



# Drinking Water Source Protection



Informational Webinar  
October 10, 2024



OREGON  
WATERSHED  
ENHANCEMENT BOARD

# Webinar Overview

- Program Background and Purpose
- Eligibility
- Partnerships
- Funding, Match & Eligible Costs
- Program Guidance
- Online Application System
- Pre-Application Consultations
- Application Requirements
- Evaluation Criteria & Review Process
- Grant Cycle Timeline
- Q&A



# 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

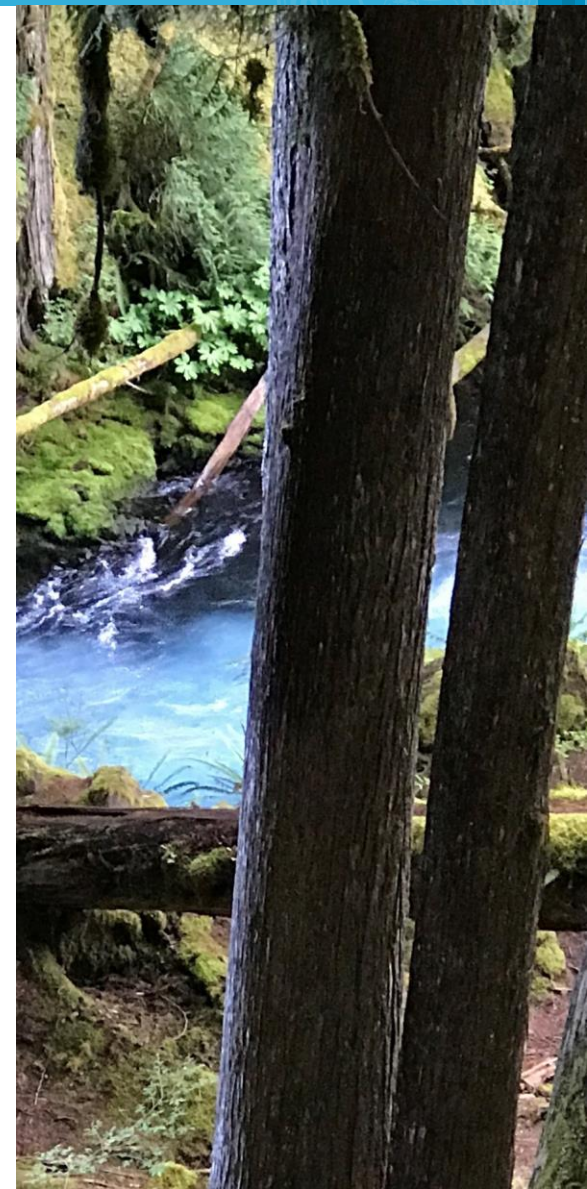


## OAR Chapter 695, Division 48

**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*)



## 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).

**Must submit documentation of formal partnership commitment at time of application.**





# Available Funding

- **\$5,000,000 available** within the program
- **\$3,000,000 cap** for individual grant requests

