



800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

July 26, 2021

### Legal Notice

Legal notice of public review and comment period concerning the proposed Intended Use Plan (IUP) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for State fiscal year 2021.

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on the proposed IUP as part of the grant application process to the U.S. Environmental Protection Agency (EPA). This IUP explains how OHA-DWS prioritizes low-interest loan assistance to eligible community and non-profit non-community public water systems and the funding of Set-Aside activities. It also is a key aspect of how we will procure the funding resources that the EPA has appropriated Oregon during Federal fiscal year 2021.

The public comment period for the IUP will be from Monday, August 2 through Thursday, September 2, 2021. If you would like to make a comment, please email me your comments by no later than 5pm on Thursday, September 2<sup>nd</sup> to be considered. If you have questions, you may also email or call me at (503) 956-8287.

Thank you!

*Adam DeSemple*

PROGRAM COORDINATOR, DWSRF  
Oregon Health Authority  
Center for Health Protection  
Drinking Water Services  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemple@dhsosha.state.or.us](mailto:adam.desemple@dhsosha.state.or.us)  
<http://healthoregon.org/srf>



PUBLIC HEALTH DIVISION  
Center for Health Protection, Drinking Water Services

Kate Brown, Governor

Oregon  
**Health**  
Authority

800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 – FAX  
<http://healthoregon.org/dwp>

July 16, 2021

Ms. Andrea Bennett  
Grants Specialist, EPA Region 10  
United States Environmental Protection Agency  
1200 Sixth Avenue, Suite 900, OMP-145  
Seattle, WA 98101

**Reference: Application, FFY-2021 Oregon's Drinking Water State Revolving Fund (FON: EPA-CEP-01)**

Dear Ms. Bennett:

Please find in the Grants.gov application package the Oregon Health Authority's (OHA) complete Drinking Water State Revolving Fund capitalization grant application and Intended Use Plan (IUP) for FFY-2021 appropriations. This application package also includes OHA's Set-Aside work plans, the budget narrative (i.e., SF-424A), as well as the current indirect cost rate agreement and other required documents.

Our plans and strategy for implementing our programmatic goals while addressing the federal requirements will be copiously detailed and incorporated throughout the IUP and its attachments in the grant application package.

If you have any questions or comments, please contact Adam DeSemples, Program Coordinator, at 503-956-8287 or via e-mail at: [adam.desemples@dhsosha.state.or.us](mailto:adam.desemples@dhsosha.state.or.us).

Sincerely,

André Ourso, MPH, JD  
Administrator, Center for Health Protection  
Public Health Division  
Oregon Health Authority

Carole Yann  
Fiscal and Business Operations Director  
Public Health Division  
Oregon Health Authority

Cara Biddle com  
For Carole Yann

Enclosures: Application, FFY-2021 Drinking Water State Revolving Fund (FON: EPA-CEP-01)

cc: Richard Green  
Dave Emme  
Tony Fields  
Adam DeSemples  
Debra Lambeth  
Mai Quach  
Travis Labrum  
Jon Unger  
Ed Tabor  
David Barnett

State of Oregon

Drinking Water State  
Revolving Fund (DWSRF)  
Program

Intended Use Plan  
2021 - *final*

July 2021

Oregon Health Authority  
Public Health Division  
Center for Health Protection  
Drinking Water Services  
800 NE Oregon Street, STE 640  
Portland, OR. 97232



*\* Page Left Intentionally Blank \**

**2021 Drinking Water State Revolving Fund  
Capitalization Grant Application and Intended Use Plan  
State of Oregon**

**TABLE OF CONTENTS**

**EXECUTIVE SUMMARY (overview)**

Introduction & Purpose	1
Summary	1
<b>I.</b> Need for the Program	1
<b>II.</b> Elements of Oregon’s Program Using This Year’s Allotment	2
<b>III.</b> The Set-Aside Activities	
<b>A.</b> Establishing Set-Aside Activities & Setting Funding Levels	3
<b>B.</b> Description of Oregon’s Set-Aside Activities	4
<b>IV.</b> Current & Future Years of the Program	
❖ Short-Term Goals	6
❖ Long-Term Goals	6
❖ Loan Principal Forgiveness	7
❖ Full-Service Line & Fixture Replacement Opportunity	7
❖ Green Project Reserve (GPR)	8
❖ Sustainable Infrastructure Planning Projects (SIPP)	8
❖ Seismic SIPP	8
❖ Small System Equipment Assistance (SSEA)	8
❖ Letter of Interest (LOI) packet	9
❖ Federal Funding Accountability & Transparency Act (FFATA)	9
❖ DB Wage Rate Compliance & Buy AIS Provisions	10
❖ Emergency Funding	11
❖ Program Guidelines & Applicant’s Handbook	11
❖ Operating Agreement	11
<b>V.</b> Sources & Uses	11
<b>VI.</b> Disadvantaged Community Program	14
<b>VII.</b> Asset Management Training	15
<b>VIII.</b> Fund Linkage between DWSRF & CWSRF	15
<b>IX.</b> Drinking Water State Revolving Fund for Projects	
<b>A.</b> Project Identification Process	15
<b>B.</b> Project Selection Criteria – Rating & Ranking, By-Pass	16
<b>X.</b> Public Reviews & Comments	
❖ Process	17

## **APPENDICES**

### **A. REQUIRED DOCUMENTS**

- AG Certification
- SFY-2021 ["Combined" Infrastructure Project Priority List \(PPL\)](#) (*web access only*)
- SFY-2021 Sustainable Infrastructure Planning Projects (SIPP) PPL
- SFY-2021 Drinking Water Source Protection (DWSP) PPL
- SFY-2021 Small System Equipment Assistance (SSEA) PPL
- FFATA Set-Aside reporting spreadsheet
- Sources & Uses Table

### **B. SUPPORTING DOCUMENTS**

- Annual LOI Status List (2021)
- Basic SDWRLF Financing Options (2021)
- Grant Allotment Use Summary (2021)
- Cost Allocation & Other Payroll Expense Letters (3)

### **C. FINANCIAL DATA**

- Estimated - Financial Status of Oregon's DWSRF

### **D. SET-ASIDE WORK PLANS**

- Administrative Expense
- Small System Technical Assistance
- State Program Management
- Local Assistance & Other State Programs:
  - i. Implementation of Protection
  - ii. Capacity Development
  - iii. Drinking Water Source Protection

### **E. PUBLIC NOTICES**

- Intended Use Plan (IUP) Public Notice Letter
- PPL Annual & Quarterly Public Notice Letters

❖ *Contracts and Agreements with OHA partners are available upon request*

## **COMMON ACRONYMS**

• ACS	-	AMERICAN COMMUNITY SURVEY
• AIS	-	AMERICAN IRON & STEEL
• ARRA	-	AMERICAN RECOVERY REINVESTMENT ACT
• AWWA	-	AMERICAN WATER WORKS ASSOCIATION
• AWIA	-	AMERICA'S WATER INFRASTRUCTURE ACT
• BMP	-	BEST MANAGEMENT PRACTICES
• CA	-	COST ALLOCATION & CAPACITY ASSESSMENT
• CFR	-	CODE OF FEDERAL REGULATIONS
• CHP	-	CENTER FOR HEALTH PROTECTION
• CR	-	CONTINUING RESOLUTION
• CUPSS	-	CHECK UP PROGRAM FOR SMALL SYSTEMS
• CWSRF	-	CLEAN WATER STATE REVOLVING FUND
• DB	-	DAVIS BACON
• DBE	-	DISADVANTAGED BUSINESS ENTERPRISE
• DEQ	-	DEPARTMENT OF ENVIRONMENTAL QUALITY
• DWAC	-	DRINKING WATER ADVISORY COMMITTEE
• DWS	-	DRINKING WATER SERVICES
• DWSP	-	DRINKING WATER SOURCE PROTECTION
• DWSRF	-	DRINKING WATER STATE REVOLVING FUND
• EDU	-	EQUIVALENT DWELLING UNIT
• EPA	-	ENVIRONMENTAL PROTECTION AGENCY
• ER	-	ENVIRONMENTAL REVIEW
• ERP	-	ENFORCEMENT RESPONSE POLICY
• ETT	-	ENFORCEMENT TARGETING TOOL
• FFATA	-	FEDERAL FUNDING ACCOUNTABILITY & TRANSPARENCY ACT
• FFY	-	FEDERAL FISCAL YEAR
• FSRS	-	FFATA SUBAWARD REPORTING SYSTEM
• FTE	-	FULL TIME EQUIVALENT
• GIS	-	GEOGRAPHICAL INFORMATION SYSTEMS
• GPR	-	GREEN PROJECT RESERVE
• IAA	-	INTER-AGENCY AGREEMENT
• IFA	-	INFRASTRUCTURE FINANCE AUTHORITY
• IGA	-	INTERGOVERNMENTAL AGREEMENT
• IUP	-	INTENDED USE PLAN
• LOI	-	LETTER OF INTEREST
• MCL	-	MAXIMUM CONTAMINANT LEVEL
• MHI	-	MEDIUM HOUSEHOLD INCOME
• NIMS	-	NATIONAL INFORMATION MANAGEMENT SYSTEM
• OA	-	OPERATING AGREEMENT
• OAR	-	OREGON ADMINISTRATIVE RULE
• OFS	-	OFFICE OF FINANCIAL SERVICES
• OHA	-	OREGON HEALTH AUTHORITY
• OMB	-	OFFICE OF MANAGEMENT & BUDGET
• ORS	-	OREGON REVISED STATUTE
• PBR	-	PROJECT & BENEFITS REPORTING
• PER	-	PROGRAM EVALUATION REPORT
• PPL	-	PROJECT PRIORITY LIST
• PPP	-	PUBLIC PRIVATE PARTNERSHIPS
• RCAC	-	RURAL COMMUNITY ASSISTANCE CORPORATION
• RLDWA	-	REDUCTION OF LEAD IN DRINKING WATER ACT
• SDWA	-	SAFE DRINKING WATER ACT
• SDWRLF	-	SAFE DRINKING WATER REVOLVING LOAN FUND
• SFY	-	STATE FISCAL YEAR
• SIPP	-	SUSTAINABLE INFRASTRUCTURE PLANNING PROJECTS
• SOS	-	SECRETARY OF STATE
• SPM	-	STATE PROGRAM MANAGEMENT
• ULO	-	UNLIQUIDATED OBLIGATION
• WIFIA	-	WATER INFRASTRUCTURE FINANCE & INNOVATION ACT
• WIIN	-	WATER INFRASTRUCTURE IMPROVEMENT FOR THE NATION ACT

# Oregon's 2021 DWSRF Intended Use Plan

## **Introduction & Purpose**

On August 6, 1996, the Safe Drinking Water Act (SDWA) Amendments of 1996 ([P.L. 104-182](#)) were signed into law. Section 1452 of this act authorized the Administrator of the U.S. Environmental Protection Agency (EPA) to establish a Drinking Water State Revolving Fund (DWSRF) program to assist public water systems with affordable financing for infrastructure needs to achieve or maintain compliance with the SDWA requirements and to protect public health.

As a part of each state's annual capitalization grant application process to the EPA, Section 1452(b) of the SDWA, requires states to submit an Intended Use Plan (IUP) identifying the use of funds in that state's DWSRF program and how those uses support the goal of protecting public health.

### **❖ Awarded DWSRF Capitalization Grants Cover:**

- **Safe Drinking Water Revolving Loan Fund (SDWRLF):** Assists eligible public water systems achieve, maintain, or regain compliance and protect public health by funding drinking water infrastructure or resiliency improvement projects such as treatment, distribution, storage, or a new source. Oregon's DWSRF capitalizes the SDWRLF (i.e., Loan Fund) per [Oregon Administrative Rule \(OAR\) 123-049](#).
- **Program Set-Asides:** Assists state primacy agencies and partners with administrative and non-construction related activities used to ensure compliance with the SDWA.

## **Summary**

The State of Oregon, Drinking Water Services (DWS) is an Oregon Health Authority (OHA) program located within the Center for Health Protection (CHP). OHA seeks the entire grant allotment of \$14,474,000 from EPA's FFY-2021 DWSRF appropriation and will adopt the following 2021 IUP for State Fiscal Year 2022 (SFY-2022: July 1, 2021 – June 30, 2022). These efforts will be in coordination with our partners at Business Oregon by continuing to offer low interest loans from the Loan Fund to eligible drinking water systems while continuing to support the four separate program Set-Aside activities to meet federal drinking water program mandates.

This IUP Executive Summary and its appendices present details of Oregon's DWSRF program that was developed in close cooperation with state agency partners (i.e., Business Oregon & DEQ) and supported by many stakeholders (e.g., Oregon's Drinking Water Advisory Committee - DWAC) and interested parties. Many of the details demonstrate Oregon's continued efforts to programmatically improve processes and policies while protecting public drinking water supplies statewide.

## **I. Need for the Program**

The need for this program continues to be clear in Oregon. A nationwide Drinking Water Infrastructure Needs Survey, sponsored by the EPA with assistance from OHA and its water suppliers, was completed back in 2015. Previous results conducted from the 2011 Needs Survey



awarded OHA with 1.42 percent of the total EPA DWSRF appropriation. The 2015 Needs Survey results awarded OHA with a 1.32 percent of the appropriation. The 2020-21 Needs Survey results will supersede the 2015 results once it has been completed.

The 2015 surveyed results indicated that Oregon’s drinking water infrastructure needs are more than \$6.25 billion over the next twenty years. Majority (i.e., \$3.74 billion) needed for transmission and distribution infrastructure improvements and nearly half (i.e., \$3.03 billion) of the need is for medium-sized water systems serving between 3,301 and 100,000 people according to the survey.

The first grants from the DWSRF, were distributed to states, tribes, and territories from the 1997 appropriation and totaled \$1.275 billion. From FFY-1997 through 2020, cumulative federal grants (including ARRA) for the DWSRF program to states total approximately \$23 billion. Oregon’s total federal grant allocations received through FFY-2020 (including ARRA) is over \$327 million.

To augment the federal grants awarded, states are required to provide matching funds equal to 20 percent of the federal grant award. However, the once long-standing one-to-one State Program Management (SPM) Set-Aside match requirement for the DWSRF program was also recently removed by the 2016 WIIN Act revisions, Section 2103 SDWA Section 1452(g)(2).

In addition to these substantial infrastructure needs, many small water systems in Oregon lack the technical, managerial, and financial capacities to provide safe drinking water to their respective users. EPA uses the ETT/ERP approach to ensure that no community or non-profit non-community systems with project(s) from the System Scores list with a score of 11 or higher receive DWSRF funding unless the funding directly supports the water system in achieving or regaining compliance. OHA uses its own ETT type list (called the Priority Non-Complier (PNC) list) to target systems for capacity development assistance and to ensure that these systems are given the fullest possible consideration for available DWSRF infrastructure financing. For Oregon’s PNC list, see here, <https://yourwater.oregon.gov/sscore.php>.

## **II. Elements of Oregon’s Program Using the 2021 Allotment**

The 2021 program consists of the following elements summarized below:

(For more details, please visit the Grant Allotment Use Summary sheet in the **Appendix B** portion of the IUP)

	<b>Federal Funds</b>	<b>Percent of Allotment</b>	<b>20% State Match Funds*</b>
Project Loans for Water Systems	\$ 9,720,926	67.16%	\$ 2,894,800
Set-Aside Activities:			
1.) Administrative Expense	\$ 595,094	4.11%	\$ -
2.) Small System Tech. Assist.	\$ 289,480	2%	\$ -
3.) State Program Management	\$ 1,697,400	11.73%	\$ -
4.) Local Assist. & Other St. Pro.	\$ 2,171,100	15%	\$ -
<b>Total</b>	\$ 14,474,000	100%	\$ 2,894,800

\* Oregon’s State Match funds are drawn before federal funds.

The figures for 2021 above demonstrate a proportionality ratio of new funds (minus Set-Asides) equaling, 77 percent federal funds and 23 percent State Match funds, which is close to optimum for financing projects. However, when Oregon deviates from those target percentages, it is likely due to its authorization to extract reserved (i.e., banked) Set-Aside funds, which reduce the available allotment for projects. More information about the use of reserved Set-Aside funds will be explained in Section III.

Oregon's DWSRF program is carried out through direct involvement activities and with the utilization of partnership agreements. The primacy agency is OHA via its DWS who provide direct services with a compliment of experienced regulatory technical staff.

OHA Inter-Agency Agreements (IAA) with Business Oregon and the Department of Environmental Quality (DEQ) are maintained and updated on a biennial basis. Both Business Oregon and DEQ are state agencies with their respective IAA's.

Since OHA is the lead agency, it is responsible for establishing program and project priorities, oversight of program operation, technical assistance, capacity development, and the annual capitalization grant application and reporting processes.

Business Oregon operates and administers the Loan Fund for drinking water infrastructure projects, Drinking Water Source Protection (DWSP) loans and grants, the Sustainable Infrastructure Planning Projects (SIPP) and our new Small System Equipment Assistance (SSEA) programs (100% forgivable loans), and utilization of the principal forgiveness strategy. They also perform loan servicing functions that result from the Loan Fund.

DEQ with OHA, complete source water assessments and implement the local DWSP programs.

Additionally, this grant year, OHA will continue to impose its cost allocation plan. The cost allocation factor will affect some direct costs (e.g., Set-Aside activities), but not the Loan Fund, nor the DWSP loans or grants in the Local Assistance Set-Aside. Our current cost allocation rate remains at 17.64 percent and is expected to be applied to \$2,840,373 of Set-Asides, resulting in a cost of approximately \$501,042. OHA continues to undergo an in-depth cost rate review for future state fiscal years as explained in our recent cost allocation letter dated, June 22, 2020. Cost allocation acts like indirect costs, as allowed under OMB 2 Code of Federal Regulations (CFR) Part 225 (formerly OMB Circular A-87).

### **III. The Set-Aside Activities:**

#### **A. Establishing Set-Aside Activities and Setting Funding Levels**

The SDWA authorizes states to use a maximum of 31 percent of its annual allotment for Set-Aside activities. Set-Aside activities are available to administer the Loan Fund and to assist water systems in meeting the requirements of the SDWA. OHA evaluated each of the four Set-Aside activities with a view toward protecting public health through prevention, while maximizing Loan Fund dollars for capital improvement projects and compliance purposes.

