



State of Oregon, Oregon Health Authority Drinking Water Services

Application Guide: 2026 Drinking Water Source Protection Loans and Grants

Information on Funding and Rating Projects

1-21-2026

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Drinking Water Source Protection

General Information on Funding and Rating Projects

General Statement

The Drinking Water Source Protection (DWSP) grants and loans fund is designed to finance drinking water source protection projects with grants and low-interest loans that lead to contaminant source risk reduction within a delineated drinking water source area. For more information regarding drinking water source protection and purpose of the grant and loan program, please see “Background Information” near the end of this document.

Application Solicitation Timelines

The Federal Fiscal Year (FFY)-2026 Funding Drinking Water Source Protection (DWSP) Application solicitation will be used to gather project proposal requests. Each Application received by the close date will be reviewed, rated, and ranked. Following the application solicitation process, funding for eligible projects begins in 2026 and is based upon overall project ranking, disadvantaged community status, and available set-aside funding. Drinking water systems must prepare and submit information about their proposed projects on a Drinking Water Source Protection Application form. Note that there are guidelines for expedited projects that can be submitted at any time using the most recent form available on the OHA Drinking Water Services website. Note that the Application form must be certified as approved by the water system governing body or is otherwise being submitted using the governing body’s lawful process. The Application must also be signed by the highest elected official (or person in authority) on behalf of the applicant (see DWSP Application form Section 4: Application Certification).

Types of Funds

Four types of loan/grant funding are available for eligible drinking water source protection projects. Eligible water systems may apply for, or be partner to only one of the following for 2026:

- 1. Regional Source Water Collaborative Project Grants** up to \$175,000 per project
- 2. Land Acquisition (conservation) Planning Grants** up to \$70,000 per project
- 3. Traditional Drinking Water Source Protection Grants** up to \$70,000 per water system.
- 4. Low Interest Source Protection Loans** up to a maximum of \$100,000 per project.*

*Land purchases must be made with a source protection loan.

*****New for FFY-2026, the Agencies are piloting a new grant offering for Regional Source Water Collaborative projects.*****

Regional Source Water Collaborative Project grants are being piloted by the agencies to strengthen public water system regional ties and cooperation on source water protection and therefore improve source water resiliency across Oregon. The grants are intended to support projects that reduce risks and foster coordination among public water systems using groundwater and surface water sources. Each grant must dedicate funds to projects within source areas serving smaller water systems (serving fewer than 3,300) that are located inside a larger water system's (or collaborative's) drinking water source area(s). Eligible projects must involve at least three smaller water system partners and provide protection benefits to multiple water systems involved in the project. The expectation is that roughly half of the project expenses will be directed at the smaller water systems' drinking water source areas that are Official Partners to the project. This initiative aims to foster regional coordination and improve source water protection for underserved communities. For additional Guidance see Appendix B at the end of this document.

Land Acquisition (Conservation) Planning grants are for conservation purposes directed at the preservation of land to protect, restore, or enhance sources of drinking water serving eligible public water systems. Eligible conservation planning projects can include any studies or activities that involve or are related to assessing legal and/or financial feasibility of purchasing land, easements, or similar projects within an identified drinking water source area.

Traditional Drinking Water Source Protection grants are for projects that promote reducing risks associated within a drinking water source area or the refinement of a drinking water source area. Projects can involve one or more eligible public water systems that are equal partners in the project.

Low interest Source Protection Loans are available to fund any kind of eligible source water protection project, including projects that involve land acquisition or conservation easements. Applications must not request a mix of drinking water source protection grant money and low interest source protection loan funds.

How Funds are Disbursed

Awarded funds must be spent within 2 years of contract execution. Any grant or loan awards not spent in that timeframe may be subject to forfeiture. Grant and loan funding is disbursed on a reimbursement basis for costs incurred after a Business Oregon funding contract has been signed.

Costs incurred prior to a signed funding contract are not eligible for funding. Disbursement of funds may only occur after contract execution. Funded projects are managed by Business Oregon and are subject to project management requirements and other funded project requirements (i.e., environmental review, state procurement standards, local land use laws, etc.) as identified in Appendix C of the [Safe Drinking Water Handbook](#).

Eligibility and Other Restrictions

Any Public and Privately-owned Community and Nonprofit Non-Community water systems with a completed *Source Water Assessment* or *Source Water Assessment update* are eligible for funds.

A “community water system” is defined as a public water system that has 15 or more service connections used by year-round residents, or which regularly serves 25 or more year-round residents. This includes water systems that are owned privately, by nonprofit, or public entities such as a city, district, or port.

A “nonprofit non-community water system” is a public water system that is not a community water system and that regularly serves at least 25 people (more than 6 months per year) and is legally recognized under Oregon law as a nonprofit entity.

Federally owned water systems and for-profit non-community water systems are not eligible for Drinking Water Source Protection funds.

Water systems must not be suspended, debarred, or otherwise excluded from receiving federal funding. OHA will verify applicants are not on the “Exclusions” list on Sam.gov during the rating process.

Water systems involved with an active Drinking Water Source Protection grant/loan funded project (whether local or regional) that has not yet been completed must demonstrate, in the 2026 Application, an active pursuit of the current project to be eligible for funding for an additional grant/loan.

