

State of Oregon, Oregon Health Authority Drinking Water Services

# General Information Guide to 2024 Drinking Water Source Protection Loans and Grants

Information on Funding and Rating Projects

2-21-2024

## Table of Contents

General Statement.....	2
Types of Funds.....	2
How Funds are Disbursed.....	2
Eligibility and Other Restrictions .....	3
Project Timeliness and Extensions .....	3
Eligible Project Types.....	3
1. Enhanced Delineation .....	4
2. Enhanced Assessment:.....	4
3. Source Protection Planning.....	4
4. Implementation .....	5
5. Security .....	6
Types of projects and costs NOT eligible as part of DWSP funding .....	6
Build America Buy America (BABA) requirements and waivers.....	6
Prohibition of certain telecommunication and video surveillance services or equipment as part of DWSP funding.....	6
EMERGENCY Grants .....	7
Public Notification Requirements:.....	8
Next Step - after a Letter of Interest is submitted.....	8
Project Reporting Requirement.....	9
Project Rating Criteria .....	9
Background Information.....	13
Attachment A: Drinking Water Source Protection Loans & Grants Process and Approximate Timelines.....	14

## Drinking Water Source Protection *General Information on Funding and Rating Projects*

### General Statement

The FFY-2024 Funding Drinking Water Source Protection (DWSP) Letter of Interest (LOI) solicitation will be used to gather project proposal requests. Each LOI received by the close date will be reviewed, rated, and ranked. Funding for eligible projects begins in 2024 and is based upon overall project ranking, disadvantaged community status, and set-aside funding. Drinking water systems should prepare and submit information about their proposed projects on a [Drinking Water Source Protection Letter of Interest](#) form. For more information regarding drinking water source protection and purpose of the grants program please see “Background Information” near the end of this document. Note that there are guidelines for emergency projects that can be submitted at any time using the most recent form available on the OHA Drinking Water Services website.

**\*\*New for 2024, OHA will be accepting LOI for land acquisition (conservation) planning grants that will be funded with Bipartisan Infrastructure Law (BIL) funds.** Land acquisition for conservation purposes refers to the preservation of land to protect, restore, or enhance sources of drinking water serving eligible public water systems. Eligible conservation planning projects can include any studies or activities that involve or are related to assessing legal and/or financial feasibility of purchasing land, easements, etc... within an identified drinking water source area.

### Types of Funds

Three types of funding may be available for eligible drinking water source protection projects:

- 1. Land acquisition (conservation) planning grants** up to \$70,000 per project
- 2. Low interest source protection loans** up to a maximum of \$100,000 per project.\*
- 3. Source protection grant funds** up to \$50,000 per water system.

\*Land purchases must be made with a source protection loan.

### How Funds are Disbursed

Awarded funds must be spent within 2 years of contract execution. Any grant or loan awards not spent in that timeframe may be subject to forfeiture. Grant and loan funding is disbursed on a reimbursement basis for costs incurred after a Business Oregon funding contract has been signed. **Costs incurred prior to a signed funding contract are not eligible for funding.** Disbursement of funds may only occur after contract execution. Funded projects are managed by Business Oregon and are subject to project management requirements and other funded project

requirements (i.e., environmental review, state procurement standards, etc.) as identified in Appendix C of the [Safe Drinking Water Handbook](#).

## Eligibility and Other Restrictions

Any Public and Privately-owned Community and Nonprofit Non-Community water systems with a completed *Source Water Assessment* or *Source Water Assessment update* are eligible for funds.

A “community water system” is defined as a public water system that has 15 or more service connections used by year-round residents, or which regularly serves 25 or more year-round residents. This includes water systems that are owned privately, by non-profit or public entities such as a city, district, or port.

A “nonprofit non-community water system” is a public water system that is not a community water system and that regularly serves at least 25 people (more than 6 months per year) and is legally recognized under Oregon law as a nonprofit entity.

