



Water Project Grants and Loans and Irrigation Modernization Funding Applications

Project Summaries – 2025 Funding Cycle 2

July 31, 2025

Background

The Water Supply Development Account provides grants and loans for water projects that have economic, environmental and social/cultural benefits (ORS 541.651-696). In 2023, the Oregon Legislature passed House Bill 5030, providing \$50 million to the Water Supply Development Account to issue grants for irrigation modernization projects and \$10 million for Water Project Grants and Loans. In 2025, the Oregon Legislature passed House Bill 5006, providing \$8 million for Water Project Grants and Loans. House Bill 5006 is currently awaiting signature by the Governor.

The application deadline for the second 2025 funding cycle was July 16, 2025. The Oregon Water Resources Department (OWRD) received six complete applications requesting a total of \$2,867,712 in grant funding for Water Project Grants and Loans projects. OWRD has \$607,000 available to award. An additional \$4 million is anticipated to be available for provisional award pending the signature of House Bill 5006 and a spring 2026 lottery bond sale. OWRD received three complete applications for irrigation modernization funding requesting \$7,100,536 in grant funding and has \$4.3 million available to award.

Document Description

The following are project summaries for complete grant applications received by July 16, 2025 for the second 2025 Water Project Grants and Loans and Irrigation Modernization Funding cycle. The project summaries are adapted from submitted project applications. The application summaries are listed in alphabetical order by project name and page numbers listed below.

Next Steps

OWRD is soliciting public comment on the Water Project Grants and Loans and Irrigation Modernization Funding applications through 5 pm on September 28, 2025. Information on how to submit a public comment is available on the [website](#). Public comments submitted on applications will be considered by the Technical Review Team (TRT). The TRT will evaluate applications and make a funding recommendation to the Water Resources Commission. OWRD will post the TRT funding recommendation for an additional public comment period. The tentative date for the Commission to make its funding decision is December 11-12, 2025.

More Information

If you have questions please contact the Grants Analyst, Louisa Mariki, at 503-979-960 or OWRD.Grants@water.oregon.gov.

Water Project Grants and Loans Applications Received

Project Name	Applicant	County	Grant Funds Requested	Total Project Cost
Big Butte Creek Water Acquisition and Irrigation Efficiency Project	Trout Unlimited	Jackson	\$462,056	\$801,442
Falcon Cove Beach South Spring Intake Project	Falcon Cove Beach Domestic Water Supply District	Tillamook	\$75,000	\$95,000
Field 95 Aquifer Recharge Expansion Project	Madison Ranches, Inc.	Umatilla	\$402,000	\$4,073,000
Hagenah Irrigation Efficiency Project	Angela Hagenah	Wallowa	\$405,000	\$850,572
Oxbow Ranch Irrigation Modernization Project	Trout Unlimited	Josephine	\$564,800	\$1,146,288
Twickenham Irrigation Efficiency	Gabe Williams	Wheeler	\$958,856	\$1,491,515
Total			\$2,867,712	\$8,457,817

Irrigation Modernization Funding Application Received

Project Name	Applicant	County	Grant Funds Requested	Total Project Cost
C-1 Piping Project	Powder Valley Water Control District	Union	\$2,498,000	\$10,409,000
Klamath Drainage District Irrigation Modernization Project	Klamath Drainage District	Klamath	\$4,266,300	\$16,878,000
Lone Pine Irrigation Modernization Phase 2 - Year 2	Lone Pine Irrigation District	Crook and Jefferson	\$336,236	\$3,337,224
Total			\$7,100,536	\$30,624,224

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2025 Water Project Grants and Loans Applications:

Big Butte Creek Water Acquisition and Irrigation Efficiency Project

Project Information (adapted from application)

Applicant Name: Trout Unlimited

County: Jackson

Funding Requested: \$462,056

Total Project Cost: \$801,442

Project Summary: The proposed project at Connect 3 Farm would enhance irrigation efficiency by converting 45 acres from flood to center-pivot irrigation and piping 2,300 feet of unlined ditch. One hundred percent of the water conserved through piping would be dedicated to instream through the Oregon Water Resources Department's Allocation of Conserved Water Program. Additionally, 26 acres of water rights (0.431 cfs) would be permanently transferred instream to benefit sensitive aquatic species, including state-listed Spring Chinook, ESA-listed SONCC Coho salmon, summer and winter steelhead, cutthroat trout, and Pacific Lamprey. The goal of the project is to improve irrigation efficiency and production for the irrigators and community by upgrading the irrigation system infrastructure while supporting streamflow restoration. This project supports both agricultural productivity and ecological restoration.

