



Clean Water State Revolving Fund Loan Program

Intended Use Plan
State Fiscal Year 2011

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State of Oregon
Department of
Environmental
Quality



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Introduction

The Intended Use Plan (IUP) is a document prepared for the U.S. Environmental Protection Agency (EPA) and others interested in Oregon's Clean Water State Revolving Fund (CWSRF) Loan Program. This IUP describes how the Oregon Department of Environmental Quality (DEQ) proposes to use the Clean Water State Revolving Fund during the state fiscal year 2011 (July 1, 2010 through June 30, 2011). The FY 2011 IUP will remain in effect until the IUP for state fiscal year 2012 is developed and finalized, or until this IUP is updated in the current fiscal year. DEQ's CWSRF Loan Program offers below-market interest rate loans to public agencies for planning, design, construction, or implementation of the following water pollution abatement projects:

- 1) Wastewater collection, treatment, water reuse and disposal systems
- 2) Non-point source water pollution control projects
- 3) Development and implementation of management plans for federally-designated estuaries in Oregon (Tillamook and Lower Columbia)

All eligible projects that have submitted applications are included on the list of eligible projects in priority order ("Project Priority List"). However, no funds are committed or reserved for individual projects until all application requirements are met. This indicates the project's readiness to proceed to a loan agreement. Projects that are ready to proceed and have executed a loan agreement with DEQ are funded in priority order.

All CWSRF program activities are governed by Oregon Administrative Rules (OAR) Chapter 340, Division 54, which can be found on the State's web site:

http://arcweb.sos.state.or.us/rules/OARs_300/OAR_340/340_054.html

Intended Use Plan

This proposed Intended Use Plan includes any new loan applications received by the CWSRF program since the 2010 IUP was finalized. It also includes information required to receive federal funding through EPA appropriations and the resulting CWSRF capitalization grants. To meet new capitalization grant requirements, DEQ proposed new temporary administrative rules (OAR 340-054-25 and -65) that were adopted by the Environmental Quality Commission (EQC) on April 29, 2010 and became effective May 4, 2010. These rules address a green project reserve and additional subsidization (as principal forgiveness) allocations. This updated IUP will become effective upon the close of the required public comment period and after DEQ responds to any public comments that are received.

Environmental Benefits of Projects

EPA requires all new projects funded with CWSRF loans to have a demonstrated environmental benefit. States must document this benefit by including either specific projected environmental results or outcome measurements in their IUP. They can also choose to place a statement in their IUP that they will enter data into the Clean Water Benefits Reporting database for each project that enters into a binding commitment. DEQ will enter the required data in the database for each new project upon execution of each new CWSRF loan. This information is entered into an on-line, web-based database maintained by EPA.

Public Notice of Environmental Assessment

Projects funded under authority of Section 212 of the Clean Water Act must have an analysis of the environmental impact of the proposed project. The environmental review process includes the opportunity for public review and comment which is generally a 30-day period. DEQ issues a public notice for each project in the local area where the project occurs. This public notice may also be required for Section 319 and Section 320 projects that are also considered Section 212 projects.

CWSRF Program Goals

Long Term Program Goals

- Goal #1: Protect public health and the waters of the state by offering financial assistance for water pollution control projects.
- Goal #2: Provide financial support for water quality improvements to all waters of the state.
- Goal #3: Administer the Clean Water State Revolving Fund to ensure its financial integrity, viability and perpetuity as a source of financial assistance.
- Goal #4: Assist public agencies as they strive to achieve and maintain statewide compliance with federal and state water quality standards.

Short Term Program Goals

- Goal #1: Continue to maintain the revolving nature of the Fund and to maintain an active pace of disbursements in conjunction with the receipt of new funds and loan repayments.
- Goal #2: Provide the type and amount of financial assistance most advantageous to public agencies, to the maximum extent possible within the constraints of sound financial management, law and regulation.
- Goal #3: Increase the number of loans to a wider range of water quality projects statewide, including non-point source and estuary management projects.
- Goal #4: Continue our participation with other state and federal programs in providing financial assistance to Oregon communities.
- Goal #5: Use, to the extent required and within the capability of the program, any re-allotted ARRA money and funding from the regular CWSRF loan program in combination to assist communities who need to complete water quality improvement projects.
- Goal #6: Provide technical assistance to public agencies to assess their operations and infrastructure needs that will result in water quality improvement.

2010 Federal Capitalization Grant Requirements

Federal grant requirements become conditions that must be met for Oregon to receive its federal funding allocation. The annual federal capitalization grant provides additional funding that increases Oregon's CWSRF capacity to fund water quality improvement projects. The 2010 capitalization grant for DEQ's CWSRF program of \$23,017,000 requires conditions similar to the 2009 American Recovery and Reinvestment Act (ARRA) grant. Requirements to fund green projects and to provide additional subsidization are addressed in this IUP.

Green Project Reserve

Oregon's CWSRF 2010 IUP identifies and describes projects that meet EPA's criteria for green project reserve (GPR). This IUP contains GPR projects whose CWSRF assistance is at least equal to 20 percent of the total capitalization grant (\$4,603,400). The descriptions indicate in which of four categories the project qualifies: green infrastructure, water efficiency improvements, energy efficiency improvements, or environmentally innovative activities. If a potential GPR project is not listed as a categorically eligible project under EPA's guidance, it requires a business case to qualify. For qualifying projects, costs applicable to GPR are identified for each project. The Project Description section identifies 22 projects totaling \$54,568,912 that meet one or more of the four GPR categories. This information is also presented in Table 2 and qualifying projects that DEQ anticipates will enter into loan agreements are listed in Table 5.

Additional Subsidization

The 2010 federal Appropriations Act requires states to provide additional subsidization to projects, as was required for the ARRA expenditure requirements in 2009. DEQ will use principal forgiveness as the form of subsidization. Principal forgiveness is applied to the principal loan amount effectively reducing the loan and future loan repayments. The minimum amount of principal forgiveness DEQ needs to provide from the FY 2010 capitalization grant is \$3,447,216. Non-point source control and estuary management projects are eligible for principal forgiveness in an amount that may not exceed 30% of the loan amount or \$1 million dollars, whichever is less. Planning projects are also eligible and are limited to no more than 30% of the loan amount for any single planning project (340-054-0065(13)(b)).

To calculate principal forgiveness for Section 212 projects DEQ utilizes median household income (MHI) as reported in the 2000 U.S. Census to determine qualifying communities. A project applicant who has a MHI is less than the statewide MHI (\$40,916 per year) qualifies. DEQ then uses their MHI as a factor in a calculation, based on the Portland consumer price index, to determine an "affordability rate" (ability to repay loan and projected sewer rate increases). This rate is unique to each project applicant. If a borrower's projected sewer rate, when the project is complete, will be higher than their affordability rate, the borrower is eligible to receive principal forgiveness included in the loan. The determination of principal forgiveness is provided in OAR 340-054-0065. Projects eligible and ready to proceed will receive principal forgiveness in the amount that qualifies as listed in Table 5.

FY 2010 Cap Grant Payment Schedule

DEQ believes the 2010 capitalization grant will be awarded by the end of August 2010. The proposed grant payment schedule will be as follows:

September 2010: \$3,000,000
October 2010 – December 2010: \$7,000,000
January 2011 – March 2011: \$7,000,000
April 2011 – June 2011: \$6,017,000

The 2009 American Recovery and Reinvestment Act (ARRA) and Oregon's CWSRF Loan Program

Re-allotment

DEQ will regularly review data reported to EPA (through the Clean Water Benefits Reporting database and other reports) to ensure ARRA requirements and deadlines are met for the expeditious and timely commitment of funds. This review will determine progress of borrowers under statutory deadlines to identify any issues that could jeopardize their funding. DEQ will also work with borrowers to ensure compliance with applicable requirements and will resolve any resulting issues using CWSRF resources and EPA as needed. DEQ includes conditions in loan agreements that require borrowers to make timely progress with respect to entering into contracts or construction. All DEQ ARRA borrowers, to date, are in compliance with applicable requirements.

If a borrower fails to maintain timely progress as specified in their loan agreement, they will lose their ARRA funding and it will be awarded to the next eligible project in this IUP. DEQ understands that EPA may de-obligate grant funds from states that fail to meet requirements on the use of ARRA funds. If DEQ becomes eligible for additional funds made available by a federal re-allotment of funds, DEQ will provide EPA with a list of projects from this IUP that are ready to proceed to construction. DEQ recognizes that these projects receiving funding from re-allotment must be under contract or under construction within 120 days of re-allotment.

Applications

A letter or e-mail soliciting applications for Clean Water State Revolving Fund loans was sent to all cities, service districts, and sanitary districts during December 2009. Watershed councils, irrigation districts, National Estuary Program staff, and other groups concerned with non-point source pollution and estuary management were also included in the mailing. Public agencies were encouraged to return a completed application to DEQ for all eligible projects regardless of the project schedule or status. Although applications are accepted at any time, there are deadlines for receipt of applications prior to DEQ's scoring and ranking meetings. Deadlines for applications to be considered for funding during DEQ's fiscal year 2011 are May 14, 2010, September 10, 2010 and January 14, 2011.

This IUP includes 134 projects for a total of \$488,175,646 in requested funding. Under OAR 340-054-0025(7), projects will remain on the Priority List for a period up to 36 months, after which time they will be removed from the list. Projects are also removed from the list upon execution of a loan agreement, or upon request by the applicant.

Following is a brief description of each project, organized in alphabetical order, which includes:

- Newest applications are identified with a project number ending in "11."
- Applicants that serve populations of 5,000 or less are indicated as eligible for small community reserve funds.
- Projects that meet categorical Green Project Reserve (GPR) requirements are identified with qualified funding in parenthesis. Eligible projects considered for funding must have completed all CWSRF requirements.
- Projects with an asterisk (*) are presented for the first time in this IUP.

Project Descriptions

10200-09 City of Adair Village (Benton County) \$1,258,400

Sec. 212 Design & Construction, and Small Community. Repairs and seals manholes, installs cured-in-place piping in select piping sections, and replaces others that are beyond rehabilitation. All address reduction of inflow and infiltration.

10511-09 City of Albany (Linn County) \$4,650,000

Sec. 212 Design & Construction. Upgrades the Oak Creek Lift Station and constructs a new sanitary sewer force main.

10950-09 City of Amity (Yamhill County) \$1,140,000

Sec. 212 Design & Construction, and Small Community. Improves collection and treatment systems to allow system to meet provisions of its NPDES permit.

11420-09 Arch Cape Sanitary District (Clatsop County) \$225,600

Sec. 212 Construction and Small Community. Replaces or lines several sections of sewer line. Upgrades Sally's Alley and Webb Avenue pump stations.

11750-09 City of Ashland (Jackson County) \$315,000

Sec. 319 Design & Construction. Categorical GPR- Green Infrastructure 1.2-7; establishment or restoration of permanent riparian buffers (\$275,000). Restores Ashland Creek, including natural channel restoration, removal of contaminated fill and debris, removal of non-native species, and planting of native species. This project is consistent with the goals of the Oregon Non-point Source Control Program Plan (Oct. 2000) sections 2.2, 2.3.1, 2.3.4, 3.3.1, 3.3.2, 4.2.2, 4.2.14, 4.2.17, 5.8, and 6.5.6.

11751-09 City of Ashland (Jackson County) \$1,100,000

Sec. 212 Construction. Reconstructs one pump station, abandons one pump station (to be replaced with gravity sewers), and rehabilitates 21-inch clay sewer line.

11752-09 City of Ashland (Jackson County) \$1,645,280

Sec. 212 Construction. Purchases and installs membrane system upgrade at the wastewater treatment plant.