OHA decided on basic and mandated programs in each of the four Set-Aside activities, however, according to EPA 40 CFR part 35.3540(d), states are authorized to access reserved Set-Aside funds from previous grant phases. EPA Region 10 Staff has authorized Oregon to request more than the 31 percent Set-Aside maximum when necessary. For 2021, Oregon does plan to exercise this authority for its SPM Set-Aside by requesting an additional \$250,000 in reserved (banked) funds. This retains 67.16 percent for the Loan Fund. Set-Aside activities needed for OHA's SFY-2022 include:

- Administrative Expense (4.11%)
- Technical Assistance (2%)
  - Circuit Rider Assistance
- State Program Management (11.73%)
  - State & County Program Support
- Local Assistance and Other State Programs (15%)
  - Implementation of Source Water Protection Program (5.5%)
  - Water System Capacity Development Program (6.4%)
  - Drinking Water Source Protection Fund/Grants (3.1%)

## **B. Description of Oregon Health Authority's Set-Aside Activities**

Work plan summaries for each of the Set-Aside Activities are outlined here. Specific detailed work plans are included in **Appendix D** and submitted as part of the Capitalization Grant application. All the activities described are continuation activities from the previous grant years and may include additional updates for that Set-Aside.

- 1. Administrative Expense:** OHA will use 1.00 FTE staff to prepare the annual EPA capitalization grant application, the IUP, the Project Priority List (PPL), assess environmental reviews and capacity of each loan recipient, along with conducting financial monitoring and control. Under its partnership contract, Business Oregon will utilize 3.80 FTE necessary to making loans to water systems from the PPL. Therefore, a total of 4.80 FTE will be used to administer the overall DWSRF program.

The 2016 WIIN Act provisions provide states three options for this Set-Aside. The Act's options include:

Equal to the sum of any state fees collected and the greatest of \$400,000; 1/5 of one percent of the current fund value; and an amount equal to 4 percent of all grants awarded to the fund under this section for the fiscal year.

This year, OHA will plan to utilize the 1/5 of one percent of the current fund value option, totaling \$595,094. For more Set-Aside information, please reference the **Appendix D** section of the IUP.

2. **Small Systems Technical Assistance:** OHA continues providing technical assistance and related services to small water systems serving 10,000 or fewer people by contracting for these services. A total of 0.45 FTE will be associated to these Set-Aside activities.

A maximum of 2 percent of the annual grant allotment of \$14,474,000 is allowed for this activity. This year, OHA will plan to use all 2 percent of the allotment, or \$289,480. For more Set-Aside information, please reference the **Appendix D** section of the IUP.

3. **State Program Management (SPM) – State and County Program Support:** These funds will continue OHA and contractual support of County drinking water programs and of the Oregon Department of Agriculture to augment the Public Water System Supervision (Primacy) program. These activities include sanitary surveys, the investigation and resolution of significant non-compliance concerns and adjacent activity. OHA will use 6 FTE to conduct direct services and to manage contracts.

Typically, a maximum of 10 percent of the annual allotment is allowed for this Set-Aside. This year, OHA is requesting 11.73 percent of the allotment, or \$1,697,400. Oregon intends to utilize a portion (i.e., \$250,000) of historically unused (i.e., reserved) SPM Set-Aside authority to support ongoing program regulatory activities and to prevent any loss of services due to limited State and Federal program budgets. For more Set-Aside information, please reference the **Appendix D** section of the IUP.

4. **Local Assistance & Other State Programs:**

- **Implementation of Protection:** OHA continues to assist water systems to protect their respective sources of drinking water. OHA will continue this work with 3.50 FTE. Additionally, through contracting with the DEQ and others for technical services to place source water assessment information on the GIS, and to provide training and technical support.

A maximum of 15 percent for all local assistance activities of the \$14,474,000 annual allotment is allowed for this Set-Aside. This year, OHA will plan to use 15 percent, or \$2,171,100. The Implementation of Protection effort will use \$800,000 or 5.5 percent of the total grant this year. For more Set-Aside information, please reference the **Appendix D** section of the IUP.

- **Capacity Development Program:** OHA works with water systems that have had histories of non-compliance to ensure that they have the technical, managerial, and financial capacities needed to return to compliance status using the strategy developed by OHA and approved by EPA. This work will be carried out by 4.43 FTE and will use \$923,700 or 6.4 percent of the grant this year. For more Set-Aside information, please reference the **Appendix D** section of the IUP.

- **Drinking Water Source Protection Fund/Grants (DWSP):** This DWSRF Set-Aside activity will assist water systems to protect their source(s) of drinking water by typically providing an aggregate up to a total of \$200,000 in various loans/grants to undertake source water protection activities. There is no FTE assigned to this activity since it will be part of the Local Assistance Implementation of Protection Set-Aside FTE. This activity will use \$447,400 or 3.1 percent of the 2021 grant to reimburse the “SWP Repayment Fund” account for recently funded source protection project activities and to cover numerous emerging DWSP needs and emergencies. For more Set-Aside information, please reference the **Appendix D** section of the IUP.

The level of Set-Aside funding on a year-to-year basis will continue in collaboration with the DWAC and partner agencies to assure that public water suppliers in Oregon are well trained and knowledgeable of the most current drinking water quality standards and techniques.

Additionally, Set-Aside transfers to the Loan Fund will be performed on an as needed basis to further expedite federal funding timeline requirements.

#### **IV. Current & Future Years of the Program**

This year’s program represents a continuation of significant initiatives begun in 1997 by OHA, including its partner agencies (e.g., Business Oregon), stakeholder organizations, and service providers as well as public water systems. New initiatives, strategic proposals, and process improvements are continually being introduced between partnering agencies so our goals and federal crosscutter requirements (e.g., Davis Bacon, American Iron & Steel, Federal Funding Accountability & Transparency Act, etc....) continue to be met.

##### **❖ Short-Term Goals**

- Operate and manage a DWSRF program in Oregon for eligible community and non-profit non-community water systems to construct needed improvements and meet security needs.
- Provide loan assistance to projects that will address the greatest public health need while accounting for project affordability, especially to help small systems and those serving disadvantaged communities.
- Develop technical assistance and source protection efforts that sustain and/or improve the operation, maintenance, and management of Oregon’s drinking water systems.

##### **❖ Long-Term Goals**

- Administer the DWSRF program in Oregon in a way that protects its revolving nature in perpetuity.
- Support the State’s goal of ensuring Oregon’s water supplies provide safe drinking

water by financially contributing to needed water system improvements.

- Increase water system compliance with state and federal drinking water requirements through technical assistance, capacity development and assessment of source water.

#### ❖ **Loan Principal Forgiveness**

Oregon’s DWSRF has institutionalized the utilization of a Loan Principal Forgiveness strategy as an incentive and financial tool option; augmenting the program’s existing flexible interest rate structure and repayment terms. The goal in using Loan Principal Forgiveness is to: Promote increased project affordability, enhance DWSRF accessibility, and to provide effective and innovative project financing tools to reach more water systems in need of drinking water project financing. This expands upon the partnership the DWSRF has with the EPA.

The Loan Principal Forgiveness strategy is a tailored and targeted approach. For eligible water systems seeking financing for water system improvement projects, a reduction of the principal loan amount may be utilized as a subsidy at the time the loan is structured in addition to below market interest rates and flexible repayment terms.

It’s anticipated that Loan Principal Forgiveness will continue to facilitate expanded affordability and will be a complimentary project financing option, so that a water system’s access to capital would not be a hindrance to implementing effective water system improvements. “SDWRLF Infrastructure Financing Options 2021” within the **Appendix B** section, depicts this tailored and targeted approach in the use of the Oregon DWSRF comprehensive Loan Principal Forgiveness program; coupled with its flexible interest rates and loan repayment terms. Business Oregon closely manages the cash flow strategy while monitoring industry rates and can make necessary adjustments to our Financing Options when necessary.

Additional Loan Principal Forgiveness incentives can be found within the **Appendix B** section of the IUP.

#### ❖ **Full-Service Line and Fixture Replacement Opportunity**

As a continuation of [40 CFR Section 35.3520 \(b\)\(2\)\(ii\)](#) and further supported within EPA’s [DWSRF Eligibility Handbook](#), Table 3.2, Category: Transmission and Distribution, funding assistance is available for complete service line replacements, regardless of pipe material or ownership of the property where the service line is located. Funding assistance can be used for service line replacement from the public water main to the point it connects with premise plumbing. Additionally, funding assistance may be used to replace water fixtures that contain lead as a component to a larger eligible drinking water infrastructure project.

### ❖ **Green Project Reserve (GPR)**

While Oregon continues to encourage systems to incorporate “green” components into their projects, Oregon will no longer be providing any additional subsidy incentives under the GPR. State DWSRF programs have the flexibility to forgo or incentivize GPR until the EPA makes it a requirement again.

### ❖ **Sustainable Infrastructure Planning Projects (SIPP)**

The [Sustainable Infrastructure Planning Projects](#) program objectives are to assist communities with 100 percent DWSRF forgivable loan financing for water system planning and related activities that promote sustainable water infrastructure. Priority continues to be given to those systems that serve fewer than 300 service connections and/or are considered disadvantaged communities.

Additionally, and in the light of the recent drinking water system cybersecurity incidents in Florida and Kansas, the SIPP program is preparing to add a new Security Risk and Vulnerability Study project category to its existing portfolio. More details in SFY2022.

SIPP funded projects are encouraged to use the results from their planning studies to apply for infrastructure funding to help address aging infrastructure and compliance issues to further protect public health. Many SIPP projects have returned to Oregon’s DWSRF program to fund their infrastructure projects, but they are not required to.

Reference **Appendix A** for details about rated and ranked 2021 SIPP projects on the Project Priority List (PPL).

Visit website for more information.

### ❖ **Seismic SIPP**

Funded under a separate allotment of the SIPP program, eligible water systems now have access to SIPP funding to meet the new Seismic Risk Assessment and Mitigation Plan requirements ([OAR 333-061-0060\(5\)\(a\)\(J\)](#)) for Master Plans for those systems that serve 300 to 3,300 connections. This Master Plan requirement became effective in January 2018, but funding launched at the beginning of SFY2019.

For more information about this funding option, visit the SIPP webpage (shown above).

### ❖ **Small System Equipment Assistance (SSEA)**

Officially launched on February 15<sup>th</sup>, 2021, the [Small System Equipment Assistance](#) program objectives targets and funds additions or replacement of equipment and instrumentation needed by small water systems (i.e., ≤ 300 connections) to ensure continued operation and protection of public health. Project activity examples include: Treatment equipment, process control, monitoring and instrumentation, etc...

Initially, funding for the inaugural program launch is \$160,000 or maximum of 8 projects for 2021. Details include: \$20,000 max forgivable loan per project; minimum award of \$2,000; one award per system per 5-year period; priority will be given to systems with lowest medium household income (MHI); and systems with SDWA compliance needs and systems treating surface water sources will be prioritized.

Visit website for more information.

#### ❖ **Letter of Interest (LOI) packet**

OHA and Business Oregon have had a long-standing practice of utilizing a Letter of Interest (LOI) solicitation process to inform, gather, and process (rating and ranking) requests from eligible water systems interested in financing drinking water infrastructure planning, design, and/or construction improvements. For more information about project eligibilities, reference the [DWSRF webpage](#).

On April 2013, OHA and Business Oregon's DWSRF program launched its first web-based [LOI](#) (for infrastructure projects only) which is open year-round. This version saves money, streamlines the application process, is environmentally friendly, and extremely convenient for water systems. It also incorporates Business Oregon's project intake rolled in to the original LOI format while providing direct access to [regional staff](#). This increases the size of the LOI but reduces redundancy of the funding process so viable projects can obtain funding sooner than in years past.

To date, the web-based LOI has provided easy access to hundreds of new project submissions.

The [Drinking Water Source Protection \(DWSP\)](#) grant program LOI is available separately in a fillable pdf format. Eligible DWSP project activities include: Implementation, enhanced delineation and assessments, planning, and security. For more details, visit the web link to learn more about this program and what it can offer eligible water systems with their efforts to protect their drinking water sources.

#### ❖ **Federal Funding Accountability and Transparency Act (FFATA)**

On March 23, 2011, the EPA released a memo explaining this federal requirement to states and the use of the FFATA Subaward Reporting System (FSRS) tool. States have the option to apply Federal Crosscutting Authorities to all awarded projects, or only the projects and Set-Asides equivalent to the annual federal award amount (i.e., 100% of the award and FFATA identified projects). Oregon's DWSRF program has considered only applying Federal Crosscutting Authorities to the FFATA identified projects equivalent to the annual federal award amount, but to date, it has not fully implemented the strategy.



Although project adherence to Federal Crosscutting Authorities is not limited to FFATA projects, the chart below demonstrates the projects Oregon intends to identify for the purposes of FFATA.

Additionally, and in accordance with the EPA September 22, 2014 memo, “Application of Equivalency Under the FFATA,” these reporting requirements specific to the Set-Asides relate only to subaward contracted obligations at or above \$30,000 and that only those Set-Aside activities that meet or exceed this amount need to be reported in to the FSRS database. Specific contract details can be found on the Set-Aside FFATA spreadsheet within the **Appendix A** section of the IUP.

**Oregon's Safe Drinking Water Revolving Loan Fund 2021 IUP**

*FFATA Reportable Project List (including Set-Asides)*

<b>Applicant</b>	<b>Applicant Number</b>	<b>Score</b>	<b>Amount</b>
City of Beaverton (App# 1000-13786)	SD-19-256	n/a*	\$ 9,720,926
Set-Asides**	n/a	n/a	\$ 4,753,074
<b>FFATA Reportable Total:</b>			<b>\$ 14,474,000</b>

\* Beaverton’s project was ranked as a General Infrastructure / Resilience project – rating score is n/a

\*\* Set-Aside contracts (i.e., county partners) of \$30,000 or above will be entered in to the FSRS database

❖ **Davis Bacon (DB) Wage Rate Compliance & Buy American Iron & Steel Provisions**

Loan recipients will be made aware of all specific programmatic requirements as part of a federal appropriation. Contract language will reflect those requirements.

Davis Bacon (DB) wage rate requirements apply to all construction, alteration and repair of treatment works carried out in whole or in part with assistance made available through the DWSRF. To ensure compliance, applicable DB contract clauses are inserted into all relevant contracts. Recipients of DWSRF funds are briefed on their responsibility to ensure that all relevant DB regulations are adhered to. In addition, Business Oregon Regional Project Managers will periodically monitor certified payroll documents and other necessary and relevant documents for the adherence to DB regulations. Recipients of DWSRF funds are encouraged to contract with individuals or organizations that have demonstrated expertise in the administration of DB rules and regulations. Principal Forgiveness is available to eligible recipients who choose to hire such expertise.

American Iron and Steel (AIS) Provisions require DWSRF assistance recipients to use iron and steel products that are produced in the United States. Language regarding the requirement will be included with all DWSRF contracts to assistance recipients. Monitoring of compliance requirements will occur at appropriate intervals to ensure that any issues are addressed with immediacy.

## ❖ **Emergency Funding**

Emergency DWSRF funding is available for those infrastructure projects that fit specific criteria (i.e., 5 rating characteristics) that warrant these funds. Specific details about the requirements systems and their projects must meet to qualify for emergency funding are detailed in the latest version of the Program Guidelines and Handbook (see below).

## ❖ **Program Guidelines & Applicant's Handbook**

The SDWRLF [Program Guidelines and Applicant's Handbook](#) provides guidance for those interested in applying for and administering awards for infrastructure, SIPP, and DWSP projects. The Handbook serves as both an internal and external resource and is a critical element to ensuring that loan and grant funds are administered in an effective and efficient manner and that regulations and guidelines are administered correctly and uniformly.

For more details about the Handbook, visit the link above.

## ❖ **Operating Agreement (OA)**

The original 1998 DWSRF Operating Agreement between the EPA and OHA was amended in 2016 and effective through 2021. The 2021 amended OA is expected to run through 2026. The OA explains and itemizes the agreed-upon implementation and management of Oregon's DWSRF program.

## **V. Sources & Uses**

According to SDWA Section 1452(f)(3)(A), EPA policy memos SRF 99-05 and SRF 99-09, and DWSRF regulations at 40 CFR 35.3550(I), States need to expend all DWSRF funds (i.e., state and federal) in an efficient and as timely as realistically possible to remain compliant with these requirements.

Oregon's DWSRF Intended Use Plan's Sources and Uses table and summaries demonstrates transparency and compliance with these statutes, regulations, and policies as set forth by the requirements noted above.

See the table and summaries below for SFY-2021 and 2022 details.

**SOURCES & USES TABLE**

<b>SFY 2021:</b>	<b>Beginning Cash Balance (Includes All SRF Sources)</b>	<b>136,010,771</b>	<b>136.01</b>
	<b>Current Revenues &amp; Expenditures:</b>		
	SRF Fund Loan Repayments	10,201,262	10.20
	SRF Fund Interest Earnings on Invested Funds	3,191,399	3.19
	Revolving Fund Disbursements	(5,200,952)	(5.20)
	State Match Disbursements	(2,906,198)	(2.91)
	Federal Disbursements	(12,179,601)	(12.18)
	<b>Net Cash Revenue / (Expenditures)</b>	<b>(6,894,091)</b>	<b>(6.89)</b>
	<b>Ending State Match Balance</b>	<b>-</b>	<b>-</b>
	<b>Ending Undrawn Federal Funds (All Years)</b>	<b>-</b>	<b>-</b>
	<b>Total Cash Available (As of IUP)</b>	<b>129,116,681</b>	<b>129.12</b>
	<b>Commitments:</b>		
	Executed Contracts	(79,493,864)	(79.49)
	Pending Contract Execution	(25,544,217)	(25.54)
	Intakes & Department Applications	(33,546,784)	(33.55)
	<b>Total Commitments (As of IUP)</b>	<b>(138,584,865)</b>	<b>(138.58)</b>
	<b>Project Priority List (Not Listed Above)</b>	<b>(70,420,863)</b>	<b>(70.42)</b>
	<b>Ending SRF Fund Availability (As of IUP)</b>	<b>(79,889,047)</b>	<b>(79.89)</b>
	<b>Ending Balance Summary:</b>		
	<b>Ending Cash Balance</b>	<b>129,116,681</b>	<b>129.12</b>
	<b>SRF Funds Available</b>	<b>(79,889,047)</b>	<b>(79.89)</b>
<b>SFY 2022:</b>	<b>Beginning Cash Balance (Includes All SRF Sources)</b>	<b>129,116,681</b>	<b>129.12</b>
	<b>Projected Revenues:</b>		
	Loan Capitalization (State Match & Federal)	12,615,726	12.62
	Interest Earnings on Invested Funds <i>(thru 6/30/22)</i>	3,063,743	3.06
	Scheduled Loan Repayments <i>(thru 6/30/22)</i>	10,211,444	10.21
	Estimated Repayments from Projects Soon to be Completed <i>(thru 6/30/22)</i>	684,142	0.68
	<b>Total Future Recapitalization &amp; Revenues</b>	<b>26,575,055</b>	<b>26.58</b>
	<b>Projected Expenses:</b>		
	Projected Disbursements (Committed Projects)	(20,668,405)	(20.67)
	Projected Disbursements (Pending List)	(5,108,843)	(5.11)
	Projected Disbursements (Intakes & Applications)	(8,386,696)	(8.39)
	<b>Total Project Expenses</b>	<b>(34,163,944)</b>	<b>(34.16)</b>
	<b>Net Increase / (Decrease) in Cash</b>	<b>(7,588,889)</b>	<b>(7.59)</b>
	<b>Ending Balance Summary:</b>		
	<b>Estimated Ending Cash Balance</b>	<b>121,527,792</b>	<b>121.53</b>
	<b>Remaining Commitments From Prior Years</b>	<b>(174,841,784)</b>	<b>(174.84)</b>
	<b>Estimated LOI's &amp; Ready to Proceed Projects</b>	<b>(109,357,248)</b>	<b>(109.36)</b>
	<b>Estimated Ending SRF Fund Availability</b>	<b>(162,671,240)</b>	<b>(162.67)</b>

**❖ SFY-2021**

For SFY-2021, current revenue and expenditures shows that disbursements occurred \$6.89 million in excess of repayments, interest earnings, capitalization grant, and State Match. Additionally, all DWSRF grant funds (previous through current years) and State Match have been fully expended. This results in total cash revolving fund availability of \$129.12 million to meet the funding needs captured in the program's committed funds and pipeline.

