

Drinking Water Source Protection



House Bill 2010, 5030



Senate Bill 5506





ORS 448.370-448.380



Grants to water suppliers to protect, restore, or enhance sources of drinking water through:

- Acquiring lands from willing sellers
- Entering into covenants, easements or similar agreements
- Repaying a loan used to finance one of the above



\$5M available (General Funds & Lottery Revenue Bonds)

Maximum grant award = \$3M



Partnerships with holders are allowed (other than state agencies)



Focus on water suppliers that serve:

- Rural communities
- Communities experiencing lower incomes
- Communities that are at or below a specified population level



Administrative Rulemaking





OAR Chapter 695, Division 48

January - April 2024: Convened RAC

June 2024: Held public comment period

July 2024: OWEB Board adopted rules





Eligible Applicants





Public Water Suppliers with service populations at or below 25,000 users, that are also classified in one of the following public Water System categories:

- Tribal Public Water Systems
- Community Water Systems (owned by local gov. or nonprofit)
- Transient Non-Community Water Systems (owned by local gov. or nonprofit)
- Non-Transient Non-Community Water Systems (owned by local gov. or nonprofit)
- Oregon Very Small Water Systems (owned by local gov. or nonprofit)



Eligible Properties & Project Types



Properties:

- Must benefit a drinking water source used by the Water Supplier
- Must be partially or fully within the Water Supplier's Drinking Water Source Area
- Both surface water and groundwater source protection are eligible

Project types:

- Acquiring lands from willing sellers
- Entering into covenants, easements or similar agreements
- Repaying a loan used to finance one of the above



Protective Instruments

Protective Instrument = the suite of acquisition and legal agreement options eligible for inclusion in this program, including:

- A legal document conveying an estate in fee simple absolute
- Granting a conservation easement
- Creating a real covenant or an equitable servitude
- Or establishing similar agreements







Partnerships





A Water Supplier may form a partnership with an eligible holder other than a state agency to provide support and capacity for the land transaction and/or long-term management of the property (an eligible holder is defined in ORS 271.715; for example, a land trust or soil and water conservation district).



Funding & Match





- \$5,000,000 available within the program
- \$3,000,000 cap for individual grant requests
- 5% cash or in-kind match required from non-OWEB sources

Given the limited funding, we encourage applicants to be conservative with their funding requests and attempt to leverage other funding sources.

DWSP Funding Sources

	General Funds	Lottery Revenue Bonds
Amount of Funding Available	\$1,000,000	\$4,000,000
Eligible Project Types	All project types described in the guidance materials	Only Fee Simple, Conservation Easement, or other <u>perpetual</u> agreements that <u>run with the land</u>
Loan Repayment	Allowed	Not allowed
Lookback Period for Expenses	18 months before DWSP application deadline (with exception to 60 months for first grant cycle)	60 days prior to issuance of Lottery Revenue Bonds (will likely occur in April 2025)
Lookback Period for Match	18 months before DWSP application deadline (with exception to 60 months for first grant cycle)	18 months before DWSP application deadline





Application deadline = Dec. 12, 2024

18 months prior = June 12, 2023

60 months prior = Dec. 12, 2019



Program Guidance



https://www.oregon.gov/oweb/grants/Pages/DWSP.aspx



Program Guidance and Materials

- Program Manual
- Guidance on Budgeting in Grants (GoBig) DWSP Appendix
- · Budget Worksheet
- <u>Title Analysis Sheet</u>
- · Appraisal Contracting Worksheet
- Landowner Acknowledgement Form
- · Evaluation Criteria
- Grant Agreement Template (Coming Soon)
- Application Template. For reference only. Applications must be submitted via OWEB's online application system.
- OWEB Online Application Guidance Please see pages 1, 2, 4, and 54 for online application assistance relevant to the DWSP Grant Program. The rest of the pages are focused on OWEB's traditional grant offerings and are not applicable to DWSP.



Pre-Application Consultations



Pre-application consultations are required at least two weeks prior to application deadline of December 12, 2024. Topics will include:

DWSP Program Overview

- Templates, forms, guidance materials
- Long-term management plan requirements and expectations
- OWEB's administrative role and project material review
- OWEB funding sources and funding timelines
- Q&A

Applicant's Proposed Project

- Transaction and long-term protection
- Due diligence

Please email <u>Audrey.L.Squires@oweb.oregon.gov</u> to schedule.



First Grant Cycle Timeline



October 21, 2024: Grant solicitation cycle opens
(Pre-application consultation is required by Nov. 27, 2024)

December 12, 2024 @ 5PM: Grant applications due in online system

Jan - March 2025: Soundness & technical reviews, virtual site visits

April 2025: Board approval of recommended projects

October 2026: Approximate closing deadline for funded projects