11860-09 City of Aumsville (Marion County) \$985,160

Sec. 212 Construction and Small Community. Installs sewer effluent pumping station and off-site irrigation system, including replacement of existing piping passing under Beaver Creek.

12910-09	City of Bandon (Coos County)	\$268,605
Sec. 212 Design & Construction, and Small Community. Replaces ultraviolet disinfection equipment for wastewater treatment plant.		
13840-09	City of Bay City (Tillamook County)	\$2,122,500
Sec. 212 Design & Construction, and Small Community. Upgrades both pump stations, and installs new headworks structure.		
14080-09	City of Beaverton (Washington County)	\$409,000
Sec. 212 Design & Construction. Installs settling vault with an in-line stormwater filter that will clean the surface water from an approximately 70-acre drainage area prior to discharge to Erickson Creek.		
14081-09	City of Beaverton (Washington County)	\$170,700
Sec. 212 Design & Construction. Categorical GPR- Green Infrastructure 1.2-1; implementation of green streets (\$150,800). Installs rain gardens and pervious sidewalks.		
14082-09	City of Beaverton (Washington County)	\$3,773,549
Sec. 212 Design & Construction. Reduces inflow and infiltration through replacement of sewer mains and laterals at several locations in the City.		
14510-09	City of Bend (Deschutes County)	\$17,200,000
Sec. 212 Design & Construction. Categorical GPR- Green Infrastructure 1.2-1; implementation of green streets (\$412,000). Improves treatment system, including clarifiers, aeration basins, disinfection, activated sludge process, and belt filter press. Also improves stormwater system to the railroad crossing underpass corridor.		
18230-09	City of Brookings (Curry County)	\$1,552,498
Sec. 212 Design & Construction. Replaces 1,790 feet of 9-inch sewer main along Rowland Street.		
18231-09	City of Brookings (Curry County)	\$3,004,200
Sec. 212 Design & Construction. Replaces 7,794 feet of sewer mains, 38 manholes and 3,090 sewer laterals.		
20580-09	City of Cannon Beach (Clatsop County)	\$3,800,000
Sec. 319 Non-point Source Project. Categorical GPR- Green Infrastructure 1.2-10; fee simple purchase of land or easements (\$3,800,000). Purchases approximately 800 acres of land to preserve its existing state and prevent development, thereby protecting local area water quality, including Ecola Creek, West Fork Ecola Creek, and North Fork Ecola Creek. This project is consistent with the goals of the Oregon Non-point Source Control Program Plan (Oct. 2000) sections 2.2, 2.3.1, 2.3.4, 3.3.1, 3.3.2, 4.2.2, 4.2.14, 4.2.17, 5.8, and 6.5.6.		
20591-09	City of Canyonville (Douglas County)	\$600,000
Sec. 212 Design & Construction, and Small Community. Designs and constructs new outfall and diffuser; replaces the outfall destroyed by flooding in the South Umpqua River.		
20592-09	City of Canyonville (Douglas County)	\$1,400,000
Sec. 212 Design & Construction, and Small Community. Replaces the headworks at the wastewater treatment plant, installs a de-chlorination system, and includes a manual screen and bypass channel to allow for equipment maintenance.		

- 20590-11 * City of Canyonville (Douglas County) \$5,230,000**
Sec. 212 Design and Construction. Small Community
Design and construction of improvements to the wastewater treatment facility and outfall.
- 20880-08 City of Carlton (Yamhill County) \$1,474,000**
Sec. 212 Design & Construction, and Small Community. Replaces collection system pipes in various locations in the City, and completes upgrade to the main pump station.
- 20880-10 City of Carlton (Yamhill County) \$4,430,000**
Sec. 212 Design & Construction, and Small Community. Replaces collection system pipe and upgrades wastewater treatment system.
- 21641-09 City of Central Point (Jackson County) \$1,961,816**
Sec. 212 Design & Construction. Categorical GPR- Green Infrastructure 1.2-1; implementation of green streets, and 1.2-6; comprehensive retrofit programs designed to keep wet weather discharges out of Griffin Creek (\$1,961,816). Highway 99 Gateway Improvement Project, which includes green solutions to stormwater treatment by utilizing landscaped medians, vegetated swales, infiltration planters, and street trees.
- 22400-09 Clackamas County SWCD (Clackamas County) \$250,000**
Sec. 319 Non-point Source Project. Establishes a local community loan (as authorized under Oregon Administrative Rules), whereby the District would borrow money from the SRF loan program and, in turn, lend it to its constituents (primarily farmers) to complete water quality improvement projects, such as riparian vegetation buffers. This project is consistent with the goals of the Oregon Non-point Source Control Program Plan (Oct. 2000) sections 2.3.3, 2.3.4, 3.3.1, 6.5.2, and 6.5.6.
- 22400-10 Clackamas County Service Dist. No. 1 (Clackamas County) \$372,000**
Sec. 212 Design & Construction. Designs and constructs new collection system pipe to replace failing on-site systems.
- 22700-09 Clean Water Services (Washington County) \$17,500,000**
Sec. 212 Design & Construction. Designs and constructs a new pump station and force mains to relieve sanitary flow in the Dawson Creek gravity trunk line.
- 22701-09 Clean Water Services (Washington County) \$10,700,000**
Sec. 212 Design & Construction. Categorical GPR- Energy Efficiency 3.2-1b; portion of a publicly owned renewable energy project that serves POTW energy needs (\$8,600,000). Installs two biogas-fueled, engine-driven generators at the wastewater treatment facility to produce 1.5 MW of electricity from renewable resources including wastewater treatment solids, brown grease and other compatible organic wastes. This facility will help offset the electrical demand of the treatment facility at the Durham location.
- 23040-11 * City of Coburg (Lane County) \$6,000,000**
Sec. 212 Construction and Small Community. Categorical GPR – Water Efficiency 2.2-6b; extra treatment costs and distribution pipes associated with water reuse for irrigation at various locations throughout the City of Coburg (\$1,143,000). Design and construction of collection system sewers and re-distribution of treated effluent for irrigation.

- 23550-10 City of Columbia City (Columbia County) \$96,313**
Sec. 212 Design & Construction, and Small Community. Designs and constructs new telemetry at the City's sewer pump stations.
- 24190-09 City of Coos Bay (Coos County) \$1,600,000**
Sec. 212 Design & Construction. Reduces inflow and infiltration utilizing a variety of methods as described in the City's application.
- 24191-09 City of Coos Bay (Coos County) \$2,500,000**
Sec. 212 Design & Construction. Replaces wastewater outfall for Treatment Plant Number 1.
- 24192-09 City of Coos Bay (Coos County) \$800,000**
Sec. 212 Design & Construction. Reconstructs Pump Station Number 5.
- 24680-09 City of Cove (Union County) \$1,600,000**
Sec. 212 Design & Construction. Categorical GPR- Green Infrastructure 1.2-8a; management of wetlands to improve water quality; Includes constructed wetlands (\$1,328,000). Designs and constructs a treatment wetland, a disposal wetland and a pump station and pipeline to carry treated effluent from the treatment wetland to the disposal wetland.
- 25140-09 Crescent Sanitary District (Klamath County) \$5,950,000**
Sec. 212 Design & Construction, and Small Community. Designs and constructs new wastewater collection, treatment and disposal system.
- 25640-09 City of Culver (Jefferson County) \$2,668,310**
Sec. 212 Design & Construction. Improves wastewater treatment and disposal systems.
- 26110-09 City of Dallas (Polk County) \$5,000,000**
Sec. 212 Design & Construction. Categorical GPR- Water Efficiency 2.2-6a; wastewater effluent reuse systems, and 2.2-8; retrofit or replacement of existing landscape irrigation systems (\$5,000,000). Constructs recycled water facility near the wastewater treatment plant to treat and store effluent. Constructs a pump station and recycled water distribution pipeline.
- 27611-09 Deschutes County Community Development (Deschutes Co.) \$5,000,000**
Sec. 319 Local Community Loan. The County borrows money from DEQ, and then loans that money to residents for on-site septic system upgrades. This project is consistent with the goals of the Oregon Non-point Source Control Program Plan (Oct. 2000), sections 2.1, 3.1, 4.1, 4.2.21 and 5.2.2.
- 27760-09 Devils Lake Water Improvement District (Lincoln County) \$762,000**
Sec. 319 Construction. Installs devices to aerate water in Devils Lake to eliminate cyano-bacteria and invasive weeds. The District is also considering establishment of a local community loan to assist residents in upgrading on-site treatment systems. This project is consistent with the goals of the Oregon Non-point Source Control Program Plan (Oct. 2000) sections 2.1, 3.1, 4.1, 4.2.21, 5.2.2 and 3.3.2.
- 29650-10 City of Dundee (Yamhill County) \$10,000,000**
Sec. 212 Design & Construction, and Small Community. Designs and constructs improvements to the wastewater treatment facility, including new influent pump station, new headworks screening, new tertiary treatment process, disinfection and work on the existing lagoons.

29650-09	City of Dunes City (Lane County)	\$600,000
Sec. 319 Local Community Loan. The City borrows money from DEQ, and then loans it to home owners to upgrade on-site treatment systems. This project is consistent with the goals of the Oregon Non-point Source Control Program Plan (Oct. 2000), sections 2.1, 3.1, 4.1, 4.2.21, 5.5.2 and 3.3.2.		
31790-09	City of Eugene (Lane County)	\$2,600,000
Sec. 212 Design & Construction. Categorical GPR- Green Infrastructure 1.2-1; implementation of green streets (\$2,600,000). Street improvements in the Crest Area neighborhood that will include a "green street" facility and bio-filtration rain gardens to treat stormwater runoff.		
32240-09	Farmers Irrigation District (Hood River County)	\$1,000,000
Sec. 319 Design & Construction. Categorical green project, for Water Efficiency, consistent with Section 2.2-8 of EPA guidance for green project reserves. Design and construction of pipeline to replace open canals for delivery of agricultural irrigation system. This project is consistent with the Oregon Nonpoint Source Management Plan sections 2.3.3 and 3.3.1.		
35610-09	City of Garibaldi (Tillamook County)	\$152,900
Sec. 212 Design & Construction, and Small Community. Designs and constructs new Lumberman Park pump station to replace old facility.		
37450-09	City of Glendale (Douglas County)	\$1,384,000
Sec. 212 Construction. Reduces inflow and infiltration, including the replacement of the Sether Avenue Pump Station.		
37811-09	City of Gold Hill (Jackson County)	\$1,775,650
Sec. 212 Design & Construction, and Small Community. Improves wastewater system including influent pump station, headworks, disinfection system, new lagoon, and inflow and infiltration work.		
38980-09	Green Sanitary District (Douglas County)	\$4,800,000
Sec. 212 Design & Construction. Improves wastewater treatment plant including the influent pump station, secondary treatment process, and anaerobic digester.		
40350-08	City of Haines (Baker County)	\$74,000
Sec. 212 Design & Construction, and Small Community. Expands treated effluent storage and irrigation capacity.		
40670-09	City of Halsey (Linn County)	\$700,000
Sec. 212 Design & Construction, and Small Community. Improves lift station and sewer mainlines.		
41420-10	Harbor Sanitary District (Curry County)	\$1,390,000
Sec. 212 Design & Construction, and Small Community. Removes and replaces certain existing collection system pipes, and upgrades to pump stations.		
43770-09	City of Hermiston (Umatilla County)	\$20,000,000
Sec. 212 Design & Construction. Categorical GPR- Water Efficiency 2.2-6a; wastewater effluent reuse systems (\$220,000). Replaces existing secondary treatment process with a membrane bioreactor.		