Currently, there are projects under contract with undisturbed funds totaling \$79.49 million. Projects totaling \$25.54 million are pending contract execution (i.e., awaiting signature). Projects totaling \$33.55 million have been formally invited to apply for funding, are in the

process of completing application materials, or are currently being underwritten by Business Oregon.

Potential viable projects on the PPL totaling \$70.42 million have submitted an LOI requesting funding. As projects are deemed ready-to-proceed, they may be formally invited to apply for funding. Business Oregon carefully monitors the cash availability balance to ensure projects that address health and compliance objectives are prioritized and adequate funding exists to meet the existing funding obligations (i.e., projects under contract).

Ending DWSRF fund availability (cash balance minus total commitments) is negative \$79.89 million. Adequate funding does not exist to meet all funding requests. Business Oregon addresses this lack of availability by working with communities to assess readiness-to-proceed, prioritizing projects that address health and compliance objectives, encouraging the phasing of large projects, and providing access to alternative State funding opportunities to finance drinking water infrastructure.

#### ❖ **SFY-2022**

For SFY-2022, \$26.58 million of revenue is anticipated from federal capitalization, required State Match, interest earnings on funds, interest and principle repayments, and repayments from projects soon to be completed (entering repayment phase). Prior year's project commitments that have executed contracts, were pending contract execution, or within the intakes and Business Oregon applications, are expected to have disbursements in the amount of \$34.16 million. The net of revenues and expenses is expected to reduce the cash balance by \$7.59 million, leaving the ending cash balance of the DWSRF at \$121.53 million.

Estimated future LOIs and viable projects are estimated to total \$109.36 million. This estimate is based in part on LOIs totaling \$89.36 million that were submitted by the most recent 6/15/21 deadline. Those LOIs are currently being rated and ranked by OHA for eligibility. LOIs are accepted quarterly and receipt of LOIs totaling an additional \$20 million are estimated for the remainder of SFY-2022. The presence of federal stimulus dollars (e.g., ARPA and congressional earmarks) may be driving higher than normal interest in the program due to the stated DWSRF eligibility parallel and a stated earmark preference for projects on the DWSRF Intended Use Plan. Estimated DWSRF fund availability at the end of SFY-2022 is expected to be negative \$162.67 million.

As the table and summaries above illustrates, Oregon's current and projected uses (demand) far outweighs our sources (supply).

See **Appendix A** for complete table details.

Additionally, to the table and summaries above, Oregon has the option of packaging DWSRF projects with other state infrastructure program funds, including bond funds from the Oregon Bond Bank if additional funds are needed to complete projects, saving scarce Loan Fund dollars for more projects.

The Oregon Bond Bank is a leveraging mechanism whereby the state sells revenue bonds and lends the proceeds to local governments for drinking water and other infrastructure projects.

The state considers this a leveraging procedure, even though it does not fit EPA's definition of "leveraging."

The long-term financial viability of the Loan Fund depends on maximizing return to the Loan Fund without decreasing demand for the funds or increasing risk to Fund principal. Lending to eligible disadvantaged communities is balanced with loans funding other eligible projects to maximize the Loan Fund and still assist financially distressed communities that need system improvements.

The interest rate for the Loan Fund base program will be set at a rate of 80% of the previous quarterly municipal Bond Buyer 20 index.

## **VI. Disadvantaged Community Program**

Loans to Disadvantaged Communities are assessed interest on a sliding scale between the interest rate for a standard loan (i.e. 80% of municipal Bond Buyer 20 index) and one percent. Rates and principal forgiveness offerings will be based on loan affordability. The goal will be to offer the most affordable loan possible (within program constraints) such that user rates are brought as close to the affordability rate as programmatically possible for the community. The affordability rate is calculated as a ratio of the average annual water rate (based on 7,500 gallons) to the local median household income from the most recent decennial Census.

Please note that the affordability rate is adjusted annually based on an indexed percentage of local MHI. The most recent decennial Census is utilized until the next decennial Census figures are available and/or changes are made to the computational factors used. An example can be provided upon request.

The loan amortization period is up to 30 years but not to exceed the useful life of the infrastructure investment. If at project completion, a community with an MHI below state average is expected to have user rate that exceeds the affordability rate, then reduced interest rates will be considered which may include:

- ❖ Interest rate level will be adjusted between the standard loan rate (set quarterly to a rate of 80% of the Bond Buyer 20-Bond Index) and the fully subsidized rate of 1%. If reducing the interest rate to 1% does not bring the user rate close to the affordability rate, then Principal Forgiveness may be considered.
- ❖ Principal forgiveness will be awarded at a level sufficient to bring the user rate as close to the affordability level, including subsidies of up to 50% of the total project award or \$500,000. Principal forgiveness awards in excess of 50% of the total project award or \$500,000 may be considered based on established criteria. Additional subsidies for administration of Davis-Bacon Labor Standards and project management assistance may also be applicable. See the current Financing Options in **Appendix B** of the IUP.

- ❖ Consolidation/Elimination of Non-Viable Public Water Systems: Within the context of this activity, a Disadvantaged Community is defined as a community served by a public water system that lacks capacity as defined by the SDWA, Sections 1420 and 1452 (a)(3). Principal forgiveness loans and reduced interest/expanded term loans will be made to the most appropriate public water system having capacity *that is willing to take over a failing* Disadvantaged Community water system.
- ❖ In most cases, this will consist of a project to run supply to and replace the distribution system in the Disadvantaged Community.
- ❖ Emergency based projects associated to eligible public water systems may be given disadvantaged community status, provided that the project meets certain characteristics. More information can be found in the current Program Guidelines and Handbook.

More detailed information on the Disadvantaged Community Status can be obtained within the Program Guidelines and Handbook – see section above.

## **VII. Asset Management Training**

Water systems qualifying as Disadvantaged Communities are encouraged to participate in [Asset Management](#) into their routine operational programs. Water systems are encouraged to review the educational materials and resources provided on OHA’s website under [Financial Capacity](#) and take advantage of free trainings provided by partner organizations (e.g., RCAC, Environmental Finance Center, AWWA, etc.) which are listed on OHA’s training opportunities webpage. These materials offer important insights on best management practices, how to save money while being organized, and how to project for future infrastructure improvements. Activities encouraging asset management will be funded through the Local Assistance Set-Aside: Capacity Development Program.

In addition to the activities described above, water systems are also encouraged to apply for OHA’s SIPP program, which includes creation of Asset Management Plans as one of the eligible funding activities.

## **VIII. Fund Linkage between DWSRF and CWSRF**

Oregon does not anticipate the transfer of funds between the Drinking Water and the Clean Water funds this grant year.

## **IX. Drinking Water State Revolving Fund Projects**

### **A. Project Identification Process**

Before projects are placed on the PPL, water systems must first submit an LOI. An LOI is a document that provides information about the water system, its water quality problem, its finances, its readiness-to-proceed, and its project solution and estimated cost. This is adequate information to rate (i.e., score) and rank each project to create the PPL, as required by the amended 1996 SDWA. Oregon’s primary focus remains with projects that address drinking

water public health risks and compliance issues while assisting systems most in need on a per household basis using state affordability criteria.

Infrastructure project rating criteria includes:

- Risks to Human Health & Health Protection.
- Compliance with Safe Drinking Water Act.
- Consolidation of Two or More Systems.
- Drinking Water Source Protection.
- Community Affordability
- Cost Effectiveness

During SFY-2021, a total of thirty-three new eligible projects successfully submitted an LOI for consideration. Thirty of the thirty-three (i.e., 91%) serve less than 10,000 people. All together, these thirty-three new projects are asking for nearly \$105 million and have been reviewed, rated, and ranked by DWS Technical Staff and the EPA and placed on the most current combined PPL. These projects are currently in the process of being funded by Business Oregon or have already been funded.

The [combined infrastructure PPL](#) is updated quarterly and allows Oregon to better manage the Loan Fund and assures ready-to-proceed projects continue through financing and project implementation quickly. For more information on the PPL and to see its current version, reference **Appendix A** of the IUP or visit OHA's [DWSRF PPL and Public Notices](#) webpage.

Most water systems not in full compliance with the Safe Drinking Water Act have some form of administrative enforcement order from OHA that defines the problem(s) to be resolved and includes a compliance schedule. If a water system has an enforcement order, then the proposed project must be able to return the water system to a full compliance status. DWSRF funds can be used to assist systems in reaching their compliance issues provided that the system has the technical and managerial capacity required to operate the system being funded.

## **B. Project Selection Criteria – Rating and Ranking, By-Pass**

EPAs DWSRF Interim Final Rule 40 CFR Section 35.3555 (c)(1) suggests that the IUP must include a priority system for ranking individual projects for funding that is detailed and understandable. Oregon's infrastructure, DWSP, SIPP, and SSEA program rating criteria are robust and meet this requirement. More information related to OHAs rating form and detailed criteria is available on request.

The By-Pass Process is equivalent to skipping over a project higher on the PPL that is not ready-to-proceed in order to fund a project lower on the PPL that is ready-to-proceed. Unfunded Projects may remain on the PPL for up to two years from the approval of the IUP of the federal grant their projects were targeted for. Additional by-pass information can be provided on request.

Finally, to comply with provisions of the amended 1996 SDWA, Oregon will assure at least 15% of the Loan Fund will be used to assist small water supplies, those that serve 10,000 or fewer people. If it is not at the 15% mark, then "only" these small systems will be considered

until this federal requirement is met. Historically, Oregon has been in compliance with this requirement.

## **X. Public Reviews & Comments**

### **❖ Process**

The public has been invited to review and comment on Oregon’s proposed SFY-2021 IUP of the DWSRF grant application. If comments are received and it is determined that our IUP must be amended, we will notify the EPA Region 10 office immediately.

According to the SDWA’s Federal Register Interim Final Rule, Section “O. Meaningful Public Review of the IUP (40 CFR 35.3555 (b)),”

- *“This interim final rule does not include specific requirements as to what constitutes “meaningful public review” of the IUP. Due to the variation among States, no single approach will work under all conditions.”*

EPA interprets the above language to provide States the ability to determine what is appropriate for meeting this requirement provided an effort is made to provide the public an opportunity to make comments. EPA Region 10 also supports Oregon’s public notice decisions referenced below. The result is a more rapid process that also reduces program costs.

Below is a list of resources OHA uses when posting notices for public comments related to our annual IUP and our quarterly PPL. List includes:

- DWSRF webpage, <http://healthoregon.org/srf>
- DWS main website front page, <http://healthoregon.org/dwp>
- Orange postcard mailings have been replaced with [OHA's GovDelivery](#) email messaging system to public water systems and other interested parties throughout Oregon.
- Publication of “Pipeline” Newsletter includes permanent information about policy, <http://public.health.oregon.gov/HealthyEnvironments/DrinkingWater/Operations/Pages/pipeline.aspx>

Public Notice materials can be found in **Appendix E** of the IUP.

◆ End of Summary ◆



## **APPENDIX A: Required Documents**

- Attorney General (AG) Certification
- SFY2021 Current “Combined” Infrastructure PPL
- SFY2021 Sustainable Infrastructure Planning Projects (SIPP) PPL
- SFY2021 Drinking Water Source Protection (DWSP) PPL
- SFY2021 Small System Equipment Assistance (SSEA) PPL
- FFATA Set-Aside reporting spreadsheet
- Sources & Uses Table



**DEPARTMENT OF JUSTICE**  
GENERAL COUNSEL DIVISION

**CERTIFICATION**

I, Ellen F. Rosenblum, as the Attorney General for the State of Oregon, hereby certify that for the purposes of the state's application for capitalization grants for its Drinking Water State Revolving Fund (DWSRF) program:

1. The authority establishing the DWSRF program and the powers it confers are consistent with Oregon law.
2. The State of Oregon may legally bind itself to the terms of the capitalization grant agreement.
3. The DWSRF program will be administered by an instrumentality of the State of Oregon that is authorized to: enter into capitalization grant agreements with the United States Environmental Protection Agency; accept capitalization grant awards made under 42 USC § 300j-12(a)(1)(A); and otherwise manage the Fund in accordance with the requirements and the objectives of the Safe Drinking Water Act and applicable federal rules.

Dated this 12th day of May, 2021.

Frederick M. Boss  
DEPUTY ATTORNEY GENERAL  
On behalf of  
Ellen F. Rosenblum  
ATTORNEY GENERAL  
Pursuant to ORS 180.130

**APPENDIX A: [2021 "Combined" Infrastructure PPL](#)\***

*\* Once on the PPL and Public Notices webpage, scroll down to the Infrastructure PPL (4<sup>th</sup> section). Download spreadsheet (Excel) to view project details and funding requests.*

SFY2021 - SUSTAINABLE INFRASTRUCTURE PLANNING PROJECTS (SIPP)										Total Annual Funding Available		\$ 280,000		
Project Priority List (PPL)										Total Eligible Funds Committed		\$ 207,500		
projects recommended for funding										Total Remaining Funds Avail		\$ 72,500		
Applicant	County	Applicant SD#	Project	Total Ranking Points	Rating Criteria Points					Amount Requested	Eligible Amount	Quarter Submitted (SFY)	Funding Recommended (Yes)	
					System Size	No past sign. CIP	Infra. Project Potential	RTP (IFA provides)	Priority Deliverables					
Midland Water Association	Columbia	SD-21-P05	Feasibility Study	90	30	10	20	20	10	\$ 20,000	\$ 20,000	1Q2021	Yes	
Whaleshead RV Park & Resort	Curry	SD-21-P01	Feasibility Study	80	30	0	20	20	10	\$ 20,000	\$ 20,000	1Q2021	Yes	
City of Echo	Umatilla	SD-21-P06	Water Master Plan	70	30	0	20	20	0	\$ 20,000	\$ 20,000	1Q2021	Yes	
City of Mount Vernon	Grant	SD-21-P09	Feasibility Study	90	30	10	20	20	10	\$ 20,000	\$ 20,000	2Q2021	Yes	
Heceta Water PUD	Lane	SD-21-P08	Water Rate Analysis	40	0	0	20	20	0	\$ 20,000	\$ 20,000	2Q2021	Yes	
Round Lake Water	Klamath	SD-21-P16	Feasibility Study	100	30	20	20	20	10	\$ 20,000	\$ 20,000	3Q2021	Yes	
London Water Coop	Lane	SD-21-P14	Feasibility Study	90	30	10	20	20	10	\$ 20,000	\$ 20,000	3Q2021	Yes	
Pleasant Valley Water Company	Tillamook	SD-21-P15	Feasibility Study	80	30	0	20	20	10	\$ 20,000	\$ 20,000	3Q2021	Yes	
City of Rufus	Sherman	SD-21-P17	Feasibility Study	80	30	0	20	20	10	\$ 20,000	\$ 20,000	3Q2021	Yes	
Tooley Water District	Wasco	SD-21-P18	Feasibility Study	80	30	0	20	20	10	\$ 20,000	\$ 20,000	3Q2021	Yes	
Glide Water Association	Douglas	SD-21-P13	Leak Detection Study	40	0	0	20	20	0	\$ 7,500	\$ 7,500	3Q2021	Yes	
										Totals		\$ 207,500	\$ 207,500	Wait or reapply in '22

Applicant	County	Applicant SD#	Seismic Assessments / Plans (OAR 333-061-0060(5)(a)(J))	Meets ALL 5 Rating Criteria?	Amount Requested	Eligible Amount	Quarter Submitted (SFY)	Funding Recommended (Yes)
City of Oakland	Douglas	SD-21-P02	Yes	Yes	\$ 11,000	\$ 11,000	1Q2021	Yes
Young's River Lewis & Clark	Clatsop	SD-21-P03	Yes	Yes	\$ 20,000	\$ 20,000	1Q2021	Yes
City of Rainier	Columbia	SD-21-P10	Yes	Yes	\$ 20,000	\$ 20,000	2Q2021	Yes
Corbett Water District	Multnomah	SD-21-P11	Yes	Yes	\$ 20,000	\$ 20,000	3Q2021	Yes
Crescent Water Supply	Klamath	SD-21-P12	Yes	Yes	\$ 20,000	\$ 20,000	3Q2021	Yes
					Totals	\$ 91,000	\$ 91,000	

Seismic SIPP Funding	
Total Annual Funding Available	\$ 220,000
Total Eligible Funds Committed	\$ 91,000
Total Remaining Funds Available	\$ 129,000

\*\*\*NOTES: Shaded area is what OHA recommends for funding. Eligible projects below the shaded area may be funded if projects in the shaded area are not ready-to-proceed; therefore Business Oregon may utilize the "Bypass Rule" if the lower-tiered projects are ready to move forward. In addition, when projects end up with the same ratings, they are placed on the PPL on a first-come, first-serve basis.

- Projects in the "Wait or reapply in '22" section of the PPL will only get SIPP funding if the projects recommended above do not proceed. Therefore, water systems have the option to wait, or reapply during the next State fiscal year when SIPP funding becomes available again. Projects are placed in this section only after all the allocated funds have been applied for.

- Total Remaining Funds Avail - OHA and Business Oregon have closed the remaining SIPP funds for Quarter 4, SFY2021. Projects submitted for SIPP funding will resume at the beginning of SFY2022 (i.e., 07-01-21).

- Total project ranking points are placed in order of the quarter they're submitted. This ensures the top ranked projects per quarter are being recommended on a first-come, first-serve basis.