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

**5% cash or in-kind match** required from non-OWEB sources

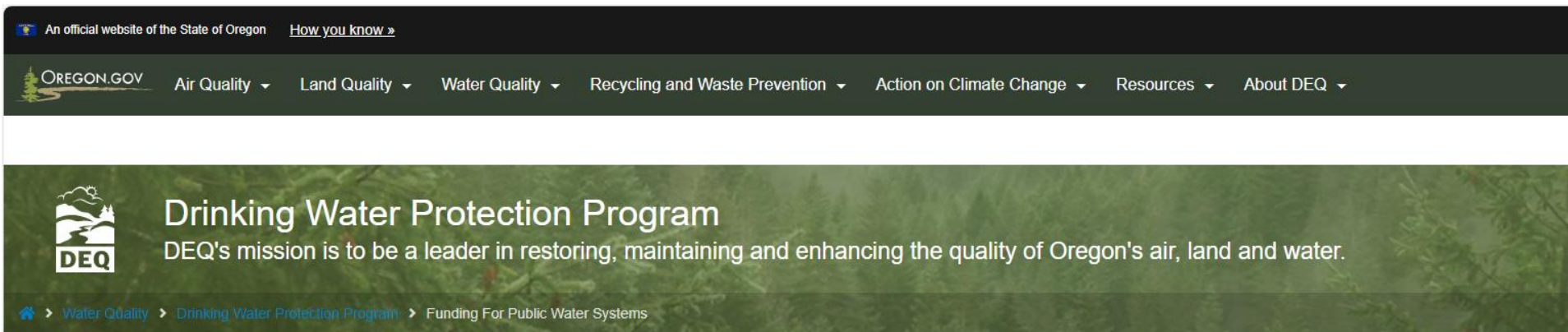
**Qualifying match:**

- In-kind contributions to activities listed under [OAR 695-048-0100](#), including the difference between the DWSP maximum allowable indirect rate (15%) and the applicant's indirect rate;
- Funding commitments made by others as a result of grant applicant efforts related to the proposed project;
- The forgiven portion of a loan used to acquire the Protective Instrument;
- Interest paid on a loan used to acquire the Protective Instrument; and
- A donated portion of a sale.

# Match Sources



<https://www.oregon.gov/deq/wq/dwp/Pages/DWP-Funding.aspx>



## Funding For Public Water Systems

[About Drinking Water Protection](#)

[Regulatory Overview](#)

[Assessment and Water Quality Monitoring](#)

[Mapping and GIS Data](#)

[Protecting Your Source](#)

**[Funding For Public Water Systems](#)**

[Resources for Private Well Owners](#)

[Publications and Technical Assistance](#)

[Drinking Water Program Contacts](#)

[Source Water Protection Workshops](#)

### Notice for Drinking Water Protection Program users

DEQ's Drinking Water Protection Program has updated its web pages. Over the next few months, we will be making additional improvements in navigation and usability. Be sure to bookmark these new pages to stay current with the latest information from the program.

### Contact

[Julie Harvey](#)  
Drinking Water Program Coordinator  
503-229-5664

Provided below are descriptions and contact information for resources available to public water systems, including grants and loans to fund drinking water infrastructure, acquisition, and source water protection projects.

- **[Coastal Workshop Summary of Funding Resources for Source Water Protection](#)**

Brief highlights on grants and loans for source water protection with a focus on land conservation

- [Fall 2023](#)
- [Spring 2024](#)

- **[Potential Funding Resources for Land Conservation, Acquisition and Stewardship for Drinking Water Protection](#)**

A comprehensive list of grants and loans available for source water protection and land acquisition

- **[Funds and Resources information](#)**

DEQ's list of "Technical Information and Factsheets for Water Quality Protection" provides other websites and resources available to public water systems and community members seeking to work on watershed protection.

# 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 <b>perpetual</b> agreements that <b>run with the land</b>
Loan Repayment	Allowed	Not allowed
Lookback Period for Expenses	18 months before DWSP application deadline <i>(with exception to 60 months for first grant cycle)</i>	60 days prior to issuance of Lottery Revenue Bonds <i>(will likely occur in April 2025)</i>
Lookback Period for Match	18 months before DWSP application deadline <i>(with exception to 60 months for first grant cycle)</i>	18 months before DWSP application deadline

Application deadline = Dec. 12, 2024  
 18 months prior = June 12, 2023  
 60 months prior = Dec. 12, 2019



# Eligible Costs

See [OAR 695-048-0100](#)



	General Funds	Lottery Revenue Bonds <i>(all expenses must be capitalizable to the asset)</i>	Budget Category in Online Application
<b>Staff and Contractor Costs</b> <i>(related to acquisition of Protective Instrument)</i>	Eligible	Eligible	Salaries, Wages, and Benefits and Contracted Services
<b>Due Diligence Activities</b> <i>(related to Proposed Project)</i>	Eligible	Eligible	Contracted Services
<b>Baseline Inventory Preparation</b>	Eligible	Eligible	Contracted Services
<b>Legal Costs incurred by Water Supplier</b> <i>(related to Proposed Project)</i>	Eligible	Eligible	Contracted Services
<b>Purchase of Protective Instrument</b>	Eligible	Eligible	Other
<b>Interest on Bridge Loans</b>	Eligible	Not Eligible	Other
<b>Closing Fees</b>	Eligible	Eligible <i>(no pre-payments)</i>	Other
<b>Cost of Developing Long-Term Management Plan</b>	Eligible*	Not Eligible	Salaries, Wages, and Benefits or Contracted Services
<b>Indirect Costs of Grantee</b> <i>(calculated on the modified direct costs less loan interest and capital asset costs such as land rights)</i>	Eligible* <i>(at max. 15% federal de minimis rate)</i>	Not Eligible	Indirect Costs
<b>Purchase of Equipment, Supplies, and Materials</b>	Not Eligible	Not Eligible	-
<b>Restoration and Forest Management Activities</b>	Not Eligible	Not Eligible	-
<b>Stewardship Fund</b>	Not Eligible	Not Eligible	-
<b>Contingencies</b>	Not Eligible	Not Eligible	-
<b>Post-Grant Costs</b>	Not Eligible	Not Eligible	-
<b>Legal Fees incurred by Seller</b>	Not Eligible	Not Eligible	-