- Water systems that have received Drinking Water Source Protection loans and/or grants in each of the last two years are not eligible for loans or grants in the current year.
- Water systems involved with an OHA funded drinking water source protection project that has not yet been completed must demonstrate, in their 2024 LOI, an active pursuit of the current project to be eligible for funding for an additional project.
- Water systems that have two open OHA funded drinking water source protection projects that have not yet been completed are not eligible for loans and grants in the current year.

Federally owned water systems and for-profit non-community water systems are not eligible for Drinking Water Source Protection funds.

## Project Timeliness and Extensions

Projects must be contracted with Business Oregon within one year of being recommended by OHA for funding. If a contract is not reached with Business Oregon within one year, the water system forfeits the grant and must reapply for funding. Contracted projects must be completed within two years of the day that a funding contract is signed with Business Oregon. If needed, a one-year extension may be granted upon request. A second one-year extension may be granted pending circumstances beyond water system control such as natural disaster, pandemic, and/or project scope refinement due to unanticipated costs. Following two 1-year project extensions, the water system forfeits remaining funds and must reapply for funding.

## Eligible Project Types

Eligible projects must be focused on the delineated source water area of an active public water supply well, spring, and/or surface water intake. Projects focused on areas that are specific to inactive and/or emergency supplies are not eligible for funding. Eligible activities include those that lead to risk reduction within the delineated source water area or would contribute to a reduction in contaminant concentration within the active drinking water source. Projects can take either a local or regional approach. Local projects are defined as activities that concentrate

on a public water system's source area(s). Regional projects are defined as activities that involve multiple communities and/or water systems attempting to address a common source water issue or group of issues within their identified drinking water source areas.

**Applicants are encouraged to contact the OHA or DEQ staff identified at the end of this document with questions about project ideas and/or project eligibility.** Pollution reduction strategies and additional resources are available on DEQ's website, including resource guides for surface water and for groundwater.

Funding sources are split into two broad categories; (1) traditional Drinking Water Source Protection (DWSP) Loans/Grants and (2) Bipartisan Infrastructure Law (BIL) funded Land Acquisition (Conservation) Grants. BIL funded Land Acquisition Grants can be used for conservation projects directed at planning for land purchases, easements, etc... within the identified drinking water source area. BIL funding is made available through the Infrastructure Investment and Jobs Act and provides the US Environmental Protection Agency (EPA) with grant funds that can be appropriated to states for investments in drinking water infrastructure from 2022 through 2026.

The categories for eligible projects for DWSP funding include the following:

### 1. Enhanced Delineation

OHA and DEQ have completed delineations for most drinking water source areas (DWSA) for community and non-community public water systems. DWSAs include capture zone/aquifer recharge areas for groundwater sources and fifth-field watershed areas for surface sources. DWSP funding can be used to complete, update, or refine DWSA delineations using new or additional site-specific information as part of a more comprehensive protection strategy.

### 2. Enhanced Assessment:

A) **Inventory** – Projects that improve upon existing potential contaminant source inventories available from DEQ databases, Geographic Information System layers, and Assessment Reports prepared by OHA/DEQ. A project could involve expanding or updating the inventory of land uses or existing and potential point and non-point contaminant sources.

B) **Evaluation** – Projects establishing a water quality monitoring project to evaluate existing and potential threats to water quality, including chemical and/or biological drinking water quality threats not currently regulated under the federal Safe Drinking Water Act. This could include evaluating and prioritizing potential threats (or protection activities) based upon new or more detailed information.

### 3. Source Protection Planning

Projects designed to identify appropriate protection measures, including development of a comprehensive Drinking Water Source Protection (DWSP) plan, educational projects, projects to identify and ensure implementation of Best Management Practices (BMPs), development of local

DWSP ordinances, development of restoration or conservation plans for the source area for future easement or land acquisition.

