



Mid-Coast Water Planning Partnership Meeting

Date: May 29, 2024, 5 PM – 8 PM

Location: Siletz Community Health Clinic, Siletz, Oregon and Zoom

Conveners: Seal Rock Water District, represented by Adam Denlinger

Project Team: Suzanne de Szoeki, Leah Cogan, Mikaela Clarke, and Molly Monroe of GSI Water Solutions, Inc.

Meeting Participants

In person:

Adam Denlinger – Seal Rock Water District
Alyssa Mucken – Oregon Water Resources Department
Andrea Sumerau – Confederated Tribes of the Siletz Indians
Stan Van de Wetering – Confederated Tribes of the Siletz Indians
Billie Jo Smith – Lincoln County Water Systems Alliance
Bradley Wynn – Seal Rock Water District
Brian Lorimer – City of Toledo
Caylin Barter – Wild Salmon Center
Evan Hayduk – MidCoast Watersheds Council
Fran Recht – Pacific States Marine Fisheries Commission
Jennifer Beathe – Starker Forests
Joe Moll – McKenzie River Trust
Kristen Larson – Business Oregon
Laura Johnson – Oregon Department of Environmental Quality (DEQ)
Leah Cogan – GSI Water Solutions, Inc.
Lili Prah – OWRD
Molly Monroe – GSI Water Solutions, Inc.
Nikki Hendricks – OWRD
Steve Parrett – DEQ
Steve Stewart – City of Newport
Suzanne de Szoeki – GSI Water Solutions, Inc.
Tyler Clouse – Lincoln Soil and Water Conservation District (SWCD)

Online:

Henry Pitts – Oregon State University graduate student
Mikaela Clarke – GSI Water Solutions, Inc.
Nicole Bailey – Business Oregon (BIZOR)
Rebecca McCoun – ODF
Theresa Burcsu – DEQ

Meeting Recording Timestamps

00:00 Opening remarks & participant introductions

09:28 Intro & agenda

16:11 Prioritizing Actions in the Water Action Plan overview

23:05 Consensus Decision Making overview

28:27 Prioritization decision making discussion

49:37 Proposed Charter updates

1:36:04 Early Implementation Activities Update

1:52:22 Funding Opportunities

1:54:00 Business Oregon (BizOR) Safe Drinking Water Revolving Loan Fund

2:05:30 BizOR Water/Wastewater Financing Program

2:19:36 OWRD Grants & Loans

2:34:24 MidCoast Watersheds Council funding sources

2:41:25 Lincoln SWCD funding sources

2:46:21 Wild Salmon Center streamflow funding opportunities

2:54:17 DEQ funding resources for drinking water protection

2:59:00 Partnership funding committee and partner reimbursement

2:59:46 Open comment time/final remarks

Prioritization of actions & consensus decision making

- Leah provided an overview of the prioritization process and reminded the group that the Coordinating Committee will be asking Charter signatories for a consensus decision on the prioritization of actions during the meeting.
- Adam gave an overview of the consensus decision-making process, and the group did not have any questions.

Prioritization decision making discussion

- Steve expressed DEQ's support for the prioritization of actions. He noted that many of the actions listed as A's complement each other, and there seem to be about 10 to 15 potential projects identified.
- The group discussed changing the priority of Action 40 in Imperative 8, Source Water Protection (*Furthering a working lands concept, advocate for incentives, and other strategies, that promote silvicultural practices that support restoration of watershed ecological function and protect drinking water source areas.*)
 - Jennifer proposed changing Action 40 from Priority B to A, and Action 41 from Priority A to B. She was concerned about the cost of acquisition and emphasized that with the end goal to protect lands and water; if we achieve that through 40, then 41 may not be as needed.
 - Billie Jo pointed out that just because 40 is a B does not mean it will not get done, but that it's a step toward the end goal of action 41.
 - Jennifer emphasized the importance of Action 40 in preserving forestry ownership and expressed concern about jobs being lost.
 - Leah mentioned actions 42 and 58, which are related to critical area protection and are priority A. Suzanne suggested making both 40 and 41 Priority A.

- Caylin expressed support for elevating Action 40 to Priority A, and Suzanne proposed the change to the group to decide.