Water systems can not apply for more than one type of funding (see Types of Funds).

Additional restrictions:

- Water systems that have received Drinking Water Source Protection loans and/or grants in each of the last two years are not eligible for loans or grants in the current year.
- Water systems that have two open Drinking Water Source Protection projects that have not yet been completed are not eligible for loans and grants in the current year.
- Water systems applying for a Regional Source Water Collaborative Project Grant are not subject to the above two additional restrictions regarding grants received in each of the last two years or having more than one grant open at the time the 2026 application is submitted.

Project Timeliness and Extensions

Projects must be contracted with Business Oregon within one year of being recommended by OHA for funding. If a contract is not reached with Business Oregon within one year, the water system forfeits the grant and must reapply for funding. Contracted projects must be completed within two years of the day that a funding contract is signed with Business Oregon. If needed, a one-year extension may be granted upon request. A second one-year extension may be granted pending circumstances beyond water system control such as natural disaster, pandemic, and/or project scope refinement due to unanticipated costs. Following two 1-year project extensions, the water system forfeits remaining funds and must reapply for funding.

Eligible Project Types

Eligible projects must be focused on the delineated source water area of an active public water supply well, spring, and/or surface water intake. Projects focused on areas that are specific to inactive and/or emergency water supplies are not eligible for funding. Eligible activities include those that lead to risk reduction within the delineated source water area or would contribute to a reduction in contaminant concentration within the active drinking water source. Projects can take either a local or regional approach. Local projects are defined as activities that concentrate on a single public water system's source area(s). Regional projects are defined as activities that involve multiple communities and/or water systems attempting to address a common source water issue or group of issues within their identified drinking water source areas.

Applicants are encouraged to contact the OHA or Oregon Department of Environmental Quality (DEQ) staff identified at the end of this document with questions about project ideas and/or project eligibility. Pollution reduction strategies and additional resources are available on [DEQ's drinking water source protection website](#), including resource guides for surface water and for groundwater.

In 2026, Infrastructure Investment Jobs Act (IIJA) funds will be used to fund (1) Traditional Drinking Water Source Protection (DWSP) Grants, (2) Land Acquisition (Conservation) Planning Grants and (3) Regional Source Water Collaborative Project Grants. Land Acquisition Planning Grants are intended for conservation projects focused on planning for land purchases, easements, or similar projects within the identified drinking water source area. Regional Source Water Collaborative Grants are intended for public water systems willing to engage smaller water systems (serving under 3,300 people) and dedicate a portion of the funds to risk reduction strategies within those smaller system source areas and help build an overall support network amongst both larger and smaller public water systems. IIJA funding is made available through the Infrastructure Investment and Jobs Act and provides the U.S. Environmental Protection Agency (EPA) with five rounds of funding from federal fiscal years (FFY) 2022 through 2026 that is allotted to states for investments in drinking water infrastructure.

The categories for eligible projects for DWSP funding include the following:

1. Enhanced Delineation

OHA and DEQ have completed delineations for most drinking water source areas (DWSA) for community and non-community public water systems. DWSAs include capture zone/aquifer recharge areas for groundwater sources and fifth-field watershed areas for surface sources. DWSP funding can be used to complete, update, or refine DWSA delineations using new or additional site-specific information as part of a more comprehensive protection strategy.

2. Enhanced Assessment

A) *Inventory* – Projects that improve upon existing potential contaminant source inventories available from DEQ databases, Geographic Information System layers, and Assessment Reports prepared by OHA/DEQ. A project could involve expanding or updating the inventory of land uses or existing and potential point and non-point contaminant sources.

B) **Evaluation** – Projects establishing a water quality monitoring project to evaluate existing and potential threats to water quality, including chemical and/or biological drinking water quality threats not currently regulated under the federal Safe Drinking Water Act. This could include evaluating and prioritizing potential threats (or protection activities) based upon new or more detailed information.

3. Source Protection Planning

Projects designed to identify appropriate protection measures, including development of a comprehensive Drinking Water Source Protection (DWSP) plan, educational projects, projects to identify and ensure implementation of Best Management Practices (BMPs), development of local DWSP ordinances, development of restoration or conservation plans for the source area for future easement or land acquisition.

4. Implementation

Funds can be used to implement many types of protection strategies in drinking water source areas. This can include implementation of any *eligible activities that will reduce risks within the source water area or would contribute to a reduction of contaminant concentration within the drinking water source(s)*. The list of eligible projects has been structured to show specific ideas and higher priorities for current grant funding for source water protection. These projects can be combined and expanded to include other pollution prevention projects not specifically listed.