#### 4. Implementation

Funds can be used to implement many types of protection strategies in drinking water source areas. This can include implementation of any *eligible activities that will reduce risks within the source water area or would contribute to a reduction of contaminant concentration within the drinking water source(s)*. The list of eligible projects has been structured to show specific ideas and higher priorities for current grant funding for source water protection. These projects can be combined and expanded to include other pollution prevention projects not specifically listed.

Types of projects that can be evaluated for funding include:

- Projects for reducing pesticide application rates and loadings in source area
- Implementing household hazardous waste collection events
- Implementing drug-take-back projects in source areas
- Focused workshop events for household/business instruction for changing to alternative nonhazardous product usage (“green chemical” products)
- Permanent abandonment and decommissioning of high-risk abandoned or unused (private or irrigation) wells near public water supply wells or within the source area. For more information about well abandonment, see the [Water Well Owner’s Handbook](#).
- Projects for reforestation or replanting in riparian or other sensitive areas
- Installation of signs at boundaries of zones or protection areas
- Projects to decommission onsite septic systems and connect homes to existing sewer lines
- Seismic spill prevention or inspection project in proximate areas for high-risk sources
- Installation of fencing around the intake or well area to provide protection of “sensitive source water areas” (see “Security” below)
- Secondary containment for high-risk above ground storage tanks outside the 100 foot setback (note this excludes fuel tanks for water system emergency water sources)
- Structures to divert contaminated stormwater runoff affecting the source area
- Installation of fencing to protect sensitive riparian source areas
- Implementation of pollution prevention or waste reduction projects
- Restoration and/or conservation projects within the drinking water source area
- Implementation of water reuse and other conservation measures related to source protection
- Implementation of best management practice projects
- Implementation of a drinking water source protection ordinance
- Development of educational flyers/brochures for purposes of public education
- Purchase of lands within the drinking water source area (only via source protection loan)
- \*Implementation of conservation easements to protect sensitive source areas
- \*Establishing management plans for conservation easements or lands purchased within source areas
- \*Set up an ecosystem services project in watershed to fund preservation areas (see [here](#)).
- \*Studies to assess the legal and/or financial feasibility of purchasing lands within a drinking water source area

\* Examples of implementation projects eligible for BIL funded grants

## 5. Security

Funds can be used to implement certain security measures as long as the project reduces the risk of contamination to the source area or intake/well. This can include fencing around sensitive areas near wells or intakes, gates for access roads, alarms, signs, cameras, locks and lights if these are clearly intended to protect highly sensitive source water areas (such as 1- or 2-yr Time-of-Travel zones or a sensitive portion of the aquifer within the 2-year Time-of-Travel zone) and not just equipment, facilities, and/or the sanitary setback. Security measures intended to only protect water system facilities or equipment are not eligible for funding (see below).

### Types of projects and costs NOT eligible as part of DWSP funding

- Administrative expenses incurred by the grant/loan recipient as a result of the project
- Operations and maintenance of the system
- Routine or required follow-up source water monitoring
- Purchase or maintenance of treatment facilities
- Fencing of routine 100-foot setbacks, or fencing around storage tanks or reservoirs
- Security measures designed to reduce theft or vandalism of facilities
- Routine regulatory requirements
- Easements for required 100-ft setbacks around public water supply wells or springs

### Build America Buy America (BABA) requirements and waivers

The Build America Buy America Act, enacted as part of the Infrastructure Investment and Jobs Act (also known as the Bipartisan Infrastructure Law) on November 15, 2021, established a domestic content procurement preference for all Federal financial assistance obligated for infrastructure projects after May 14, 2022. The domestic content procurement preference requires that all iron, steel, manufactured products, and construction materials used in covered infrastructure projects are produced in the United States.

As of September 26, 2022: Due to the critical need to reduce the administrative burden for recipients and agencies to ensure recipients can effectively carry out the EPA-funded activity in a timely manner thus reducing risks to human health and the environment, it was determined by the EPA that it is in the public interest to waive Build America, Buy America requirements for small projects. The small projects waiver applies to projects receiving in total federal funding assistance under \$250,000. This waiver may not apply to systems that have multiple combined federal funding awards that total \$250,000 or more. EPA will review this waiver every five years after the date on which the waiver is issued.

