



Klamath Water Quality Improvements Grant Program

OVERVIEW AND GUIDANCE

Oregon Watershed Enhancement Board

Introduction

Interim Measure 11 (IM11), from the Amended Klamath Hydroelectric Settlement Agreement (KHSa), includes funding to address water quality improvements in the Klamath River via restoration and conservation actions in the Klamath Basin in Oregon. The emphasis of IM11 is nutrient reduction projects. PacifiCorp, in consultation with the Interim Measures Implementation Committee (IMIC), developed a list of project categories to be implemented to fulfill the objective of IM11. PacifiCorp provided funding of up to **\$6,433,500** million for the design/engineering and implementation of projects. This funding is administered through the Klamath Water Quality Improvements Grant Program.

A Steering Committee, facilitated by the Department of Environmental Quality (DEQ), was established to assist OWEB with implementation of the program. Oregon Watershed Enhancement Board (OWEB) is the Fiscal Agent and will award funds for projects approved by the Steering Committee until the funds are exhausted.

The Steering Committee is comprised of members from the following organizations: Oregon Water Resources Department (OWRD), Oregon Department of Environmental Quality (ODEQ), Oregon Department of Agriculture, Oregon Department of Fish and Wildlife, National Oceanic Atmospheric Administration, US Fish and Wildlife Service, US Bureau of Reclamation, Yurok Tribe, Karuk Tribe, Klamath Tribes, California Department of Fish and Wildlife, California North Coast Regional Water Quality Control Board, Natural Resources Conservation Service (NRCS), and Aquatic Ecosciences.

Program Structure

The source and intent of funding for this program may result in project eligibility differing slightly from other OWEB grant solicitations.

Eligible applicants: Tribes, watershed councils, soil and water conservation districts, not-for-profit institutions, schools, Oregon institutions of higher education, independent not-for-profit institutions of higher education, or political subdivisions of Oregon that are not a state agency. A state agency or federal agency may partner with one of the eligible entities.

Ineligible applicants: Any member or organization represented on the Steering Committee, individual persons, and for-profit organizations. An important exception is that Tribes are members of the Steering Committee **and** are eligible applicants. If you are unsure about your eligibility, please contact the OWEB for clarification.

The project location: Must be within the Klamath Basin in Oregon to be eligible for this grant offering. Projects located upstream of Upper Klamath Lake will be prioritized to yield the greatest proportional nutrient reductions. However, projects in the Klamath Basin area downstream of Upper Klamath Lake will be considered, particularly if demonstrable water quality improvements to the Klamath River could result.

Project Type: This grant offering will provide funding for engineering and/or design projects under a Technical Assistance offering or implementation projects under a Restoration offering. Applications must demonstrate how the project reduces nutrient inputs in the Klamath Basin to provide water quality improvements in the mainstem Klamath River. A detailed summary of Project Categories can be found in Appendix A of this document.

Project Categories:

1. **Natural Wetlands Restoration**
2. **Diffuse Source Treatment Wetlands**
3. **Riparian Fencing & Grazing Management**
4. **On-Farm Irrigation Efficiency & Water Management**

Ineligible activities include large-scale irrigation modernization activities such as canal piping and associated infrastructure, canal lining, center pivot irrigation systems, and off-farm piping of water systems conveyance. (Note: On-farm piping of ditches is eligible if a water quality benefit can be demonstrated.)

5. **Other:** Please list the project type and describe how the project will have a direct impact on improving water quality in the Klamath River.

Projects that demonstrate strong water quality benefits, partnerships, and matching funds to support project costs are strongly encouraged to apply. Documented matching funds can include federal or non-federal cash or in-kind contributions (including volunteer labor). Matching funds do not need to be fully secured prior to submitting a grant proposal but should have a reasonable likelihood of being secured during the project period to ensure the project can be completed as proposed. A 25% match (cash or in-kind) is encouraged for restoration projects; however, a minimum of 5% match is required. A 5% match is required for all Technical Assistance grants. Training is not an eligible activity.