Types of projects that can be evaluated for funding include (but not limited to):

- Projects to study and/or address human caused contaminants of emerging concern within the drinking water source area
- Projects for reducing pesticide application rates and loadings in source area
- Implementing household hazardous waste collection events
- Implementing drug-take-back projects in source areas
- Focused workshop events for household/business instruction for changing to alternative nonhazardous product usage (“green chemical” products)
- Permanent abandonment and decommissioning of high-risk abandoned or unused (private or irrigation) wells near public water supply wells or within the source area. For more information about well abandonment, see the [Water Well Owner’s Handbook](#).
- Projects for reforestation or replanting in riparian or other sensitive areas
- Installation of signs at boundaries of protection areas or protection zones
- Projects to reduce septic pollution by promoting maintenance, educating homeowners on waste disposal, and promoting needed repairs.
- Seismic spill prevention or inspection project in proximate areas for high-risk sources
- Installation of fencing around the intake or well area to provide protection of “sensitive source water areas” (see “Security” below)
- Secondary containment for high-risk above ground storage tanks outside the 100-foot setback (note this excludes fuel tanks for water system emergency water sources)
- Structures to divert contaminated stormwater runoff affecting the source area
- Installation of fencing to protect sensitive riparian source areas
- Implementation of pollution prevention or waste reduction projects

- Restoration and/or conservation projects within the drinking water source area.
- Implementation of strategies to promote beaver habitat and/or coexistence techniques
- Implementation of water reuse and other conservation measures related to source protection
- Implementation of best management practice projects
- Implementation of a drinking water source protection ordinance
- Development of educational flyers/brochures for purposes of public education
- Purchase of lands within the drinking water source area (only via source protection loan)
- Implementation or purchase of conservation easements to protect sensitive source areas (only available via source protection loan)
- ***Establishing management plans for conservation easements or lands purchased within source areas**
- ***Set up an ecosystem services project in watershed to fund preservation areas (see [here](#)).**
- ***Studies to assess the legal and/or financial feasibility of purchasing lands within a drinking water source area**
- Note that any of the above listed strategies (with the exception of land purchases and conservation easement purchases) can be used or combined to address multiple water systems within a Regional Source Water Collaborative project.

* [Examples of Land Acquisition \(Conservation\) Planning Grants](#)

5. Security

Funds can be used to implement certain security measures provided the project reduces the risk of contamination to the source area or intake/well. This can include fencing around sensitive areas near wells or intakes, gates for access roads, alarms, signs, cameras, locks and lights if these are clearly intended to protect highly sensitive source water areas (such as 1- or 2-yr Time-of-Travel zones or a sensitive portion of the aquifer within the 2-year Time-of-Travel zone) and not just equipment, facilities, and/or the sanitary setback. Regional Source Water Collaborative applications that contain a Security element must explain how the security measures will benefit groundwater and surface water resources within the source areas for each of the partnering water systems. Security measures intended to only protect water system facilities or equipment are not eligible for funding (see below).

Types of projects and costs NOT eligible as part of DWSP funding

- Administrative expenses incurred by the grant/loan recipient as a result of the project
- Operations and maintenance of the system
- Water system infrastructure including repair, upgrade, abandonment of wells, Ranney collectors, springboxes, and surface water intakes.
- Routine or required follow-up source water monitoring
- Purchase or maintenance of treatment facilities
- Fencing of routine 100-foot setbacks, or fencing around storage tanks or reservoirs
- Security measures designed to reduce theft or vandalism of facilities
- Routine regulatory requirements
- Easements for required 100-ft setbacks around public water supply wells or springs

Build America Buy America requirements and waivers

The Build America Buy America Act (BABA), enacted as part of the Infrastructure Investment and Jobs Act (IIJA) on November 15, 2021, established a domestic content procurement preference for all Federal financial assistance obligated for infrastructure projects after May 14, 2022. The domestic content procurement preference requires that all iron, steel, manufactured products, and construction materials used in covered infrastructure projects are produced in the United States.

As of September 26, 2022: Due to the critical need to reduce the administrative burden for recipients and agencies to ensure recipients can effectively carry out the EPA-funded activity in a timely manner thus reducing risks to human health and the environment, it was determined by the EPA that it is in the public interest to waive BABA requirements for small projects, where the funding award is less than \$250,000. The small projects waiver applies to projects receiving in total federal funding assistance under \$250,000. EPA will review this waiver every five years after the date on which the waiver is issued.

Due to established maximum grant and loan amounts for the program, the small projects waiver generally applies to DWSP projects as they are anticipated to receive federal funding assistance under \$250,000. However, BABA applies to various federal funding assistance programs and if the project is co-funded with another federal funding source, the other funding may require BABA compliance for the project (even if the DWSP federal award is below \$250,000). If BABA compliance is required, it applies to the whole project, including co-funding.

Prohibition of certain telecommunication and video surveillance services or equipment as part of DWSP funding

DWSP loans and grants are made available under the Federal Safe Drinking Water Act section 1452(k) via a Local Assistance Set-Aside from Oregon's Drinking Water State Revolving Fund (DWSRF) Program. As a Federally funded program, recipients and subrecipients of DWSP funds must comply with regulations at [2 CFR 200.216, Prohibition on certain telecommunication and video surveillance services or equipment](#), implementing section 889 of [Public Law 115-232](#). Prohibitions extend to the use of Federal funds by recipients and subrecipients to enter into a contract with an entity that "uses any equipment, system, or service that uses covered telecommunications equipment or services" as a substantial or essential component of any system, or as a critical technology as part of any system. Certain equipment, systems, or services including those produced or provided by entities subject to the prohibition are recorded in the [System for Award Management \(SAM\)](#) exclusion list.