- Water systems that have received SIPP funds in each of the last two years are not eligible for funds in the current year. Exceptions may be made on a case by case basis if funding allows. Additionally, eligible SIPP projects may only receive one (1) SIPP award for any single planning effort.

- Water systems must complete project within 2 years.

- Seismic projects are not rated, but placed on the the PPL on a first-come, first-serve basis while funds last.

Ineligible projects			
			\$ - \$ -
			Totals \$ - \$ -

SFY2021		Oregon's DRINKING WATER SOURCE PROTECTION FUND (DWSPF) PROJECT PRIORITY LIST (PPL) for the DWSRF		Total Amount to be Funded:	\$483,528							
				Total Amount Requested for Eligible Projects:	\$613,528							
Revised Date: 06-30-2021		***Project Removal Date: 2021 Grant Award Must Be Contracted with Business Oregon By 05-01-2023 Or Face Removal From PPL***						DWSP LOI Project Rating				
Rank	Applicant LOI (SWPF) - (1) County RDO / RPM - (2)	Project Description	Primary Project Focus				Rating Total	Area & Level of Sensitivity	Presence of High-Risk Sources of Contamination	Contaminant Detections at the Source	Proposed Reduction or Prevention Activities	Risk Reduction Potential
			Focus (i.e., delineation, assessment, planning, implementation, & security) (3)	Amount Req.	Fundable Amount	Grant Award Year (4)						
SPC	Rhododendron Water Association SPC-21-SP01 * Clackamas County Colin Sears / Becky Bryant	Henry Creek Negotiated Easements for No Cut Buffers. Project is to help pay for negotiated no cut buffers on private timber land along Henry Creek, just up stream from the water system intake. Funds are to be used to compensate for timber that will not be harvested and for the perpetual nature of the easement agreement.	Implementation *	\$175,000	\$100,000	5/10/2021	65	20	3	5	5	30
EMR	Panther Creek Water District SWP-21-E001 Lincoln County Melissa Murphy / Michelle Bilberry	Post-Fire Panther Creek Turbidity Monitoring for Watershed Health Assessment & Restoration. Wildfire burned through ~25% of watershed in close proximity of the surface water intake. Project will collect water quality data to better understand impact of post fire conditions and help identify Best Management Practices to reduce fire-induced water quality problems.	Water Quality Evaluation	\$7,975	\$7,975	12/4/2020	85	20	5	15	20	25
EMR	City of Grants Pass/Rogue River/Medford WC/Gold Hill SWP-21-E002 Josephine/Jackson County Marta Tarantsey / Tawni Bean	Rogue Basin Emergency Post-Fire Watershed Monitoring for Drinking Water Protection. Two wildfires burned through portions of the watershed. Obchain in an undeveloped area and Almeda in a commercial/residential area. Project will install monitoring equipment, collect grab samples, and then analyze and share the data to gain a better understanding of post fire impacts and conditions and to help prioritize areas for water quality restoration.	Water Quality Evaluation	\$42,553	\$42,553	1/14/2021	93	20	10	20	15	28
EMR	City of Gates SWP-21-E003 Marion County Arthur Chaput / Michelle Bilberry	City of Gates Emergency Post-Fire Watershed Monitoring for Drinking Water Protection. The Beachie Creek & Lionshead wildfires burned through portions of the watershed. Project will rent & install temporary monitoring equipment, collect grab samples, and then analyze and share the data to gain a better understanding of post fire impacts and conditions and to help prioritize areas for water quality restoration. Project being done in coordination with USGS, DEQ, North Santiam Watershed Council. Datashare with other public water systems.	Water Quality Evaluation	\$30,000	\$30,000	2/24/2021	90	20	10	20	20	20
EMR	Breitenbush Hot Springs SWP-21-E004 Marion County Melissa Murphy / Michelle Bilberry	Post-Fire Rehabilitation of Protective Features Near Water Intake. Project to rehabilitate/rebuild rock groin immediately upstream of intake to withstand future storm events, erosion, and catastrophic failure of the rock groin. Project intended to be the first phase of a multi-phase project that will focus on streambank restoration/stabilization further upstream within the watershed.	Implementation	\$30,000	\$30,000	5/7/2021	82	20	10	20	15	17
1	City of Myrtle Point SWP-21-0004 Coos County Sean Stevens/Tawni Bean	Lower North Fork Riparian Restoration. Riparian restoration including livestock exclusion fencing, invasive weed removal, bank stabilization within Drinking Water Source Area.	Implementation	\$30,000	\$30,000	2021	90	20	10	20	10	30
2	Arch Cape Domestic Water Supply Dist SWP-21-007 Clatsop County Melanie Olson/Becky Bryant	Arch Cape Forest Acquisition - Road Maintenance. Forest road maintenance including resurfacing, brush clearing, culvert/drainage repair, stabilizing earth movement, and minimizing erosion within the Drinking Water Source Area.	Implementation	\$30,000	\$30,000	2021	90	20	10	20	10	30
3	City of Port Orford SWP-21-009 Curry County Sean Stevens/Tawni Bean	Forest Management Planning in Hubbard Creek Watershed. Contract with a sustainable forestry consultant to assess and develop forest management plan for properties owned by the City within the DWSA and one that will be purchased.	Enhanced Assessment & Source Protection Planning	\$28,000	\$28,000	2021	88	20	10	20	10	28
4	Springfield Utility Board SWP-21-006 Lane County Melissa Murphy/Michelle Bilberry	Voluntary Stormwater Projects to Prevent Groundwater Pollution. Fund stormwater facility retrofits within DWSA to remove pollutants by: spreading public awareness about the benefits of green stormwater facilities; generating interest among Springfield businesses to voluntarily participate in the retrofit program; and make progress toward the design and installation of new stormwater facility projects.	Implementation	\$30,000	\$30,000	2021	82	20	10	10	15	27
5	Corbett Water District SWP-21-010 Multnomah County Colin Sears/Becky Bryant	Gordon Creek Watershed Source Protection - Risk Reduction Plan. Develop a drinking water source protection/risk reduction plan that can be used to reduce the source contaminants and the number of high turbidity events impacting the surface water intake and the water treatment plant.	Source Protection Planning	\$30,000	\$30,000	2021	78	20	3	20	15	20
6	North Clackamas County Water Commission SWP-21-003 Clackamas County Colin Sears/Becky Bryant	Enhancing Source Water Protection through Clackamas River Recreational Users. Raise awareness of recreational users on the Clackamas River regarding its use as a drinking water supply by: producing outreach materials for recreational activities; providing financial support for volunteer coordinator for river cleanup events; develop an interactive "Clean Water Trail" website for Clackamas River.	Implementation	\$30,000	\$30,000	2021	75	20	10	5	15	25
7	Toledo Water Utilities SWP-21-005 Lincoln County Melissa Murphy/Michelle Bilberry	City of Toledo Drinking Water Protection Plan. Develop drinking water source protection plan, public education, and enhanced potential contaminant source inventory.	Protection Planning	\$30,000	\$30,000	2021	70	15	10	5	15	25
8	City of Scappoose SWP-21-002 Columbia County Melanie Olson/Becky Bryant	City of Scappoose Drinking Water Source Area Delineation Update. Update original groundwater drinking water source areas using data collected over the last 20 years and taking into account wells installed since the original delineation was completed. Allow for better planning of nearby industrial development area to help protect water quality.	Enhanced Delineation	\$30,000	\$30,000	2021	69	20	10	0	13	26

9	Bear Creek Mobile Home Park SWP-21-011 Jackson County Marta Tarantsey/Tawni Bean	North Ashland Drinking Water Protection Plan, Phase 2. Complete Contingency Plan, evaluate fire-related groundwater quality impacts, establish abandoned well decommissioning fund, research/evaluate potential for overlay zoning, and provide ongoing technical assistance.	Source Protection Planning & Implementation	\$60,000	\$5,000	2021	69	20	7	10	15	17
10	City of Yachats SWP-21-008 Lincoln County Melissa Murphy / Michelle Bilberry	City of Yachats Source Water Protection Strategies Implementation Project. Fund public education & outreach, water conservation ordinance outreach & development, and establish a watershed water quality monitoring plan.	Implementation & Water Quality Evaluation	\$30,000	\$30,000	2021	63	20	3	5	10	25
				\$613,528	\$483,528							
				Total Requested	Total Fundable							

Projects not eligible for funding:					
Applicant	Applicant #	Ranking Points	Project Description	Amount Requested	Funding Amount
City of Amity	SWP-21-001	N/A	Regulatory Requirement – Proposal to fund development of Water Management and Conservation Plan. These plans are a requirement of Oregon Water Resource Department permit holders. Routine regulatory requirements are not eligible for Drinking Water Source Protection Grant/Loan funding.	\$30,000	\$0
				\$30,000	\$0
				Total Requested	Total Fundable

Projects not eligible for funding due to low scores:					
Applicant	Applicant #	Ranking Points	Project Description	Amount Requested	Funding Amount
None				\$0	\$0

**Additional Project Notes**

\*SPC-21-SP01 for Rhododendron Water Association is Special Project funded as a loan. All other projects on the PPL are funded as grants.

**COLUMN NOTES**

- (1) LOI (SWP#) column is an Applicant number assigned to the system after they submit their Letter of Interest (LOI).
- (2) Regional Development Officer / Regional Project Manager column is the Business Oregon Regional Professionals who have been assigned to the project. RDO / RPM act as the financing project managers for DWSPF funded projects.
- (3) Primary Project Focus column demonstrates the primary focus for what the DWSPF funds will be utilized for. In many cases, projects have more than one focus, but often they have one or two primary focuses for their project. This column displays that focus.
- (4) Grant Award column shows the year in which the projects were awarded. Projects are removed from PPL when funds have been committed to the project from Business Oregon. Projects may also be removed from the PPL if more than a year has transpired and Business Oregon has not been able to commit funds to the project.

Eligible DWSPF projects are placed on this PPL annually, but the PPL is updated quarterly to keep track of how much money is available for lending and to remove projects that have been awarded funds.

## SFY2021 - Small System Equipment Assistance Program

Applicant	County	Applicant SD#	Equipment Type	Total Ranking Points	Ranking Points				Funding Recommended?
					MHI	Required by OHA	Surface Water Source	Replace Inoperable Equipment	
Country Club Estates WD	Coos	SD-21-E01	UV Disinfection Treatment	12	10	0	2	0	YES
City of Gates	Marion	SD-21-E03	Turbidimeters, Controllers, and Chlorine Analyzers	12	10	0	2	0	YES
Dexter Oaks Co-Op	Lane	SD-21-E02	Arsenic Treatment, Pumps, and Tanks	5	0	5	0	0	YES

### Eligibility:

- Community or Non-Profit Non-Community water system that serves ≤ 300 Connections.
- Additions or replacements of equipment and instrumentation included on the Eligible Activities List below.
- One award per system per 5-year period.
- Systems in significant noncompliance are not eligible for funding, unless project resolves noncompliance.
- Project activities must be installed at existing facilities on previously disturbed land owned by the water system.
- Project installation/construction labor costs must not exceed \$2,000, unless using force account labor.

### Eligible Activities:

Project activities must include fixed installation of one or more of the following eligible items:

- **Treatment Equipment**, including: Chemical dosing pumps and feed equipment, pump calibration equipment, chemical day tanks, storage/contact time tanks (500 gallons or less), and chemical static mixers.
- **Process Control**, including: Flow meters, level controllers, streaming current monitors, dose control modules, flow control valves and flow switch controllers.
- **Pressure Management**, including: Pressure tanks (surge, expansion, hydropneumatic) and booster pumps.
- **Monitoring and Instrumentation**, including: Chlorine analyzers, sensor controllers, on-line turbidimeters, chart recorders, pressure transmitters and level transmitters.
- **Portable Lab Equipment**, including: Turbidimeters, colorimeters, pH meters, alkalinity test kits and jar test equipment. Portable lab equipment does not require fixed installation.
- **Security and Emergency Preparedness**, including: Uninterruptable power supply (UPS), fixed installation generators, plant auto-dialers, intrusion alarms and/or remote monitoring.
- **Other Necessary Equipment**, including: Pumps, motors, valves, couplings, and yard piping.

Equipment and instrumentation not listed above may be considered but requires prior authorization by OHA.

### Ineligible Activities:

- Equipment or instrumentation NOT installed at existing facilities on previously disturbed land.
- Purchase of equipment or instrumentation that is part of a larger loan project funded by the DWSRF.
- Projects which trigger Davis-Bacon labor standards compliance (i.e., projects with installation/construction labor costs in excess of \$2,000). While not eligible for reimbursement, labor provided by water system staff is not subject to this \$2,000 limit.
- Projects related to the addition of new water sources, new storage reservoirs, and associated transmission lines.
- Projects related to the purchase of new land or acquisition of new easements.
- Purchase or installation of distribution piping (with the exception of yard piping), residential water meters and fire hydrants.
- Purchase of a portable item utilized for project construction/installation that is not an integral permanent part of the implemented project.
- Maintenance equipment, vehicles, computers, printers and other types of equipment not part of the water treatment or conveyance process.

**SFY-2022 DWSRF FFATA Reportable *Set-Aside* Contracts ≥\$30,000 ONLY**

Contracts		Contract # (if avail.)	Fiscal Yr. - not to exceed Contract Amount	FSRS Req?	Reason if not Req?
Circuit Rider (Civil West)		152746-1	\$ 975,000	No	Vendor Contracts are N/A
Counties* 7 of 26 contracts (Annual)	Clackamas	TBD	\$ 53,091	Yes	
	Deschutes	TBD	\$ 33,791	Yes	
	Jackson	TBD	\$ 37,809	Yes	
	Josephine	TBD	\$ 33,781	Yes	
	Lane	TBD	\$ 50,326	Yes	
	Linn	TBD	\$ 36,229	Yes	
	Marion	TBD	\$ 42,797	Yes	
Dept. of Agriculture		TBD	\$ 25,386	No	Federal entities are N/A
OAWU (\$5,965/class)		158366	\$ 596,500	No	Vendor Contracts are N/A
Needs Survey (HBH)		162617	\$ 233,558	No	Vendor Contracts are N/A
DWSP (Grants)	<i>Business Oregon to Manage (grants ≥\$25,000)</i>			Yes	
<b>Only County Set-Aside FFATA TOTALS:</b>			<b>\$ 287,824</b>		

PHD-PE50 Disclaimer:

All FSRS reported *Set-Aside* contracts shown above are to be associated to CFDA: 66.468 and FAIN: 98009020 & 98009021.

FFATA reporting threshold from March 1, 2011 through September 30, 2015 was \$25,000. Since October 1, 2015, the threshold became \$30,000 (Per OMB Guidance issued on 08/27/10; Prime Grant Recipient FFATA reporting threshold, remains at \$25,000).



## SOURCES & USES TABLE

<b><u>SFY 2021:</u></b>	<b>Beginning Cash Balance (Includes All SRF Sources)</b>	<b>136,010,771</b>	<b>136.01</b>
	<b>Current Revenues &amp; Expenditures:</b>		
	SRF Fund Loan Repayments	10,201,262	10.20
	SRF Fund Interest Earnings on Invested Funds	3,191,399	3.19
	Revolving Fund Disbursements	(5,200,952)	(5.20)
	State Match Disbursements	(2,906,198)	(2.91)
	Federal Disbursements	(12,179,601)	(12.18)
	<b>Net Cash Revenue / (Expenditures)</b>	<b>(6,894,091)</b>	<b>(6.89)</b>
	<b>Ending State Match Balance</b>	-	-
	<b>Ending Undrawn Federal Funds (All Years)</b>	-	-
	<b>Total Cash Available (As of IUP)</b>	<b>129,116,681</b>	<b>129.12</b>
	<b>Commitments:</b>		
	Executed Contracts	(79,493,864)	(79.49)
	Pending Contract Execution	(25,544,217)	(25.54)
	Intakes & Department Applications	(33,546,784)	(33.55)
	<b>Total Commitments (As of IUP)</b>	<b>(138,584,865)</b>	<b>(138.58)</b>
	<b>Project Priority List (Not Listed Above)</b>	<b>(70,420,863)</b>	<b>(70.42)</b>
	<b>Ending SRF Fund Availability (As of IUP)</b>	<b>(79,889,047)</b>	<b>(79.89)</b>
	<b>Ending Balance Summary:</b>		
	<b>Ending Cash Balance</b>	<b>129,116,681</b>	<b>129.12</b>
	<b>SRF Funds Available</b>	<b>(79,889,047)</b>	<b>(79.89)</b>
<b><u>SFY 2022:</u></b>	<b>Beginning Cash Balance (Includes All SRF Sources)</b>	<b>129,116,681</b>	<b>129.12</b>
	<b>Projected Revenues:</b>		
	Loan Capitalization (State Match & Federal)	12,615,726	12.62
	Interest Earnings on Invested Funds ( <i>thru 6/30/22</i> )	3,063,743	3.06
	Scheduled Loan Repayments ( <i>thru 6/30/22</i> )	10,211,444	10.21
	Estimated Repayments from Projects Soon to be Completed ( <i>thru 6/30/22</i> )	684,142	0.68
	<b>Total Future Recapitalization &amp; Revenues</b>	<b>26,575,055</b>	<b>26.58</b>
	<b>Projected Expenses:</b>		
	Projected Disbursements (Committed Projects)	(20,668,405)	(20.67)
	Projected Disbursements (Pending List)	(5,108,843)	(5.11)
	Projected Disbursements (Intakes & Applications)	(8,386,696)	(8.39)
	<b>Total Project Expenses</b>	<b>(34,163,944)</b>	<b>(34.16)</b>
	<b>Net Increase / (Decrease) in Cash</b>	<b>(7,588,889)</b>	<b>(7.59)</b>
	<b>Ending Balance Summary:</b>		
	<b>Estimated Ending Cash Balance</b>	<b>121,527,792</b>	<b>121.53</b>
	<b>Remaining Commitments From Prior Years</b>	<b>(174,841,784)</b>	<b>(174.84)</b>
	<b>Estimated LOI's &amp; Ready to Proceed Projects</b>	<b>(109,357,248)</b>	<b>(109.36)</b>
	<b>Estimated Ending SRF Fund Availability</b>	<b><u>(162,671,240)</u></b>	<b><u>(162.67)</u></b>