44550-09	City of Hillsboro (Washington County)	\$3,740,000
Sec. 212 Design & Construction. Reduces inflow and infiltration by replacing approximately 16,490 feet of 8-inch and 10-inch sewer mains, and approximately 225 laterals.		
45760-09	City of Hood River (Hood River County)	\$1,673,800
Sec. 212 Design & Construction. New sewer pump station and collector sewer pipe to replace aging line in danger of failure.		
47740-09	City of Irrigon (Morrow County)	\$4,242,540
Sec. 212 Design & Construction, and Small Community. New collection system pipe to convert septic tank effluent collection piping to conventional gravity sewer.		
48740-09	City of Jefferson (Marion County)	\$5,000,000
Sec. 212 Construction and Small Community. Upgrades the wastewater treatment facility including replacement of approximately 1,870 feet of influent trunk sewer.		
52602-09	Klamath County School District (Klamath County)	\$1,446,424
Sec. 319 Design & Construction. Improves geothermal system used to heat Henley High School, including a new discharge pipeline and injection well to eliminate surface discharge of geothermal water. This project is consistent with the goals of the Oregon Non-point Source Control Program Plan (Oct. 2000) sections 2.1, 3.1, 4.2.14 and 5.2.2.		
52601-09	City of Klamath Falls (Klamath County)	\$40,200,000
Sec. 212 Design & Construction. Improves wastewater treatment plant.		
54410-09	City of Lake Oswego (Clackamas County)	\$5,000,000
Sec. 212 Design & Construction. Designs and constructs Bryant Road Pump Station to provide relief to the Main Canal Trunk Sewer during high flow events.		
55080-09	LaPine Special Sewer District (Deschutes County)	\$5,843,070
Sec. 212 Design & Construction, and Small Community. Constructs new wastewater treatment facility at a new location; includes relocating effluent reuse.		
56200-09	City of Lebanon (Linn County)	\$7,000,000
Sec. 212 Design & Construction. Replaces approximately 2.5 miles of interceptor sewer lines.		
56200-11 *	City of Lebanon (Linn County)	\$5,000,000
Sec. 212 Design and Construction Design and construction of a new 100 foot diameter clarifier at the wastewater treatment plant to alleviate hydraulic overload during wet weather.		
59220-09	City of Lowell (Lane County)	\$624,576
Sec. 212 Design & Construction, and Small Community. Designs and constructs new collector sewers to provide sewerage to new service area within the City of Lowell.		
62370-09	City of Madras (Jefferson County)	\$1,322,514
Sec. 212 Design & Construction. Installs new collector sewers in North Madras and at the North Y Intersection.		
62620-09	City of Malin (Klamath County)	\$75,000
Sec. 212 Design & Construction, and Small Community. Categorical GPR- Water Efficiency 2.2-6a; wastewater effluent reuse system (\$65,000). Improves wastewater facility, including disposal of effluent through irrigation, allowing the City to eliminate discharge to surface water.		

63980-09	City of McMinnville (Yamhill County)	\$2,500,000
Sec. 212 Design & Construction. Rehabilitates and reconstructs sanitary sewer to reduce inflow and infiltration.		
66140-09	City of Molalla (Clackamas County)	\$581,801
Sec. 212 Design & Construction. Designs and constructs improvements to the biosolids treatment and disposal process.		
66240-09	City of Monmouth (Polk County)	\$250,000
Sec. 212 Planning Loan. Plan for City's wastewater system and facility needs.		
66241-09	City of Monmouth (Polk County)	\$5,533,554
Sec. 212 Design and Construction. Improves the City's wastewater system; includes lagoon improvements, expansion of effluent reuse (pumps), collection system rehabilitation, and improved biosolids handling.		
66280-09	City of Monroe (Benton County)	\$1,000,000
Sec. 212 Construction and Small Community. Constructs new lift station and wastewater lagoon to help eliminate sewer overflows.		
66790-09	City of Moro (Sherman County)	\$1,490,000
Sec. 212 Design & Construction, and Small Community. Categorical GPR- Water Efficiency 2.2-6a; wastewater effluent reuse systems (\$248,000). Improves wastewater system; includes replacement of gravity sewer pipe and five manholes, treatment improvements, and irrigation expansion.		
67980-09	City of Myrtle Creek (Douglas County)	\$345,000
Sec. 212 Design & Construction, and Small Community. Constructs new pump station at the south end of town off South Main Street.		
68680-09	Netarts-Oceanside Sanitary District (Tillamook County)	\$20,000,000
Sec. 212 Design & Construction, and Small Community. Designs and constructs new wastewater treatment facility.		
68820-09	City of Newberg (Yamhill County)	\$55,000,000
Sec. 212 Design & Construction. Designs and constructs two-phase project to repair, renovate and expand the wastewater treatment facility.		
68930-09	City of Newport (Lincoln County)	\$5,000,000
Sec. 212 Design & Construction. Upgrades three sewer lift stations, installs two sewer force mains, and replaces five gravity sewer mains in the City.		
69980-09	City of Nyssa (Malheur County)	\$303,000
Sec. 212 Design & Construction, and Small Community. Replaces sewer pipe, constructs new sewer pipe, and installs new manholes.		
70031-09	City of Oakridge (Lane County)	\$2,221,317
Sec. 212 Construction. Improves collection system to reduce inflow and infiltration.		
70610-09	City of Ontario (Malheur County)	\$4,508,000
Sec. 212 Design & Construction. Improves collection, treatment, and disposal systems.		

70650-09	City of Oregon City (Clackamas County)	\$270,895
Sec. 212 Design & Construction. Categorical GPR- Green Infrastructure 1.2-1; implementation of green streets (\$223,593). Installs stormwater collection and treatment rain gardens along Warner Milne Road.		
70651-09	City of Oregon City (Clackamas County)	\$119,402
Sec. 319 Design & Construction. Categorical GPR- Green Infrastructure 1.2-8b; projects that involve the management of wetlands including natural or restored wetlands (\$88,998). Enhances wetlands to improve stormwater quality; includes removal of invasive species and planting of native species to improve the function of riparian areas. This project is consistent with the goals of the Oregon Non-point Source Control Program Plan (Oct. 2000) sections 2.1, 3.1, 4.2.14, 5.2.2, 6.5.12 and 6.5.6.		
74160-09	City of Portland (Multnomah County)	\$18,000,000
Sec. 212 Design & Construction. Upgrades existing anaerobic digesters, two new anaerobic digesters, and various re-vegetation projects in the City; this is a sponsorship option application.		
74161-09	City of Portland (Multnomah County)	\$15,000,000
Sec. 212 Construction. Constructs 6,400 feet of 84-inch sewer main to convey combined sewage from Balch Creek basin to the combined sewer overflow system. Constructs approximately 3,000 lineal feet of sewer pipe in the same area.		
74162-09	City of Port Orford (Curry County)	\$3,870,000
Sec. 212 Design & Construction, and Small Community. Replaces all lift stations in the system due to 40-year old stations becoming increasingly difficult to maintain and are experiencing more frequent breakdowns.		
74300-09	Powder Valley Water Control District (Baker County)	\$3,662,936
Sec. 319 Design & Construction, and Small Community. Categorical GPR- Water Efficiency 2.2-8; retrofit or replacement of existing agricultural irrigation systems (\$3,546,435). Constructs pipeline to convey irrigation water currently in open ditches. This project is consistent with the goals of the Oregon Non-point Source Control Program Plan (Oct. 2000) sections 2.3.3 and 3.3.1.		
74350-09	City of Powers (Coos County)	\$5,000,000
Sec. 212 Design & Construction, and Small Community. Constructs new wastewater treatment facility, including effluent irrigation during the dry season.		
74420-09	City of Prairie City (Grant County)	\$208,525
Sec. 212 Design & Construction. Replaces approximately 2,000 feet of sewer main lines.		
76070-09	City of Redmond (Deschutes County)	\$4,593,863
Sec. 212 Design & Construction. Categorical GPR- Green Infrastructure 1.2-6; comprehensive retrofit programs designed to keep wet weather discharges out (\$1,135,500). Improves the City's stormwater system.		
76210-09	City of Reedsport (Douglas County)	\$1,633,000
Sec. 212 Design & Construction, and Small Community. Replaces an existing 15-inch sewer line with a larger diameter line, probably 24-inch, along Winchester Avenue.		
77320-09	City of Richland (Baker County)	\$82,500
Sec. 212 Planning and Small Community. Wastewater facility planning.		

78280-09	City of Rockaway Beach (Tillamook County)	\$4,368,750
Sec. 212 Design & Construction, and Small Community. Improves the City's collection system; primarily pump station upgrades and force mains, and improves the treatment plant.		
78489-09	City of Rogue River (Jackson County)	\$371,003
Sec. 212 Design & Construction, and Small Community. Replaces sewer pipes to reduce inflow and infiltration.		
78490-09	Rogue Valley Sewer Services (Jackson County)	\$519,432
Sec. 212 Design & Construction. Replaces approximately 2,067 feet of 8-inch concrete sewer pipe, and replaces service laterals located in the right-of-way.		
78491-09	Rogue Valley Sewer Services (Jackson County)	\$170,214
Sec. 212 Design & Construction. Replaces approximately 944 feet of 8-inch asbestos cement sewer main.		
78492-09	Rogue Valley Sewer Services (Jackson County)	\$640,461
Sec. 212 Design & Construction. Installs approximately 1,277 feet of new sewer main along Bear Creek Drive and First Street in Phoenix.		
78493-09	Rogue Valley Sewer Services (Jackson County)	\$277,477
Sec. 212 Design & Construction. Replaces approximately 1,553 of 8-inch concrete sewer pipe.		
78494-09	Rogue Valley Sewer Services (Jackson County)	\$79,819
Sec. 212 Design & Construction. Replaces approximately 361 feet of 6-inch concrete sewer pipe, and replaces service laterals located within the right-of-way.		
78495-09	Rogue Valley Sewer Services (Jackson County)	\$199,341
Sec. 212 Design & Construction. Replaces approximately 873 feet of 6-inch and 8-inch concrete sewer pipe.		
78496-09	Rogue Valley Sewer Services (Jackson County)	\$227,010
Sec. 212 Design & Construction. Replaces approximately 1,232 feet of 8-inch concrete sewer pipe.		
78497-09	Rogue Valley Sewer Services (Jackson County)	\$180,297
Sec. 212 Design & Construction. Replaces approximately 660 feet of 8-inch concrete sewer pipe.		
78498-09	Rogue Valley Sewer Services (Jackson County)	\$281,865
Sec. 212 Design & Construction. Replaces approximately 1,135 feet of 6-inch PVC and 8-inch concrete sewer pipe.		
78499-09	Rogue Valley Sewer Services (Jackson County)	\$417,623
Sec. 212 Design & Construction. Replaces approximately 3,855 feet of 8-inch concrete sewer pipe, and service laterals located in the right-of-way.		
78500-09	Rogue Valley Sewer Services (Jackson County)	\$192,592
Sec. 212 Design & Construction. Replaces approximately 637 feet of 8-inch concrete sewer pipe, and service laterals located in the right-of-way.		