As described in section 889 of Public Law 115-232, covered telecommunications equipment or services includes:

- Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
- For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications

Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

- Telecommunications or video surveillance services provided by such entities or using such equipment.
- Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

There is no exhaustive list of components and services that fall under the prohibition. DWSPF program managers and funding recipients must exercise due diligence and be particularly mindful of project components with internet or cellular connections. **Items included in the prohibition are not eligible DWSP costs, and the DWSPF programs cannot reimburse borrowers for these costs.**

EXPEDITED Grants/Loans

Subject to OHA Drinking Water Services approval, a project may be funded outside of the regularly scheduled grant funding cycle under the “Expedited Project” designation. The purpose of an Expedited Project is to help address unforeseen or unexpected catastrophic events that occur within the drinking water source area outside of the normal DWSP grant/loan application acceptance period. Timing and potential funding is based on availability of grant/loan funds. Water systems are encouraged to contact OHA regarding fund availability prior to filling out an Application for an Expedited Grant/Loan. To be characterized as an Expedited Project, the project must meet all the following characteristics:

1. The water quality threat came from a reasonably unexpected occurrence or catastrophe (Note that a situation arising from preventable negligence on the part of the water system will not likely be eligible),
2. Represents a current or future threat to public health,
3. The water quality threat has occurred within 180 days before the Application is submitted to the Authority,
4. Entails an immediate risk of a dangerous lack or loss of potable drinking water (either quantity or quality) for an extended time period, and
5. The Application for the “Expedited Project” must score 85 or more points using the existing Drinking Water Source Protection Application scoring system.*

*If it is determined that excess funds are available for Expedited Grants/Loans, the 85 point scoring requirement may be reduced to 60 points by OHA.

Public Notification Requirements:

DWSRF Public Notice Policy for PPLs & IUPs (revised 01-09-26)	
Project Types:	Days Published*
Infrastructure (non-expedited loans)	10
Infrastructure (Expedited loans)	N/A**
DWSP (non-expedited grants and/or loans)	10
DWSP (Expedited grants only)	N/A**
DWSP (Expedited grants with loans)	N/A**
SIPP (non-expedited forgivable loans)	10
SSEA (non-expedited forgivable loans)	10
All Program Intended Use Plans (IUPs)	30

* Days published is a requirement that must occur prior to the project moving forward in the funding process
** Expedited projects do not require a public notice for comments as the benefit outweighs the risk to the public

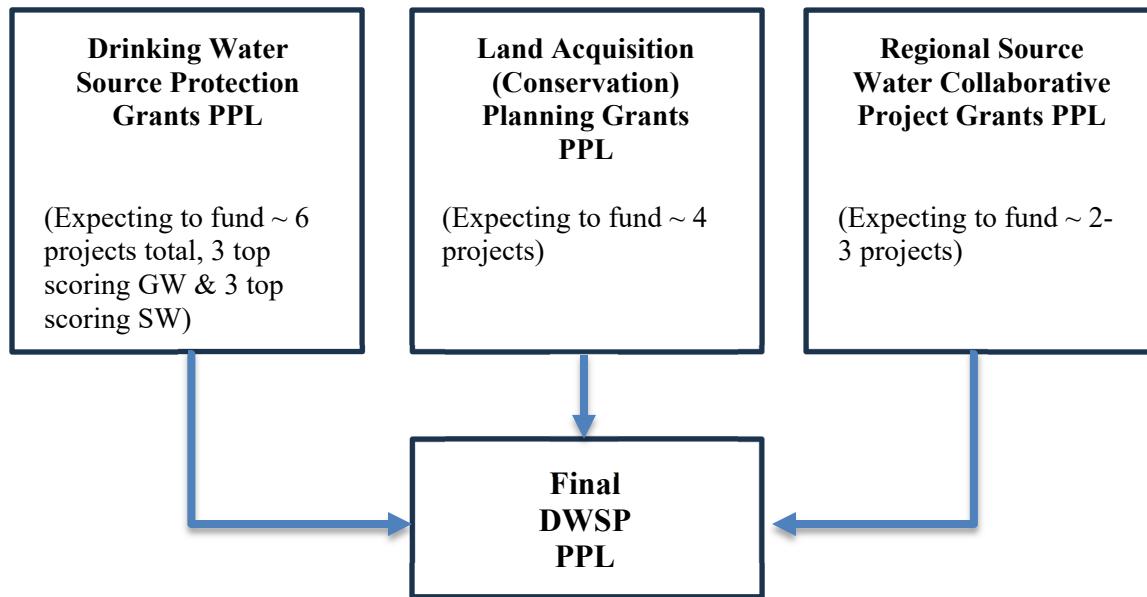
Next Step - after an Application is submitted

Appendix A, at the end of this document, contains a flowchart of the major steps that occur from the time that an Application is submitted through the close of a selected project.

Each submitted Drinking Water Source Protection Application is reviewed and evaluated for eligibility. Applications that are primarily focused on groundwater are typically reviewed and evaluated by OHA Drinking Water Services staff. Applications that are primarily focused on surface water are typically reviewed and evaluated by Drinking Water Protection staff at the DEQ Water Quality Division. Applications for Traditional Drinking Water Source Protection Grants that are regional in nature and Regional Source Water Collaborative Project Grants that include a mix of surface water and groundwater systems will be reviewed and evaluated by staff from both agencies.