The steering committee **strongly encourages** applicants to consider requesting up to \$3,500 in effectiveness monitoring to track change in water quality improvements over time and evaluate the effectiveness of conservation and restoration efforts. This is only applicable to Restoration applications.

IMPORTANT: This grant offering includes a two-step process.

1. **Pre-application consultation:** In the first step, interested applicants are required to contact OWEB to schedule a pre-application consultation meeting. To schedule a pre-consultation meeting, please contact Greg Ciannella, greg.s.ciannella@oweb.oregon.gov. The pre-application consultation is intended to determine overall eligibility and project readiness, in addition to providing the applicant direct recommendations on how and where to provide project level detail to demonstrate technical soundness and water quality improvements.
2. **Grant Application:** Applicants must submit a grant application through OWEB's online grant application system ([Home Page](#)) that demonstrates in detail how the proposed project will benefit water quality in the Klamath River and fulfill the goals of the KHSa IM11. The required content of pre-application consultations and full proposals is summarized below.

Pre-Application Consultation

Applicants are required to contact OWEB to set up a pre-application consultation meeting. OWEB will invite steering committee members from ODEQ and OWRD to participate in pre-application consultations. The applicant should come prepared to discuss details of their project. Specifically, where the project is located, land ownership and land management, activities the project entails, design development, permitting timeline, and expected water quality benefits. The applicant is encouraged to show maps, photos, and/or other visual aids to help illustrate the project.

To schedule a pre-application consultation, please contact OWEB Project Manager via email at:
Greg.S.Ciannella@oweb.oregon.gov.

Grant Application:

Grant applications must provide the information as outlined below using OWEB's online grant management system ([Home Page](#)) additional information and explanations that would lend further support for potential selection of their proposals. Minimum full proposal requirements:

1. Title of the proposed project and name of the applicant or proposed project sponsor.
2. The specific project category or categories the proposed project addresses.
3. Water right(s) information associated with the project property, as applicable.

4. Description of project purpose, goals, and objectives.
5. Description of expected short-term and long-term benefits to water quality from the proposed project. Description of benefits using quantifiable metrics is encouraged. If this project is a continuation or expansion of an existing project, describe the status and results/outcomes achieved to date.
6. Detailed scope of work, including the following:
 - a) The primary activities that will be conducted and how they address the goals and objectives. Explain how these tasks or activities address the goals and objectives described above.
 - b) The means/methods by which the scope of work will be accomplished.
 - c) The planning, design/engineering, and permitting necessary for project implementation, and how the project team will complete those necessary steps and obtain all relevant permits.
 - d) If private landowner cooperation is necessary, please describe what is needed and the status of that cooperation.
 - e) The reporting, monitoring or documentation to be prepared for the proposed project. Implementation monitoring, including measures based on quantifiable metrics, is encouraged.
 - f) A detailed timeline of the primary activities for the proposed project, including major project milestones, the planned project implementation period, and completion date. If the proposed project will occur over multiple years, this should be described in the proposal.
7. Project participants and partnerships. Describe the personnel, organizations, or contractors that comprise the project team. List the names of the project manager and other key technical participants and provide their qualifications for involvement in the project. If the project is a cooperative effort with other organizations, list proposed partners and the roles that they will play in accomplishing the scope of work.
8. Detailed budget estimate. The project budget must be in-line with the proposed scope of work and detail matching funds. Specific tasks necessary to complete the project must be identified in the appropriate budget category with justifications for costs. Please detail permitting costs and include them in either the in-house personnel or contracted services budget category.

For additional information about eligible costs and budget development, refer to OWEB's [GoBig document](#) for this grant offering.

Post-implementation status reporting will be required once the grant has ended, and requirements will be detailed in the grant agreement.

Grant Cycles and Grant-Making Considerations

Evaluation Process

OWEB will facilitate a required pre-application consultation with the applicant and steering committee members from ODEQ and OWRD. Applicants can then submit a grant application to demonstrate in detail how the proposed project will benefit water quality in the Klamath River and fulfill the goals of the KHSa IM11.

