

Partner Funding Update



Fall 2025

Topics

General updates

Funding Formula Overview

Process

Updating hourly cost parameters

Future Considerations

Workload revisions (OVS systems)

Funding availability

Questions?

General Updates

- DWS will be sending out copies of our financial capacity brochures in the very near future. Please watch for Pete's e-mail and respond with your preferred physical address for delivery ASAP.
- The cert team is working on renewals for water system operators, and there have been several questions lately about small water certifications.

General Updates

- Small water certifications require attendance at one of the small water system operator certification training classes (offered by OAWU on a contractual basis on our behalf) within 12 months of their renewal.
- Effective 08/2022, small water operator certifications require passing a written exam.
- Applicants who fail to renew their certification within their three-year certification period must also complete the exam again.

Important Dates

Certification Renewals

- Level 1-4 Op Cert and all Backflow renewals go out in October, due NLT 12/31 each year.
- Last names beginning with **L-Z** this year

Cross Connection Annual Fees

- Invoices go out in November, due NLT 12/31
Late Fees Assessed **February 1st.**

Annual Summary Reports

- Available first week of January, due NLT 03/31

SWS Renewals

- Due NLT 07/31, annual reminders also went out in October.



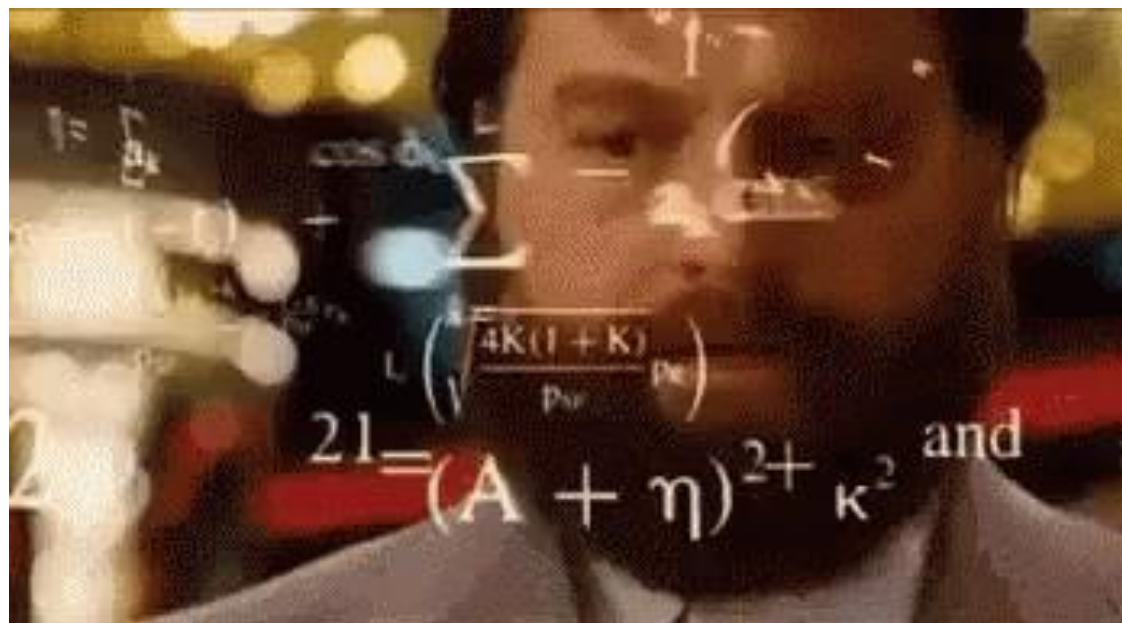
SRF Updates

The funding for the **Small System Equipment Assistance Program** (SSEA) and the **Sustainable Infrastructure Planning Projects** (SIPP) programs have been fully expended for this year.

We anticipate that the programs will re-open in August 2026.

Stay tuned for updates from the DWSRF Team!

Funding Formula 101



Funding Formula 101

- OHA uses a funding formula to determine the funding allotment for each LPHA participating with PE 50.
- This formula was developed by a workgroup comprised of DWS and LPHA staff and implemented ~2007.