Project submittals will be evaluated and scored based upon five criteria (detailed in the following section: Project Rating Criteria). Additional consideration will be given to projects submitted by disadvantaged communities (as per Oregon DWSRF Program's definition) that score 60 or more project rating criteria points. The additional consideration is in the form of 10 disadvantaged community status points added to the project rating point total for an overall score.

After scoring, eligible projects with (60 or more points) are placed on separate numerically ranked preliminary Drinking Water Source Protection Project Priority Lists (PPLs) as shown below.



Projects on each preliminary PPL will then be ranked for funding based on total points (project ranking points + disadvantaged community status points). Should there be a tie score between two or more projects, projects from disadvantaged systems will be given preference, after which there will be consideration for dividing total available grant funds as evenly as possible between surface water and groundwater projects. In the event that the selected projects on any of the three preliminary PPLs do not make use of all funds earmarked for that grant type, the remaining funds will be re-directed to eligible projects on one of the other preliminary PPLs.

Once the eligible projects have been prioritized on each preliminary PPL, Oregon Health Authority DWS will notify the project contacts of the results and will follow up with a summary of the State's expectation for project tasks and deliverables. Those projects selected from each preliminary PPL will be combined into a single final DWSP PPL for public access on the [OHA website](#). Projects selected to proceed to the financing phase may then begin the funding process with the assistance of Business Oregon, Infrastructure Finance Authority (IFA). The 10-day public comment period begins once the final DWSP PPL is made available on the [OHA website](#).

Work conducted prior to a signed funding contract with Business Oregon is not eligible for reimbursement. If applicable, environmental review requirements must be satisfied prior to commencing the project. Note that due to staff workloads and funded project requirements, project contracting might not be completed until Fall 2026. Please contact a [Business Oregon Regional Development Officer](#) if you have questions specific to funding timelines.

Please note that Business Oregon is not able to award funding and execute a contract until applicants have obtained a Unique Entity Identification (UEI) number from the System for

Award Management (SAM.gov) website. SAM.gov is an official website of the U.S. Government. There is no cost to obtain a UEI number, and the applicant **does not** need to be fully registered in SAM.gov to receive a UEI number. Visit SAM.gov's entity registration page for more information. This process is free and can be started anytime. An applicant that does not yet have a UEI number can register for one and help facilitate the award and contracting process.

Project Reporting Requirement

When a project involves a study that includes the collection of data or water quality monitoring results, a brief report will be required that includes a project narrative, presentation of data, data interpretation, and conclusions. Project reports must be submitted to the OHA-DWS Groundwater Coordinator.

Funding contracts for projects that include the development of plans such as watershed protection plans, drinking water source protection plans, or forest management plans may include conditions requiring review and comment from OHA or DEQ during project work and documentation of plan approval be submitted to Business Oregon before the final disbursement is released and the project can be closed out.

Project Rating Criteria

Drinking Water Source Protection project submittals will be rated by the state agencies based upon the following five criteria*:

- area and level of sensitivity of the drinking water source(s),
- presence of high-risk sources of contamination within the drinking water source area,
- contaminant detections at the source,
- proposed reduction or prevention activities, and
- risk reduction potential.

*Note that additional consideration will be given to projects submitted by [disadvantaged communities](#) that score 60 or more project rating criteria points. The additional consideration will be in the form of 10 disadvantaged community status points that will be added to the project rating point total for an overall score.

1. Area in which the proposed project is focused (either A or B): [maximum 20 points]

- A. For surface water, within identified sensitive areas in the source watershed, defined as any one of these:
 1. Project within 1000 feet from the centerline of all perennial streams or canals, and within an 8-hour time-of travel upstream from the stream/canal intake [20]
 2. Project within 1000 feet from the perimeter of a reservoir or lake, and within 1000 feet from the centerline of all perennial streams flowing into the reservoir or lake [20]
 3. Project within other sensitive areas identified in the Source Water Assessment Report [20]
 4. Project outside of sensitive areas, but significant contribution to source waters

[10]

B. For groundwater, within identified sensitive areas in the source area, defined as any one of these:

1. Highly sensitive water sources based on aquifer characteristics or well construction
 - a. Project within 2-year time-of-travel boundary for wells or within Zone 1 for springs [20]
 - b. Project outside 2-year time-of-travel boundary for wells or outside Zone 1 for springs [10]
2. Moderately sensitive water sources based on aquifer characteristics or well construction
 - a. Project within 2-year time-of-travel boundary for wells or within Zone 1 for springs [15]
 - b. Project outside the 2-year time-of-travel boundary for wells or outside of Zone 1 for springs [5]

2. **Number and distribution of potential contaminant sources within the drinking water source area: [maximum 10 points]**

A. For surface water systems, either 1 or 2:

1. The number of identified high- and moderate-risk potential contaminant sources within the sensitive areas as identified in the Source Water Assessment
 - a. <3 [3]
 - b. 3-7 [5]
 - c. >7 [10]
2. The percentage of sensitive area(s) covered by high- and moderate- risk NONPOINT potential contaminant sources, including Irrigated crops, Grazing animals (>5 large animals/acre), Biosolids application site, Privately-owned managed forest lands, Recent burn areas (<10 years), High density septic systems (>1/acre):
 - a. <25% [3]
 - b. 25-50% [5]
 - c. >50% [10]