78501-09	Rogue Valley Sewer Services (Jackson County)	\$713,460
Sec. 212 Design & Construction. Replaces approximately 2,550 feet of 15-inch sewer main, and service laterals located in the right-of-way.		
78502-09	Rogue Valley Sewer Services (Jackson County)	\$705,070
Sec. 212 Design & Construction. Replaces approximately 4,199 feet of old asbestos cement main line.		
78503-09	Rogue Valley Sewer Services (Jackson County)	\$88,160
Sec. 212 Design & Construction. Replaces approximately 134 feet of 6-inch PVC sewer pipe, constructs approximately 266 feet of new sewer main, and constructs service laterals within the right-of-way.		
78860-09	Roseburg Urban Sanitary Authority (Douglas County)	\$5,000,000
Sec. 212 Design & Construction. Designs and constructs natural treatment system, including disposal of treated effluent.		
78861-09	City of Roseburg (Douglas County)	\$682,684
Sec. 212 Design & Construction. Constructs stormwater control facilities at various locations to reduce untreated discharge to the South Umpqua River.		
80162-09	City of St. Paul (Marion County)	\$250,000
Sec. 212 Design & Construction, and Small Community. Replaces two sewer pump lift stations.		
80210-09	City of Salem (Marion County)	\$5,000,000
Sec. 212 Design & Construction. Categorical GPR- Energy Efficiency 3.2-1b; includes the portion of a publicly-owned renewable energy project that serves POTW energy needs (\$5,000,000). Replaces electrical generation facility with a new facility, using digester gas produced by the facility. Electricity from this generator will be used at the wastewater treatment plant.		
80211-09	City of Salem PWD (Marion Co.)	\$400,019
Sec. 212 Construction and Restoration. Categorical GPR- Green Infrastructure & Water Efficiency 1.2-1; implementation of green streets, and 1.2-4; stormwater harvesting and reuse projects (\$331,050). Installs bio-swales and rain gardens on Court Street, S.E. to eliminate delivery of untreated stormwater into Pringle Creek.		
80212-09	City of Salem (Marion County)	\$500,924
Sec. 212 Design & Construction. Eliminates several underground injection control sites; conveys stormwater to a vegetated detention basin which discharges to Claggett Creek via a combination pipe and vegetated bio-swale to provide treatment.		
80213-09	City of Salem (Marion Co.)	\$487,922
Sec. 212 Construction. Categorical GPR- Green Infrastructure 1.2-2; wet weather management systems for parking areas (\$309,676). Constructs bio-swale to treat stormwater from a parking lot. Eliminates discharge of untreated stormwater to Clark Creek.		
82670-09	City of Seaside (Clatsop County)	\$3,959,000
Sec. 212 Design & Construction. Designs and constructs improvements to the wastewater treatment plant and outfall, and upgrades the electrical power distribution and control systems for seven lift stations.		

82920-09	City of Seneca (Grant County)	\$200,000
Sec. 212 Design & Construction, and Small Community. Replaces wastewater treatment pumping and measuring facilities.		
84160-09	Shoreline Sanitary District (Clatsop County)	\$1,700,000
Sec. 212 Construction. Constructs two pump stations and sewer pipes to convey all District flows to the City of Warrenton system for treatment.		
84480-09	City of Silverton (Marion County)	\$5,000,000
Sec. 212 Design & Construction. Improves bio-solids treatment and handling system. Improves maximum use of recycled water and improves secondary treatment control.		
85050-09	City of Sisters (Deschutes County)	\$1,957,000
Sec. 212 Design & Construction, and Small Community. Categorical GPR- Water Efficiency 2.2-6a; wastewater effluent reuse, and 2.2-6b; extra treatment costs and distribution pipes (\$1,714,000). Modifies pumps in the primary pump station, and expands effluent reuse system.		
86770-09	City of Springfield (Lane County)	\$3,200,125
Sec. 319 Design & Construction. Improves Springfield's Lower Mill Race including a side channel.		
86771-09	City of Springfield (Lane County)	\$2,902,000
Sec. 212 Design & Construction. Extends local sewer main lines from existing regional trunk line to service properties currently on septic tanks and drain fields, some of which have already failed.		
87590-09	City of Stayton (Marion County)	\$5,830,000
Sec. 212 Construction. Constructs collection system and treatment system upgrades, as documented in the City's application dated May 9, 2008.		
89310-09	City of Sublimity (Marion County)	\$250,000
Sec. 212 Construction. Reduces inflow and infiltration throughout the City's collection system, includes flow monitoring, TV monitoring, and pipeline rehabilitation and replacement.		
89430-10	City of Sumpter (Baker County)	\$300,000
Sec. 212 Design & Construction, and Small Community. Purchases land currently leased for effluent irrigation.		
89550-10	City of Sutherlin (Douglas County)	\$100,000
Sec. 212 Planning. Plans wastewater facility to address improvements to wastewater treatment system.		
89551-10	City of Sutherlin (Douglas County)	\$4,927,000
Sec. 212 Design & Construction. Designs and constructs pump station upgrades, and reduces inflow and infiltration.		
89600-09	Swalley Irrigation District (Deschutes County)	\$800,000
Sec. 319 Design & Construction. Categorical GPR project, for Water Efficiency, consistent with Section 2.2-8 of EPA guidance on green project reserves. Design and construction of large diameter pipe to replace open canals for delivery of agricultural irrigation water. This project is consistent with the goals of the Oregon Nonpoint Source Management Plan sections 2.3.3 and 3.3.1.		

91800-09	City of Toledo (Lincoln County)	\$1,379,950
Sec. 212 Design & Construction, and Small Community. Improves collection system to reduce inflow and infiltration.		
92260-09	Tri-City Water & Sanitary Authority (Douglas County)	\$1,500,000
Sec. 212 Design & Construction and Small Community. Replaces Pump Station #3.		
92580-11 *	Tumalo Irrigation District (Deschutes County)	\$16,500,000
Sec. 319 Design & Construction and Small Community. Categorical GPR project – Water Efficiency; 2.2-8: retrofit or replacement of existing agricultural irrigation system to more efficient agricultural irrigation system (\$16,500,000). Design and construction of irrigation pipe to replace approximately six miles of open canal currently used by the District. This project is consistent with the Nonpoint Source Plan Sections 2.3.3 and 3.3.1.		
92840-09	Twin Rocks Sanitary District (Tillamook County)	\$400,000
Sec. 212 Design & Construction, and Small Community. Upgrades three obsolete pump stations, including pumps, electrical components, and other critical components.		
93640-09	City of Vernonia (Columbia County)	\$5,000,000
Sec. 212 Design & Construction, and Small Community. Designs and constructs new wastewater treatment facility in a new location.		
94340-09	City of Waldport (Lincoln County)	\$2,293,100
Sec. 212 Design & Construction, and Small Community. Installs or replaces sewer service and collection lines, manholes and a pump station for the South Waldport-North Substation Local Improvement District.		
94820-09	Warm Springs Tribes (Jefferson County)	\$3,000,000
Sec. 212 Design & Construction, and Small Community. Replaces wastewater treatment facility.		
97650-09	Windmaster Sanitary Sewer District (Hood River County)	\$3,285,595
Sec. 212 Design & Construction, and Small Community. Constructs new collection system to serve an area without sewers. Sewage conveyed to the City of Hood River for treatment.		
97791-09	City of Winston (Douglas County)	\$200,700
Sec. 212 Construction. Categorical GPR- Energy Efficiency 3.2-2; projects that achieve a 20% reduction in energy consumption (\$164,044). Constructs upgrades to the Parkway Lift Station to make the station more efficient and reduce wear on the existing facility. Based on information provided to DEQ engineers, energy savings could be in the 35% - 40% range.		
99100-09	City of Yachats (Lincoln County)	\$425,826
Sec. 212 Design & Construction, and Small Community. Replaces approximately 2,500 lineal feet of sewer line to reduce inflow and infiltration, and rehabilitates leaking manholes.		
99110-09	City of Yamhill (Yamhill County)	\$138,029
Sec. 212 Design & Construction, and Small Community. Improves collection system to reduce inflow and infiltration.		
99340-09	City of Yoncalla (Douglas County)	\$5,000,000
Sec. 212 Design & Construction, and Small Community. Upgrades wastewater treatment plant.		

Table 1: Projects in Alphabetical Order

Table 1 includes all projects on the CWSRF Project Priority List. This list however does not exclusively include projects that are ready to proceed for loan agreements. To be awarded a loan agreement, an applicant must complete all applicable CWSRF requirements including compliance with the state environmental review process. Projects identified on the previous project priority list in DEQ's IUP dated May 6, 2010, that were funded or asked to be removed have been deleted. Projects more than three years old that have not requested an extension have been deleted, as well as those for which the extension period has expired. Table 1 includes projects from the previous project priority list and new project applications received and scored to date.

The Project Priority List is in alphabetical order by applicant, and includes the following additional information requested by EPA: (1) amount requested, (2) priority ranking, (3) EPA needs category, (4) water quality permit number (for federal NPDES permits the EPA "OR" identification number is listed and for state WPCF permits the DEQ identification number is listed), and (5) preliminary project schedule.

Notes:

* Projects presented in this IUP for the first time.

** Projects proposed to receive increases to their existing loans, and are considered to be categorically green projects (see previous section on Project Descriptions).

*** Project total points were re-evaluated based on comments received during the public comment period. Based on the re-evaluation, the total points for these projects were amended in this IUP and the priority ranking changed as noted in the Response to Public Comments.

Applicant/Project #	Amount Requested	Priority Ranking	EPA Needs Category	Water Quality Permit Number	Preliminary Project Schedule		
					Agreement	Start	Completion
Adair Village 10200-09	1,258,400	62	III-A	101701	8/10	8/10	11/10
Albany 10511-09	4,650,000	25	III-B, IV-A	102024	8/10	8/10	12/10
Amity 10950-09	1,140,000	41	I,III-A,III-B	101924	8/10	8/10	9/10
Arch Cape Sanitary Dist. 11420-09	225,600	56	III-A, IV-B	100967	8/10	8/10	12/10
Ashland 11750-09	315,000	132	VII-D	N/A	8/10	8/10	9/10
Ashland 11751-09	1,100,000	46	III-B	101609	8/10	8/10	10/10
Ashland 11752-09	1,645,280	9	II	101609	8/10	8/10	9/10
Aumsville 11860-09	985,160	15	I	101754	8/10	8/10	10/10
Bandon 12910-09	268,605	93	I	101546	8/10	8/10	10/10
Bay City 13840-09	2,122,500	21	I, III-B	101025	8/10	8/10	9/10
Beaverton 14080-09	409,000	54	VII-D	N/A	8/10	8/10	9/10
Beaverton 14081-09	170,700	28	VII-D	N/A	8/10	8/10	9/10
Beaverton 14082-09	3,773,549	28	III-A, IV-A	N/A	8/10	8/10	3/12
Bend 14510-09	17,200,000	115	I,VII-D,VII-E,VII-K	101572	8/10	8/10	9/11
Brookings 18230-09	1,552,498	66	V	101773	8/10	8/10	3/11
Brookings 18231-09	3,004,200	41	III-A	101773	8/10	8/10	9/10
Cannon Beach 20580-09	3,800,000	68	VII-C	N/A	8/10	8/10	9/11