Grant application evaluation will be based on the OWEB Technical Assistance and Restoration Grants evaluation criteria. Within that evaluation framework, grant applications will be assessed by the Steering Committee to ensure that proposed activities align with the following expectations:

- Demonstrated clear need for the proposed activities and how they will lead to water quality benefits.
- Projects located upstream of Upper Klamath Lake where nutrient loadings are known to be highest will be given priority. However, projects in the Klamath Basin area downstream of Upper Klamath Lake will be considered, particularly if demonstrable water quality improvements to the Klamath River could result.
- Demonstrated nutrient input reduction to benefit the Klamath River.
- Demonstrated integration and linkage with existing Klamath Basin plans.

Project Site Visits

After grant applications are submitted, OWEB will work with applicants to set up a time to conduct an in-person field tour of Klamath Water Quality Improvements Grant Program Guidance

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the project area. The applicant should coordinate with landowner(s) and relevant partner(s) to participate. OWEB and ODEQ will coordinate with the IM11 Steering Committee members to recruit as many members as possible to participate. NOTE: For Restoration applications, in-person field tours are required. For Technical Assistance applications, in-person field tours are encouraged; however, a virtual site visit can be substituted.

Grant applications will be reviewed by the Steering Committee comprised of subject matter experts who understand local needs, are knowledgeable about water quality issues in the Klamath Basin, and have experience with organizational capacity, coordination, and partnership considerations related to planning and implementation of nutrient reduction projects in the Klamath Basin.

Recommendations to Applicants using the OWEB Online Grant Application System

OWEB strongly recommends that applicants submit their grant applications at least 24 hours before the application deadline. OWEB's online grant applications include a verification step that will flag missing and incomplete information in the application. Verifying and submitting your grant application at least 24 hours in advance allows time for applicants to correct errors that are found during verification. **All applications must be successfully submitted through OWEB's online grant application system by 5 pm on the due date. No exceptions will be made.**

Applicants should carefully review all guidance and information (including iButtons) in the online grant applications. This review will help applicants confirm before submitting their application that all questions are answered completely, based on the guidelines included in the application, and all required uploads are provided.

Under this grant program, grantees will be required to complete progress reporting and submit a project completion report. Post-implementation status reporting will be required post-grant for up to five years after project completion.

Additional Resources for Applicants

For additional information about applying for OWEB grants, see [OWEB's Online Application Guidance](#). While not specific to the Klamath Water Quality Improvements Grant Program, this general guidance may provide helpful tips.

For information about grant budgets, getting access to OWEB's Grant Management System, understanding insurance requirements, or using OWEB's online applications, see the [video resources](#).

For eligibility questions or other questions about the Klamath Water Quality Improvements Grant Program, please contact: Greg Ciannella, Central Oregon Regional Program Representative, Greg.S.Ciannella@oweb.oregon.gov or 971-701-3175.

Appendix A:

Project Categories and Geographic Focus

Content below was excerpted from past reports by IMIC.

1) Natural Wetlands Restoration

The key goal of natural wetlands restoration is to facilitate improvement in water quality in Upper Klamath Lake, Agency Lake, Keno Reservoir, Klamath Straits Drain, and ultimately the Klamath River by nutrient removal from surface waters through wetland ecosystem processes. The primary means of envisioned wetland restoration is to: (1) reconnect delta areas with Upper Klamath Lake, Agency Lake, Keno Reservoir, and Klamath Straits Drain; and (2) rehabilitate and enhance other existing natural wetlands areas. These reconnections would restore wetland areas and improve water quality by reducing the external loadings of phosphorus and nitrogen to Upper Klamath Lake, Agency Lake, Keno Reservoir, and Klamath Straits Drain. Wetlands restoration also could provide habitat for the endangered Shortnose and Lost River suckers if located in Upper Klamath Lake. Priority locations for natural wetlands restoration are assumed to include larger fringe wetlands areas on the margins of Upper Klamath Lake, Agency Lake, Keno Reservoir, and Klamath Straits Drain. Other priority locations for natural wetlands restoration include locations for specific wetlands restoration in the Sprague and Williamson watersheds in the basin above the lake.