B. For groundwater systems:

1. The number of identified high- and moderate-risk potential contaminant sources within the sensitive areas
 - a. Within the 2-year time-of-travel boundary for wells or within Zone 1 for springs
 1. <3 [1]
 2. 3-10 [3]
 3. >10 [5]
 - b. Outside the 2-year time-of-travel boundary for wells or outside Zone 1 for springs
 1. <10 [1]
 2. 10-20 [3]

3. >20 [5]
 2. The density of high-risk sources within the entire source area
 - a. <10/ mi² [1] (mi² = square miles)
 - b. 10-25/mi² [3]
 - c. >25/mi² [5]
3. **Confirmed contaminant detections at a system's well(s), spring(s), intake(s), or data demonstrating an imminent threat to those systems with detections in groundwater or surface water source area: [maximum 20 points]**
 - A. Turbidity (ntu = nephelometric turbidity units)
 1. Routinely >1.0 ntu [5]
 2. Occasional spikes > 5.0 ntu [15]
 3. More than one closure to high turbidity [20]
 - B. Acute illness threats (nitrate and microorganisms)
 1. Nitrate at concentrations between 20 and 50% of the SDWA MCL [10]
 2. Nitrate, multiple detections of concentrations between 50% and the SDWA MCL [15]
 3. Confirmed fecal coliforms, viruses, or protozoa in the source [20]
 4. Nitrate, multiple detections of concentrations at or above the SDWA MCL [20]
 - C. Chronic illness threats (volatile organics, pesticides, and non-SDWA toxics)
 1. Confirmed multiple detections at concentrations <50% SDWA MCL [10]
 2. Confirmed multiple detections of non-SDWA toxics (listed within most current DEQ Agency Toxics Strategy) [10]
<https://www.oregon.gov/deq/Hazards-and-Cleanup/ToxicReduction/Pages/Reducing-Toxics.aspx>
 3. Confirmed multiple detections at concentrations between 50% and the SDWA MCL [15]
 4. Confirmed multiple detections at concentrations at or above the SDWA MCL [20]
4. **Drinking water protection activities [maximum 20 points]**
 - A. Risk reduction plans.
 1. The water system/community has developed detailed risk-reduction plans for one or more of the high-risk potential contaminant sources within their source area but has not yet achieved substantial implementation [10]
 2. The water system/community has a certified Drinking Water Source Protection Plan but has not yet achieved substantial implementation [10]
 3. The water system/community has developed detailed risk-reduction plans for one or more of the high-risk potential contaminant sources within their source area or has a certified Drinking Water Protection Plan and has already achieved substantial implementation [5]
 4. The water system/community has developed detailed risk-reduction plans to address moderate risks within their source area [3]
 - B. The project involves multiple public water systems, addresses local land-use planning issues, or is connected to regional water quality issues and strategies [10]

5. Risk reduction potential: [maximum 30 points]

- A. Project specifically focuses on priority pollutants
 1. Surface water systems: turbidity, sediments, microorganisms, nitrates, volatile organics, pesticides, non-SDWA toxics (defined in Section 3 above) [10]
 2. Groundwater systems: nitrates, microorganisms, volatile organics, pesticides, non-SDWA toxics (defined in Section 3 above) [10]
- B. Based on the project description submitted in the Application, the project has a reasonable likelihood to reduce the risk or pollutant load from identified potential sources of contamination. Anticipated project results will be evaluated based on similar project successes, as well as effectiveness and ease of implementation. The reduction of pollutants must be expected within a reasonable timeframe. Pollutants to be addressed must be those of toxicological concern at the current levels or spikes, detected either in the source area or at the intake/well/spring. [20]

For More Information:

- **Tom Pattee, OHA Drinking Water Services (Springfield),
ph. 541-684-2440 or by e-mail: tom.pattee@oha.oregon.gov**
- **Julie Harvey, DEQ Water Quality Division (Portland),
ph. 503-229-5664, or by e-mail: julie.harvey@deq.oregon.gov or
drinkingwater.protection@deq.oregon.gov**
- **Adam DeSemple, OHA Drinking Water Services (Portland),
ph. 503-956-8287, or by e-mail: adam.desemple@oha.oregon.gov**
- **Contact a Business Oregon Regional Development Officer if you have questions specific to funded project requirements (<https://www.oregon.gov/biz/aboutus/regions/Pages/default.aspx>).**

Background Information

The Oregon Health Authority (OHA), in collaboration with the Oregon Department of Environmental Quality (DEQ) are pleased to announce the availability of Drinking Water Source Protection Loans and Grants. Loans and grants are available to implement projects to protect existing sources of public drinking water.