Applicant/Project #	Amount Requested	Priority Ranking	EPA Needs Category	Water Quality Permit Number	Preliminary Project Schedule		
					Agreement	Start	Completion
Canyonville 20591-09	600,000	46	I	100532	8/10	8/10	2/11
Canyonville 20592-09	1,400,000	41	I	100532	8/10	8/10	2/11
Canyonville 20590-11*	5,230,000	56	I, II	100532	8/10	8/10	6/12
Carlton 20880-08	1,474,000	46	III-A, III-B	101902	8/10	8/10	8/12
Carlton 20880-10	4,430,000	13		101902	8/10	8/10	9/10
Central Point 21641-09	1,961,816	88	VII-D	N/A	8/10	8/10	10/10
Clackamas Co. S.D. #1 22400-10	372,000	9	IV-A	100983	8/10	8/10	9/10
Clackamas County SWCD 22400-09	250,000	46	VII: A,B,C,D,E,I,K	N/A	8/10	8/10	6/11
Clean Water Services 22700-09	17,500,000	91	III-B	101141	8/10	8/10	10/11
Clean Water Services 22701-09	10,700,000	101	I	101141	8/10	8/10	9/10
Coburg 23040-11*	6,000,000	3	I, IV-A	115851	8/10	8/10	5/13
Columbia City 23550-10	96,313	34	III-B	N/A	8/10	8/10	9/10
Coos Bay 24190-09	1,600,000	68	III-A	100699	8/10	8/10	11/10
Coos Bay 24191-09	2,500,000	88	III-B	100699	8/10	8/10	11/10
Coos Bay 24192-09	800,000	81	III-B	100699	8/10	8/10	9/10
Cove 24680-09***	1,600,000	130	I	101674	8/10	8/10	9/10
Crescent Sanitary Dist. 25140-09	5,950,000	95	I, IV-A	Applied for	8/10	8/10	2/11
Culver 25640-09	2,668,310	93	III-B	102366	8/10	8/10	10/10
Dallas 26110-09	5,000,000	18	I, II	101518	8/10	8/10	12/10
Deschutes County 27611-09	5,000,000	41	VII-D, VII-E	N/A	8/10	8/10	11/10
Devils Lake Water Improve. Dist. 27760-09	762,000	3	VII-D, VII-K	N/A	8/10	8/10	7/10
Dundee 29650-10	10,000,000	6	I, II	101722	8/10	8/10	10/11
Dunes City 29650-09	600,000	74	VII-D	N/A	8/10	8/10	3/11
Eugene 31790-09	2,600,000	21	VII-D	N/A	8/10	8/10	11/10
Farmers Irrigation Dist. 32240-09**	1,000,000	N/A	VII-A	N/A	9/09	9/09	3/11
Garibaldi 35610-09	152,900	31	III-B	102609	8/10	8/10	12/10
Glendale 37450-09	1,384,000	25	III-A	100742	8/10	8/10	11/10
Gold Hill 37811-09	1,775,650	95	I, III-B	102494	8/10	8/10	6/11
Green Sanitary Dist. 38980-09	4,800,000	56	I	100554	8/10	8/10	10/10
Haines 40350-08	74,000	84	I	101375	8/10	8/10	1/11
Halsey 40670-09	700,000	108	III-A, III-B	101297	8/10	8/10	10/10
Harbor SD 41420-10	1,390,000	38	III-B	N/A	8/10	8/10	10/10
Hermiston 43770-09	20,000,000	5	I, II	101294	8/10	8/10	12/10
Hillsboro 44550-09	3,740,000	21	III-A	101144	8/10	8/10	10/10

Applicant/Project #	Amount Requested	Priority Ranking	EPA Needs Category	Water Quality Permit Number	Preliminary Project Schedule		
					Agreement	Start	Completion
Hood River 45760-09	1,673,800	81	IIIB, IVA,IVB	101729	8/10	8/10	11/10
Irrigon 47740-09	4,242,540	21	III-B, IV-A	101529	8/10	8/10	6/11
Jefferson 48740-09	5,000,000	74	I, III-B	101178	8/10	8/10	10/10
Klamath Co. Schools 52602-09	1,446,424	15	I	100670	8/10	8/10	10/10
Klamath Falls 52601- 09***	40,200,000	18	I	100701	8/10	8/10	9/12
Lake Oswego 54410-09	5,000,000	7	III-A	N/A	8/10	8/10	6/11
LaPine Special Sewer Dist. 55080-09	5,843,070	78	I	102069	8/10	8/10	6/11
Lebanon 56200-09	7,000,000	62	IV-B	101771	8/10	8/10	3/11
Lebanon 56200-11 *	5,000,000	78	I		8/10	8/10	9/12
Lowell 59220-09	624,576	84	IV-A	101384	8/10	8/10	12/10
Madras 62370-09	1,322,514	56	I, IV-A	101739	8/10	8/10	8/11
Malin 62620-09	75,000	116	I	102874	8/10	8/10	11/10
McMinnville 63980-09	2,500,000	34	III-A,III-B,V	101062	8/10	8/10	10/10
Molalla 66140-09	581,801	88	I	101514	8/10	8/10	11/10
Monmouth 66240-09	250,000	129	I	N/A	8/10	8/10	6/11
Monmouth 66241-09	5,533,554	95	I	101919	8/10	8/10	1/11
Monroe 66280-09	1,000,000	18	II, IV-B	101692	8/10	8/10	10/10
Moro 66790-09	1,490,000	114	I, III-B	100600	8/10	8/10	1/11
Myrtle Creek 67980-09	345,000	116	III-B	101014	8/10	8/10	9/10
Netarts-Oceanside Sanitary Dist. 68680-09	20,000,000	116	I	101783	8/10	8/10	2/12
Newberg 68820-09	55,000,000	8	I	100988	8/10	8/10	9/14
Newport 68930-09	5,000,000	68	III-B	102497	8/10	8/10	2/11
Nyssa 69980-09	303,000	68	IV-A	101943	8/10	8/10	9/10
Oakridge 70031-09	2,221,317	108	III-A	102443	8/10	8/10	6/11
Ontario 70610-09	4,508,000	74	I,IIIA,IIIB,IVA	101633	8/10	8/10	2/11
Oregon City 70650-09	270,895	13	VI	101348	8/10	8/10	11/10
Oregon City 70651-09	119,402	31	VI	101348	8/10	8/10	10/10
Port Orford 74162-09	3,870,000	100	I, III-B	100101	8/10	8/10	10/10
Portland 74160-09	18,000,000	81	I	101505	8/10	8/10	10/11
Portland 74161-09	15,000,000	2	V	101505	8/10	8/10	10/11
Powder Valley Water Cntrl Dist. 74300-09	3,662,936	74	VII-A	N/A	8/10	8/10	10/10
Powers 74350-09	5,000,000	56	I, III-B	101694	8/10	8/10	12/10
Prairie City 74420-09	208,525	108	III-A,III-B	101930	8/10	8/10	10/10
Redmond 76070-09	4,593,863	68	VII-E	N/A	8/10	8/10	10/10
Reedsport 76210-09	1,633,000	34	III-B	100941	8/10	8/10	11/10
Richland 77320-09	82,500	132	I	N/A	8/10	8/10	10/10
Rockaway Beach 78280- 09	4,368,750	84	I, III-B, IV-B	102580	8/10	8/10	3/11

Applicant/Project #	Amount Requested	Priority Ranking	EPA Needs Category	Water Quality Permit Number	Preliminary Project Schedule		
					Agreement	Start	Completion
Rogue River 78489-09	371,003	116	III-A	102588	8/10	8/10	10/10
Rogue Valley Sewer Services 78490-09	519,432	101	III-A, III-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78491-09	170,214	101	III-A, III-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78492-09	640,461	108	IV-A	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78493-09	277,477	116	III-A, III-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78494-09	79,819	116	III-A, III-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78495-09	199,341	116	III-A, III-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78496-09	227,010	116	III-A, III-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78497-09	180,297	116	III-A, III-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78498-09	281,865	116	III-A, III-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78499-09	417,623	108	III-A, III-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78500-09	192,592	101	III-A, III-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78501-09	713,460	34	III-A, III-B, IV-B	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78502-09	705,070	101	III-A, III-B, IV-A	N/A	8/10	8/10	10/10
Rogue Valley Sewer Services 78503-09	88,160	62	III-A, III-B	N/A	8/10	8/10	10/10
Roseburg 78861-09	682,684	95	VI	N/A	8/10	8/10	6/11
RUSA 78860-09	5,000,000	9	II	100981	8/10	8/10	11/10
St. Paul 80162-09	250,000	46	V	100888	8/10	8/10	10/10
Salem 80210-09	5,000,000	95	I	101145	8/10	8/10	12/10
Salem 80211-09	400,019	54	VII-D	N/A	8/10	8/10	10/10
Salem 80212-09	500,924	46	VII-D	N/A	8/10	8/10	10/10
Salem 80213-09	487,922	38	VII-D, VII-K	N/A	8/10	8/10	10/10
Seaside 82670-09	3,959,000	9	I	102579	8/10	8/10	3/11
Seneca 82920-09	200,000	116	I	101339	8/10	8/10	10/10
Shoreline Sanitary Dist. 84160-09	1,700,000	28	I	100684	8/10	8/10	5/11
Silverton 84480-09	5,000,000	66	I	101720	8/10	8/10	6/11
Sisters 85050-09	1,957,000	101	I, III-B	101779	8/10	8/10	12/10
Springfield 86770-09	3,200,125	25	VII-C, VII-D, VII-K	N/A	8/10	8/10	10/10
Springfield 86771-09	2,902,000	62	IV-A, IV-B	102486	8/10	8/10	2/11

Applicant/Project #	Amount Requested	Priority Ranking	EPA Needs Category	Water Quality Permit Number	Preliminary Project Schedule		
					Agreement	Start	Completion
Stayton 87590-09	5,830,000	41	I, II, III-A	101601	8/10	8/10	6/11
Sublimity 89310-09	250,000	91	III-A	N/A	8/10	8/10	12/10
Sumpter 89430-10	300,000	56	I	N/A	8/10	8/10	5/11
Sutherlin 89550-10	100,000	131	I	101993	8/10	8/10	12/10
Sutherlin 89551-10	4,927,000	46	III-A, III-B	101993	8/10	8/10	6/11
Swalley Irrigation Dist. 89600-09 **	800,000	N/A	VII-A, VII-D	N/A	9/09	9/09	2/11
Toledo 91800-09	1,379,950	38	III-A	101713	8/10	8/10	11/10
Tri-City Water & Sanitary Auth. 92260-09	1,500,000	68	I,III-A,V	101014	8/10	8/10	12/10
Tumalo Irrigation District 92580-11 *, ***	16,500,000	15	VII-A	N/A	8/10	8/10	4/14
Twin Rocks Sanitary Dist. 92840-09	400,000	31	III-B	102487	8/10	8/10	11/10
Vernonia 93640-09	5,000,000	1	I,II,III,IVA, IVB	101094	8/10	8/10	2/12
Waldport 94340-09	2,293,100	101	IV-A	107816	8/10	8/10	12/10
Warm Springs Tribes 94820-09	3,000,000	78	III-B	OR0034100	8/10	8/10	12/10
Windmaster Sanitary Sewer Dist. 97650-09	3,285,595	46	IV-A	101729	8/10	8/10	2/11
Winston 97791-09	200,700	84	III-B	100554	8/10	8/10	10/10
Yachats 99100-09	425,826	116	III-A	100828	8/10	8/10	11/10
Yamhill 99110-09	138,029	116	III-A, III-B	101473	8/10	8/10	10/10
Yoncalla 99340-09	5,000,000	108	I,III-A,III-B	101699	8/10	8/10	6/11

Table 2: Projects in Rank Order

Table 2 includes the same projects listed in Table 1; however this list is sorted in project rank order. Table 2 also includes the points assigned during the ranking process, applicable green project reserve category (Green Infrastructure - GI, Water Efficiency - WE, Energy Efficiency - EE, & Environmentally Innovative Activity - EIA) with amount qualified, and an indication whether the project was submitted by a small community, or is for facility planning, or both.

Notes:

* Projects proposed to receive increases to their existing loans, and are considered to be categorically green projects (see previous section on Project Descriptions).

** Project total points were re-evaluated based on comments received during the public comment period. Based on the re-evaluation, the total points for these projects were amended in this IUP and the priority ranking changed as noted in the Response to Public Comments.