# Program Guidance



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

A screenshot of the OWEB website. The top navigation bar includes "OREGON.GOV", "Home", "About Us", "Grant Programs", "Manage Your Grant", "Project Data &amp; Reporting", "Resources", and "Subscribe". The main header area features a large image of a river and grassy banks, with the text "Grant Programs" and "Oregon Watershed Enhancement Board". Below this is a breadcrumb trail: "Grant Programs &gt; Drinking Water Source Protection Grant Program". A dark blue banner at the bottom of the screenshot contains the text "Drinking Water Source Protection Grant Program".

## Program Guidance and Materials

- [Program Manual](#)
- [Guidance on Budgeting in Grants \(GoBig\) DWSP Appendix](#)
- [Budget Worksheet](#)
- [Title Analysis Sheet](#)
- [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.*



# Online Application System



## ALL APPLICATIONS MUST BE SUBMITTED THROUGH OWEB'S ONLINE SYSTEM

### Apply for a DWSP Grant Online

#### 1. Obtain a login (username and password).

If your organization already has an OGMS login, skip to step 2.

An OGMS login is required to access the online grant application. Only one login per organization is allowed. If no login exists for an organization, please email [✉ Leilani Sullivan](mailto:leilani.sullivan@oweb.org) to request one. Include the following in your email:

- Organization name and address
- Grantee Contact Information: name, title, email address, and phone number for the person who will receive all communication from OWEB and sign any grant agreements.
- Payee Contact Information: name, email address, and phone number for the person who keeps records and submits payment requests and documentation.
- FEIN (Federal Employer Identification Number). OWEB may enter into agreements only with legally established entities. OWEB will review potential applicants prior to creating an OGMS login.
- Per federal guidance, all OWEB grantees must be registered at the System for Award Management (SAM) before receiving a grant agreement. Entities will receive a non-proprietary identifier (called the Unique Entity Identifier (UEI).) This identifier is assigned by SAM ([sam.gov](https://sam.gov) is a free service) and entities must update their registration annually.

#### 2. Log in to the [Online Application](#).

Guidance to help you fill out the application is always available in the top navigation bar of the online application. An application template is also available after you log in and choose "Create a New Application."