Final consensus decision: Approve the action prioritization scores with the revision of moving Action 40 from Priority Group B to Priority Group A

Proposed Charter updates

- **The group will be asked to make a consensus decision on the proposed Charter changes at a future full Partnership meeting.**
- Alyssa (OWRD) provided an overview of changes to the MCWPP Charter
 - Proposed revisions were made in 2023, but members brought up concerns and the Coordinating Committee revised the proposed changes
 - Alyssa and others emphasized that it would be ideal to have Alan Fujishin at the meeting as he helped create the Charter and understands it well.
- Fran asked what grants the revisions are referring to on the 4th bullet on page 3, under Coordinating Committee. Alyssa clarified they are referring to greater oversight of internal grant dollars (e.g., ARPA) to support Partnership capacity, and Fran suggested clarifying that in the revisions.
- Leah reminded everyone that they can sign up to be a Charter signatory if nobody at their organization is and they want to.
- Caylin asked what decisions the consensus process applies to.
 - The Charter says for a “project, recommendation, or action the Partnership plans to take.”
- **The group discussed adding more clarification about when to invoke the consensus process but ultimately didn’t propose making any changes to this section of the Charter.**
 - Billie Jo pointed out that in the Coordinating Committee meetings, they call for a consensus decision when needed and commented that each group should reach a consensus on anything to be sent to the full Partnership. She expressed her concern with the consensus process because one person can stop an action from going forward. Fran noted that sometimes more discussion would be productive and highlighted that the Charter allows for a $\frac{3}{4}$ vote after a lot of effort has been made.
- Fran proposed that the Charter shouldn’t say “balances” the needs of ecosystems, communities, and economies in the Goals section on page 1 (the Coordinating Committee previously discussed this but decided not to propose a change – see Explanation of proposed Charter updates document); and suggested the word “considers” instead. Fran explained that we need to either define “balance” to clarify that it doesn’t necessarily mean equal priorities, or use a different word.
 - Leah pointed out that the language might have been chosen because it is in the place-based planning guidelines and Integrated Water Resources Strategy (IWRS).
 - Alyssa confirmed that ‘balancing instream and out of stream’ is used throughout the IWRS. Alyssa expressed concern about changing the goals of the Charter when many members weren’t involved in creating it.
 - Billie Jo noted that it is a big deal to change the original wording of the Charter.
- The group discussed potentially changing “balance” to another word. The group highlighted that Alan’s input would be important, and no decisions would be made tonight.
 - Tyler and others thought “consider” was clearer. Jennifer and others thought that “consider” could imply that issues weren’t given committed attention. Caylin supported not changing the Charter further since the revisions accurately reflect the

Partnership's priorities and explained that "balance" aligns with the statute and we are here to try to balance needs.

- Joe asked the group if they ever walked through tangible scenarios, and in what scenario the specific language of the Charter would be an issue in implementation.
 - Joe commented that many actions are already in motion (seeing that more than half are priorities), and during implementation, whether or not something was referenced in the Charter does not matter. Joe recommended making a consensus decision during the meeting and moving on.
 - Joe posed the question of whether any projects are really going to make people say they cannot be a part of the Partnership. Tyler mentioned that when applying for grants and referencing the goals, "balances needs" might be too specific because some projects may not "balance" both needs. However, Joe and Tyler agreed that it is unlikely anyone will be tracking that language.
- Billie Jo suggested using the word "includes" in the Charter because the needs of the environment and communities, etc., are included in the Action Plan.
- Joe gave an example of where this kind of language is built into a scoring system in OWRD grants program, where each area needs a minimum score. There are going to be some purely infrastructure projects that will not have instream benefits, but they are necessary. Joe noted that all of these things matter to us and we are going to try to take advantage of the opportunities we have, and we have a window of funding where we need to spend time on implementation.
- Fran suggested referencing the Water Action Plan as a whole to ensure consistency with the IWRS. The goals of the Plan are to balance needs, but not necessarily every project. A Plan goal is "work collaboratively to develop and support implementation of the water action plan that is consistent with the IWRS."
 - Jennifer emphasized that all the parts contribute to achieving the goal. Adam recalled a previous similar conversation the Partnership had about using action-based words and mentioned that statutory requirements will change, but he does not think that will impact the Charter.