Formula

CWS < 3300 pop (GW SOURCE ONLY)	NTNCWS	TOTAL CWS + NTNCWS	% OF TOTAL CWS + NTNCWS (A)	TNCWS	NON-EPA PUBLIC SYSTEMS	TOTAL TNCWS + NON-EPA PUBLIC SYSTEMS	% OF TNCWS + NON-EPA PUBLIC SYSTEMS (B)	TOTAL PUBLIC WATER SYSTEMS	% OF AVAILABLE FUNDING USING ALLOCATION FORMULA (0.6A+0.4B)
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	COUNTY	CWS < 3300 pop (GW +SWP)	NTNCWS	TOTAL CWS + NTNCWS	% OF TOTAL CWS + NTNCWS (A)	TNCWS	NON-EPA PUBLIC SYSTEMS	TOTAL TNCWS + NON-EPA PUBLIC SYSTEMS	% OF TNCWS + NON-EPA PUBLIC SYSTEMS (B)	TOTAL PUBLIC WATER SYSTEMS	% OF AVAILABLE FUNDING USING ALLOCATION FORMULA (0.6A+0.4B)	Award
Funding												
\$100.00	BENTON	11	10	21	2.49%	15	26	41	2.63%	62	2.55%	\$2.55
	CLACKAMAS	63	34	97	11.49%	97	122	219	14.07%	316	12.53%	\$12.53
	COLUMBIA	26	6	32	3.79%	15	36	51	3.28%	83	3.59%	\$3.59
	COOS	7	1	8	0.95%	24	17	41	2.63%	49	1.62%	\$1.62
	CROOK	18	2	20	2.37%	18	20	38	2.44%	58	2.40%	\$2.40
	DESCHUTES	63	9	72	8.53%	55	38	93	5.98%	165	7.51%	\$7.51
	DOUGLAS	6	5	11	1.30%	55	25	80	5.14%	91	2.84%	\$2.84
	HOOD RIVER	4	1	5	0.59%	12	3	15	0.96%	20	0.74%	\$0.74
	JACKSON	55	22	77	9.12%	91	43	134	8.61%	211	8.92%	\$8.92
	JEFFERSON	1	2	3	0.36%	22	4	26	1.67%	29	0.88%	\$0.88
	JOSEPHINE	30	21	51	6.04%	66	60	126	8.10%	177	6.86%	\$6.86
	KLAMATH	25	7	32	3.79%	72	41	113	7.26%	145	5.18%	\$5.18
	LANE	51	31	82	9.72%	105	83	188	12.08%	270	10.66%	\$10.66
	LINN	33	40	73	8.65%	62	36	98	6.30%	171	7.71%	\$7.71
	MARION	63	34	97	11.49%	50	35	85	5.46%	182	9.08%	\$9.08
	MULTNOMAH	16	6	22	2.61%	19	11	30	1.93%	52	2.34%	\$2.34
	NCPHD	22	5	27	3.20%	29	5	34	2.19%	61	2.79%	\$2.79
	POLK	5	3	8	0.95%	7	1	8	0.51%	16	0.77%	\$0.77
	TILLAMOOK	27	3	30	3.55%	18	15	33	2.12%	63	2.98%	\$2.98
	UNION	9	1	10	1.18%	10	7	17	1.09%	27	1.15%	\$1.15
	WASHINGTON	15	13	28	3.32%	42	13	55	3.53%	83	3.40%	\$3.40
	YAMHILL	27	11	38	4.50%	8	23	31	1.99%	69	3.50%	\$3.50
	TOTAL	577	267	844	100.00%	892	664	1556	100.00%	2400	100.00%	\$100.00

	COUNTY	CWS < 3300 pop (GW +SWP)	NTNC WS	TOTAL CWS + NTNC WS	% OF TOTAL CWS + NTNCW S (A)	TNCWS	NON-EPA PUBLIC SYSTEMS	TOTAL TNCWS + NON-EPA PUBLIC SYSTEMS	% OF TNCWS + NON-EPA PUBLIC SYSTEMS (B)	TOTAL PUBLIC WATER SYSTEMS	% OF AVAILABLE FUNDING USING ALLOCATION FORMULA (0.6A+0.4B)	Award
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Formula Assumptions (in no particular order)

CWS and NTNC systems are more complex, and it was thought that these systems would need more time than the TNC and State Regulated (now OVS) systems would require – resulting in the weighting scheme used within the formula.