## Executed Contracts

Client	Short Description	Lenders Loan #	Remaining to Draw
Angler's Cove Shady Cove	Emergency Backup Generator	R21007	45,090.00
City of Amity	Salt Creek Bridge Water Transmission Main	S20014	565,114.00
City of Antelope	Water System Improvements-Design and Construction	S19008	8,790.00
City of Ashland	New 2.5 MG Water Treatment Plant	S16021	12,262,274.00
City of Banks	Banks Water Supply Development - Phase 1	S20011	22,425.00
City of Banks	Capital Improvement Project	S18006	2,690,693.00
City of Bay City	Well 3 Feasibility Study	S18017	20,000.00
City of Beaverton	Aquifer Storage and Recovery (ASR) Well No. 5	S15006	1,349,015.00
City of Cannon Beach	Water Meter Replacements	S20003	383,764.00
City of Chiloquin	Water System Design / Construction	S17021	2,088,700.00
City of Coburg	Water System Improvements	S19007	4,721,030.00
City of Columbia City	Reservoir and Distribution Line Improvements	S17032	45,500.00
City of Dayville	Water System Improvements	S20012	3,510.00
City of Detroit	Distribution System Replacement	S18013	439,894.00
City of Echo	Water System Master Plan Update (SIPP)	S21007	20,000.00
City of Gold Beach	Gold Beach Raw Water Treatment Plant Improvements	S20001	3,507,504.00
City of Halsey	Halsey Water Meter Project	S21006	15,000.00
City of Hines	Water System Improvements	S18014	2,520,441.00
City of Jacksonville	Jacksonville Water System Improvements	S18018	370,264.00
City of Jefferson	Water Treatment Plant	S18001	1,042,917.00
City of La Pine	Water System Improvements	S17027	2,000,000.00
City of Manzanita	Water Supplies Studies	S19001	20,000.00
City of Mill City	Replacement of Waterlines and Meters	S21004	2,451,482.00
City of Mitchell	Water System Preliminary Engineering Report	S20013	20,000.00
City of Mount Vernon	Water System Feas. Study and Prelimi Eng Report	S21011	20,000.00
City of North Plains	Reservoir & Pump Station Improvements	S19005	2,154,399.00
City of Oakland	Seismic Risk Assessment and Mitigation Plan	S21003	11,000.00
City of Paisley	Water Feasibility Study	S20008	15,000.00
City of Pendleton	Water System Improvements - Final Design & Constr	S17018	4,000,000.00
City of Pendleton	Water System Improvements - Final Design & Constr	S17018	8,799,885.00
City of Riddle	Sesimic Risk Assessment and Mitigation Plan	S20006	20,000.00
City of Sodaville	Well #6 and 75,000 Gallon Reservoir	S18003	567,000.00

City of Sutherlin	Schoon Mountain Potable Water Storage Tank	S19006	157,256.00
City of Sutherlin	Nonpareil Water Treatment Plant Improvements	S19026	5,343,433.00
City of Talent	New 2.0MG Treated Water Reservoir	S18005	826,694.00
City of Turner	Seismic Risk Assessment and Mitigation Plan	S19012	1,462.00
City of Union	Water Rate Study	S20015	4,644.00
City of Unity	Water System Study 2019	S19021	20,000.00
City of Waldport	Water Treatment Plant Improvements	S16019	121,250.00
City of Warrenton	NW Warrenton Dr Transmission Main Replacement	S17012	1,645,000.00
Crystal Springs Water Dis	Parkdale Water Company Acquisition Feasibility Stud	S20020	20,000.00
Crystal Springs Water Dis	South Reservoir	S19002	1,822,692.00
Crystal Springs Water Dis	Mid-Valley Reservoir	S17013	3,898,982.00
Dumbeck Lane Domestic Wat	System Partnership Study	S19023	20,000.00
East Yamhill Rural Water	Master Plan/Asset Mngmt Plan /Leak Detection Study	R17010	20,000.00
Eastmont Water Company	Feasibility Study for Water System Improvements	R20003	5,132.00
Fairview Water District	Water Master Plan Update	S20007	7,315.00
Fairview Water District	Hunt Water Consolidation Water Master Plan	S20023	20,000.00
Falcon Cove Beach Water D	Water Production Capacity Increase	S20010	88,825.00
Falcon Heights Water & Se	Water System Preliminary Engineering Report	R21001	20,000.00
Harbor Water People's Uti	Harbor Seismic Risk Assessment & Mitigation Plan	S20018	20,000.00
Heceta Water People's Uti	2020 Water Rate Study	S21008	20,000.00
Idleway Improvement Distr	Feasibility Study	R20002	18,900.00
Kozy Acres Water Supply C	Replace Failing Water Storage Tank	R19008	132,907.00
Laidlaw Water District	New Reservoir/Meter Upgrade/Treatment	S19011	405,000.00
Luckiamute Domestic Water	Well Number 5 and Transmission Line	R18002	4,210,000.00
Lusted Water District	Distribution System Improvements	S18019	3,089,909.00
Manzanita Hills Homeowner	Manzanita Hills HOA Arsenic Treatment	R21003	114,523.00
Minikahda Water District	MWD Distribution System Replacement Project	R20004	191,360.00
Mount Angel Abbey and Sem	Long Range Water System Master Plan	R20009	20,000.00
Neahkahnie Water District	G.I.S. Development	S20002	20,000.00
Nesika Beach-Ophir Water	Seismic Risk Assessment and Mitigation Plan	S20016	8,030.00
Parkdale Water Co. Inc.	Parkdale Water System Feasibility Study	R20008	2,000.00
Pete's Mountain Water Com	Water System Improvements	R20005	120,476.00
Pine Grove Water District	Water System Assessment	R19005	2,000.00
Pine Grove Water District	New Storage Tank	S21002	360,000.00

Rivergrove Water District	Reservoir #3 Landslide Remediation & Seismic Upgr	S17031	635,100.00
Row River Valley Water Di	Leak Detection DS	S19027	17,191.00
Seal Rock Water District	Water Intake, Treatment and Transmission	S18011	150,878.00
Skyline View District Imp	Skyline VDIC Water Master Plan	R21002	20,000.00
Trollers Cove Water Assoc	Trollers Cove Ground Water Source Protection	R21005	201,251.00
Whaleshead RV Park & Reso	Water System Rehabilitation Feasibility Study	R21006	20,000.00
Wickiup Water District	2019 Water Master Plan Seismic Risk Assessment	S20009	20,000.00
Winston-Dillard Water Dis	New Raw Water Intake	S21005	3,430,963.00
Youngs River Lewis & Clar	Seismic Risk Assessment and Mitigation Plan	S21009	20,000.00
			<b>79,493,864.00</b>

## Pending Contracts

Project #	Client	Short Description	Approved Amount
12123	City of Amity	Amity Water System Improvement Project	4,000,000.00
100006	City of Beaverton	North Transmission Intertie	10,000,000.00
88415	City of Rogue River	Water Infrastructure Projects	3,745,030.00
23711	City of Rufus	Well Feasibility Study	20,000.00
23835	City of Salem	Sleepy Hollow Water System Integration	1,132,810.00
25625	City of The Dalles	Dog River Pipeline Replacement Project	4,030,000.00
572403	Crystal Springs Water Dis	Odell Water Consolidation	2,130,000.00
691601	Dexter Oaks Co-Op	Arsenic Removal	8,377.00
627804	Glide Water Association	Leak Detection Study	7,500.00
97702	Laurelwood Water Users Co	Water System Improvements	370,500.00
668501	London Water CO-OP	Feasibility Study	20,000.00
574701	Long Prairie Water Distri	Water System Master Plan	20,000.00
524701	Pleasant Valley Water Com	Water System Master Plan	20,000.00
688801	Round Lake Mobile Home Pa	Feasibility Study	20,000.00
574502	Tooley Water District	Nitrate Levels Resolution Feasibility Study	20,000.00
			<b>\$25,544,217.00</b>

## Intakes & Applications

Deal #	Client Name	Short Description	Finance Amount
14252	Country Club Estates Water District	UV Disinfection Project	9,600.00
14467	City of Gates	Water Treatment Plant Equipment Upgrades	19,587.00
14303	City of Rainier	Water Master Plan Update	20,000.00
14366	Corbett Water District	Seismic Assessment and Mitigation Plan	20,000.00
14413	Corbett Water District	Water Master Plan	20,000.00
14238	Crescent Water Supply and Improvement District	Crescent Water System Improvements	20,000.00
14242	Midland Water Association, Inc.	SIPP	20,000.00
14369	Pleasant Valley Water Company	Regional Water Supply Planning Study	20,000.00
13937	Aldridge Ditch Company	Pump Station Replacement	55,000.00
14397	CHR District Improvement Company	Bridge Replacement Project	95,096.00
14396	Welches Water Company	Increase Water Quality, Storage, Safety, Power Sys	100,000.00
13537	South Hills Water System	Water System Update	220,000.00
14342	City of Oakridge	Well No. 2 Improvements	250,000.00
13827	City of Cannon Beach	Water Pipeline Replacement	288,000.00
14380	Ochoco West Water and Sanitary Authority	Ochoco West Filtration System	295,000.00
13827	City of Cannon Beach	Water Pipeline Replacement	298,000.00
14230	Burlington Water District	Riverview Water Main Upgrade and Construction	300,000.00
13867	City of Dayton	Utility Bridge with Infrastructure Improvements Pr	325,675.00
14390	Clarks Branch Water Association, Inc	Water Storage Tank Enlargement Redundancy Project	333,500.00
14464	City of Adair Village	Adair Village Hospital Hill Waterline Replacement	646,000.00
14469	Youngs River Lewis & Clark Water District	Water system improvements	708,500.00
14359	Umpqua Ranch Cooperative	Water System Rehabilitation Projects	960,000.00
13738	City of Joseph	Distribution System Improvements 2020	2,100,000.00
14374	Otter Rock Water District	Full Scope - Otter Rock Water District	3,500,000.00
14373	Johnson Creek Water Service Company	Water System Improvements	4,162,737.00
14372	Heceta Water People's Utility District	Water System Improvements	6,760,089.00
14465	City of Philomath	New Water Treatment Plant and Reservoir Project	12,000,000.00
			<b>\$33,546,784.00</b>

## Project Priority List (PPL)

Client	Short Description	Approved Amount
London Water Co-Op	Water Source Transition and Treatment	80,700.00
Town of Lakeview	Water Treatment Facility	9,367,000.00
Country Club Estates WD	UV Disinfection Project	26,000.00
City of Brookings	Water System Upgrades	3,951,100.00
Beaver Water District	Water System Updates	2,967,300.00
City of Gold Hill	Water Intake Project	35,000.00
Christmas Valley Domestic Water Supply District	Distribution System Replacement	2,985,000.00
City of Haines	Water Distribution Improvements	1,015,000.00
City of Pendleton	Water System Projects - On-going Improvements	23,000,000.00
Eastmont Water Company	Drinking Water System Resiliency Improvements	675,000.00
Garibaldi Water System	Cellular Water Meters Data Network Upgrade	175,000.00
Cannon Beach	Backbone Resiliency Project	13,947,763.00
Tierra del Mar Water Co.	Redwood Tank Replacement	276,000.00
Silverton	New Water Treatment Plant	6,200,000.00
City of Astoria	16th street Distribution Water Main Replacement	2,790,000.00
City of Astoria	Pipeline Road Waterline Resilience Project	2,930,000.00
		<b>70,420,863.00</b>

## **APPENDIX B: Supporting Documents**

- Annual LOI Status List (2021)
- Basic SDWRLF Financing Options (2021)
- Grant Allotment Use Summary (2021)
- Cost Allocation & Other Payroll Expense Letters (3)



**QUARTERLY Letter of Interest (LOI) STATUS List**



**SFY Grant: 2021**

System	SD #	County	Submitted (Y/N)	Qtr. / Yr.***	Rated (Y/N)	DWS Staff Rev. & Appr./Dec.? (Y/N)	Ranked (Y/N)	Placed On PPL (Y/N)	EPA Reviewed & Approved PPL (Y/N) & DATE	"Exclusions" (Suspend/Debar) in SAM.gov? (Y/N)	Rated Form Letter Response Sent to BizOR? (Y/N)	Committed/Funded Projects Removed from PPL for Q? (Y/N)**	Published Public Notice (DATE)*	DWS Regional Staff
City of Cannon Beach	19-254	Clatsop	Y	4Q2020	Y	Y	Y	Y	Y / 7-17-20	N	Y	4Q2020 / Y	Jul-20	Pete
City of Halsey	20-292	Linn	Y	4Q2020	Y	Y	Y	Y	Y / 7-17-20	N	Y	4Q2020 / Y	Jul-20	Phebe
Salem Public Works	20-297	Marion	Y	4Q2020	Y	Y	Y	Y	Y / 7-17-20	N	Y	4Q2020 / Y	Jul-20	Chantal
Burlington Water District	20-295	Multnomah	Y	4Q2020	Y	Y	Y	Y	Y / 7-17-20	N	Y	4Q2020 / Y	Jul-20	Carrie
Umpqua Ranch Coop	20-294	Douglas	Y	4Q2020	Y	Y	Y	Y	Y / 7-17-20	N	Y	4Q2020 / Y	Jul-20	Rebecca
Winston-Dillard Water	20-299	Douglas	Y	4Q2020	Y	Y	Y	Y	Y / 7-17-20	N	Y	4Q2020 / Y	Jul-20	Rebecca
Mill City Water Dept.	20-296	Linn	Y	4Q2020	Y	Y	Y	Y	Y / 7-17-20	N	Y	4Q2020 / Y	Jul-20	Phebe
Welches Water Company	20-289	Clackamas	Y	4Q2020	Y	Y	Y	Y	Y / 7-17-20	N	Y	4Q2020 / Y	Jul-20	James
Anglers Cove	20-290	Jackson	Y	4Q2020	Y	Y	Y	Y	Y / 7-17-20	N	Y	4Q2020 / Y	Jul-20	Zach
Country Club Estates	20-293	Coos	Y	4Q2020	Y	Y	Y	Y	Y / 7-17-20	N	Y	4Q2020 / Y	Jul-20	Amy Bleekman
City of Oakridge	20-302	Lane	Y	1Q2021	Y	Y	Y	Y	Y / 10-13-20	N	Y	1Q2021 / Y	Oct-20	Jay
Beaver Water District	20-303	Tillamook	Y	1Q2021	Y	Y	Y	Y	Y / 10-13-20	N	Y	1Q2021 / Y	Oct-20	Evan
City of Amity	20-304	Yamhill	Y	2Q2021	Y	Y	Y	Y	Y / 1-19-21	N	Y	2Q2021 / Y	Feb-21	Nicole
CHR District Imp. Co.	20-305	Tillamook	Y	2Q2021	Y	Y	Y	Y	Y / 1-19-21	N	Y	2Q2021 / Y	Feb-21	Evan
Clarks Branch Water	20-306	Douglas	Y	2Q2021	Y	Y	Y	Y	Y / 1-19-21	N	Y	2Q2021 / Y	Feb-21	Rebecca
Heceta Water	20-307	Lane	Y	2Q2021	Y	Y	Y	Y	Y / 1-19-21	N	Y	2Q2021 / Y	Feb-21	Jay
Johnson Creek	20-308	Lincoln	Y	2Q2021	Y	Y	Y	Y	Y / 1-19-21	N	Y	2Q2021 / Y	Feb-21	Amy Bleekman
Ochoco West Water	20-309	Crook	Y	2Q2021	Y	Y	Y	Y	Y / 1-19-21	N	Y	2Q2021 / Y	Feb-21	Michelle
Otter Rock Water	20-310	Lincoln	Y	2Q2021	Y	Y	Y	Y	Y / 1-19-21	N	Y	2Q2021 / Y	Feb-21	Amy Bleekman
City of Rogue River	20-311	Jackson	Y	2Q2021	Y	Y	Y	Y	Y / 1-19-21	N	Y	2Q2021 / Y	Feb-21	Zach
Youngs River L&C	20-312	Clatsop	Y	2Q2021	Y	Y	Y	Y	Y / 1-19-21	N	Y	2Q2021 / Y	Feb-21	Pete
Cedarhurst Improve Club	20-313	Clackamas	Y	2Q2021	Y	Y	N/A	Y	Y / 1-19-21	N	Y	2Q2021 / Y	N/A	James
Adair Village Water	21-313	Benton	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Shawn S.
City of Astoria	21-314	Clatsop	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Pete
City of Astoria	21-315	Clatsop	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Pete
City of Brookings	21-316	Curry	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Kent / Casey
City of Haines	21-317	Baker	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Bill / Amy
City of Pendleton	21-318	Umatilla	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Bill / Amy
Philomath Public Works	21-319	Benton	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Shawn S.
City of Silverton	21-320	Marion	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Chantal
Arch Cape Water District	21-321	Clatsop	Y	3Q2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Apr-21	Pete
Christmas Valley Domestic	21-322	Lake	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Russ
Corbett Water District	21-323	Multnomah	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Carrie
City of Gold Hill	21-324	Jackson	Y	3Q2021	Y	Y	Y	Y	Y / 4-29-21	N	Y	3Q2021 / Y	Apr-21	Zach

\*\*\* LOI's that are submitted AFTER the current DWSRF Cap Grant application has been submitted to the EPA will be applied to the PPL, but not included with the existing Cap Grant application. This would typically apply to new LOI's submitted in the months of March - June annually (depending on when the grant application is submitted).

\*\* Quarterly, check in PBR database and with Business Oregon on which projects referenced in the PPL have recently had DWSRF funds committed to their projects, therefore, can be removed from the PPL.

\* The month following the end of each SFY Quarter and the beginning of the next SFY Quarter, the PPL will be published for public comments. For example SFY Quarters include:

(Q1) July - Sept [OCT] (Q2) Oct - Dec [JAN] (Q3) Jan - March [APRIL] (Q4) April - June [JULY]

[OCT] and [JAN] public notice months, Tech Staff will meet in person at the Cross Unit meeting, while in [APRIL] and [JULY] public notice months, Tech Staff will discuss LOI rating by "Go-To-Meeting." In order for an LOI to be included in a public notice, the LOI must be submitted no later than the 15th of the month prior to the public notice (i.e., Sept 15, Dec 15, March 15 & June 15) or the closest work day if those days fall on a weekend. Once the Tech Staff have met and made their final LOI rating determinations, the LOI is finally added to the PPL and published as soon as possible (by no later than the 2nd week of the public notice month). Once the quarterly public notice ends, forward the updated "Combined" (fundable & comprehensive) PPL to Business Oregon to begin the funding process.