Falcon Cove Beach South Spring Intake Project

Project Information (adapted from application)

Applicant Name: Falcon Cove Beach Domestic Water Supply District

County: Tillamook

Funding Requested: \$75,000

Total Project Cost: \$95,000

Project Summary: The goal of this project is to restore the District's south spring, one of three key water sources, to active use for drinking water. An upgrade was attempted in 2016, however, the omission of a perforated collector pipe at the spring's discharge significantly reduced flow. This project would install a new collector pipe at the discharge area and reconnect the spring to the existing water system. A new intake screen would be drilled into the hillside at the spring source, flow-tested, and connected through a 4" solid pipe to the existing spring box. The system, which includes a small reservoir and pump station, would be chlorinated and brought online to support the District's water supply. Restoring the south spring is critical to ensuring a safe, reliable, and resilient water system for the District's users.

Field 95 Aquifer Recharge Expansion Project

Project Information (adapted from application)

Applicant Name: Madison Ranches, Inc.

County: Umatilla

Funding Requested: \$402,000

Total Project Cost: \$4,073,000

Project Summary: The proposed project would expand an existing aquifer recharge project near Echo Junction in Umatilla County. The goals of the project are to improve agricultural production, augment the aquifer, and enhance alluvial water quality. The project would add 44.3 acres of infiltration basin area and install a collector well and associated infrastructure. Water recovered from the alluvial aquifer via the collector well would support agricultural irrigation, and a portion would be injected into an Aquifer Storage and Recovery (ASR) well to support recharge of the deep basalt aquifer.

Hagenah Irrigation Efficiency Project

Project Information (adapted from application)

Applicant Name: Angela Hagenah

County: Wallowa

Funding Requested: \$405,000

Total Project Cost: \$850,572

Project Summary: The project would modernize flood irrigation infrastructure in Lostine, Oregon by installing a piped mainline across leased property to neighboring parcels and converting existing flood systems to solar-powered pivot irrigation. This upgrade would reduce water loss, improve efficiency, and expand usable agricultural acreage. The projects improvements include pipeline installation, livestock watering troughs, and the replacement of open ditches with controlled irrigation systems. The use of solar energy would lower fossil fuel dependence, reduce long-term energy costs, and support sustainability goals. Additional benefits would include reduced labor demands, mitigation of runoff risks to nearby homes and roads, protection of native vegetation, and future connectivity for neighboring landowners to enhance their own systems.

Oxbow Ranch Irrigation Modernization Project

Project Information (adapted from application)

Applicant Name: Trout Unlimited

County: Josephine

Funding Requested: \$564,800

Total Project Cost: \$1,146,288

Project Summary: The proposed irrigation modernization project at Oxbow Ranch in Josephine County would convert 137.8 acres to center-pivot irrigation in partnership with the landowner, Trout Unlimited, and the Oregon Department of Fish and Wildlife. This upgrade would improve water application efficiency by 25–35%, enhancing agricultural productivity while reducing water waste and eliminating return flow impacts on water quality. Located in a priority watershed for flow restoration, the project supports conservation of ESA-listed species such as coho salmon, fall Chinook, winter steelhead, Pacific lamprey, and cutthroat trout. Through the Oregon Water Resources Department's Allocation of Conserved Water Program, 100% of the conserved water (0.735 cfs) would be legally protected instream, directly contributing to long-term habitat restoration and flow reliability.