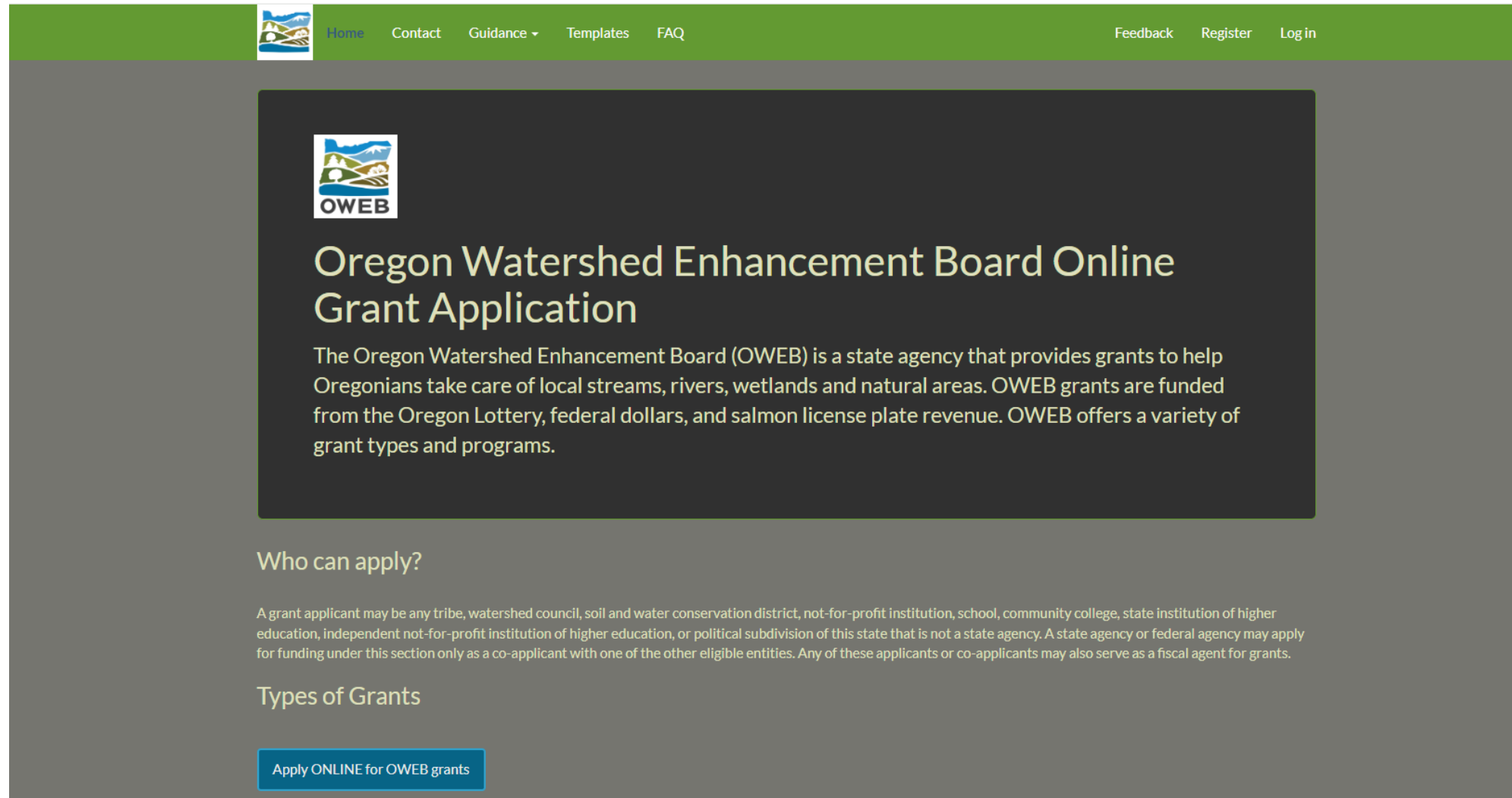
Please contact [✉ Audrey Squires](mailto:audrey.squires@oweb.org) with questions.



# Online Application System



<https://apps.wrd.state.or.us/apps/oweb/oa/>



The screenshot shows the OWEB Online Grant Application page. At the top, there is a green navigation bar with a small OWEB logo on the left and links for "Home", "Contact", "Guidance", "Templates", and "FAQ" in the center. On the right side of the navigation bar are links for "Feedback", "Register", and "Log in". Below the navigation bar is a dark gray content area. On the left side of this area is a large OWEB logo. To the right of the logo is the main heading "Oregon Watershed Enhancement Board Online Grant Application" in a large, bold, white font. Below the heading is a paragraph of text in a smaller white font: "The Oregon Watershed Enhancement Board (OWEB) is a state agency that provides grants to help Oregonians take care of local streams, rivers, wetlands and natural areas. OWEB grants are funded from the Oregon Lottery, federal dollars, and salmon license plate revenue. OWEB offers a variety of grant types and programs." Below this paragraph is a section titled "Who can apply?" in a white font. Underneath this section is a paragraph of text in a smaller white font: "A grant applicant may be any tribe, watershed council, soil and water conservation district, not-for-profit institution, school, community college, state institution of higher education, independent not-for-profit institution of higher education, or political subdivision of this state that is not a state agency. A state agency or federal agency may apply for funding under this section only as a co-applicant with one of the other eligible entities. Any of these applicants or co-applicants may also serve as a fiscal agent for grants." Below this paragraph is another section titled "Types of Grants" in a white font. At the bottom of the content area is a blue button with the text "Apply ONLINE for OWEB grants" in white.