Withdraw / Ineligible
Emerg. & Env. Justice Projects ONLY
General Infr. & Resiliency

DWSRF Public Notice Policy <i>(revised 04-29-21)</i>	
Project Type:	Days Published*
Infrastructure (non-emergency loans)	10
Infrastructure (Emergency loans)	N/A**
DWSP (non-emergency grants and/or loans)	10
DWSP (Emergency grants only)	N/A**
DWSP (Emergency grants with loans)	grant: N/A** & loan: 10
SIPP (non-emergency forgivable loans)	10
SSEA (non-emergency forgivable loans)	10
* Days published is a requirement that must occur prior to the project moving forward in the funding process	
** Emergency projects <u>do not</u> require a public notice for comments	

## SDWRLF INFRASTRUCTURE FINANCING OPTIONS 2021

PRINCIPAL FORGIVENESS CATEGORY	\$ Per Project	Max % of Total Project Cost*
All Eligible Projects	\$100,000	10%
Health/Compliance Projects	\$150,000	20%
Affordability Assistance	<b>\$500,000</b>	<b>50%</b>
Labor Standards Compliance*	\$15,000	
Project Management Assistance*	\$15,000	

**Maximum Forgivable Loan Allowed:** Up to \$500,000 or 50% of Award (Whichever is Less)  
 + (up to) \$30,000\*

**NOTE\*** - The (up to) \$30k of forgivable loan for "Labor Standards Compliance" and "Project Management Assistance" are considered ineligible budget line items for the purposes of calculating the "Max % of Total Project Cost". These line items (up to \$30k) are subtracted from total projects cost prior to calculating the forgivable loan amounts associated with "All Eligible Projects (10%)", "Health/Compliance Projects (20%)", or "Affordability Assistance (50%)".

### Loan Term Length

Loan term length of up to 30 years may be awarded for all projects.

Loan term length shall not exceed the useful life of the improvement.

### Loan Interest Rate

Loan interest rate is determined by Business Oregon at time of award at 80% of the lesser of the prior quarter 20-Bond Index or prior month's 20-Bond Index (SDWRLF standard rate).

#### Communities with MHI Below the State Average (Disadvantaged)

Standard rate as described above. If the project would result in rates in excess of the Affordability Rate\*\*, interest rates may be reduced as low as 1%. The reduction shall not result in rates lower than the affordability rate. If reducing the interest rate to 1% results in rates in excess of the affordability rate, then the project may be eligible for principal forgiveness (Affordability Assistance).

#### Communities with MHI Above the State Average

SDWRLF standard rate as described above.

The net present value of subsidized interest rate may not exceed a savings greater than \$2.5 million.

**\*\*Affordability Rate** - Water System MHI multiplied by 1.25% and divided by 12. The Affordability Rate is compared to the monthly residential water charge per Equivalent Dwelling Unit (EDU) after project completion.

## Principal Forgiveness Detail

**All Eligible Projects:** All eligible projects may be awarded principal forgiveness up to 10% of Total Award, not to exceed \$100,000.

**Health/Compliance:** Eligible costs for construction projects that receive points in the health and/or compliance categories as identified in the Oregon Health Authority rating and ranking document may be awarded principal forgiveness up to 20% of Total Award, not to exceed \$150,000.

**Affordability Assistance:** Those communities with MHI below the state average are eligible for Affordability Assistance. Principle forgiveness loans for Affordability Assistance shall only be considered if rates exceed the Affordability Rate after applying a 1% interest rate. Affordability Assistance shall not result in rates lower than the affordability rate. Principal forgiveness loans for Affordability Assistance may be awarded for up to 50% of Total Award, not to exceed \$500,000.

**Labor Standards Compliance:** Eligible costs to administer Davis-Bacon Labor Standards Compliance for construction projects may be awarded principal forgiveness for up to 100% of actual costs, not to exceed \$15,000. Generally, a contractor other than the engineer is hired for this role.

**Project Management Assistance:** Eligible costs to contract for project management services, including administration of applicable federal and state provisions for construction projects, may be awarded principal forgiveness for up to 100% of actual costs, not to exceed \$15,000. Generally, a contractor other than the engineer is hired for this role. These moneys may not be used for construction management/oversight. The project manager role is intended to act as a liaison between the City/water system and the Business Oregon Regional Project Manager and ensure adherence to the American Iron and Steel Requirement.

## Additional Considerations

For the purposes of federal reporting, a disadvantaged community is one that has a MHI below the state average. Regardless of MHI, a project that results in the elimination of a non-viable public water system is also considered disadvantaged.

Principal Forgiveness is subject to annual availability based on federal subsidy limitations identified in annual program capitalization grants to the State. Changes (increases or reductions) to the above financing options may be made based upon the following factors:

- Availability of Funds
- Agency Adherence to Federal Additional Subsidization Requirements
- Restructuring, Consolidation, or Regionalization Potential
- Water System Purchase
- Filing Costs Associated with Agency Loan Security Requirements
- Community Affordability
- Public Health Risk
- Projects that Address a Governor Declared Emergency

# The 2021 State of Oregon's DWSRF Program EPA Grant Allotment Use Summary

<b>GRANT APPLICATION TOTALS</b>			
(1.) FFY-2021 appropriation (\$14,474,000); (2.) State Match total (\$2,894,800) Combined total (\$17,368,800)			
Program use of Grant Funding	Federal Funds	Percent of Grant*	State Match Funds (total must equal 20% appropriation)
<b>Project Loans for Water Systems:</b> (AC:0254) <span style="color: green;">EPA Site Project Code: DA</span> <b>CARVE-OUTS for:</b> <ul style="list-style-type: none"> <li>• "Green Project Reserve" (GPR) projects ***No longer a mandatory requirement - Optional***</li> <li>• Sustainable Infrastructure Planning Program (SIPP)</li> <li>• Small System Equipment Assistance (SSEA)</li> <li>• "Principle Forgiveness" (additional subsidy) projects requires: \$2,026,360 (14% min.) of FFY2021 allotment. Extra required 6% - 35% to be used for disadvantaged.</li> </ul>	<b>\$9,720,926</b>	<b>67.16%</b>	<b>\$2,894,800</b>
<b>Set-Aside Activities: (maximum = 31%)</b> <b>1 - Administrative Exp.</b> (Business OR. & OHA) (1/5% of 1% of fund value, 4%, or 400K - WIIN) (up to 4%) (AC: 0250) <span style="color: green;">EPA Site Project Code: DD</span>	<b>\$595,094</b>	<b>4.11%</b>	<b>\$0</b>
<b>2 - Small System Technical Assistance</b> (CR) (up to 2%) (AC:0251) <span style="color: green;">EPA Site Project Code: DE</span>	<b>\$289,480</b>	<b>2%</b>	<b>\$0</b>
<b>3 - State Program Management</b> (County and DOA support for sanitary surveys, non-compliance resolution & other water system support activity) (up to 10%) (AC:0253) <span style="color: green;">EPA Site Project Code: DF</span>	<b>\$1,697,400</b>	<b>11.73%</b>	<b>\$0</b>
<b>4 - Local Assistance &amp; Other State Programs</b> (up to 15%) <span style="color: green;">EPA Site Project Code: DGD</span> <ul style="list-style-type: none"> <li>• IMPLEMENTATION OF PROTECTION = \$800,000 (5.5%) (DEQ, Tech Asst, GIS, Training &amp; Support) (AC:0252) <span style="color: green;">EPA Site Project Code: DGC</span></li> <li>• WATER SYSTEM CAPACITY DEVELOP = \$923,700 (6.4%) (Technical, Managerial, Financial skill building assistance to Water System Operators) (AC:0255) <span style="color: green;">EPA Site Project Code: DGB</span></li> <li>• DRINKING WATER SOURCE PROTECTION = \$447,400 (3.1%) (Loans &amp; grants for Source Protection Projects paid out of the DWSP Fund) (AC:0256)</li> </ul>	<b>\$2,171,100</b>	<b>15%</b>	<b>\$0</b>
<b>TOTAL USE OF GRANT FUNDS</b>	<b>\$14,474,000</b>	<b>100%</b>	<b>\$2,894,800</b>

\*\*Disclaimer\*\* ≥15% of the SDWRLF monies, "must" be awarded to Small Public Water Systems (10,000 or fewer people) each year.

If it's not at the 15% mark, then "only" these small systems will be considered until this federal requirement is met.

On December 2016, the Water Infrastructure Improvement for the Nation (WIIN) Act was developed and included key provisions.

One of these key provisions includes, Subtitle A (§2103) for "Safe Drinking Water" which states:

SDWA §1452(g)(2) Set-aside language is revised to remove the overmatch for the 10% set-aside and change the 4% administrative

set-aside to be "equal to the sum of any state fees collected and the greatest of \$400,000, 1/5% of the current fund value (2020 Net Value = \$297,547,180),

and an amount equal to 4% of all grants awarded to the fund under this section for the fiscal year." These funds will also be subtracted from the Loan Fund to balance the increased Set-aside amount when applicable.

On October 2018, the America's Water Infrastructure Act (AWIA) provided provisions to the existing SDWA §2015 (c) for "Assistance for Disadvantaged Communities." The Section requires states to use at least 6%, but no more than 35% of the capitalization grant amount for additional subsidy for state-defined Disadvantaged Communities.

As authorized under EPA's DWSRF Interim Final Rule, 40 CFR, Section 35.3540 (d), Oregon plans to draw \$250,000 from our "banked" (reserved) SPM set-aside. These funds will increase the SPM set-aside and decrease the Loan Fund by \$250,000. The 2021 annual capitalization grant application reflects these changes.



OREGON STATE PUBLIC HEALTH DIVISION  
Office of the State Public Health Director

Kate Brown, Governor

Oregon  
**Health**  
Authority

800 NE Oregon Street, Suite 930  
Portland, OR 97232  
Phone: 971-673-1229  
Fax: 971-673-1299

Date: June 30, 2021

To: All Oregon Public Health Division Grantors

Subject: Oregon Public Health Division Indirect Cost Allocation Rate

The Oregon Health Authority, Public Health Division operates under a federally approved cost allocation plan in lieu of an indirect rate agreement for administrative overhead costs. This agency-level cost allocation plan is approved by the Department of Health and Human Services, Cost Allocation Services (DHHS-CAS).

For the period of July 1, 2021 through June 30, 2022, the assumed rate of indirect cost allocation for Public Health programs is 17.64% of direct personal services and services and supplies. This is the indirect percentage built into grant proposals for this period.

The Oregon Health Authority, Public Health Division is in the process of compiling a proposal to DHHS-CAS regarding a formal indirect cost rate agreement. If a rate is approved during the period, the indirect cost allocation percentage may change to reflect the new rate.

Very truly yours,

Carole Yann  
Director of Fiscal and Business Operations  
Oregon Health Authority, Public Health Division



September 1, 2019

To: Any Concerned Parties  
RE: Oregon Health Authority Other Payroll Expenses 2019-21 Estimate

The current estimated Other Payroll Expense (OPE) rate for the 2019-21 biennium (from July 1, 2019 through June 30, 2021) for the Oregon Health Authority (OHA), Public Health Division (PHD) is 54.0%. This estimate is for federally funded programs only and the costs are in addition to salary for State of Oregon employees. OPE factors are prescribed and updated periodically by Oregon's Department of Administrative Services. The current estimated OPE rate is based on the total budgeted salaries and total budgeted other payroll expenses for all budgeted positions within PHD.

Actual OPE rates vary based upon the salary of the individual. Therefore, the rate is a blended estimate of actual OPE costs and the fixed rates (e.g., flex or health benefits) that do not change based upon the salary of the individual. Other costs like PERS benefits vary based upon salary. Below is the OPE detail.

Variable OPE Costs:

- Public Employees Retirement System (PERS): 16.39% of salary
- PERS Pension Bonds: 6.20% of salary
- Social Security and Medicare: 7.65% of salary

Fixed OPE Costs:

- Employee Relations Board: \$2.34 per month
- Worker's Compensation: \$2.43 per month
- Flex Benefits (Health Insurance): \$1,466 per month

Sincerely,

Carole Yann  
Acting Director of Fiscal & Business Operations  
OHA-Public Health Division



90 7<sup>th</sup> Street, Suite 4-600  
San Francisco, CA 94103-6705  
PHONE: (415) 437-7820  
FAX: (415) 437-7823  
EMAIL: [CAS-SF@psc.hhs.gov](mailto:CAS-SF@psc.hhs.gov)

September 5, 2019

Shawn Jacobsen, Interim Controller  
DHS/OHA Shared Services  
Office of Financial Services  
500 Summer St. NE, E-31  
Salem, OR 97301

Dear Ms. Jacobsen:

This letter provides approval of the Oregon Health Authority Cost Allocation Plan (Plan) which was submitted electronically on June 28, 2019. This Plan, which was submitted in accordance with 45 CFR 95, Subpart E, is effective July 1, 2019.

Acceptance of the actual costs in accordance with the approved Plan is subject to the following conditions:

1. The information contained in the Plan and provided by the State in connection with our review of the Plan is complete and accurate in all material respects.
2. The actual costs claimed by the State are allowable under prevailing cost principles, program regulations and law.
3. The claims conform with the administrative and statutory limitations against which they are made.

This approval relates only to the methods of identifying and allocating costs to programs, and nothing contained herein should be construed as approving activities not otherwise authorized by approved program plans or Federal legislation and regulations.

Implementation of the approved cost allocation plan may subsequently be reviewed by authorized Federal staff. The disclosure of inequities during reviews may require changes to the Plan.

If you have any questions concerning the contents of this letter, please contact Karen Wong of my staff at 415-437-7835. Please submit your next proposed Plan amendment electronically via email to [CAS-SF@psc.hhs.gov](mailto:CAS-SF@psc.hhs.gov).

Sincerely,

Arif M. Karim -S

Arif Karim, Director  
Cost Allocation Services

Digitally signed by Arif M. Karim -S  
DN: c=US, o=U.S. Government, ou=HHS, ou=PSC,  
ou=People, cn=Arif M. Karim -S,  
09234219200900100111=2000212895  
Date: 2019.09.06 12:17:11 -0500

cc: Terrence Perry, CDC  
Elizabeth Naftchi, HRSA

David Meacham, CMS  
Jack Goldberg, SAMHSA

Francisco Lebron, FNS

## **APPENDIX C: Financial Data**

- Estimated – Financial Status of Oregon’s DWSRF



**OREGON HEALTH AUTHORITY  
DRINKING WATER SERVICES**  
Estimated - Financial Status of Oregon's DWSRF / SDWRLF  
SFY2020 (7/1/19 to 6/30/20)

<u>SOURCES OF FUNDS: (Cumulative)</u>		Total
Loan Fund (Capitalization Grant Award w/ ARRA - less Set Asides)		246,651,943
	Total	\$ 246,651,943
Administrative		11,974,410
Technical Assistance		4,650,513
Local Assistance		30,834,737
State Program Management (w/o 1:1 match)		21,322,797
	Total	\$ 68,782,457
State Match (20% of allocation & 1:1 SPM)		\$ 73,801,812
<u>SUB-TOTAL SOURCES OF FUNDS:</u>		\$ 389,236,212

Investment Interest	15,940,714
Principal Repayments	130,198,950
Interest Repayments	45,917,767
<u>TOTAL SOURCES OF FUNDS:</u>	\$ 581,293,643

<u>GRANT EXPENSES TO DATE:</u>	<u>Past SFY Expenses</u>	<u>Current SFY Expenses</u>	<u>TOTAL SFY Expenses</u>
Loan Fund (commitments/executed)	\$ 448,802,111	\$ 21,882,557	\$ 470,684,668
Administrative	11,073,798	540,495	11,614,293
Technical Assistance	3,874,048	389,184	4,263,232
Local Assistance	26,696,397	1,523,594	28,219,991
State Program Management (w/o 1:1 match)	18,144,663	1,974,290	20,118,953
sub-total SA	\$ 59,788,906	\$ 4,427,563	\$ 64,216,469
Total	\$ 508,591,017	\$ 26,310,120	\$ 534,901,137

<u>SUMMARY:</u>	<u>Awarded during SFY</u>	<u>Federal Appropriation</u>	<u>20% State Match Only</u>	<u>TOTAL</u>
Oregon DWSRF Allocation 1997	1998	\$18,920,500	\$3,784,100	\$22,704,600
Oregon DWSRF Allocation 1998	1999	10,567,800	2,113,560	12,681,360
Oregon DWSRF Allocation ('99 & '00)	2000	22,587,300	4,517,460	27,104,760
Oregon DWSRF Allocation 2001	2001	11,558,800	2,316,860	13,875,660
Oregon DWSRF Allocation 2002	2003	14,148,900	2,829,780	16,978,680
Oregon DWSRF Allocation 2003	2004	14,063,800	2,812,760	16,876,560
Oregon DWSRF Allocation 2004	2005	14,589,200	2,917,840	17,507,040
Oregon DWSRF Allocation 2005	2006	14,558,300	2,911,660	17,469,960
Oregon DWSRF Allocation ('06 & '07)	2007	24,067,800	4,813,560	28,881,360
Oregon DWSRF Allocation ('08 & ARRA)	2009	40,427,000	2,382,400	42,809,400
Oregon DWSRF Allocation 2009	2010	11,912,000	2,382,400	14,294,400
Oregon DWSRF Allocation 2010	2011	13,573,000	2,714,600	16,287,600
Oregon DWSRF Allocation 2011	2012	9,418,000	1,883,600	11,301,600
Oregon DWSRF Allocation 2012	2013	8,975,000	2,194,679	11,169,679
Oregon DWSRF Allocation ('13 & '14)	2014	20,984,000	4,196,800	25,180,800
Oregon DWSRF Allocation 2015	2016	12,480,000	2,496,000	14,976,000
Oregon DWSRF Allocation 2016	2017	11,806,000	2,361,200	14,167,200
Oregon DWSRF Allocation 2017	2018	11,705,000	2,341,000	14,046,000
Oregon DWSRF Allocation 2018	2019	14,614,000	2,930,872	17,544,872
Oregon DWSRF Allocation 2019	2020	14,478,000	2,895,600	17,373,600
<u>TOTAL DWSRF AWARDS:</u>		\$ 315,434,400	\$ 57,796,731	\$ 373,231,131