GSI will revise the Goals section of the proposed Charter updates redline to include that the Water Action Plan be consistent with the IWRS and that balancing the needs will be in reference to the Water Action Plan as a whole. GSI will send out an updated draft with revisions for review.

The group did not make a consensus decision about this wording change. A consensus decision about proposed Charter updates is planned for the next full Partnership meeting in the fall.

Early Implementation Activities Update

- Suzanne presented on the early implementation efforts of the Partnership over the past few months
- Steve asked if people see the value in the Partnership tracking what is being implemented (with the Smartsheet) compared to their own tracking tools and what the advantages are to putting projects into the database.
 - Tyler commented that the interconnection and ability to see what other partners are doing would be beneficial. He also expressed concerns about whether someone will continue to update and maintain the Smartsheet tool past the point of GSI working with the Partnership.

- Steve pointed out that if the Partnership seeks larger pots of money, it will have a tracking system to point to with the Smartsheet. Rebecca added that the tool helps see the big picture and where leveraging can occur and would be important when shovel-ready project funding comes around.
- Alyssa mentioned that from a state perspective, the legislature is continuing to invest in place-based planning groups. Demonstrating the success of the group's efforts, time, energy, and resources is incredibly important.
- Fran reiterated Tyler's point about the Partnership's administrative sustainability. Administrative sustainability is mentioned as a high priority in the Action Plan (although it is not its own action).
- Billie Jo emphasized the need to form a committee to put together a grant request for more Partnership funding soon. Using the Smartsheet database would be helpful for that.

Funding Opportunities

- The Coordinating Committee has been discussing creating a funding committee.
- Several members of the Partnership gave overviews of funding sources their organization offers, as well as what funding sources their organization uses. These presentations are summarized below.

Nicole: Business Oregon (BizOR) Safe Drinking Water Revolving Loan Fund

- Wide eligibility for water system projects. Public, community, nonprofit water systems, or an entity seeking to create new water systems can apply.
- Federally funded, primarily offering low-interest loans and potential loan forgiveness
- Revolving fund structure for continual program funding
- Letters of interest (LOIs) are accepted anytime, and are reviewed once a year. The next review will be February 15, 2025. There has been increased interest and funding available through the Bipartisan Infrastructure Law Program
- Grant applications for planning projects for the Sustainable Infrastructure Planning Project (SIPP) Program are accepted twice a year. The program funds \$20,000 forgivable loan projects for rate analysis, leak detection, master planning, and more
- Open to communicating with communities on their plans for infrastructure or planning projects. Have several programs. Recommend engaging with regional development officers. Connect with Nicole or Kristen.

Safe Drinking Water Revolving Loan Fund Q&A:

- Steve: 1.) Is it being widely used on the Mid-Coast? 2.) Are there common mistakes you see or things that could improve applications?
 - 1.) We fund statewide. Coastal projects commonly involve seismic planning and improvement, and replacement of old piping. Eastern OR has lots of nitrate-affected groundwater sources or access to water issues. We hope to create some mapping resources to build a high-level picture of resources coming to BizOR.
 - 2.) Common missing pieces from an app: the letter of interest (LOI) is a simple form to get into the program, but the full application will need to be filled out once in the system. Preliminary engineering documentation is required for application (e.g., master plan, feasibility study). Smaller communities haven't necessarily engaged in that yet. Many people's cost estimates need to be readjusted for inflation, even if

they are only a couple of years old, so ensure those are up to date. BizOR and partners can perform a 'one-stop' conversation with funders and grant programs to game plan those cost estimates.

- The Safe Drinking Water Act created the program—projects should be focused on health, not solely fire suppression, population growth, etc.

Kristen: Business Oregon Water/Wastewater Financing Program

- State-funded program for eligible municipalities focused on helping water systems comply with the Safe Drinking Water Act (SDWA) and the Clean Drinking Water Act (CDWA).
- Loan program with some grant opportunities, based on different factors like median income and utility rates. Requirements and guidelines are through statutes/rules.
- Funds projects related to technical assistance, projects for water, wastewater, or stormwater. Must be implemented by contracted third-party entities, not in-house staff.
- Technical assistance: for municipalities with less than 15,000 people. Loans are up to \$60,000, grants are up to \$20,000. You can combine those. Low interest rates
 - Covers planning, studies, water/wastewater, and stormwater master plans, system partnership studies, etc.
 - Consolidation or regionalization is also covered
- Water projects: no population limitation. Funds any activities needed to implement an infrastructure project.
 - Needs to be focused on maintaining or returning to compliance with rules (SDWA and CDWA) focused on urgent needs. Documentation from a regulatory agency is required (e.g., OHA).
 - Urgent water supply or public health needs aren't compliance issues but do require third-party documentation.
- There are metering requirements for service connections for any projects
- Rolling applications (accepted anytime), accepted relatively quickly depending on project size