## Who can apply?

A grant applicant may be any tribe, watershed council, soil and water conservation district, not-for-profit institution, school, community college, state institution of higher education, independent not-for-profit institution of higher education, or political subdivision of this state that is not a state agency. A state agency or federal agency may apply for funding under this section only as a co-applicant with one of the other eligible entities. Any of these applicants or co-applicants may also serve as a fiscal agent for grants.

## Types of Grants

[Apply ONLINE for OWEB grants](#)





# 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 [Audrey.L.Squires@oweb.oregon.gov](mailto:Audrey.L.Squires@oweb.oregon.gov) to schedule.



# Application Requirements



CATEGORY	DOCUMENT <i>(Bolded items are required for all projects)</i>	REQUIRED?
<b>Maps</b>	<b>Threats map</b>	Yes
	<b>Watershed map</b>	Yes
	<b>Service area map</b>	Yes
	Hydrologic/soil map	Only for groundwater projects
	Wildfire map	Only if recent wildfire impacts are present
	Protected lands map	Optional
<b>Title Documentation, Protective Instrument Details, and Transaction Details</b>	<b>Vesting deed</b>	Yes
	<b>Preliminary title report</b>	Yes
	Title analysis sheet	Optional
	Landowner acknowledgement form	Only for prospective projects (i.e., not loan repayment)
	Warranty deed	Only for reimbursement of prior purchase of Fee Simple
	Title insurance policy	Only for reimbursement of prior purchase of Fee Simple
	Draft or final Protective Instrument	Only for all non-Fee Simple projects
	Fully executed loan agreement / or draft	Only for loan repayment projects
	Purchase price documentation and/or appraisal	If available
	Contract/other agreement in place for purchase of Protective Instrument	If available
	Boundary survey	If available
	Environmental site assessment	If available
	Baseline inventory documentation	If available
Water right certificate and map for proposed property	Only if project results in a new water right for the Water Supplier or the Holder	

# Application Requirements

CATEGORY	DOCUMENT <i>(Bolded items are required for all projects)</i>	REQUIRED?
<b>Water System Information</b>	<b>Source Water Assessment</b>	Yes
	<b>Documentation of Water System ownership</b>	Yes
	<b>Documentation of authority to use water</b>	Yes
	Well log	Only for groundwater projects
<b>Applicant &amp; Partner Capacity</b>	<b>Authorization by applicant's governing body</b>	Yes
	Documentation of formal partnership commitment	Only for partnership projects
	Holder by-laws	Only for partnership projects
	Land Trust Alliance (LTA) Accreditation Letter	Only if partnership is proposed and Holder is accredited by LTA
	Long-term management plan	If available
<b>Other</b>	Outreach materials	Optional
	Letters of support	Optional
	Secured match documentation	If available

# DWSP Evaluation Criteria

[OAR 695-048-0110](#)

All projects will also be evaluated on the Climate-Related Evaluation Criteria described in