### Prohibition of certain telecommunication and video surveillance services or equipment as part of DWSP funding

DWSP loans and grants are made available under the Federal Safe Drinking Water Act section 1452(k) via a Local Assistance Set-Aside from the Oregon Safe Drinking Water Revolving Loan

Fund Program. As a Federally funded program, recipients and subrecipients of DWSP funds must comply with regulations at [2 CFR 200.216](#), *Prohibition on certain telecommunication and video surveillance services or equipment*, implementing section 889 of [Public Law 115-232](#). Prohibitions extend to the use of Federal funds by recipients and subrecipients to enter into a contract with an entity that “uses any equipment, system, or service that uses covered telecommunications equipment or services” as a substantial or essential component of any system, or as a critical technology as part of any system. Certain equipment, systems, or services including those produced or provided by entities subject to the prohibition are recorded in the [System for Award Management](#) (SAM) exclusion list.

As described in section 889 of Public Law 115-232, covered telecommunications equipment or services includes:

- Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
- For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
- Telecommunications or video surveillance services provided by such entities or using such equipment.
- Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

There is no exhaustive list of components and services that fall under the prohibition. State SRF managers and local assistance recipients should exercise due diligence and be particularly mindful of project components with internet or cellular connections. **Items included in the prohibition are not eligible DWSP costs, and the SRF programs cannot reimburse borrowers for these costs.**

## EMERGENCY Grants

Subject to OHA Drinking Water Services approval, a project may be funded outside of the regularly scheduled grant funding cycle under the “Emergency Project” designation. In order to be characterized as an “emergency”, the project must meet all the following characteristics:

1. The water quality threat came from a reasonably unexpected occurrence or catastrophe (Note that a situation arising from preventable negligence on the part of the water system will not likely be eligible),
2. The water quality threat has occurred within 180 days before Letter of Interest (LOI) is submitted to the Authority,
3. Entails an immediate risk of a dangerous lack or loss of potable drinking water for an extended time period,

4. Represents a current or future threat to public health, and
5. The Letter of Interest for the “Emergency Project” must score 85 or more points using the existing Drinking Water Source Protection LOI scoring system.\*

\*If it is determined that excess funds are available for Emergency Grants, the 85 point scoring requirement may be reduced to 60 points by OHA.

## Public Notification Requirements:

<b>DWSRF Public Notice Policy</b> <i>(revised 09-15-21)</i>	
<b>Project Type:</b>	<b>Days Published*</b>
Infrastructure (non-emergency loans)	<b>10</b>
Infrastructure (Emergency loans)	<b>N/A**</b>
DWSP (non-emergency grants and/or loans)	<b>10</b>
DWSP (Emergency grants only)	<b>N/A**</b>
DWSP (Emergency grants with loans)	<b>grant: N/A** &amp; loan: 10</b>
SIPP (non-emergency forgivable loans)	<b>10</b>
SSEA (non-emergency forgivable loans)	<b>10</b>
Environmental Justice (non-emergency forgivable loans)	<b>10</b>
* 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	

## Next Step - after a Letter of Interest is submitted

Attachment A, at the end of this document, contains a flowchart of the major steps that occur from the time that an LOI is submitted through the close of a selected project. Each Drinking Water Source Protection project proposal submitted on an LOI form is reviewed and evaluated. LOI received from groundwater systems are reviewed and evaluated by the Drinking Water Services staff at the Oregon Health Authority. LOI received from surface water systems are reviewed and evaluated by the Drinking Water Protection staff at the Department of Environmental Quality, Water Quality Division.