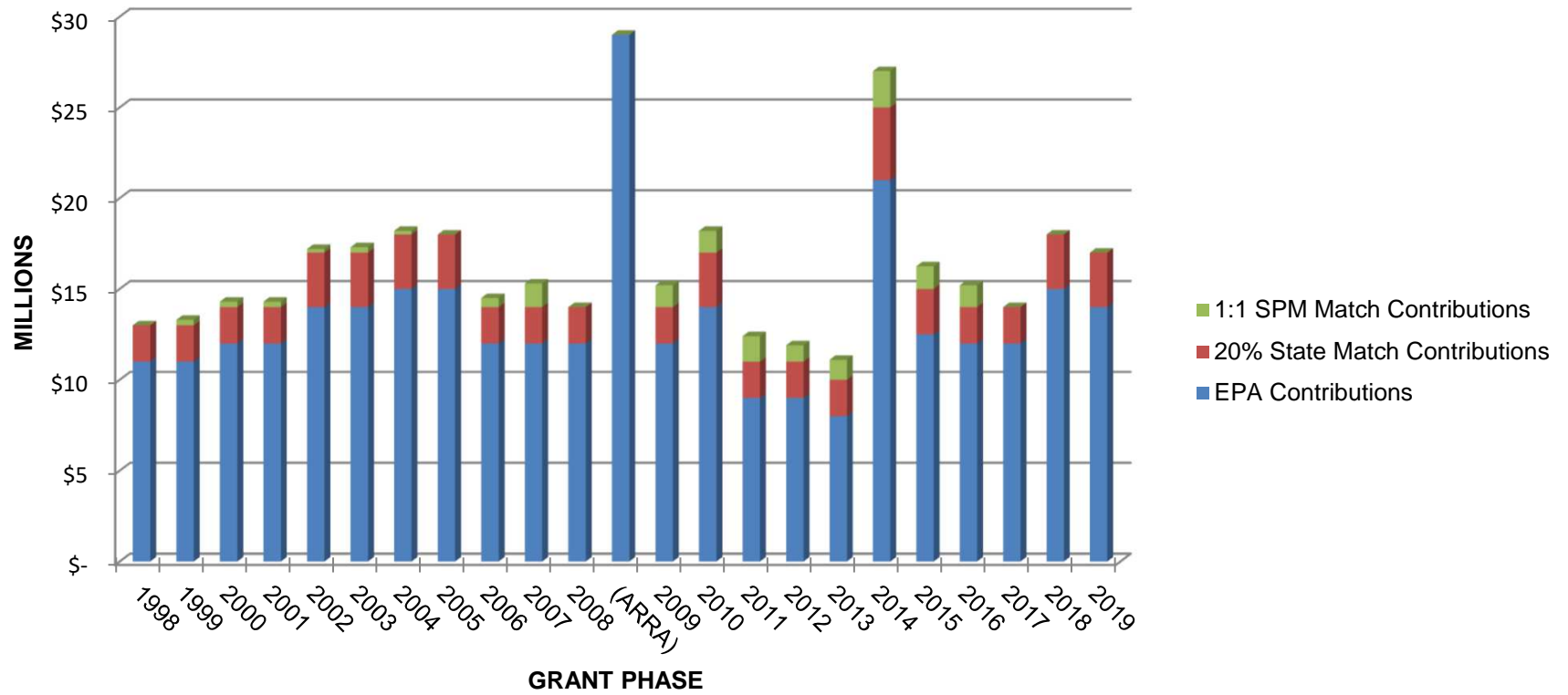
Loan Fund - Less Set Asides (all years):	246,651,943
20% State Match Only (all years):	57,796,731
Investment Interest (all years):	15,940,714
Principal Repayments (all years):	130,198,950
Interest Repayments (all years):	45,917,767
<b>Net Project Resources</b>	<b>\$ 496,506,105</b>
Less Loan Fund Expenses	\$ 470,684,668
<b>Possible Net Resources That Are or Were Avail.**</b>	<b>\$ 25,821,437</b>

(This is an un-audited statement for informational purposes only)

03/31/21 - agd.xlsx

\*\*These figures are only based off of SFY2020 NIMS totals and calculations above.

## Oregon's DWSRF - SFY2020 Federal & State Match Contributions by Year



## **APPENDIX D: Set-Aside Work Plans**

- Administrative Expense
- Small System Technical Assistance
- State Program Management
- Local Assistance & Other State Programs:
  - i. Implementation of Protection
  - ii. Capacity Development
  - iii. Drinking Water Source Protection

**2021 Work Plan**  
**Oregon Health Authority, Public Health Division**  
**Administrative Expense – Loan Fund & Set-Aside**

**General**

This is a continuation effort to administer and operate the Loan Fund and Set-Asides, which is carried out jointly under the new Inter-Agency Agreement (IAA) between the Oregon Health Authority (OHA) and Business Oregon.

**Funding**

Funding for this Set-Aside is **\$595,094** or 1/5 of 1% of Oregon’s current fund value (i.e., net position – ending) as set forth by the December 2016 Water Infrastructure Improvements for the Nation (WIIN) Act, Subtitle A, §2103 SDWA §1452 (g)(2). This funding level supports 4.80 FTE between OHA (1.00) and Business Oregon (3.80) and is 4.11% of EPA's FFY-2021 allotment to Oregon of \$14,474,000.

These Set-Aside funds will be targeted for use during SFY-2022 (i.e., July 1 – June 30).

**Goals and Objectives**

The goal is to provide the administrative framework necessary for eligible public water suppliers to access loan funds for planning, engineering design, and construction projects needed to meet current or future drinking water quality standards and to further public health provisions of the amended 1996 Safe Drinking Water Act. Specific objectives include, but are not limited to:

- < Apply for and administer the annual capitalization grant from US-EPA
- < Manage infrastructure and planning project reviews, ratings, and rankings quarterly
- < Process loan applications and execute loan agreements
- < Monitor progress of planning, design, and construction projects
- < Manage contracts for assistance to water suppliers
- < Process project payments
- < Receive and process loan repayments
- < Report on program progress and results
- < Coordinate with Business Oregon Regional Staff in conducting timely capacity assessments and environmental reviews
- < Coordinate Drinking Water Source Protection (DWSP) grant processing
- < Manage Set-Aside funds and programs

**Implementation Responsibility**

OHA is the lead agency, responsible for the annual EPA capitalization grant application process, the rating and ranking of eligible drinking water projects, establishing program priorities, managing service contracts for assistance to water suppliers, and oversight of the Loan Fund operation and results. Business Oregon operates and administers the Loan Fund project financing for the individual water system projects.

## **Evaluation of Results**

The primary results of work under the Administrative Expense Set-Aside are the financing and completion of drinking water system projects. The number of projects initiated, in progress, and completed will be reported annually along with an overall evaluation. Additional Administrative Expense Set-Aside efforts will continue to be used for the overall oversight of the program and to administer and manage the annual grant application processes.

**2021 Work Plan**  
**Oregon Health Authority, Public Health Division**  
**Small Water System Technical Assistance**

**General**

This is continuation of effort.

Oregon contracts with an outside provider for our technical assistance circuit rider program. Contracts are established with qualified engineering firms to provide on-site technical services for community water systems serving populations under 10,000, as well as not-for-profit transient and non-transient water systems. For these water systems, services are free. Program activities include:

On-Site Technical Assistance – The contractor receives requests for assistance directly from the water system, or requests initiated from state and county staff. Contractors perform quick response, one-on-one technical assistance that aids in solving short-term operational problems, assists with compliance-related issues, and provides technical, managerial and planning information to system operators and administrators. Services are generally restricted to 10 hours or less per system without prior approval from OHA management.

SRF Program Assistance – The contractor also provides assistance to systems seeking SRF financing needing a pre-engineering design report to initiate the loan process or just to get help completing the SRF loan application form itself.

Crypto and MPA Sampling – EPA allows for the payment of the costs of LT2 monitoring for Crypto through the SDWRLF Set-Asides. Surface water systems exceeding the E. coli triggers are referred to the Technical Assistance Circuit Rider for assistance in determining the Bin Class under LT2. A part of this determination is Crypto sampling. Similarly, Ground water systems identified as being at risk for GWUDI (Ground Water Under Direct Influence) are targeted for MPA sampling. A referral to the circuit rider for assistance in determining GWUDI can be made by state staff, which entails sampling by the circuit rider for determination of GWUDI / non-GWUDI status.

Small Water System Operator Training - Oregon also provides training and assistance to small water systems in their efforts to comply with small water system operator certification requirements. Oregon contracts with an outside training provider to provide monthly training classes for small water systems. This free class covers the basics of water system operation and maintenance, water testing and other regulations, waterborne disease, water treatment for small systems, and record keeping. Small water system operators are required to attend one of these training classes (or an equivalent on-line version) every three years to maintain eligibility for DRC duties and responsibilities.

**Funding**

The funding from the Technical Assistance set-aside is **\$289,480** or **2%** of EPA's FFY-2021

allotment to Oregon of **\$14,474,000**. Funding will support Oregon's circuit rider program and 0.45 FTE.

These set-aside funds will be targeted for use during SFY-2022 (i.e., July 1 – June 30).

### **Implementation Schedule**

Circuit rider services are delivered statewide on as needed basis. Small water system training classes are delivered 20 times per year at numerous locations throughout the state.

### **Implementation Responsibility**

Service contracts are offered through an open competitive Request for Proposal (RFP). A Department (OHA) committee selects the most qualified contractor candidates and they will enter into a standard contract generally for a period of two years, but which can be extended or amended up to a maximum of five years with the agreement of all parties. The Department will provide contract oversight and assure contracts are current and meet state contract requirements.

### **Evaluation of Results**

The Department evaluates contractors periodically by reviewing contact reports of technical assistance provided, and satisfaction surveys of the water systems receiving technical assistance and training. Long-term evaluation is based on compliance status trends (such as the Oregon Benchmarks) of the water systems being served.

For more circuit rider information, visit

<http://public.health.oregon.gov/HealthyEnvironments/DrinkingWater/Operations/Pages/circuitrider.aspx>

For more information about our small water system training program, visit

<http://public.health.oregon.gov/HealthyEnvironments/DrinkingWater/OperatorCertification/SmallWaterSystems/Pages/schedule.aspx>

**2021 Work Plan**  
**Oregon Health Authority, Public Health Division**  
**State Program Management- State & Partner Support**

**General**

This is a continuation of effort.

Funds from this set-aside augment the Public Water Supply Supervision grant (PWSS). The PWSS grant work plan defines the roles, responsibilities, objectives, performance measures, annual work plan, and a compliance assurance agreement.

The Oregon Health Authority and USEPA annually negotiate the PWSS.

**Funding**

The funding from the State Program Management (SPM) set-aside is **\$1,697,400** or **11.73%** of EPA's FFY-2021 allotment to Oregon of **\$14,474,000**.

With support from EPA Region 10, Oregon intends to utilize a portion of historically unused (i.e., reserved) SPM set-aside authority to support ongoing program regulatory activities and to prevent any loss of services due to limited State and Federal program budgets. The additional \$250,000 added to the SPM set-aside will also decrease the amount available to the Loan Fund by \$250,000.

Additionally, the one-to-one overmatch requirement was removed as set forth by the December 2016 Water Infrastructure Improvements for the Nation (WIIN) Act, Subtitle A, §2103 SDWA §1452 (g)(2).

These funds will support 6 FTE to support the PWSS program conducting sanitary surveys, responding to water quality alerts, follow-up on priority non-compliant water systems, administer contracts, and provide clerical support.

These set-aside funds will be targeted for use during SFY-2022 (i.e., July 1 – June 30).

**Implementation Responsibility**

The Oregon Health Authority provides the leadership for the Oregon Drinking Water Services. The Oregon Drinking Water Services provides core drinking water services as well as supports contractors on technical issues and provides training to assure that our contractors are properly trained and capable of providing the contracted services.

Core services and contracted work involves conducting sanitary surveys, investigations of water quality alerts, resolution of priority non-compliant water systems, and conducting needed follow-ups to these activities. Various other related tasks for small drinking water systems are also performed with contracted work.

**Evaluation of Results**

The overall effort is evaluated based on overall compliance figures (Oregon Annual Compliance Report, and Oregon Benchmarks) and the change in the number of water systems that are Priority Non-



compliers. The Oregon Health Authority displays these measures on-line. The Oregon Health Authority conducts formal audits of contracts every three years.

**2021 Work Plan**  
**Oregon Health Authority, Public Health Division**  
**Local Assistance – Implementation of Protection**

**General**

This is a continuation of effort.

Funds from this set-aside are used by the Oregon Health Authority (OHA) and the Oregon Department of Environmental Quality (DEQ) to: provide assistance to water systems developing local drinking water protection strategies using Source Water Assessment data; integrate drinking water protection and associated Clean Water Act activities; and conduct/modify Source Water Assessments. The Local Assistance – Implementation of Protection work plan defines roles, responsibilities, objectives, goals, performance measures, and deliverables.

**Funding**

The funding for this set-aside is **\$800,000** or approximately **5.5%** of EPA’s FFY-2021 allotment to Oregon of **\$14,474,000**.

The OHA Drinking Water Services will utilize this set-aside to support 3.50 FTE and its continuing Inter-Agency Agreement (IAA) with Oregon’s DEQ.

These set-aside funds will be targeted for use during SFY-2022 (i.e., July 1 – June 30).

**Implementation Responsibility**

The OHA Drinking Water Services and Oregon DEQ have formed a partnership through a continuing Inter-Agency Agreement to split the responsibilities associated with the Implementation of Protection set-aside.

The OHA Drinking Water Services is responsible for: conducting new and updating older Source Water Assessments for groundwater sources; utilizing Assessment results to identify groundwater sources that need to conduct monthly source water monitoring due to viral contamination susceptibility; provide source water protection outreach, technical assistance, and training to groundwater dependent community and non-transient non-community public water systems; coordinating activities with DEQ and other appropriate agencies; and delivers to EPA annual reports, work plans, and other critical data.

The Oregon DEQ is responsible for: conducting new and updating older Source Water Assessments for surface water sources; development, maintenance and update of critical Source Water Assessment geographic data, implementation activities/results, outreach/technical assistance/training materials; coordinating the use of Safe Drinking Water Act and Clean Water Act protection tools within drinking water source areas utilizing contacts with local groups, local officials, and other state and federal agencies; integrating source water protection into community emergency preparedness/planning and into Oregon DEQ regulatory activities; and identifying, designing, and conducting critical water quality monitoring plans for highly sensitive drinking water

sources.

## **Evaluation of Results**

The overall effort is evaluated annually by the number of community water systems that achieve substantial implementation of protection strategies and the state-wide percentage of population served by community water systems that have achieved substantial implementation. These numbers are reported annually to EPA accompanied by a narrative that documents additional Implementation of Protection activities that are not adequately captured in the numbers. Additional activities documented in the narrative include:

- Source Water Assessment Data Availability and Use
- Assistance to Individual Public Water Systems
- Protection Funding for Oregon Public Water Systems
- State-wide and Regional Projects
- Coordination Efforts with State and Federal Agencies
- Coordination Efforts with Rural Nonprofit Organizations
- Information Sharing
- Implementation Results

**2021 Work Plan  
Oregon Health Authority  
Local Assistance – Water System Capacity Program**

**General**

This is a continuation of an EPA-mandated activity.

The Oregon Capacity Development Strategy is designed to provide assistance to public water systems to improve technical, managerial, and financial capabilities and is implemented through four programs: Capacity Assessment Program, Information Services Program, Training Program, and Outreach Program.

Capacity Assessment Program: Drinking Water Services (DWS) staff will work with water systems to identify deficiencies in technical, managerial, and financial capabilities using the capacity assessment tool in the following categories: New public water systems and Drinking Water State Revolving Loan Fund applicants.

New public water systems - Assessments will be conducted during the initial plan review and approval process of new public water systems. Areas of evaluation: plan review, construction, master plan/feasibility study, operator certification, managerial processes, ownership, water management and conservation, rate structure, financial planning, and water system survey deficiencies. Corrective action will be required for identified deficiencies.

Drinking Water State Revolving Fund applicants - All applicants will receive a full capacity assessment prior to release of any funds. DWS conducts a technical and managerial assessment, with the financial assessment conducted in partnership with Business Oregon. Identified deficiencies will be made a condition of the loan.

Information and Communication Services Program: DWS will issue a bi-annual publication called The Pipeline which provides information regarding upcoming rules, deadlines, and operation/maintenance type issues. DWS will also utilize its website to provide water system-related information, including public access to the State Safe Drinking Water Information System (SDWIS) database. DWS will conduct special mailings including electronic mail delivery as needed to inform drinking water systems about new rules, upcoming regulatory deadlines and upcoming monitoring requirements.

Training Program: Training opportunities are available on all levels for certified operators. DWS will continue its contract with a 3<sup>rd</sup> party training provider to provide a monthly basic training course for small water systems at no cost to the water system. DWS has begun revising its online version of this training so it can once again be made available. Training materials will continue to be identified, developed, and made available as appropriate.

To help water systems maintain compliance with operator certification requirements, DWS staff will continue to work to increase water system capacity by providing a variety of services, including operator certification, support of professional growth through training development, and review and approval of Continuing Education Units (CEUs) for operators.

DWS will continue to support and update its Training Opportunities webpage, providing listings of free classes and webinars hosted by other training providers.

#### Capacity Development Outreach Program:

##### Technical Service Providers:

To further assist water systems with identified problems and to develop capacity, the Technical Assistance Set-Aside will continue to be used to contract with outside technical service providers. The contractors perform one-on-one technical assistance in the field to individual water systems, providing quick response services.

##### Capacity Building by DWS Staff:

Integration of capacity building outreach into day-to-day drinking water program activities is key in successful resolution of identified capacity related deficiencies. Field staff will continue to conduct capacity assessments, will be familiar with available technical assistance resources, and will provide direct assistance to water systems. In addition to capacity assessments, capacity building will be incorporated into Oregon's sanitary survey activities, water treatment plant visits, water quality investigations and associated technical consultation and outreach. A wide variety of tools and resources will be used by staff to help systems address identified capacity deficiencies, including direct technical assistance in person or over the phone, providing handouts, factsheets and training guides, referral to resources on the DWS website, and referral for assistance to funding partners and outside technical assistance/training providers. Water systems identified as being in violation, or those with water quality test results indicating a potential public health concern, will be contacted directly by staff and technical assistance provided. Water systems needing help building capacity in emergency response will be provided resources and technical assistance to better prepare for continued operation.

##### Area Wide Optimization Program:

Oregon's Area Wide Optimization Program (AWOP) works toward increasing operator technical capacity at surface water plants, while also promoting managerial capacity. DWS staff will continue to work with EPA and other Region X states in this effort and will continue to participate in quarterly AWOP Planning Meetings. Current activities include: 1-day training classes for surface water plant operators (Surface Water Essentials; Conventional & Direct Filtration; and Slow Sand Filtration classes), implementation of Oregon's Comprehensive Performance Evaluation (CPE) process for identified system issues, and implementation of AWOP "strike team" tools to assist systems with immediate needs as they arise.

##### Source Water Assessment Program:

Funded under a separate set-aside of the DWSRF, source water protection efforts are focused on all Oregon water systems. DWS shares implementation responsibility with the Oregon Department of Environmental Quality. Since the majority of public water systems in Oregon have now received a source water assessment; our emphasis focuses on providing technical assistance to community water systems that ultimately result in voluntary implementation of source water protection strategies in response to local source water characteristics and vulnerabilities.

## **Funding**

The Water System Capacity Program is a continuation effort. This year's funding for the Capacity Program is **\$923,700** which is **6.4%** of EPA's FFY-2021 allotment to Oregon of **\$14,474,000**. This funding level supports 4.43 FTE in the DWS of the Oregon Health Authority, contracts, and related operating costs.