2) Diffuse Source Treatment Wetlands (DSTWs)

Diffuse Source Treatment Wetlands (DSTWs) are smaller (1 to 10s of acres) constructed or managed wetlands usually located along creeks and canals and in low-lying areas in fields. The goals for DSTWs are generally the same as for other types of wetlands, but the functionality occurs in relatively smaller pockets and has the advantage of providing onsite treatment. DSTWs can effectively reduce nutrient loads downstream and therefore improve water quality through natural water treatment mechanisms, such as uptake by vegetation, microbial processes and sedimentation and filtration. DSTWs also can provide habitats for wildlife, serve as water reservoirs during drought, and buffer storm waters much like natural wetlands. DSTWs are designed to accommodate an estimated amount of stormwater or agricultural tail-water runoff from the landscape and have been shown to remove nutrients from irrigation ditches and stream networks

The Wood River and Sprague River watersheds are identified as priority locations for DSTWs because of their relatively high contribution to Upper Klamath Lake's external nutrient loads and a perceived capacity for additional wetland rehabilitation. A network of DSTWs would decrease external loading of phosphorus and nitrogen to Upper Klamath and Agency lakes, or any other waterbody downstream of the DSTW, and may help decrease nuisance algal blooms in these waterbodies.

3) Riparian Fencing and Grazing Management

Riparian areas include the plant habitats and communities that occur along the margins and banks of streams, rivers, and lakes. In the Upper Klamath Basin, an important objective is to manage and restore riparian corridors along streams that flow into Upper Klamath Lake to reduce sediment loads (and sediment-bound nutrients) in the streams.). The naturally eutrophic condition of Upper Klamath Lake is attributed to the natural sediment geology and soils of the Upper Klamath Basin.

Riparian Fencing and Grazing Management actions can be very effective at managing sediment loads in surface runoff. Riparian fencing and grazing management are the central focus of the Upper Klamath Basin Comprehensive Agreement (2014) and the Upper Klamath Basin Watershed Action Plan. Priority locations for specific riparian fencing and grazing management actions include the Sprague River, Williamson River, and Wood River watersheds in the basin upstream of Upper Klamath Lake. Please describe historical livestock stream access and provide a grazing management plan that includes information about grazing duration, intensity (in terms of utilization), timing, rotation and number of animals.

Livestock well construction and off-channel watering infrastructure are an eligible project component. Applicants must demonstrate how the well construction will have a direct impact on improving water quality in the Klamath River. Wells must be for livestock water or irrigation only; **Note:** Wells will be reimbursed for all drilling costs per operating well.

4) On-Farm Irrigation Efficiency and Water Management

On-Farm Irrigation Efficiency and Water Management projects will be used to manage irrigation and associated return flows along streams and canals that flow into Upper Klamath Lake or the Klamath River to reduce sediment loads, sediment-bound nutrients, and irrigation tailwater discharges to streams and rivers in the Upper Klamath Basin. Irrigation Efficiency and Water Management projects include: the reduction of irrigation return flow by using wetlands, ponds, and pump-back systems; and upgrading on-farm irrigation systems to increase the efficiency of irrigated water applications to reduce runoff and irrigation-induced erosion. Priority locations for specific actions under this project category include irrigated agricultural areas within subbasins of the Upper Klamath Basin, such as the Sprague River, Williamson River, Upper Klamath Lake, Lost River, Upper Klamath East, and Butte Creek.

These on-farm irrigation efficiency and water management efforts would contribute to improved water quality in adjacent canals and streams by preventing excessive soil leaching and runoff into local water sources. Water conservation practices that reduce tailwater runoff from irrigated fields can provide extensive improvements in water quality. While tailwater reduction can be achieved by rerouting, recycling, and ponding tailwater adjusting irrigation management, scheduling, and monitoring for runoff is perhaps the most cost-effective method of controlling tailwater. Maximum tailwater reductions are likely achieved when irrigation is effectively managed and resulting tailwater is re-routed, recycled, or ponded.

5) Other

Other projects that have a direct impact on improving water quality in the Klamath River are eligible.