Each scored project is then placed on a numerically ranked Drinking Water Source Protection Project Priority List (PPL). Projects directed at land acquisition planning will be placed on a separate PPL and scored for funding through the available Bipartisan Infrastructure Law (BIL) funds. On each PPL, projects scoring 60 or more points will be eligible for funding. For those projects considered eligible for funding, additional consideration will be given to disadvantaged communities as defined by OHA-DWS. The additional consideration will be in the form of 10

points that will be given to those eligible projects that were submitted by water systems from disadvantaged communities. Projects on both PPLs will then be ranked for funding based on total points (project ranking points + disadvantaged community status points). Should there be a tie score between two or more projects, projects from disadvantaged systems will be given preference, after which there will be consideration for dividing total available grant funds as evenly as possible between surface water and groundwater projects. Once the eligible projects have been prioritized, Oregon Health Authority DWS will notify the project contacts of the results. Those projects selected to proceed to the financing phase may then begin the funding process with the assistance of Business Oregon, Infrastructure Finance Authority (IFA). Work conducted prior to a signed funding contract with Business Oregon is not eligible for reimbursement. If applicable, environmental review requirements must be satisfied prior to commencing the project. Note that due to staff workloads and funded project requirements, project contracting might not be completed until Fall 2024. Please contact a Business Oregon Regional Development Officer if you have questions specific to funding timelines ( see <https://www.oregon.gov/biz/aboutus/regions/Pages/default.aspx> ).

## Project Reporting Requirement

When a project involves a study that includes the collection of data or water quality monitoring results, a brief report will be required that includes a project narrative, presentation of data, data interpretation, and conclusions. Project reports should be submitted to the OHA-DWS Groundwater Coordinator.

Grant agreements for projects that include the development of plans such as watershed protection plans, drinking water source protection plans, or forest management plans may include conditions requiring review and comment from OHA or DEQ during project work and before the final grant disbursement.

## Project Rating Criteria

Drinking Water Source Protection project submittals will be rated by the state agencies based upon the following five criteria\*:

- area and level of sensitivity of the drinking water source,
- presence of high-risk sources of contamination within the drinking water source area,
- contaminant detections at the source,
- proposed reduction or prevention activities, and
- risk reduction potential.

\*Note that additional consideration will be given to projects submitted by disadvantaged communities that score 60 or more project rating criteria points. The additional consideration will be in the form of 10 disadvantaged community status points that will be added to the project rating point total for an overall score.

1. **Area in which the proposed project is focused (either A or B): [maximum 20 points]**
  - A. For surface water, within identified sensitive areas in the source watershed, defined as any one of these:
    1. Project within 1000 feet from the centerline of all perennial streams or

canals, and within an 8-hour time-of travel upstream from the stream/canal intake [20]

2. Project within 1000 feet from the perimeter of a reservoir or lake, and within 1000 feet from the centerline of all perennial streams flowing into the reservoir or lake [20]
3. Project within other sensitive areas identified in the Source Water Assessment Report [20]
4. Project outside of sensitive areas, but significant contribution to source waters [10]

B. For groundwater, within identified sensitive areas in the source area, defined as any one of these:

1. Highly sensitive water sources based on aquifer characteristics or well construction
  - a. Project within 2-year time-of-travel boundary for wells or within Zone 1 for springs [20]
  - b. Project outside 2-year time-of-travel boundary for wells or outside Zone 1 for springs [10]
2. Moderately sensitive water sources based on aquifer characteristics or well construction
  - a. Project within 2-year time-of-travel boundary for wells or within Zone 1 for springs [15]
  - b. Project outside the 2-year time-of-travel boundary for wells or outside of Zone 1 for springs [5]

**2. Number and distribution of potential contaminant sources within the drinking water source area: [maximum 10 points]**

A. For surface water systems, either 1 or 2:

1. The number of identified high- and moderate-risk potential contaminant sources within the sensitive areas as identified in the Source Water Assessment
  - a. <3 [3]
  - b. 3-7 [5]
  - c. >7 [10]
2. The percentage of sensitive area(s) covered by high- and moderate- risk NONPOINT potential contaminant sources, including Irrigated crops, Grazing animals (>5 large animals/acre), Biosolids application site, Privately-owned managed forest lands, Recent burn areas (<10 years), High density septic systems (>1/acre):
  - a. <25% [3]
  - b. 25-50% [5]
  - c. >50% [10]