These set-aside funds will be targeted for use during SFY-2022 (i.e., July 1 – June 30).

## **Implementation Schedule**

DWS is responsible for the development and implementation of the Water System Capacity Program, including AWOP and SWAP. Continuation of existing activities, as well as development and implementation of new and/or revised activities, will be completed as overall time, resources, and priorities allow.

## **Evaluation of Results**

Successful capacity development efforts should result in improved water system capacity, allowing water systems to qualify for DWSRF financing, and improved water quality and operational compliance.

The overall effort is evaluated using results of capacity assessments reports, AWOP status component and performance information, and changes in the violation system score list. DWS will also evaluate through follow-up contacts, assessments, and comments from water system operators and managers.

**2021 Work Plan**  
**Oregon Health Authority, Public Health Division**  
**Local Assistance – Drinking Water Source Protection Fund (DWSP)**

**General**

This is a continuation of effort.

Funds from this set-aside are used to provide protection incentives through technical assistance, grants, and low interest loans that enable Public and Privately-owned Community and Nonprofit Non-Community water systems that have a Source Water Assessment Report to develop and implement drinking water protection activities that achieve substantial implementation.

A water system achieves substantial implementation when Oregon agencies determine that strategic protection actions have been taken to appropriately reduce the risk of potential contamination within their source water area, based on the state/local identified significant threats and sensitivity of the source water or source area. The source water area is the delineated surface area that overlies the critical portion of the watershed or aquifer that provides water to a Public Water System.

The Oregon Health Authority and USEPA annually negotiate the Local Assistance – Drinking Water Source Protection Fund Work Plan.

**Funding**

Annually the allocation for this set-aside is typically \$200,000. For 2021, funding for this set-aside is **\$447,400** or around **3.1%** of EPA’s FFY-2021 Drinking Water State Revolving Fund (DWSRF) allotment to Oregon of **\$14,474,000** to cover recently funded source protection project activities and numerous emerging DWSP needs and emergencies. There is no FTE assigned to this set-aside (i.e., activities are covered through the Implementation of Protection set-aside).

Beginning with our FFY-2020 DWSRF allotment, Oregon began applying for DWSP set-aside funds (not to exceed \$200,000 – unless management approval) based on the amount of “SWP Repayment Funds” that were expended (as determined by Business Oregon) during the current State fiscal year to reimburse the “SWP Repayment Fund.” An operational agreement (i.e., policy) has been established for these specific reimbursement activities and will be utilized moving forward.

Two types of DWSP funding include:

1. Low interest loans up to a maximum of \$100,000.
2. Grant funds up to \$30,000 per water system. Regional/Joint protection projects are eligible to receive up to \$30,000 for each water system that is directly involved in the project.

These set-aside funds will be targeted for use during SFY-2022 (i.e., July 1 – June 30).

**Implementation Responsibility**

The Oregon Health Authority (OHA), Oregon Department of Environmental Quality (DEQ) and Business Oregon have formed a partnership to disperse loan and grant monies from the Drinking

## Water Protection Fund.

The OHA is responsible for requesting Letters of Interest from eligible drinking water systems. OHA reviews and evaluates proposed projects to protect groundwater sources. The DEQ reviews and evaluates proposed projects to protect surface water sources. Proposed projects for eligible water systems are scored on a scale of 0 to 100.

Each scored project is placed on a numerically ranked Drinking Water Protection Project Priority List. OHA notifies the project contacts and Business Oregon of the final evaluation results. Water systems with projects selected for funding are contacted by Business Oregon to determine their readiness to proceed. Once the selected project is ready to proceed, the funding process is initiated with the assistance of Business Oregon's Regional Staff.

### **Evaluation of Eligible Projects**

To ensure that money from the Drinking Water Protection Fund is used to fund projects that will achieve substantial implementation, eligible projects are limited to those activities that lead to risk reduction within the identified source water area or would contribute to a reduction in contaminant concentration within the drinking water source. Therefore, categories for eligible projects have been limited to the following:

Enhanced Delineation – Completion or update of source area delineations using new or additional site-specific information.

Enhanced Assessment Inventory – Improvement of existing potential contaminant source inventories including an expansion or update of the land use practices within the source area.

Enhanced Assessment Evaluation – Establishment of a water quality monitoring project to evaluate existing and potential threats to water quality.

Source Protection Planning – Identification and development of appropriate protection measures, including source water protection plans, educational projects, implementation of Best Management Practices, drinking water source protection ordinances, and restoration and conservation plans.

Implementation – Purchase of goods or services that offset the cost of implementing drinking water protection strategies such as waste reduction programs, drug take-back projects, sign installation, secondary containment, land purchases, and reforestation of sensitive areas within the drinking water source area.

Security – Implementation of security measures that reduce the risk of contamination to the drinking water source area or intake/well/spring. Security efforts must focus on highly sensitive portions of the drinking water source area not just equipment or facilities.



## **APPENDIX E: Public Notices**

- Intended Use Plan (IUP) Public Notice Letter
- PPL Annual & Quarterly Public Notice Letters



800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

July 26, 2021

### Legal Notice

Legal notice of public review and comment period concerning the proposed Intended Use Plan (IUP) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for State fiscal year 2021.

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on the proposed IUP as part of the grant application process to the U.S. Environmental Protection Agency (EPA). This IUP explains how OHA-DWS prioritizes low-interest loan assistance to eligible community and non-profit non-community public water systems and the funding of Set-Aside activities. It also is a key aspect of how we will procure the funding resources that the EPA has appropriated Oregon during Federal fiscal year 2021.

The public comment period for the IUP will be from Monday, August 2 through Thursday, September 2, 2021. If you would like to make a comment, please email me your comments by no later than 5pm on Thursday, September 2<sup>nd</sup> to be considered. If you have questions, you may also email or call me at (503) 956-8287.

Thank you!

*Adam DeSemple*

PROGRAM COORDINATOR, DWSRF  
Oregon Health Authority  
Center for Health Protection  
Drinking Water Services  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemple@dhsosha.state.or.us](mailto:adam.desemple@dhsosha.state.or.us)  
<http://healthoregon.org/srf>



800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

April 28, 2021

### Legal Notice

Legal notice of public review and comment period concerning proposed changes to the combined Project Priority List (PPL) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for the end of the third quarter of state fiscal year 2021. This PPL only includes eligible, emergency, and environmental justice infrastructure projects. *All newly added projects are highlighted and recently funded projects have been removed.*

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on changes to the Intended Use Plan (IUP) as a part of the grant application process to the U.S. Environmental Protection Agency (EPA). The PPL is important to how the DWSRF program implements the IUP. Projects have been rated (i.e., scored) by OHA staff for strict compliance, health risk, consolidation, and affordability criteria to determine ranking and placement on the PPL. Before projects can be funded, we are obligated to provide the public the opportunity to review and comment on proposed changes to the PPL.

The public review and comment period for proposed changes to the PPL will be from Thursday, May 6 through Sunday, May 16, 2021. If you would like to make a comment, please email me your comments by no later than 5pm on Sunday, May 16<sup>th</sup> to be considered. If you have questions, you may also email or call me at (503) 956-8287.

Thank you!

*Adam DeSemple*

PROGRAM COORDINATOR, DWSRF  
Drinking Water Services  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemple@dhsosha.state.or.us](mailto:adam.desemple@dhsosha.state.or.us)  
<http://healthoregon.org/srf>



800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

January 28, 2021

### Legal Notice

Legal notice of public review and comment period concerning proposed changes to the combined Project Priority List (PPL) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for the end of the second quarter of state fiscal year 2021. This PPL only includes eligible, emergency, and environmental justice infrastructure projects. *All newly added projects are highlighted and recently funded projects have been removed.*

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on changes to the Intended Use Plan (IUP) as a part of the grant application process to the U.S. Environmental Protection Agency (EPA). The PPL is important to how the DWSRF program implements the IUP. Projects have been rated (i.e., scored) by OHA staff for strict compliance, health risk, consolidation, and affordability criteria to determine ranking and placement on the PPL. Before projects can be funded, we are obligated to provide the public the opportunity to review and comment on proposed changes to the PPL.

The public review and comment period for proposed changes to the PPL will be from Wednesday, February 3 through Friday, February 12, 2021. If you would like to make a comment, please email me your comments by no later than 5pm on Friday, February 12<sup>th</sup> to be considered. If you have questions, you may also email or call me at (971) 673-0422.

Thank you!

*Adam DeSemple*

PROGRAM COORDINATOR, DWSRF  
Drinking Water Services  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemple@state.or.us](mailto:adam.desemple@state.or.us)  
<http://healthoregon.org/srf>



800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

October 29, 2020

### Legal Notice

Legal notice of public review and comment period concerning proposed changes to the combined Project Priority List (PPL) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for the end of the first quarter of state fiscal year 2021. This PPL only includes eligible, ineligible, withdrawn, emergency, and environmental justice infrastructure projects. *All newly added projects are highlighted and recently funded projects have been removed.*

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on changes to the Intended Use Plan (IUP) as a part of the grant application process to the U.S. Environmental Protection Agency (EPA). The PPL is important to how the DWSRF program implements the IUP. Projects have been rated (i.e., scored) by OHA staff for strict compliance, health risk, consolidation, and affordability criteria to determine ranking and placement on the PPL. Before projects can be funded, we are obligated to provide the public the opportunity to review and comment on proposed changes to the PPL.

The public review and comment period for proposed changes to the PPL will be from Tuesday, November 3 through Friday, November 13, 2020. If you would like to make a comment, please email me your comments by no later than 5pm on Friday, November 13<sup>th</sup> to be considered. If you have questions, you may also email or call me at (971) 673-0422.

Thank you!

*Adam DeSemple*

PROGRAM COORDINATOR, DWSRF  
Drinking Water Services  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemple@state.or.us](mailto:adam.desemple@state.or.us)  
<http://healthoregon.org/srf>



800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

July 28, 2020

### Legal Notice

Legal notice of public review and comment period concerning proposed changes to the combined Project Priority List (PPL) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for the end of the fourth quarter of state fiscal year 2020. This PPL only includes eligible, ineligible, withdrawn, emergency, and environmental justice infrastructure projects. *All newly added projects are highlighted and recently funded projects have been removed.*

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on changes to the Intended Use Plan (IUP) as a part of the grant application process to the U.S. Environmental Protection Agency (EPA). The PPL is important to how the DWSRF program implements the IUP. Projects have been rated (i.e., scored) by OHA staff for strict compliance, health risk, consolidation, and affordability criteria to determine ranking and placement on the PPL. Before projects can be funded, we are obligated to provide the public the opportunity to review and comment on proposed changes to the PPL.

The public review and comment period for proposed changes to the PPL will be from Friday, July 31 through Monday, August 10, 2020. If you would like to make a comment, please email me your comments by no later than 5pm on Monday, August 10<sup>th</sup> to be considered. If you have questions, you may also email or call me at (971) 673-0422.

Thank you!

### **Adam DeSemp**

PROGRAM COORDINATOR, DWSRF  
Drinking Water Services  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemp@state.or.us](mailto:adam.desemp@state.or.us)  
<http://healthoregon.org/srf>



PUBLIC HEALTH DIVISION  
Center for Health Protection, Drinking Water Services  
Kate Brown, Governor

Oregon  
**Health**  
Authority

800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

April 28, 2021

### Legal Notice

Legal notice of public review and comment period concerning proposed changes to the combined Project Priority List (PPL) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for the end of Quarter 3, state fiscal year 2021. This portion of the combined PPL is specific to the Sustainable Infrastructure Planning Projects (SIPP) program.

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on changes to the Intended Use Plan (IUP) as a part of the grant application process to the U.S. Environmental Protection Agency (EPA). The PPL is important to how the DWSRF program implements the IUP. SIPP projects are related to stand-alone drinking water system planning activities that promote sustainable water infrastructure. Engineering and construction activities are ineligible. The projects are rated (i.e., scored) to determine ranking and placement on the PPL. Funding for ready-to-proceed eligible projects will be in the form of 100% forgivable loan up to \$20,000.

The public review and comment period for proposed changes to the PPL will be from Thursday, May 6 through Sunday, May 16, 2021. If you would like to make a comment, please email me your comments by no later than 5pm on Sunday, May 16<sup>th</sup> to be considered. If you have questions, you may also email or call me at (503) 956-8287.

Thank you!

*Adam DeSemple*

PROGRAM COORDINATOR, DWSRF  
Drinking Water Services  
Oregon Health Authority  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemple@dhsaha.state.or.us](mailto:adam.desemple@dhsaha.state.or.us)  
<http://healthoregon.org/srf>



PUBLIC HEALTH DIVISION  
Center for Health Protection, Drinking Water Services  
Kate Brown, Governor



800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

January 28, 2021

### Legal Notice

Legal notice of public review and comment period concerning proposed changes to the combined Project Priority List (PPL) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for the end of Quarter 2, state fiscal year 2021. This portion of the combined PPL is specific to the Sustainable Infrastructure Planning Projects (SIPP) program.

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on changes to the Intended Use Plan (IUP) as a part of the grant application process to the U.S. Environmental Protection Agency (EPA). The PPL is important to how the DWSRF program implements the IUP. SIPP projects are related to stand-alone drinking water system planning activities that promote sustainable water infrastructure. Engineering and construction activities are ineligible. The projects are rated (i.e., scored) to determine ranking and placement on the PPL. Funding for ready-to-proceed eligible projects will be in the form of 100% forgivable loan up to \$20,000.

The public review and comment period for proposed changes to the PPL will be from Wednesday, February 3 through Friday, February 12, 2021. If you would like to make a comment, please email me your comments by no later than 5pm on Friday, February 12<sup>th</sup> to be considered. If you have questions, you may also email or call me at (971) 673-0422.

Thank you!

*Adam DeSemple*

PROGRAM COORDINATOR, DWSRF  
Drinking Water Services  
Oregon Health Authority  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemple@state.or.us](mailto:adam.desemple@state.or.us)  
<http://healthoregon.org/srf>





PUBLIC HEALTH DIVISION  
Center for Health Protection, Drinking Water Services  
Kate Brown, Governor



800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

November 29, 2020

### Legal Notice

Legal notice of public review and comment period concerning proposed changes to the combined Project Priority List (PPL) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for the end of Quarter 1, state fiscal year 2021. This portion of the combined PPL is specific to the Sustainable Infrastructure Planning Projects (SIPP) program.

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on changes to the Intended Use Plan (IUP) as a part of the grant application process to the U.S. Environmental Protection Agency (EPA). The PPL is important to how the DWSRF program implements the IUP. SIPP projects are related to stand-alone drinking water system planning activities that promote sustainable water infrastructure. Engineering and construction activities are ineligible. The projects are rated (i.e., scored) to determine ranking and placement on the PPL. Funding for ready-to-proceed eligible projects will be in the form of 100% forgivable loan up to \$20,000.

The public review and comment period for proposed changes to the PPL will be from Tuesday, November 3 through Friday, November 13, 2020. If you would like to make a comment, please email me your comments by no later than 5pm on Friday, November 13<sup>th</sup> to be considered. If you have questions, you may also email or call me at (971) 673-0422.

Thank you!

*Adam DeSemple*

PROGRAM COORDINATOR, DWSRF  
Drinking Water Services  
Oregon Health Authority  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemple@state.or.us](mailto:adam.desemple@state.or.us)  
<http://healthoregon.org/srf>



800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

June 30, 2021

### Legal Notice

Legal notice of public review and comment period concerning proposed changes to the combined Project Priority List (PPL) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for State fiscal year 2021. This portion of the combined PPL is specific to our Drinking Water Source Protection (DWSP) Program.

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on changes to the Intended Use Plan (IUP) as a part of the grant application process to the U.S. Environmental Protection Agency (EPA). The PPL is important to how the DWSRF program implements the IUP. DWSP projects are related to the protection of drinking water sources. Projects are rated (i.e., scored) to determine ranking and placement on the PPL. Funding for ready-to-proceed projects are in the form of a grant up to \$30,000 per Applicant and/or a loan up to \$100,000 per project. For more information, please contact Tom Pattee, DWSP Program Coordinator, at [tom.pattee@state.or.us](mailto:tom.pattee@state.or.us) or (458) 210-3704.

The public review and comment period for proposed changes to the PPL will be from Tuesday, July 6 through Thursday, July 15, 2021. If you would like to make a comment, please email me your comments by no later than 5pm on Thursday, July 15, 2021 to be considered. If you have questions, you may also email or call me at (503) 956-8287.

Thank you!

### **Adam DeSemples**

PROGRAM COORDINATOR, DWSRF  
Drinking Water Services  
Oregon Health Authority  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemples@dhsosha.state.or.us](mailto:adam.desemples@dhsosha.state.or.us)  
<http://healthoregon.org/srf>



800 NE Oregon Street, Suite #640  
Portland, OR 97232-2162  
(971) 673-0405  
(971) 673-0694 - FAX  
<http://healthoregon.org/dwp>

May 26, 2021

### Legal Notice

Legal notice of public review and comment period concerning proposed changes to the combined Project Priority List (PPL) attached below for Oregon's Drinking Water State Revolving Fund (DWSRF) for state fiscal year 2021. This portion of the combined PPL is specific to the [Small System Equipment Assistance \(SSEA\)](#) program.

One of Oregon Health Authority (OHA) Drinking Water Services (DWS) responsibilities as a state agency managing the DWSRF program as set forth under Section 1452 (40 CFR 35.555 (b)) of the amended 1996 Safe Drinking Water Act (SDWA) is to provide the public the opportunity to comment on changes to the Intended Use Plan (IUP) as a part of the grant application process to the U.S. Environmental Protection Agency (EPA). The PPL is important to how the DWSRF program implements the IUP. SSEA projects are related to small scale additions or replacement of equipment and instrumentation needed by small water systems serving  $\leq 300$  connections to ensure continued operation and protection of public health. The projects are rated (i.e., scored) to determine ranking and placement on the PPL. Funding for ready-to-proceed eligible projects will be in the form of 100% forgivable loan up to \$20,000.

The public review and comment period for proposed changes to the PPL will be from Wednesday, June 2 through Saturday, June 12, 2021. If you would like to make a comment, please email me your comments by no later than 5pm on Saturday, June 12<sup>th</sup> to be considered. If you have questions, you may also email or call me at (503) 956-8287.

Thank you!

*Adam DeSemp*

PROGRAM COORDINATOR, DWSRF  
Drinking Water Services  
Oregon Health Authority  
800 N.E. Oregon St., STE 640  
Portland, OR. 97232-2162  
[adam.desemple@dhsosha.state.or.us](mailto:adam.desemple@dhsosha.state.or.us)  
<http://healthoregon.org/srf>