Water/Wastewater Financing Program Q&A:

- Adam: What are typical interest rates?
 - Right now, the average is 3% with a sliding scale for lower-income communities (OR median income is around \$70k)
- Is there no 10% overhead or indirect costs?
 - No, because municipalities have users who will fund those costs
- Adam: Do they provide technical assistance for filling out application requirements?
 - Yes they have a Regional Development Officer
- Adam: what interest do municipal water providers have in these programs to seek funding? Does the department have a surplus of funding carried over every year? To me it's a good program for water providers. When I talk to other districts about financing, they often don't realize that there are these opportunities.
 - The W/WWF is sufficiently allocated right now. There could be more interest but it's pretty steady. The compliance piece in the documentation might add a challenging element. The safe drinking water program has far more interest than we have capacity and funding for.
- Caylin: what projects are the metering requirements associated with?

- Construction projects, not planning. When you finish construction, there is a requirement in statute for this program to meter service connections.
- Caylin: do you know why this program has metering requirements?
 - Not sure of the original reasoning; it is just part of the statute

Alyssa: OWRD Placed-Based Planning, Feasibility Study Grants, Water Project Grants & Loans

- The MCWPP is funded by a Place-Based Planning grant
- OWRD has a program to help people who have had problems with household wells, a Water Measurement Cost Share Program (installing flowmeters or other measuring devices), and a new irrigation modernization program.
- Feasibility Study Grants:
 - Been around for about 10 years. Helps OR communities plan for their water needs. Program is under-utilized.
 - Water conservation, reuse, or storage (aboveground or underground like aquifer storage and recovery (ASR)) projects.
 - Competitive process. Application is reviewed by state agencies. Guidance documents online
 - Partnership should look at this to advance projects
 - Next deadline is Spring 2025
- Water Projects Grants and Loans (WPGL)
 - Focused on project moving from planning to implementation stage
 - Looking for projects with multiple benefits – statutorily required
 - Social/cultural, environmental, economic
 - Projects can also be streamflow restoration, water infrastructure. We see lots of conservation projects and instream water right transfers.
- Irrigation Modernization Funding
 - Looking for multiple benefits in each category
 - Doing 2 cycles each year for this and WPGL
 - Just did first solicitations, taking recommendations to the Water Resources Commission at their June meeting
 - You can be funded for these projects either under WPGL program or the Irrigation Modernization program. Irrigation modernization requires a federal match from WaterSmart, EPA, etc.
 - Small communities may not have federal match, so WPGL could be a better path
 - Due in July 2024
- Some actions in Action Plan speak to reuse, which hasn't had lots of traction with our programs yet

OWRD Grants & Loans Q&A:

- Fran: What are examples of flow restoration projects?
 - A common one would be an irrigation district, for example, would remove leaky canals and install piping instead. They take water savings from that and go through the allocation of conserved water program to transfer the amount of water saved to an instream water right – becomes a conservation project
- Fran: What about projects using longer rotation for growing trees to produce more water quantity?

- Not sure; the OWRD website lists past projects funded, which shows types of projects we've funded
- Fran: Are water conservation projects usually more related to irrigation efficiency?
 - That's more common in Oregon, because 80% of the state's diversions are for agricultural use, but we also see drinking water providers applying. There haven't been lots of projects in the Mid-Coast region
- Laura: It's cool that people can submit applications ahead of the deadline and get advice from OWRD. I see the co-benefits of infrastructure and source water protection for water providers and am excited about projects coming through. The limitations are the infrastructure design and engineering. I've worked with some that aren't ready, which is something to consider.