Twickenham Irrigation Efficiency

Project Information (adapted from application)

Applicant Name: Gabe Williams

County: Wheeler

Funding Requested: \$958,856

Total Project Cost: \$1,491,515

Project Summary: The goal of the proposed project is to improve climate change resilience of agriculture and the ecosystem. Under this are four sub-goals/actions: to improve irrigation efficiency, increase agricultural production, improve climate/agricultural resilience, and increase instream flow. The proposed project would consolidate pumps and upgrade two centrifugal pumps to one more efficient turbine pump, replace the mainline system, upgrade existing pivots for improved efficiency, reduce and/or replace handline and solid-set irrigation systems with pivots, consolidate corner irrigation sections under high efficiency pivots, and apply activated biochar to the fields to improve water retention, reduce fertilizer needs, and improve microbial conditions. The applicant would legally protect 64.4% of the conserved water instream in the John Day River (approximately 0.97 cubic feet per second) through the Oregon Water Resource Department's Allocation of Conserved Water Program. The applicant would apply 35.6% of the conserved water to place additional acreage into production which would improve the future viability of the agricultural operation.

2025 Irrigation Modernization Funding Applications:

C-1 Piping Project

Project Information (adapted from application)

Applicant Name: Powder Valley Water Control District

County: Union

Funding Requested: \$2,498,000

Total Project Cost: \$10,409,000

Project Summary: The C-1 Project would modernize irrigation infrastructure within the Powder Valley Water Control District (PVWCD) in Union County, Oregon, by replacing approximately 3.4 miles of open ditch with buried, gravity-pressurized pipeline and retiring an additional 5.5 miles of aging canals. This upgrade would reduce water losses from seepage, evaporation, and operational spills, increasing storage in Pilcher Creek and Wolf Creek reservoirs and benefiting all 102 PVWCD patrons. The project would directly improve water delivery to six patrons irrigating 2,030 acres, enabling a transition from flood to efficient sprinkler irrigation. The project would conserve approximately 653 acre-feet of water annually. The applicant would legally protect 75% of the conserved water instream through the Oregon Water Resources Department's Allocation of Conserved Water Program (490-acre feet). The additional instream flow would enhance summer flows in Anthony Creek and the North Powder River to support ESA-listed bull trout and other aquatic species. The remaining 163 acre-feet would help fulfill existing water rights.

Klamath Drainage District Irrigation Modernization Project

Project Information (adapted from application)

Applicant Name: Klamath Drainage District

County: Klamath

Funding Requested: \$4,266,300

Total Project Cost: \$16,878,000

Project Summary: The proposed project would enhance water delivery and ecological function by extending the North Canal 0.47 miles (approximately 2,500 feet) from Fugate Road to Highway 161, linking it to the P1 Lateral and establishing a new delivery point to the Lower Klamath National Wildlife Refuge. The project would increase operational efficiency by upgrading the E and F pumping plants to a common voltage, adding variable frequency drives, and installing a recirculation pipeline from the westernmost E Pump to the Center Canal. The project would install a new fish screen at the North Canal Diversion, which would protect aquatic species. The project would also install 14 SCADA units at 12 sites which would enable precise, real-time water management.

Lone Pine Irrigation Modernization Phase 2 - Year 2

Project Information (adapted from application)

Applicant Name: Lone Pine Irrigation District

County: Crook and Jefferson

Funding Requested: \$336,236

Total Project Cost: \$3,337,224

Project Summary: The project would modernize the irrigation system by replacing 11,115 feet of inefficient open canals with pressurized HDPE pipe and laterals. This Phase 2 project was funded by OWRD in 2024, however, the applicant is facing a budget shortfall due to a shift from Three Sisters Irrigation District completing construction to a private contractor completing construction. The applicant is requesting funds for the second year of Phase 2 construction. Phase 2 is expected to conserve 1.5 cfs. The District would reduce their water right certificate(s) by 100% of the amount of water conserved through this project. Through an interdistrict agreement, the conserved live flow would be made available to the North Unit Irrigation District (NUID) for use as irrigation water during the irrigation season. NUID would release an equivalent amount during the winter season in Upper Deschutes River below Wickiup Reservoir via a secondary use right for flow augmentation.