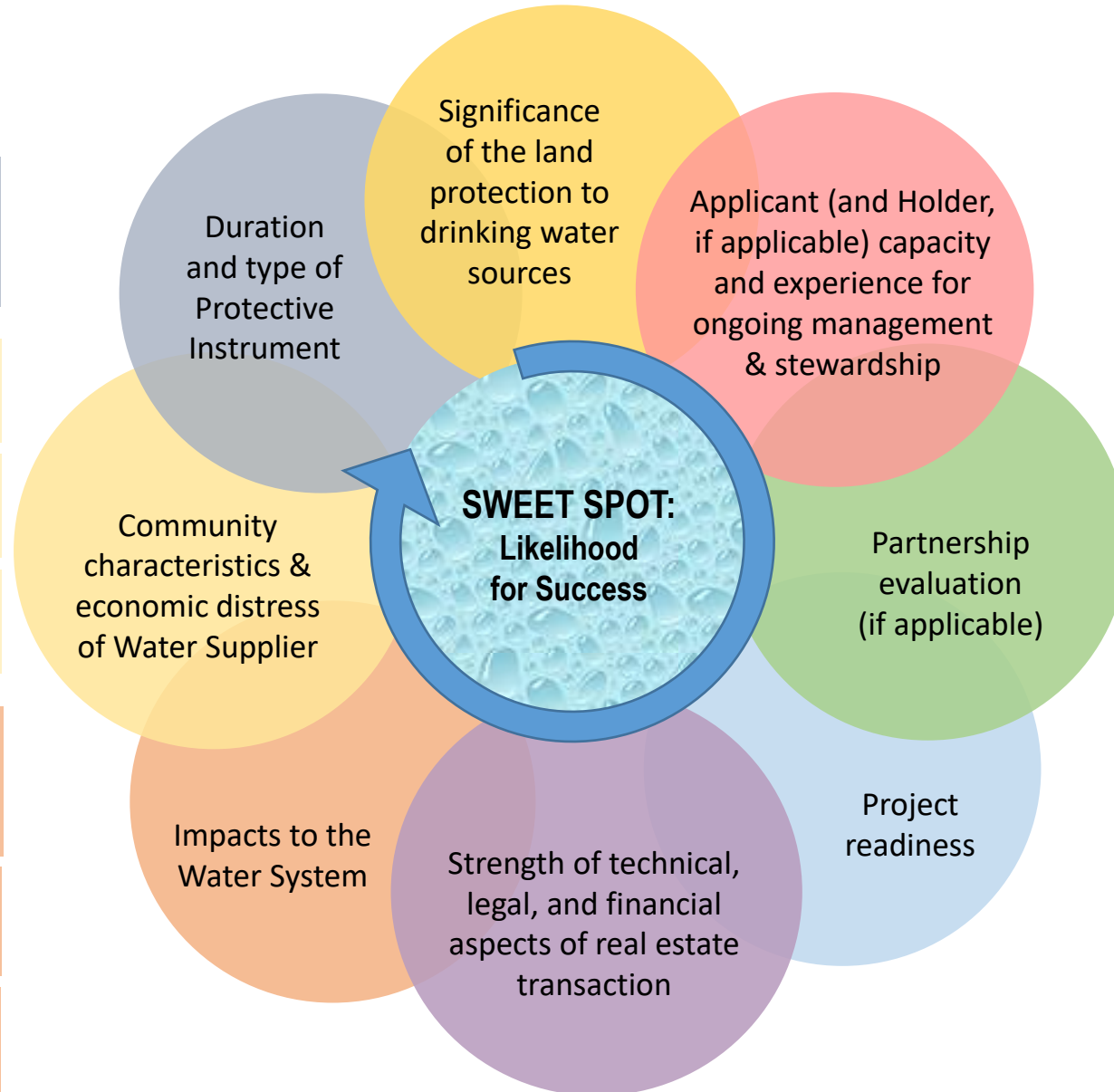
[OAR 695-005-0045](#):

(1) How engagement with, and input from, local communities disproportionately impacted by climate change has informed or will inform the project.

(2) How changing climate conditions are incorporated into the project and how the project will contribute to durable adaptation and resilience for ecosystems, including human communities.

(3) How consideration of greenhouse gas emissions or long-term carbon sequestration or storage has informed the project.

- Preference for longer-term agreements
- Small population size
- Lower income population
- Rural population
- Seasonal variations in number of users
- Drought or low water supply
- Extent of risks to water quality



- Sensitive areas, potential pollutants, potential sources of pollution identified in Source Water Assessment
- Existence of or plan to develop a long-term management plan, or justification as to why it is not necessary for the proposed Protective Instrument
- Clearly defined & documented partnership including respective roles & responsibilities
- Partnership mission in support of protection or restoration of natural resources and/or drinking water.
- Capacity & resources for long-term protection, restoration, and/or enhancement
- Ability to complete transaction & due diligence within grant timelines
- Quality of due diligence

# 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



Remember to sign up for OWEB GovDelivery to receive updates:  
<https://public.govdelivery.com/accounts/ORWEB/subscriber/new>

# Thank you!

## For More Information Contact

Audrey Squires, Drinking Water Source Protection Specialist

503.798.6337

[Audrey.L.Squires@oweb.oregon.gov](mailto:Audrey.L.Squires@oweb.oregon.gov)



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