Evan: MidCoast Watersheds Council funding sources

- Most funding is project-based, so constantly applying for funding.
- Council Capacity funding from OWEB (~\$120,000) for biennium. OWEB is biggest funder
- State grants like OWEB, Forest Accord Mitigation Fund
- Federal – BLM project partner, money has been moved through OWEB from BLM
- Lots of partners help out, and private donations
- Could improve on soliciting donations

Tyler: Lincoln SWCD funding sources

- Baseline funding (Scope of Work funding), includes focus area that pays for water quality monitoring. ODA provides base funding
- Grant funded organization, not tax based even though it is a District
- Has some OWEB funds.
- Contracts out technicians (MCWC).
- USFS funds (will expand)– stable funding for work on Forest Service lands. Hoping to expand species list for noxious weeds projects.
- USFWS funds – growing.
- State parks – noxious weeds treatment
- Lincoln County Master Gardener Association – Oregon silverspot butterfly outreach
- Natural Resource Conservation Service (NRCS) funding – paired with OWEB or USFS funding so there is no cost to landowner but passed through District
- DEQ 319 grant, Siletz nutrient management plans

Caylin: Wild Salmon Center streamflow funding opportunities

- Lots of money flying around right now
- Newly available OWEB funding for acquiring instream WRs
- Private Forest Accord Mitigation account allocated to ODFW for instream WR transfers
- BLM WaterSmart funding, available right now
- Programmatic funding – OWEB stakeholder engagement funds, has a higher match now and no functional cap
- Oregon Agricultural Heritage Program (OAHP) has money again, used for practices on agricultural lands
- DEQ is redoing/updating TMDLs so there are opportunities there

- ODA is applying for an SIA (Strategic Implementation Area) in the Siletz River watershed
- New capacity in the governor's office for tracking federal money for tsunamis and landing it in Oregon

Comments

- Joe: A voice of the Partnership might not be as important as each individual partner here. ODFW Private Forest Accord Mitigation currently does not have funding in what would be submitted to the governor's budget. Funding coming out of industry, but state agreed to match it. Talk to legislators about its importance. Same for the OAHP.
 - Caylin: Yes, and some actions the Action Plan calls for the Partnership to advocate for these types of incentives and funds.
 - Billie Jo: Send something about that to us by email so we know what to say to our representatives

Laura (DEQ): Funding resources for drinking water protection

- If anybody has project ideas in the drinking water protection realm, please talk to me so we can figure out a good fit. Trying to amalgamate funding resources in drinking water protection.
- Clean Water State Revolving Fund next application deadline is in August 2024. DEQ administers it. Related to wastewater infrastructure projects, and non-point source projects. They have planning loans up to 100% forgiveness up to \$100,000. Can also be projects like design work for culvert replacements for reducing road sediment.
- Kristen: the Drinking Water State Revolving Fund also has drinking water source water protection grant programs in the spring. Has planning grants to plan for acquisition, easements, etc.

Final remarks

- Adam gave a brief history of the role of Seal Rock Water District (SRWD) in the Partnership. SRWD has been the lead agency for the past four years when it took over from Newport and has been involved since the project's inception. It is important to the District to be present at these events when we talk about how water is being used in the region.
- Adam informed the group that SRWD is looking to step away as the lead agency (fiscal agent) after the ARPA funding runs out at the end of the year, but he will continue to serve as convener. He reminded group members to think about what the Partnership will do when funding runs out. He noted that:
 - The Partnership needs to identify someone to serve as the lead agency to be a fiscal agent, apply for funding, etc.
 - Developing a funding committee is important to ensure funding is available for this group.

<p>Questions/Comments to Address</p> <ul style="list-style-type: none"> • 	<p>Decisions</p> <ul style="list-style-type: none"> • The Partnership approves the action prioritization scores with the revision of moving Action 40 from Priority Group B to Priority Group A
<p>GSI Action Items</p> <ul style="list-style-type: none"> • Send out meeting follow-up materials • Give people who request it access to the Smartsheet • Send an updated draft of the Charter with a revision about the Action Plan as a whole balancing environmental, community, and economic needs as a proposed revision to the Goals section 	<p>Partnership Action Items</p> <ul style="list-style-type: none"> • Look at meeting follow-up materials and request access to Smartsheet if interested in viewing it or inputting project information • Send GSI reimbursement form if needed to support your participation • Zoom participants: Email GSI the meeting feedback form if desired