communication with landowners/ratepayers should occur early and often.
- Land Trusts are good at outreach. Collaborations are beneficial

- Gave overview of funding sources.
- “What’s good for fish is good for drinking water (and vice versa)”

10:35 – 11:50 Legal Steps for Land Conservation

Max Beeken, Conservation Director, Wild Rivers Land Trust, max@wildriverslandtrust.org 541-366-2130

Member of COLT, 3 staff, 1 contractor

- Rights when owning a property: possession, exclusion, enjoyment, disposition, subdivision, and development.
- Steps – 1. Engage lawyer (conservation easement experience) 2. Agreement with landowner (Purchase and Sale Agreement) 3. Title review (early as possible); Due diligence - who owns what rights (timber, easements, rights-of-way, minerals, water, restrictive covenants, life estates), environmental assessments, protection under SERPA law, survey, other considerations. 4. Fund raising. Resources
- Conservation easements stay with the land
- Conservation easements protect conservation by limiting use.
- Restrictions are provided by the Deed of Easement
- Extremely difficult to amend an easement. Must go through judge to make any changes.
- Baseline Report describes the land prior to the easement or acquisition
- Option purchase is when someone can pay money to hold sale of property for a specified amount of time.
- Community outreach to raise awareness and support is done through hosting events at multiple times, in person, remote and hybrid, so that they can reach as many people as possible
- Most efforts by funders such as the Wild Rivers Land Trust are in a “reactive” mode where they are responding to events and needs while they are extremely urgent - the goal for the future is to be able to use Geographic Information Systems to develop a more proactive approach where areas of potential concern are highlighted
- When choosing an area to invest in, some of the top factors are - threat of development, places where the conservation efforts would do the most good, projected impacts of climate change, and habitat data

Land Conservation in Partnership with USFS – James (Jim) Capurso, 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)
- Consider community forest “model” – multiple values addressed.

Q&A

- (Max) Bridge loans? Kraft3 or Conservation Fund can buy/hold until funds are raised

- (Max & Jim) Land trust or conservation grant may be better for Reedsport? (Max) Land Trust could help with real estate transaction. McKenzie River Trust. (Jim) Land Trusts – very important, secure land, becomes part of forest system
- (Jim) Explain scale of projects in LCWF? Project submitted for review 2 years in advance. Scale varies from very small to whole watershed
- (Jim) Best initial coordination point for USFS is District Hydrologist or District Fisheries Biologist. Recommend getting on NEPA mailing list for notification of activities on USFS lands.
- (Jim & Max) Transferring agricultural property to Forest Service or State? (Max) Bridge funding used, applied to LCWF which paid Land Trust and added property to Forest Lands (Elk River examples). (Jim) Contact closest Ranger District hydrologist

Case Study – Camp Myrtlewood: Max Beeken, Wild Rivers Land Trust

- Camp Myrtlewood, Inc., 162 acres. Unorthodox ways of fund raising (sold cars, chrome from property), donations. Easement was 1st acquisition. Both easements donated to Land Trust

Q&A

- Community outreach? Presentations, music, food, parties, word of mouth (good way to learn about potential properties). Can be proactive rather than reactive – identify areas, send out mailers
- Using property to pay for stewardship funding? Possibly using harvesting from fires – WRLT has not done this at this point. Resource - Olympic Land Trust (thinning projects) (Ben) Other Land Trusts also doing this. Carbon (Growth) credits can be combined with thinning
- Time frames can be long. Can start with a handshake, but hours, Pre-sale Agreements, Options to Purchase, Right of First Refusal cost money

Discussion: Challenges and Barriers to Land Conservation

12:10 – 2:00 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) and Drinking Water State Revolving Fund (DWSRF)

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. Program focuses on non-source water pollution control projects focusing on , water quality benefits 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

DWSRF

- 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. Manages projects and dollars for OHA. BIZ OR can help determine appropriate funding source Program not for land acquisition (but can fund planning for land acquisitions).
- 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)
- 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 eligibility. BIL – Challenge: Build America, Buy America (BABA); Opportunity: once in a generation, disadvantaged communities. Will include Treatment Works Multi-agency Regional Solutions Team meets monthly to discuss water/wastewater issues and needs
- Resources – SWP Grants (DWSP), OHA website – contracts page

Other Grant-Type Funds: Ben Dair Rothfuss, The Nature Conservancy

- USFS Forest Legacy Program -Very competitive – Stand outs may include proximity to parks, endangered species, partnerships, and 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). Reach out early. Non-profits eligible. Examples: Clackamas SWCD Eagle Creek property and NW Community Forest Project.
- OWEB – Land Acquisition Grants and Stakeholder Engagement Grants. Standouts may include fish habitat and restoration. Large dollar program (1-2 million, but most are smaller) Many projects on coast.
- Private funding – voluntary carbon markets
- General tips – good maps critical, state agencies can help with sound bites, history of land use, community demographics, partner with non-profit. He has seen \$50,000 leveraged into 5 million

- 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. Buy or restore. 3 projects for next 5 years, up to 5 million each. They are looking for a project for next year