Funding levels for LPHA staff were based on LPHA staff needing no more than 1640 hours per year to fully implement the drinking water workload - which is less than full time.

Formula Assumptions (in no particular order)

The funding provided to partners was expected to cover their time performing drinking water activities, but it was never intended to fully fund the LPHA's entire public health workload, nor provide the full funding required to support a full time EH practitioner.

Since most LPHA staff were generalists and performed work related to additional PH agreements, it was expected that the funding needed to support LPHA staff would be a mix of funding from all PH related agreements.

Through the years

OHA has adopted primacy on several new rules and other rules have been revised, resulting in additional regulatory complexity, which in turn increased the time needed to perform PE 50 work.

Salary and benefit expenses have also dramatically increased, resulting in higher costs to maintain qualified personnel.

Through the years

Funding levels for partners remained static through 2017, when we began implementing a COLA increase whenever possible.

It is important to note that although no increase to funding was made between 2007-2017, OHA experienced significant reductions in funding, resulting in programmatic cuts and unpaid furlough time for OHA staff.

Through the years

As a result of the workgroup's efforts, DWS staff updated the inventory assigned to each partner and a 3% increase in funding was applied to the formula.

An unexpected result of the inventory being updated was that due to the changes in inventory, some LPHAs received a lower award despite the increase in overall funding.

Through the years

We've made several COLA increase to the funding, including an unprecedented 5% increase for the 2025-27 biennium, effective July 1.

Considering the reduction in award due to the updated inventory, we temporarily decoupled the inventory from the formula for the 2025-27 biennium to ensure that all LPHAs received the full 5% COLA increase.

Through the years

We've also revised the scope of the PE for the 2025-27 biennium to reassign OVS system responsibility to OHA staff to reduce the amount of work assigned to the partners in addition to the COLA increase.

The amended PE agreements reflecting this revision are scheduled to go out with the October updates.

Through the years

However, we recognize that there are still issues to overcome with the funding for partners – including:

The hourly cost determination for PE 50 work was completed in ~2006 and has never been revised based on current staffing costs.

Reassigning the OVS systems will necessarily result in fewer systems being assigned to each partner.

Through the years

Reducing the number of water systems within the formula will inevitably result in a lower allotment for each partner, despite the COLA increases, unless we also revisit the formula process.

Which is what I've been working on behind the scenes for the last year or so.

Updating the parameters and next steps

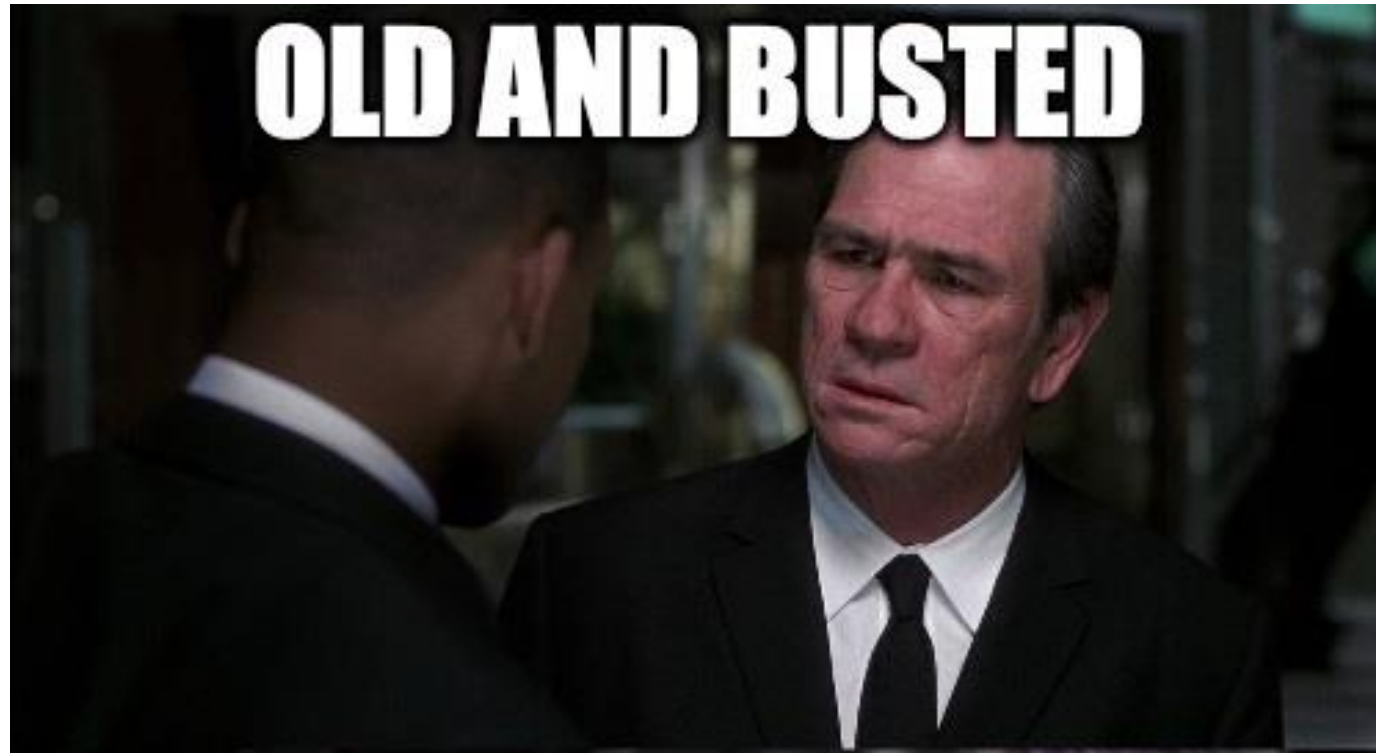
I asked the partners with the highest PE 50 workload to provide an update on their expenses implementing PE 50 based on the same parameters used in 2006.