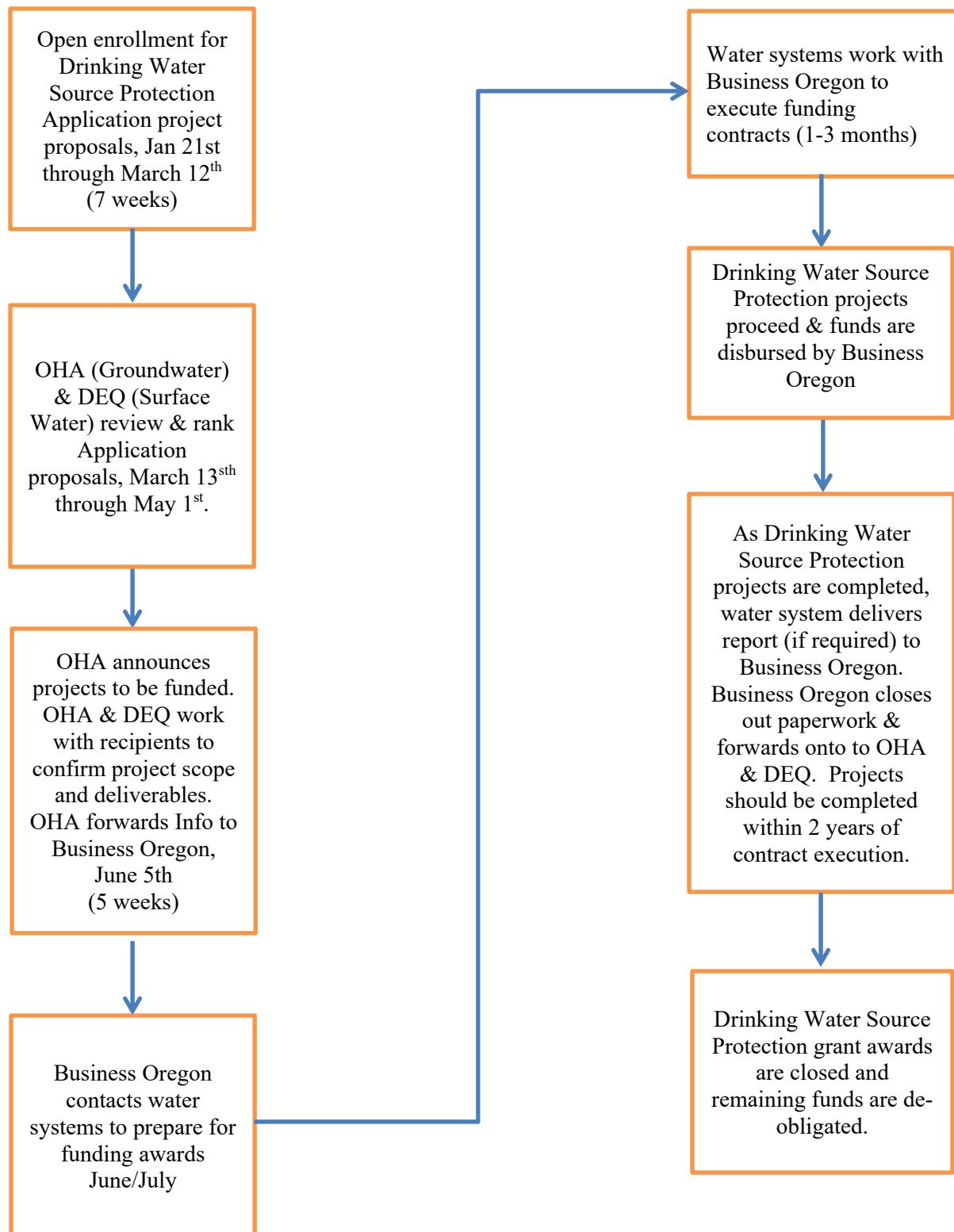
The 1996 Federal Safe Drinking Water Act (SDWA) Amendments provided resources to DEQ and OHA to provide drinking water protection assistance to public water systems and communities. Source water assessments were completed between 1999 and 2005 for all Oregon public water systems that have at least 15 connections or serve more than 25 people year-round. As a result, DEQ and OHA identified groundwater and surface water source areas which supply public water systems, inventoried each of those areas to determine potential sources of contamination, identified sensitive areas, and determined water system susceptibility to contamination. Between 2016 and 2026, the agencies have been completing updates to Source Water Assessments to provide water systems and communities more detailed information regarding the watershed or source water area that supplies their well, spring or intake. One goal in conducting source water assessments is to provide public access to the results. Additional information on Source Water Assessments and updates can be found at DEQ's [Source Water Assessment webpage](#).

Source water assessments are the foundation for drinking water protection planning. There are no federal or state requirements for developing protection plans as a follow-up to the assessments, but OHA and DEQ provide technical assistance to communities that choose to move beyond the assessments and develop and implement drinking water protection strategies. These strategies can be prepared either by a consultant or the community. In either case, strategies should be developed with the assistance and input of stakeholders and local leaders. With agency assistance, the local community can use the assessment results to voluntarily develop a management approach to reduce the risks of contamination, or simply elect to implement pollution reduction strategies within their source area. Pollution reduction strategies and additional resources are available on DEQ's [Publications and Technical Assistance webpage](#), including Resource Guides for both surface water and groundwater.