B. For groundwater systems:

1. The number of identified high- and moderate-risk potential contaminant sources within the sensitive areas

- a. Within the 2-year time-of-travel boundary for wells or within Zone 1 for springs
      - 1. <3 [1]
      - 2. 3-10 [3]
      - 3. >10 [5]
    - b. Outside the 2-year time-of-travel boundary for wells or outside Zone 1 for springs
      - 1. <10 [1]
      - 2. 10-20 [3]
      - 3. >20 [5]
  - 2. The density of high-risk sources within the entire source area
    - a. <10/ mi<sup>2</sup> [1] (mi<sup>2</sup> = square miles)
    - b. 10-25/mi<sup>2</sup> [3]
    - c. >25/mi<sup>2</sup> [5]
- 3. **Confirmed contaminant detections at a system’s well(s), spring(s), intake(s), or data demonstrating an imminent threat to those systems with detections in groundwater or surface water source area: [maximum 20 points]**
  - A. Turbidity (ntu = nephelometric turbidity units)
    - 1. Routinely >1.0 ntu [5]
    - 2. Occasional spikes > 5.0 ntu [15]
    - 3. More than one closure to high turbidity [20]
  - B. Acute illness threats (nitrate and microorganisms)
    - 1. Nitrate at concentrations between 20 and 50% of the SDWA MCL [10]
    - 2. Nitrate, multiple detections of concentrations between 50% and the SDWA MCL [15]
    - 3. Confirmed fecal coliforms, viruses, or protozoa in the source [20]
    - 4. Nitrate, multiple detections of concentrations at or above the SDWA MCL [20]
  - C. Chronic illness threats (volatile organics, pesticides, and non-SDWA toxics)
    - 1. Confirmed multiple detections at concentrations <50% SDWA MCL [10]
    - 2. Confirmed multiple detections of non-SDWA toxics (listed within most current DEQ Agency Toxics Strategy) [10]  
<https://www.oregon.gov/deq/Hazards-and-Cleanup/ToxicReduction/Pages/Reducing-Toxics.aspx>
    - 3. Confirmed multiple detections at concentrations between 50% and the SDWA MCL [15]
    - 4. Confirmed multiple detections at concentrations at or above the SDWA MCL [20]
- 4. **Drinking water protection activities [maximum 20 points]**
  - A. Risk reduction plans.
    - 1. The water system/community has developed detailed risk-reduction plans for one or more of the high-risk potential contaminant sources within their source area but has not yet achieved substantial implementation [10]
    - 2. The water system/community has a certified Drinking Water Source Protection Plan but has not yet achieved substantial implementation [10]

3. The water system/community has developed detailed risk-reduction plans for one or more of the high-risk potential contaminant sources within their source area or has a certified Drinking Water Protection Plan and has already achieved substantial implementation [5]
  4. The water system/community has developed detailed risk-reduction plans to address moderate risks within their source area [3]
  - B. The project involves multiple public water systems, addresses local land-use planning issues, or is connected to regional water quality issues and strategies [10]
- 5. Risk reduction potential: [maximum 30 points]**
- A. Project specifically focuses on priority pollutants
    1. Surface water systems: turbidity, sediments, microorganisms, nitrates, volatile organics, pesticides, non-SDWA toxics (defined in Section 3 above) [10]
    2. Groundwater systems: nitrates, microorganisms, volatile organics, pesticides, non-SDWA toxics (defined in Section 3 above) [10]
  - B. Based on the project description submitted in the Letter of Interest, the project has a reasonable likelihood to reduce the risk or pollutant load from identified potential sources of contamination. Anticipated project results will be evaluated based on similar project successes, as well as effectiveness and ease of implementation. The reduction of pollutants must be expected within a reasonable timeframe. Pollutants to be addressed must be those of toxicological concern at the current levels or spikes, detected either in the source area or at the intake/well/spring. [20]