Priority Rank	Total Points	Project Number	Applicant	Amount Requested	Green Project Reserve category (and amount)	Small Community & Facility Planning
*	N/A	32240-09	Farmers Irrigation District	1,000,000	WE – 1,000,000	
*	N/A	89600-09	Swalley Irrigation District	800,000	WE – 800,000	
1	45	93640-09	Vernonia, City of	5,000,000		SC
2	44	74161-09	Portland, City of	15,000,000		
3	43	23040-11	Coburg, City of	6,000,000	WE – 1,143,000	SC
3	43	27760-09	Devils Lake Water Improvement Dist.	762,000		
5	42	43770-09	Hermiston, City of	20,000,000	WE - 220,000	
6	40	29650-10	Dundee, City of	10,000,000		SC
7	39	54410-09	Lake Oswego, City of	5,000,000		
8	37	68820-09	Newberg, City of	55,000,000		
9	36	11752-09	Ashland, City of	1,645,280		
9	36	22400-10	Clackamas County Service Dist. #1	372,000		
9	36	78860-09	Roseburg Urban Sanitary Authority	5,000,000		
9	36	82670-09	Seaside, City of	3,959,000		
13	35	20880-10	Carlton, City of	4,430,000		SC
13	35	70650-09	Oregon City, City of	270,895	GI - 223,593	
15	34	11860-09	Aumsville, City of	985,160		SC
15	34	52602-09	Klamath County School District	1,446,424		SC
15**	34**	92580-11	Tumalo Irrigation District	16,500,000	WE – 16,500,000	
18	33	26110-09	Dallas, City of	5,000,000	WE - 5,000,000	
18**	33**	52601-09	Klamath Falls, City of	40,200,000		
18	33	66280-09	Monroe, City of	1,000,000		SC
21	32	13840-09	Bay City, City of	2,122,500		SC
21	32	31790-09	Eugene, City of	2,600,000	GI - 2,600,000	
21	32	44550-09	Hillsboro, City of	3,740,000		
21	32	47740-09	Irrigon, City of	4,242,540		SC
25	31	10511-09	Albany, City of	4,650,000		
25	31	37450-09	Glendale, City of	1,384,000		SC
25	31	86770-09	Springfield, City of	3,200,125		
28	30	14081-09	Beaverton, City of	170,700	GI - 150,800	
28	30	14082-09	Beaverton, City of	3,773,549		
28	30	84160-09	Shoreline Sanitary District	1,700,000		SC
31	29	35610-09	Garibaldi, City of	152,900		SC
31	29	70651-09	Oregon City, City of	119,402	GI - 88,998	
31	29	92840-09	Twin Rocks Sanitary Dist.	400,000		SC
34	28	23550-10	Columbia City, City of	96,313		SC
34	28	63980-09	McMinnville, City of	2,500,000		
34	28	76210-09	Reedsport, City of	1,633,000		SC
34	28	78501-09	Rogue Valley Sewer Services	713,460		
38	27	41420-10	Harbor Sanitary District	1,390,000		SC
38	27	80213-09	Salem, City of	487,922	GI - 309,676	

Priority Rank	Total Points	Project Number	Applicant	Amount Requested	Green Project Reserve category (and amount)	Small Community & Facility Planning
38	27	91800-09	Toledo, City of	1,379,950		SC
41	26	10950-09	Amity, City of	1,140,000		SC
41	26	18231-09	Brookings, City of	3,004,200		
41	26	20592-09	Canyonville, City of	1,400,000		SC
41	26	27611-09	Deschutes County	5,000,000		SC
41	26	87590-09	Stayton, City of	5,830,000		
46	25	11751-09	Ashland, City of	1,100,000		
46	25	20591-09	Canyonville, City of	600,000		SC
46	25	20880-08	Carlton, City of	1,474,000		SC
46	25	22400-09	Clackamas County SWCD	250,000		
46	25	80212-09	Salem, City of	500,924		
46	25	80162-09	St. Paul, City of	250,000		SC
46	25	89551-10	Sutherlin, City of	4,927,000		
46	25	97650-09	Windmaster Corner Sewer District	3,285,595		SC
54	24	14080-09	Beaverton, City of	409,000		
54	24	80211-09	Salem, City of	400,019	GI - 331,050	
56	23	11420-09	Arch Cape Sanitary District	225,600		SC
56	23	20590-11	Canyonville, City of	5,230,000		SC
56	23	38980-09	Green Sanitary District	4,800,000		
56	23	62370-09	Madras, City of	1,322,514		
56	23	74350-09	Powers, City of	5,000,000		SC
56	23	89430-10	Sumpter, City of	300,000		SC
62	22	10200-09	Adair Village, City of	1,258,400		SC
62	22	56200-09	Lebanon, City of	7,000,000		
62	22	78503-09	Rogue Valley Sewer Services	88,160		
62	22	86771-09	Springfield, City of	2,902,000		
66	21	18230-09	Brookings, City of	1,552,498		
66	21	84480-09	Silverton, City of	5,000,000		
68	20	20580-09	Cannon Beach, City of	3,800,000	GI - 3,800,000	SC
68	20	24190-09	Coos Bay, City of	1,600,000		
68	20	68930-09	Newport, City of	5,000,000		
68	20	69980-09	Nyssa, City of	303,000		SC
68	20	76070-09	Redmond, City of	4,593,863	GI - 1,135,500	
68	20	92260-09	Tri-City Water & Sanitary Authority	1,500,000		SC
74	19	29650-09	Dunes City, City of	600,000		SC
74	19	48740-09	Jefferson, City of	5,000,000		SC
74	19	70610-09	Ontario, City of	4,508,000		
74	19	74300-09	Powder Valley Water Control Dist.	3,662,936	WE - 3,546,435	SC
78	18	55080-09	LaPine Special Sewer District	5,843,070		SC
78	18	56200-11	Lebanon, City of	5,000,000		
78	18	94820-09	Warm Springs Tribe	3,000,000		SC
81	17	24192-09	Coos Bay, City of	800,000		

Priority Rank	Total Points	Project Number	Applicant	Amount Requested	Green Project Reserve category (and amount)	Small Community & Facility Planning
81	17	45760-09	Hood River, City of	1,673,800		
81	17	74160-09	Portland, City of	18,000,000		
84	16	40350-08	Haines, City of	74,000		SC
84	16	59220-09	Lowell, City of	624,576		SC
84	16	78280-09	Rockaway Beach, City of	4,368,750		SC
84	16	97791-09	Winston, City of	200,700	EE -164,044	
88	15	21641-09	Central Point, City of	1,961,816	GI - 1,390,633	
88	15	24191-09	Coos Bay, City of	2,500,000		
88	15	66140-09	Molalla, City of	581,801		
91	14	22700-09	Clean Water Services	17,500,000		
91	14	89310-09	Sublimity, City of	250,000		SC
93	13	12910-09	Bandon, City of	268,605		SC
93	13	25640-09	Culver, City of	2,668,310		SC
95	12	25140-09	Crescent Sanitary District	5,950,000		SC
95	12	37811-09	Gold Hill, City of	1,775,650		SC
95	12	66241-09	Monmouth, City of	5,533,554		
95	12	78861-09	Roseburg, City of	682,684		
95	12	80210-09	Salem, City of	5,000,000	EE - 5,000,000	
100	11	74162-09	Port Orford, City of	3,870,000		SC
101	10	22701-09	Clean Water Services	10,700,000	EE- 8,600,000	
101	10	78490-09	Rogue Valley Sewer Services	519,432		
101	10	78491-09	Rogue Valley Sewer Services	170,214		
101	10	78500-09	Rogue Valley Sewer Services	192,592		
101	10	78502-09	Rogue Valley Sewer Services	705,070		
101	10	85050-09	Sisters, City of	1,957,000	WE - 1,714,000	SC
101	10	94340-09	Waldport, City of	2,293,100		SC
108	9	40670-09	Halsey, City of	700,000		SC
108	9	70031-09	Oakridge, City of	2,221,317		SC
108	9	74420-09	Prairie City, City of	208,525		SC
108	9	78492-09	Rogue Valley Sewer Services	640,461		
108	9	78499-09	Rogue Valley Sewer Services	417,623		
108	9	99340-09	Yoncalla, City of	5,000,000		SC
114	8	66790-09	Moro, City of	1,490,000		SC
115	7	14510-09	Bend, City of	17,200,000	GI - 412,000	
116	6	62620-09	Malin, City of	75,000	WE - 65,000	SC
116	6	67980-09	Myrtle Creek, City of	345,000		SC
116	6	68680-09	Netarts-Oceanside Sanitary District	20,000,000		SC
116	6	78489-09	Rogue River, City of	371,003		SC
116	6	78493-09	Rogue Valley Sewer Services	277,477		
116	6	78494-09	Rogue Valley Sewer Services	79,819		
116	6	78495-09	Rogue Valley Sewer Services	199,341		
116	6	78496-09	Rogue Valley Sewer Services	227,010		

Priority Rank	Total Points	Project Number	Applicant	Amount Requested	Green Project Reserve category (and amount)	Small Community & Facility Planning
116	6	78497-09	Rogue Valley Sewer Services	180,297		
116	6	78498-09	Rogue Valley Sewer Services	281,865		
116	6	82920-09	Seneca, City of	200,000		SC
116	6	99100-09	Yachats, City of	425,826		SC
116	6	99110-09	Yamhill, City of	138,029		SC
129	4	66240-09	Monmouth, City of	250,000		FP
130**	3**	24680-09	Cove, City of	1,600,000		
131	2	89550-10	Sutherlin, City of	100,000		FP
132	0	11750-09	Ashland, City of	315,000	GI - 275,000	
132	0	77320-09	Richland, City of	82,500		SC, FP

Table 3: Applicants Ready to Proceed

Table 3 includes projects that have submitted a loan application and have completed all CWSRF requirements. This table is presented in project rank order. These projects are considered to be “ready to proceed” and are eligible to receive a loan. Based on available funds, DEQ has determined that not all projects listed below will receive funding.

Applicant	Applicant Number	Description	Amount Requested	Rank	Points
Hermiston, City of	43770-09	WWTP Upgrades	20,000,000	5	42
Newberg, City of	68820-09	WWTP Improvements	55,000,000	8	37
Oregon City, City of	70650-09	Warner Milne Road stormwater treatment	270,895	13	35
Irrigon, City of	47740-09	New sewer mains and lift station	4,242,540	20	32
Harbor Sanitary District	41420-10	New sewer line, pump stations, generators	1,390,000	39	27
Clackamas County SWCD	22400-09	Local Community Loan	250,000	47	25
Windmaster Sewer Service District	97650-09	New sewer collection system	3,285,595	47	25
Madras, City of	62370-09	Collection system/effluent disposal upgrade	1,322,514	57	23
Silverton, City of	84480-09	Biosolids treatment improvements; reuse	5,000,000	67	21
Portland, City of	74160-09	Anaerobic Digesters & Sponsorship Option	18,000,000	82	17
Bend, City of	14510-09	Improvements to treatment system	17,200,000	116	7
Monmouth, City of	66240-09	Facilities Planning	250,000	131	4
Sutherlin, City of	89550-10	Facilities Planning	100,000	132	2
Richland, City of	77320-09	Facilities Planning	82,500	133	0

Priority Ranking Criteria

An application for an eligible proposed project is ranked based on the program's criteria established by Oregon Administrative Rule 340-054-0025(4) Table 1. Criteria are as follows:

Category 1: Proposed Project's anticipated benefit for water quality or public health

1A—(0 or 8 points) - Project addresses water quality or public health issue within a "special status" water body

1B—(0-6 points) - Project addresses noncompliance with water quality standards, a public health issue or effluent limits related to surface waters

1C—(0-6 points) - Project addresses noncompliance with water quality standards or a public health issue related to groundwater

1D—(0-12 points) - Project ensures that a source already in compliance maintains that compliance.