The primary incentive for local communities to voluntarily implement drinking water protection is the benefit of a more secure source of high-quality water. Other incentives include lower costs to the public by: (a) a reduction in OHA public water supply monitoring requirements and (b) reduced likelihood of costs for replacement and/or treatment of contaminated drinking water. It is extremely expensive to treat contaminated drinking water or to find an alternative source should a water supply be lost because of contamination. Long-term assurances of a safe and adequate drinking water supply also helps protect property values and preserve the local and regional economic growth potential for the area.

State agencies realize that most public water providers are not able to develop or implement strategies to protect their source water without assistance through low interest loans or grants. Many public water providers also need technical assistance from state staff. Oregon OHA and DEQ are committed to providing as much assistance as possible to achieve pollution prevention or reduction activities to reduce the risk of contamination. Agency staff can assist in planning for protection or choosing the most cost-effective reduction measures and locations. After public water systems receive loans or grants, staff resources are also available to assist in implementation of the funded strategies.

Appendix A: Drinking Water Source Protection Loans & Grants Process and Approximate Timelines.



Appendix B: Guidance for Regional Source Water Collaborative Partnership Documentation

Regional Source Water Collaborative Projects are required to provide partnership documentation at two points in the process. At application stage, the application should include documentation of partner engagement and support for the collaboration and project. If awarded funds, a written agreement that is adopted by the decision-making body of each water system involved is required. The following provides guidance on minimum elements to be included in the documentation at each stage.

A generic template is provided for what a letter of support could look like at application stage. The documentation at application is not required to follow this template, but this is provided as an example of what includes the minimum elements at application stage.

At Application Stage:

Documentation can be in the form of a letter of support, board meeting minutes, or adopted resolution. Minimum Elements to be included in documentation at application stage:

- Statement of support for the project and the Lead PWS applying for and managing the DWSP funding on behalf of the partners.
- Statement of commitment to be an active participant as needed to advance the project and support source water protection efforts in the partner's drinking water source area.
 - General description of the nature of what participation looks like (e.g. review of outreach materials, engaging with technical consultants as needed, providing access to PWSs property for on-the-ground work or surveys, etc.)
- Statement of expected products or results of the proposed project and anticipated benefits to the partner's source water area.

Generic Optional Template: Official Partner Letter of Support:

Dear [Lead PWS]

[Official Partner PWS Name, PWS #] submits this letter of support for [Project Name] application to the Drinking Water Source Protection (DWSP) Fund. [Official Partner PWS Name] supports [Lead PWS] serving as funding applicant and recipient of the DWSP grant and managing the funds on behalf of its collaborative partners.

[Official Partner PWS Name] is committed to working as an active partner with [Lead PWS] on the proposed project. [Official Partner PWS Name] commits to participating in the project or contribute to the project in the following ways:

- Xxx
- Yyy
- Zzz

As a result of the project, [describe expected outcomes, deliverables, or products of the proposed project]. The project is anticipated to benefit [Official Partner PWS Name]'s source water area by [describe source water protection benefits or risk reduction anticipated as a result of the proposed project].

[Include any other relevant information, commitments, expectations, history of partnering, etc. as appropriate or as needed].

[Official Partner PWS Name] supports the proposed project and looks forward to engaging on the work if the DWSP grant is awarded.

Thank you for your consideration.

Sincerely,

XXX YYY

After Contract Execution (if not already completed):

Once the DWSP funds are awarded and the contract with Business Oregon is executed, a written agreement or agreements must be established between the Lead PWS and partners prior to initiating project work. Written agreement(s) must be approved by the decision-making body of each PWS (Lead and each Official Partner). Agreement(s) can be established as one group agreement or multiple one-on-one agreements between the Lead PWS and each Official Partner, or some combination of group / one-on-one. If an existing agreement is in place, an amendment or addendum that reflects the collaborative project is acceptable. Agreement(s) can be established after funds are awarded and the contract between the Lead PWS and Business Oregon is executed but should be completed as a first step in the project if not already completed by contact execution. First disbursement of funds will be held until the agreement(s) is in place.

Required elements:

- Define the shared project, purpose, and expected benefits to drinking water source protection.
- Define location of the work (if there is a discrete location) and/or the geography to be served.
- Define responsibilities of the Lead PWS for administering the funding and coordinating the project (includes compiling and submitting project report to OHA).
- Define responsibilities of the Official Partner(s) (includes providing necessary information to Lead PWS for reporting).
- Define the budget. Define contributions of the Lead and Official Partners, if any, beyond the DWSP grant funding (e.g. budgeted funds and/or in-kind such as staff or contractor time, storage space, materials contributions, etc.).

Elements to include, as applicable:

- Address ownership of:

- Supplies and/or equipment purchased through the project, including storage, maintenance, and insurance (if needed) of such items and any shared use agreements that may be needed. (Shared use agreements, if needed, may also be established separately later in the project after the purchase of items is completed.)
- Other intangible products anticipated to result from the project such as outreach materials, websites, interpretive materials, etc. Responsibilities for maintenance, production costs, etc. Access to document templates, ability to modify/customize, etc.
- Outline maintenance responsibilities beyond project completion, if any.
- Other standard clauses as the parties wish to include (indemnity, liability, records access, records retention, dispute resolution, how to amend the agreement, length of the agreement, termination, etc.).