Q&A

- (Chris) How to prepare for BIL? Apply to program. Get on Intended Use Plan (IEP). Funds available next spring
- (Chris and Ben) Small communities lacking capacity to get everything together. Is a regional approach ok to save on costs? (Chris) Yes. Must have lead sponsor. (Ben) Added water systems can outsource grant writing. (Julie) DWSRF for planning, appraisal. CWSRF for property purchase. Non-point source eligibility. (Chris) USEPA dedicating TA funds

Case Study – Arch Cape: Ben Dair Rothfuss (TNC)

- 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. 2017 – 2022
- 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.
- Discussed the importance of maintaining the drinking water quality and quantity using a SWP strategy. Need to treat the system holistically. Suggested getting an aspirational statement about land acquisition into Water Management and Conservation Plan.
- Discussed the importance of maintaining the drinking water quality and quantity using a SWP strategy. Need to treat the system holistically.
- Discussed fund raising. Inventory – critical step (set aside funds). Vision statement useful for cohesion of board and grant applications. Field tours. Brief agencies/officials. Backup plan. First 1 million was keystone. Shovel-ready more likely to eventually get funding.
- Fielded questions. Timber company wanted to sell. Institutional investor was bridge buyer. Acknowledged need for Bridge funders – especially with property development pressure in coastal communities. Appraisal price was selling price. No recreational uses currently but possible in future.

Break Out Session 1 – Where is Your Community in the Process of Drinking Water Protection?

2:40 – 3:55 Stewardship Considerations

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

- All watersheds are different
- 3 stages – Planning, Restoration, Stewardship. 3 ways of thinking about plan – Strategize big picture, tech (science-based), outcomes (operational)

- 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, maps, draft
- Restoration workflow – active management, make landscape in a durable way, large cost (plan for early on). Goals are resilience, stewardship. Minimize and mitigate risks. Change baseline conditions to have better quality when starting
- Involve partners early, especially if acquiring property (integrate them into operations)

Q&A

Fielded questions on plans, forest management paying for itself, carbon credits

Case Study – Port Orford: Linda Tarr (Port Orford Watershed Council), Kaola Swanson (The Conservation Fund)

- Relatively small watershed so Port Orford is dependent on streams and rivers. Tributaries in danger of eroding. 160 acres. Limited to 2' water last summer in the DW reservoir (not enough for drinking water and firefighting), storage tanks need additional maintenance. Neighbor slash burned and the fire burned into the DW watershed (roads had to be put in to fight fire) and now there are invasives (gorse) growing.
- Partners - Conservation Fund (bridge buyer), Sustainable NW (updated assessment), Wild Rivers Land Trust (paid half of Yellow-book appraisal), DEQ
- Port Orford Watershed Council was able to secure a buffer to help protect their ephemeral stream by calling the forester who owned the land – Linda mentioned that the forester was taken aback because he hadn't received a call like that before - so by opening the line of communication in a respectful manner, they were able to protect a portion of the stream
- The city is stretched so thin in terms of capacity, that volunteer work is what is keeping them afloat - seems throughout these workshops that many communities face this issue
- Utilized OR Dept. of Forestry web site to be notified of forest activity in area. Worked with Forester to get 20' buffer zones. Have OHA DWSPF funding for Forest Management Plan, also Ford Foundation free technical assistance
- Yellow-book appraisal = value of timber + value of land. No value put on drinking water
- Raised question to Chris if CWSRF application could be changed to reflect actual value of acquisition as it doesn't reflect cost of possible pollution. Also, application could be simpler, more agile as some involved in process are volunteers
- Partnership is key to land acquisition

Q&A

- Fielded questions on invasive species management consequences, volunteers -
- (Chris) U of O RARE (Resource Assistance for Rural Environments) intern may be a good resource for communities to develop plans and capacity. Approximately \$15,000. Places student with city, county, etc. for a year to help.
- Also tapped into CCD (Economic Development District for Coos, Douglas and Curry Counties)

- When trying to sell the idea of managing the land for drinking water, keep in mind that there are ways to manage the land with economic benefit - can soft pitch about the clean drinking water, nicer environment for recreation - the point is that intentional balance is possible.
- Bridge buyers such as Craft3 can help with land conservation efforts and have helped Wild Rivers Land Trust in the past
- Technical Assistance Providers (TAPs) can help communities prioritize which projects to apply for funding for
- The plan is to invest the funds from the BIL over the course of 5 years, but the benefits from this funding will continue long after the 5 years
- Business Oregon gives priority when funding technical assistance, programs, and projects to geographic areas determined to be economically distressed as prescribed by Oregon law: [Distressed Areas in Oregon : Reports, Publications, and Plans : State of Oregon](#)
- There are opportunities for communities to join forces to reduce costs/help with capacity challenges - i.e., intergovernmental agreements; TAPs such as RCAC can help communities develop a regional approach to leverage resources
- If you can, go the fee simple route instead of the conservation route when acquiring land - it is less complicated

Break Out Session 2 – Identifying Takeaways, Challenges and Next Steps

3:55 – 4:30 Concluding Conversation

Julie Harvey, OR DEQ

- Natural/Green infrastructure (includes aquifers and watersheds) is - part of water system our infrastructure. Water systems may realize significant and system (includes aquifers and watersheds), economic and health benefits by paying for ecosystem services. , resources and funding must be equitable for all, 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 easier 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>)