1E—(0-8 points) - Project improves or sustains aquatic habitat supporting state or federally threatened or endangered species

1F—(0-12 points) - Project incorporates wastewater reuse or a water quality-related conservation process

1G—(0-7 points) - Project improves water quality by mitigating any of the following pollutants: temperature, dissolved oxygen, contaminated sediments, toxics on the EPA Priority Pollutants List, bacteria or nutrients

1H—(0-5 points) - Project supports the implementation of a Total Maximum Daily Load (TMDL) allocation or action plan for a Ground Water Management Area

1I—(0-6 points) - Project addresses a water quality or public health issue involving "Persistent Bioaccumulative Toxics" (PBT's)

Category 2: Potential water quality or public health consequences of not funding the proposed project

2A—(0-5 points) - If the proposed project is not implemented, water quality standards are likely to be exceeded or existing exceedances are likely to worsen

2B—(0-5 points) - If the proposed project is not implemented, the resulting impact is likely to cause a public health problem

2C—(0-5 points) - A unique opportunity to implement the proposed project currently exists due to timing, finances or other limitations that would not allow this project to be implemented in the future

Category 3: Other considerations

3A—(0-3 points) - Project has significant educational or outreach component

3B—(0-3 points) - Project demonstrates innovative technology which is transferable

3C—(0-3 points) - Project is a partnership with other group(s), incorporating self-help, financial or in-kind support

3D—(0-5 points) - Project incorporates monitoring, reporting or adaptive management

3E—(0 or 1 point) - Project addresses or includes risk management, safety or security measures

3F—(0-minus 5 points) - Applicant's past performance with previous Department loans or grants such as, but not limited to, failure to satisfy match requirements of a grant, failure to complete the project or failure to submit any other required deliverable in a timely manner.

Funds Available for Loans

Table 4 provides the calculation of funds available for FY 2011. This calculation includes the capitalization grant for federal fiscal year 2010, which DEQ expects to receive by the end of August 2010.

DEQ will sell bonds in the amount of \$10,000,000 to raise matching funds for \$50,000,000 in future federal capitalization grant money. The first \$5,000,000 bond issue was sold November 12, 2009. The additional \$5,000,000 is scheduled to be sold in July 2010.

Funds Available – FY 2011

Table 4 identifies the funds available for new loans and amendments during FY 2011, including the FY 2010 capitalization grant (as discussed above). The “Source of Funds” section identifies the total amount of the fund and its sources of capitalization and revenue on a cumulative basis. The “Use of Funds” shows the amount allocated to existing loans and administration expense. Adding the two sections together yields the net amount available for new loans and amendments.

Table 4: Estimated Loan Funds Available for FY 2011

Source of Funds	Actual Through FY 2009	Actual For FY 2010	Estimated For FY 2011	Total
Federal Capitalization Grants	296,046,754	4,755,031	23,017,000	323,818,785
State Match	59,438,875	4,926,421	4,950,000	69,315,296
ARRA 2009 Grant	0	44,271,000	0	44,271,000
Investment Earnings	30,965,269	200,000	250,000	31,415,269
Loan Principal Repayments	208,105,228	51,546,099	57,619,952	317,271,279
Loan Interest Payments	97,941,525	15,992,063	27,684,087	141,617,675
Transfer From Loan Fees Account	3,000,000	0	0	3,000,000
Total Sources of Cash	695,497,651	121,690,614	113,521,039	930,709,304
Use of Funds				
Loans and Amendments	722,584,667	113,642,253		836,226,920
Administration Expense pd w/Grant	8,863,620	0	0	8,863,620
Debt Service on Match Bonds	26,895,353	1,698,455	2,322,014	30,915,822
Total Uses of Cash	758,343,640	115,340,708	2,322,014	876,006,362
Sources of Cash less Uses of Cash	-62,845,989	6,349,906	111,199,025	54,702,942
Net Available to Loan - FY 2011			54,702,942	54,702,942

Capitalization Funds

This Intended Use Plan will be used to allocate any additional federal or state funds which become available during FY 2011. The FY 2010 capitalization grant application will include a proposed federal payment schedule based on loan project schedules and when the cash will be needed. DEQ believes the FY 2010 federal capitalization grant will be awarded no later than August 2010.

State matching funds for the FY 2010 federal capitalization grant will be raised through the sale of general obligation bonds. When bonds are sold to raise this match, the CWSRF loan program will be required to pay the debt service on the bond. This has an impact on the amount of funds available to make loans, both this year and in future years. Annual debt service on bonds issued in the amount of \$10,000,000 (estimated need) would average approximately \$802,426. In addition to the cost of the FY 2009, 2010, and 2011 match bonds, the CWSRF will also pay \$1,623,565 in debt service costs during FY 2011 on bonds issued in previous years. This further reduces the amount of funds available for loans. This debt service has a significant limiting effect on the availability of funds needed to make loans over the long term.

Investment Earnings

Investment earnings are projected conservatively for FY 2011 based on declining market interest rates and the relatively moderate cash balance of the CWSRF as more loan funds are disbursed. The long term goal is to keep cash reserves low by balancing the need for cash to cover variability in project completion schedules against the goal of keeping the funds in use by communities. As the program's available cash balance gradually declines due to the disbursement of funds to borrowers, investment interest earnings also gradually decline.

Loan Repayments

Projected repayments in the amount of \$85,304,039 are included in the cash available for new loans. This amount includes the following three categories (from most time-certain to least time-certain):

- 1) Repayments on loans that are fully disbursed and already in repayment,
- 2) Repayments of interim loans with long-term financing through USDA Rural Development, and
- 3) Repayments on signed loans that are not fully disbursed at this time but are expected to be in repayment before the end of 2011.

The estimates for 2) and 3) are less time-certain since changes to the repayment schedules, as projects are completed, tend to move repayments out in time (projects frequently finish later than scheduled). However, unscheduled prepayments increase the actual repayments received. New loans for short-term projects also increase the repayments actually received. The net effect of these factors in recent years has been to increase actual repayments received over the amount projected. In addition, this estimate of repayments to be received does not include repayments from loans not yet executed, but which could be signed and in repayment during the period of this IUP.

The amount of repayments stated above includes an estimate of repayments to be received in FY 2011 and FY 2012 based on existing loans. FY 2012 is included in this calculation as the demand for loan disbursement funds has historically been spread over at least three years after

loan execution. Additionally, the inclusion of two years' loan repayments better matches the supply of funds to the demand for funds. Failure to provide loans at a level that can be supported by the program means fewer projects completed and higher balances of CWSRF cash remaining unused. Future calculations of funds available may be adjusted up or down as conditions warrant. The CWSRF program cash balance has been decreasing as DEQ continues to disburse loan funds at a rate greater than the receipt of loan repayments.

Administrative Expenses

Administrative expenses for program operations are paid by utilizing the annual fee income from loans. Loan fees are assessed through an annual fee in the amount of 0.5% of the unpaid loan balance as prescribed in OAR 340-054-0065(7). The collection of loan fees is adequate to support DEQ's administration of the program and DEQ will continue to monitor the fees fund to ensure the revenue source is adequate. Revenues from this fee are kept in an account outside the regular CWSRF and are used exclusively to pay the administrative costs of the program. As of May 31, 2010, the CWSRF program had approximately \$6.9 million available for administrative expenses.

Loan Terms and Conditions

Loan terms and conditions under the CWSRF loan program are governed by Oregon Administrative Rules (OAR) Chapter 340, Division 54. Terms prescribe maximum repayment duration of 20 years after project completion, and interest rates based on the average 20-year municipal bond rate, as published by the Federal Reserve. The average bond rate is calculated on a quarterly basis. A percentage of that rate is used for the CWSRF loan interest rate on loans signed in the subsequent calendar quarter. These percentages are stated in OAR 340-054-0065(5). Any loan not using ARRA money will include these terms. Loans with different repayment terms may have different interest rates. DEQ charges an annual loan fee, equal to 0.5% of the unpaid loan balance, beginning with the second payment.

Loan Allocations

Each year DEQ establishes the maximum loan amount per borrower based on the administrative rules, and certain amounts are set aside for the Planning Loan Reserve and Small Community Reserve. FY 2011 will also include the Green Projects Reserve, in an amount equal to twenty percent (20%) of the capitalization grant, as required by the terms of the federal capitalization grant. The amounts of the planning and small community reserves are based on the total available funds as listed in the Intended Use Plan and requirements included in administrative rule. For FY 2011 and with the current funds available, the maximum loan amount per borrower (including amendments) is \$8,205,441. The minimum amount to be allocated to small communities (population of 5,000 or less) is \$8,205,441.

The minimum amount to be allocated to planning projects is \$859,500. If the Planning Loan Reserve is not used, any remaining funds will be allocated to design or construction projects in priority order during the final quarter of the year. If additional planning money is needed, after review of new applications the planning allocation noted above may be increased. Any increase cannot exceed \$3,000,000 (per OAR 340-054-0025(6)(c)(C)). Applications for planning loans will be accepted throughout the fiscal year. Projects will be funded until such time as the reserve is fully allocated, or until any remaining reserve is re-allocated to design or construction projects.

The CWSRF loan program has also established the Expedited Loan Reserve. This will be used to fund loans that qualify as expedited loans under program administrative rules. This reserve is

not to exceed \$2,000,000. If the reserve is not obligated to projects during the fiscal year, any remaining funds available from this reserve on May 31 will be transferred to the general supply of funds.

DEQ does not allocate loan funds to an applicant until a complete application is received and approved. Each year all unfunded (or partially funded) applications are considered. Any available funds are allocated to projects in priority order, with increases to existing loans awarded first as required under OAR 340-054-0025(6)(c). Small community or planning projects that are not fully funded through the Small Community or Planning Reserves may be funded with the remaining funds only by competing with all other projects in priority order.

DEQ does not expect to fund any projects for more than the maximum amount per borrower. However, this could occur if there are not enough eligible project applications during FY 2011. If this occurs, any remaining available funding may be offered to existing borrowers on a competitive basis.

The CWSRF gives funding priority for loan increases to existing projects that will assist communities until projects are complete (OAR 340-054-0025(6)(c)). The amount and timing of loan increases varies from year to year, and can have a significant impact on the amount of funds available for new projects. Increases to existing loans during FY 2011 will utilize a significant amount of available funds.

Proposed State Fiscal Year 2011 Loan Activity

The following table includes projects proposed to be funded with FY 2011 funds based on the calculation of funds available as stated in Table 4.