**For More Information:**

- **Tom Pattee, OHA Drinking Water Services (Springfield),**  
ph. 541-684-2440 or by e-mail: [tom.pattee@oha.oregon.gov](mailto:tom.pattee@oha.oregon.gov)
- **Julie Harvey, DEQ Water Quality Division (Portland),**  
ph. 503-229-5664, or by e-mail: [julie.harvey@deq.oregon.gov](mailto:julie.harvey@deq.oregon.gov)
- **Adam DeSemples, OHA Drinking Water Services (Portland),**  
ph. 503-956-8287, or by e-mail: [adam.desemples@oha.oregon.gov](mailto:adam.desemples@oha.oregon.gov)
- **Contact a Business Oregon Regional Development Officer if you have questions specific to funded project requirements**  
(<https://www.oregon.gov/biz/aboutus/regions/Pages/default.aspx> ).

## Background Information

The Oregon Health Authority (OHA), in collaboration with the Department of Environmental Quality (DEQ) are pleased to announce the availability of Drinking Water Source Protection Loans and Grants. Loans and grants are available to implement projects to protect existing sources of public drinking water.

The 1996 Federal Safe Drinking Water Act (SDWA) Amendments provided resources to DEQ and OHA to provide drinking water protection assistance to public water systems and communities. Source water assessments were completed between 1999 and 2005 for all Oregon public water systems that have at least 15 connections or serve more than 25 people year-round. As a result, DEQ and OHA identified groundwater and surface water source areas which supply public water systems, inventoried each of those areas to determine potential sources of contamination, identified sensitive areas, and determined water system susceptibility to contamination. Between 2016 and 2024, the agencies have been completing updates to Source Water Assessments to provide water systems and communities more detailed information regarding the watershed or source water area that supplies their well, spring or intake. One goal in conducting source water assessments is to provide public access to the results. Additional information on Source Water Assessments and updates can be found at:

<https://www.oregon.gov/deq/wq/programs/Pages/dwp.aspx>

Source water assessments are the foundation for drinking water protection planning. There are no federal or state requirements for developing protection plans as a follow-up to the assessments, but OHA and DEQ provide technical assistance to communities that choose to move beyond the assessments and develop and implement drinking water protection strategies. These strategies can be prepared either by a consultant or the community. In either case, strategies should be developed with the assistance and input of stakeholders and local leaders. With agency assistance, the local community can use the assessment results to voluntarily develop a management approach to reduce the risks of contamination, or simply elect to implement pollution reduction strategies within their source area. Pollution reduction strategies and additional resources are available on DEQ's website (<https://www.oregon.gov/deq/wq/programs/Pages/DWP-Source.aspx>) including Resource Guides for both surface water and groundwater.

The primary incentive for local communities to voluntarily implement drinking water protection is the benefit of a more secure source of high-quality water. Other incentives include lower costs to the public by: (a) a reduction in OHA public water supply monitoring requirements and (b) reduced likelihood of costs for replacement and/or treatment of contaminated drinking water. It is extremely expensive to treat contaminated drinking water or to find an alternative source should a water supply be lost because of contamination. Long-term assurances of a safe and adequate drinking water supply also helps protect property values and preserve the local and regional economic growth potential for the area.

State agencies realize that most public water providers are not able to develop or implement strategies to protect their source water without assistance through low interest loans or grants. Many public water providers also need technical assistance from state staff. Oregon OHA and DEQ are committed to providing as much assistance as possible to achieve pollution prevention or reduction activities to reduce the risk of contamination. Agency staff can assist in planning for protection or choosing the most cost-effective reduction measures and locations. After public water systems receive loans or grants, staff resources are also available to assist in implementation of the funded strategies.

## Attachment A: Drinking Water Source Protection Loans & Grants Process and Approximate Timelines.