I used the responses I received to provide a new hourly rate based on current staff costs, including salaries, benefits, and the actual time needed for each partner to fully implement the agreement.

Updating the parameters and next steps

I used this data to create an aggregate rate for the partners, and I also performed the same calculation for OHA staff with an REHS credential.

When done, I created a second aggregate that combined the salary for both groups, and I normalized the calculation at 1 FTE.



DHS annual position cost, revised to current times. We would use this as the basis for pricing all the IGA tasks.

Environmental Health Specialist 3 (step 9 - top), 7/1/07 - \$5026

$\$5026 \times 12 = \$60312/\text{yr}$ (salary)

$\$60312 \times 1.49 = \$89865/\text{yr}$ (salary + benefits)

$\$89865 + \5672 (DHS standard services&supplies - 12 mos.) = \$95537

$\$95537 + \9554 (10% cost allocation) = \$105091

$\$105091 + \10509 (supervision 10:1) = \$115600

$\$115600/1640$ work hours per year (as per food program) = \$70/hr



New Hotness

	Composited OHA and Partner Data	
Composit Salary		\$8,566.36 per month
X x12 months		\$102,796.36 Annual
Salary and Benefits x 1.6578 (Salary and benefits)		\$170,415.81 Salary & benefits
Services & supplies (\$5672.00)		\$176,087.81 Services & supplies
Cost Allocation	14.80%	\$199,771.62 Cost Allocation
Supervision (10:1)	10%	\$219,748.78 Supervision (10:1)
2299 work hours per year		105.94 per hour

Where do we go from here?

While the hourly data is critically important to determine the new costs of doing business, it isn't sufficient on its own to determine a new pay rate.

As noted earlier, updating the inventory usually results in lower awards for some partners (especially the smaller counties).

Additionally, removing the responsibility for OVS systems results in a commensurate reduction in formula percentages, which also dramatically reduces the awards.

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Where do we go from here?

We believe that the best path for us now is to reinitiate the workgroup to review both the new hourly rate of pay and the reassignment of the OVS systems relative to the formula.

I updated the hourly rate to save time for the workgroup, but the expectation is that we need feedback and guidance from all of you to determine how to incorporate all the new data into an acceptable pay scale for everyone.

Where do we go from here?

We may need to make significant revisions to the formula.

We also need to be aware of current and potential funding issues relative to Oregon's budget, along with our current and future federal funding support.

Regardless, we'll get there together.

Questions?



This concludes my presentation

Now, if anyone
has any questions
quietly raise your hand
and place it
over your mouth.



Schizo the DJ remix

This concludes my presentation

Once I became a parent I finally understood the scene where Yoda gets so tired of answering Luke's questions he just dies.



Thank you!

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