The top section of Table 5 shows the projects that may receive increases to their existing loans. The lower section shows new loans that may be executed, based on applications already received. It also includes the highest ranking projects that could be funded if ready to proceed. Applications will be accepted throughout the fiscal year. Funds will be allocated as projects become ready to proceed and funds are available. As indicated in this table, there is a remaining balance in the Facility Planning loan reserve. DEQ will leave this unallocated balance in the reserve to provide communities the opportunity to submit project applications during FY 2011 and obtain funding as allowed under CWSRF requirements. ***Table 5 is an estimate only and the actual FY 2011 funding activity may be different based on the demand for loan funds, the overall ranking of projects, and projects' readiness to proceed.***

Table 5: Estimated FY 2011 Activity

Project	Facility Planning	Small Community	Green Project Reserve	Other	FP, SC, GPR and Other Total	Subsidy	Remaining Available CWSRF Funds
Current FY Available Funds	732,500	8,205,441	4,603,400	41,161,601		3,447,216	54,702,942
Use of Available Funds – Increases							
Clackamas Co. S.D.				350,000	350,000		54,352,942
MWMC				8,205,441	8,205,441		46,147,501
Hermiston, City of				8,205,441	8,205,441	368,688	37,942,060
Central Or. Irr. Dist.				1,500,000	1,500,000	450,000	36,442,060
Farmers Irr. Dist.			1,000,000		1,000,000	300,000	35,442,060
Astoria, City of				1,300,000	1,300,000	975,000	34,142,060
Swalley Irr. Dist.			800,000		800,000	240,000	33,342,060
Oak Lodge S.D.				8,205,441	8,205,441		25,136,619
Coburg, City of				5,000,000	5,000,000		20,136,619
Gardiner Sanitary Dist.	40,000				40,000		20,096,619
Subtotal	40,000	0	1,800,000	32,766,323	34,606,323	2,333,688	
Balance	692,500	8,205,441	2,803,400	8,395,278	20,096,619	1,113,528	20,096,619
Use of Available Funds - New Loans							
Monmouth, City of	150,000				150,000		19,946,619
Sutherlin, City of	100,000				100,000		19,846,619
Richland, City of	82,500				82,500		19,764,119
Newberg, City of				8,205,441	8,205,441		11,558,678
Dundee, City of		2,051,360		178,756	2,230,116		9,328,562
Coburg, City of		2,051,360	1,143,000	11,081	3,205,441	113,528	6,123,121
Tumalo Irrigation Dist.		2,051,360	1,660,400		3,711,760	1,000,000	2,411,361
Carlton, City of		2,051,361			2,051,361		360,000
Subtotal	332,500	8,205,441	2,803,400	8,395,278	19,736,619	1,113,528	
Balance	360,000	0	0	0	360,000	0	

The increases noted above for the Farmers Irrigation District and the Swalley Irrigation District are for projects originally presented in the FY 2009 IUP, and were considered categorically green for purposes of compliance with the Green Project Reserve requirements.

Timely Use of Funds

It is the intent of the CWSRF Loan Program to use funds in a timely and expeditious manner. EPA requires funds to be committed within one year of availability, with some exceptions. Table 6 documents the Oregon CWSRF loan program compliance with this requirement. This calculation is accurate as of June 17, 2010.

Table 6: Binding Commitments and Funds Available

EPA requires that the program execute binding commitments at least equal to the amount of funds available in the program, within one year of that fund availability. This schedule calculates the amount of funds available as of June 30, 2009, and compares that amount to the binding commitments executed as of June 30, 2010.

FUNDS AVAILABLE AS OF JUNE 30, 2009

Total Federal Cap Grants Awarded	Total State Match	Total Principal Repayments	Total Interest Repayments	Total Investment Interest	Total Early Principal Repayments FY 07 – 09*	Total Transfer From Fees Fund FY 07 – 09	TOTAL FUNDS AVAILABLE
293,137,085	59,453,605	175,698,821	88,056,248	30,387,205	3,879,367	0	642,853,597
TOTAL BINDING COMMITMENTS AS OF JUNE 30, 2010							831,526,920
BINDING COMMITMENTS AS A PERCENTAGE OF FUNDS AVAILABLE FROM 2009							112.6%

* DEQ has 3 years to commit early principal payments.

Loan Award By-Pass Procedure

Each loan application submitted to DEQ is scored and ranked by CWSRF program staff and included in this IUP. Projects can only be funded if they are included in this IUP and are “ready to proceed”. “Ready to proceed” means satisfying all CWSRF requirements, including for example, a land use compatibility statement, an environmental review (if applicable) and documentation supporting compliance with the federal cross cutting authorities. An applicant is not considered ready to execute a loan agreement until all such requirements have been satisfied.

If enough projects are ready to proceed, the CWSRF loan program may not have sufficient funds available to accommodate all those requests. In this situation, DEQ will award loans to projects that are ready to proceed in rank order based on the Project Priority List ranking as published in this IUP. If the number of projects ready to proceed does not require all available CWSRF program funds, DEQ will award loans without regard to ranking, since available funds will accommodate all projects ready to proceed. This encourages applicants to proceed with their projects, and helps put CWSRF funds to work in a timely manner. As a result of this process, a project with a lower ranking could be funded ahead of a higher ranking project, if that lower project is ready to proceed and the higher ranking project is not.

Environmental Review

Environmental review requirements for projects have been modified in recent years as required by DEQ and other agencies outside of the CWSRF program. DEQ has met EPA Title II equivalency requirements. A proposed State Environmental Review Process (SERP) was submitted to and approved by EPA in February 2008. This process is included as part of the Oregon CWSRF Program Procedures Manual, which is available upon request and can be found on DEQ’s web site.

Operating Agreement

The Operating Agreement between the U.S. Environmental Protection Agency Region 10 and the State of Oregon Department of Environmental Quality for the Clean Water State Revolving Fund Program includes the procedures, assurances, certifications, applicable federal authorities and laws, and other on-going documentation required for the program. The Operating Agreement is discussed here to incorporate the required assurances, certifications and other documentation by reference. Copies of the Operating Agreement are available upon request.

Single Audit Act

Borrowers who have been disbursed federal funds under DEQ's CWSRF program may be subject to the requirements of the Single Audit Act and OMB Circular A-133. DEQ will monitor borrowers' compliance with those requirements in an amount equal to the capitalization grants.

Public Involvement Activities

Invitations to submit applications were sent to all Oregon jurisdictions, sanitary districts, and other interested parties in December 2009. The following public notice inviting comments on the Proposed IUP was printed in the Daily Journal of Commerce on July 22, 2010:

PUBLIC NOTICE

Oregon DEQ Clean Water State Revolving Fund Proposed Intended Use Plan- State Fiscal Year 2011

Notice Issued: July 22, 2010
Comments Due: August 23, 2010

WHAT IS PROPOSED

The Oregon Department of Environmental Quality (DEQ) has prepared a *Proposed Intended Use Plan - State Fiscal Year 2011* for the Clean Water State Revolving Fund Loan Program in accordance with procedures set forth in Oregon Administrative Rules, Chapter 340; Division 54.

The *Proposed Intended Use Plan* is part of the federal grant application process for DEQ to receive federal funds for the creation of state revolving funds under authority of the Clean Water Act. This plan includes a green project reserve and additional subsidization eligibility information as specifically required by the 2010 Appropriations Act. The plan also outlines how DEQ proposes to use funds currently available in the program for state fiscal year 2011. These funds are used to provide low cost loans to public agencies for water pollution abatement projects, including eligible wastewater treatment, non-point source, and estuary management projects. After the close of the public comment period, DEQ will address any comments received, finalize the *Proposed Intended Use Plan*, and begin executing loan agreements.

DESCRIPTION OF PROPOSED INTENDED USE PLAN

The *Proposed Intended Use Plan - State Fiscal Year 2011* will fund approximately \$54,000,000 in loans for planning, design, or construction of projects needed to correct priority water quality problems in Oregon. The *Proposed Intended Use Plan* includes a List of Eligible Projects in Priority Order that applied for funding. Funding will be allocated in priority order as applicants complete the application process. Funding limitations apply under Oregon Administrative Rule 340-054-0025.

TO RECEIVE A COPY OF THE PROPOSED INTENDED USE PLAN

A copy of the *Proposed Intended Use Plan- State Fiscal Year 2011* is available on the Department of Environmental Quality website at: <http://www.deq.state.or.us/wq/loans/iup.htm>. Comments on this Plan may be submitted in writing via mail, fax, or e-mail any time prior to the comment deadline of 5:00 p.m., Monday, August 23, 2010. Written comments may be mailed, faxed or e-mailed to:

Mail: Oregon DEQ, Water Quality Division
Attn: Larry McAllister
811 SW Sixth Ave.
Portland, OR 97204-1390
Fax: (503) 229-6037
Email: intendeduseplancomments@deq.state.or.us

Notification of IUP

In addition to all public agencies who have submitted applications that are included in this IUP, the following individuals and organizations were sent information informing them how to access the *Proposed Intended Use Plan - State Fiscal Year 2011*. Notification was also sent by e-mail to all applicants on the Priority List, informing them of proposed plan availability.

David Garcia
U.S. Environmental Protection Agency
1200 6th Avenue, Suite 900
Seattle, WA 98101

Janet Gillaspie, Executive Director
Oregon Association of Clean Water Agencies
537 SE Ash St., Suite 12
Portland, OR 97214-1159

Response to Public Comments

Summary of Public Comments and Agency Responses

DEQ received five written comments during the public notice period for the Proposed IUP. Summaries of these individual comments and the Department's responses are provided below.

<p>Comment 1 City of Cove (Project #24680-09)</p>	<p>The City of Cove requested reconsideration of its application.</p> <p>Brad Baird, Engineer for the City of Cove President, Anderson Perry and Associates, Inc. La Grande, Oregon</p>
<p>Response</p>	<p>The updated information submitted by the Applicant was evaluated by Department CWSRF program staff and resulted in an adjustment to the project score with a decrease from the original score of six points to three points. The priority ranking for this project changed from 116 to 130. Tables 1 and 2 were updated to reflect the change in scoring and ranking.</p>
<p>Comment 2 City of Klamath Falls (Project #52601-09)</p>	<p>The City of Klamath Falls requested reconsideration of its application.</p> <p>Mark Willrett, Director of Public Works City of Klamath Falls, Klamath Falls, Oregon</p>
<p>Response</p>	<p>The updated information submitted by the Applicant was evaluated by Department CWSRF program staff and resulted in an adjustment to the project score with an increase from 29 to 33 points. The priority ranking for this project changed from 30 to 18. Tables 1 and 2 were updated to reflect the change in score and rank.</p>
<p>Comment 3 Tumalo Irrigation District (Project #92580-11)</p>	<p>The Tumalo Irrigation District requested reconsideration of its application.</p> <p>Jon Burgi, Engineer for the Tumalo Irrigation District David Evans and Associates, Inc. Bend, Oregon</p>
<p>Response</p>	<p>The updated information submitted by the Applicant was evaluated by Department CWSRF program staff and resulted in an adjustment to the project score with an increase from 33 to 34 points. The priority ranking for this project changed from 17 to 15. Tables 1 and 2 were updated to reflect the change in score and rank.</p>
<p>Comment #4 Swalley Irrigation District (Project #89600-09)</p>	<p>Swalley Irrigation District commented on the amount of the loan increase stated in Table 5. The District originally requested \$800,000 and Table 5 in the proposed IUP shows only \$600,000.</p> <p>Suzanne Butterfield, General Manager Swalley Irrigation District Bend, Oregon 97701</p>
<p>Response</p>	<p>DEQ will award FY 2011 loan funding first to those projects that have requested increases to their existing loans. DEQ has made the adjustment to Table 5 based on the District's request for more funding.</p>

<p>Comment #5 U.S. Environmental Protection Agency (Projects #32240-09 and #89600-09)</p>	<p>EPA notes that two projects in the Proposed Intended Use Plan do not have sufficient information to justify the proposed Green Project Reserve funding. Specifically, the projects for Farmer’s Irrigation District and Swalley Irrigation District require more information before they can be considered eligible for the GPR funding.</p> <p>The Final DEQ SFY2011 IUP should contain the same types of information for these two districts as listed for all projects eligible for the GPR. For example, all the other GPR projects in this IUP contain a project description, the GPR dollar amount proposed for each project, the project’s funding priority, an indication as to whether the project requires a business case or is categorically eligible for GPR funding, the specific category for which it is eligible, and a preliminary project schedule. A similar level of detail must be provided for Farmer’s Irrigation District and Swalley Irrigation District if they are to be considered for GPR funding.</p> <p>David Carcia U.S. EPA, Region 10 Office of Water and Watersheds Seattle, Washington</p>
<p>Response</p>	<p>DEQ has included the Farmers Irrigation District and Swalley Irrigation District projects in the Final IUP as a result of this comment. These projects are included in the Project Description section and applicable tables.</p>