



State of Oregon Department of Environmental Quality

Point Source Project Loan Application (Design and Construction Projects)

Contact: [Regional Project Officer](#)

Answer all requests for information in this application. List “N/A” for items that do not apply. Do not leave any section of this application blank.

DEQ will accept completed applications that are printed, signed and mailed to DEQ, postmarked by the application due date.

Application Information

1. Public agency or Legal applicant:

City of Hermiston

Name

180 NE 2nd Street

Address

Hermiston, OR

97838 USA

OR2

City, State

Zip

County

[Congressional District\(s\)](#)

541-567-5521

mmorgan@hermiston.or.us

Telephone

Email Address

2. Cite your agency’s authority to take on debt, noting the exact Oregon Revised Statute reference located on the [state website](#).

ORS 224

3. Only public agencies are eligible for the Clean Water State Revolving Fund. Does your agency meet the definition of a “public agency” as defined by [ORS 468.423](#)? If you are unsure, contact DEQ at 503-229-LOAN:

Yes No

4. Identify your type of public agency:

Tribal Gov’t City
 County Sanitary District

- State Agency Irrigation District
 School District County Service District
 Metro
 Other:
 Intergovernmental:

** Note: Eligibility includes certification of no disbarment and no suspension through the System of Award Management. Certification is required at time of loan signing.*

5. Project Contact:

Mark Morgan	City of Hermiston	Assistant City Manager
Name	Dept./Organization	Title
541-567-5521	mmorgan@hermiston.or.us	
Telephone	Email Address.	

6. Interim Financing:

- Yes No

7. Water Quality Permit and Certification Information (if applicable):

Type	Number	Administratively extended	Renewed	Current	New	No Permit / Certs
National Pollutant Discharge Elimination System permit number (EPA reference number beginning with "OR")	101294	7/1/2021	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water Pollution Control Facility permit number			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
401 Water Quality Certification			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. Will this project require:

- Permit Renewal
 New Permit
 N/A

9. Permit Includes:

- A compliance schedule associated with loan request
- A Mutual Agreement and Order (MAO) associated with loan request
- Loan request is being made to address potential compliance concerns

10. CWSRF Loan Request Amount

\$2,947,000

11. Total Estimated Project Cost:

\$2,947,000

Project Description: (Attach additional documentation if necessary)

Use this section to describe the objectives components and expected outcomes of the project. The loan agreement will refer to this section in defining what expenses can be reimbursed.

12. Project Type (Check on or both as appropriate):

- Design Construction

** Note: A DEQ-approved facility plan, no older than five years is required prior to application approval*

13. Project Description:

Name of the project: **Southwest Hermiston Sewer Main Extension**

Describe proposed project, specifying the water quality and public health objectives to be addressed:

This project will install approximately 5,300 linear feet of new 8" PVC gravity sewer main from the intersection of OR207 and Gettman Road in Hermiston to the south. This project is anticipated to serve 1,350 new housing units currently planned on a 353 acre site within Hermiston City Limits in the southwest quadrant of the City. Early conversations with the developers centered around the prohibitive costs associated with sewer extension, and the developer's desire to use a septic-based system to serve the homes. Installation of this sewer main will convey sewage from the new housing development to the City of Hermiston's Recycled Water Treatment Plant, which discharges Class-A water.

An ancillary objective of this project is that it will also bring public sewer main past several hundred acres of other properties currently located within the City's UGB which are all on septic systems. Over time, it is anticipated that those existing homes will also connect to the City's sanitary sewer system and get off of septic systems, while additional housing development is likely to occur on undeveloped land.

Describe the major project components (for example, type of structures to be built):

This project will install approximately 5,300LF of 8" PVC sewer main, which will operate as a gravity-flow system. The project also includes boring under a Union Pacific Railroad branch line as well as an irrigation canal. Finally, the project includes installation of 16 manholes along the route.

Describe how the proposed project will achieve the objectives:

The project will prevent development of nearly 500 low-density homes with septic systems by instead encouraging development of 1,300 higher density housing units connected to municipal sewer service.

The project also has the potential to serve existing septic system users along the route in the future as their systems fail.

Give any other pertinent information that explains why this project is proposed:

14. Project will improve water quality by addressing one or more of the following (Check all that apply)

- | | | | |
|-------------------------------------|--|--------------------------|------------------------|
| <input type="checkbox"/> | Temperature | <input type="checkbox"/> | Nutrients |
| <input type="checkbox"/> | Bacteria | <input type="checkbox"/> | Contaminated Sediments |
| <input type="checkbox"/> | Dissolved Oxygen | <input type="checkbox"/> | NPDES/WPCF Permit |
| <input type="checkbox"/> | OHA Requirement | <input type="checkbox"/> | Toxic Substances |
| <input checked="" type="checkbox"/> | Other: <u>Discourages Septic Systems</u> | | |

** Provide documentation, as described in Application Instructions, to support water quality improvement.*

15. Is the facility currently in compliance with its permit(s)?

- Yes No

If yes answer questions #16 and if no, skip to question #17.

16. Is the facility at risk of noncompliance with its permit(s)?

- Yes No

If yes, describe how the project will ensure continued compliance of the facility and how long the system is expected to maintain compliance?

17. Indicate the noncompliance issue, if any the project will address.

- Water quality standards
- Public health
- Limits for wastewater or stormwater discharge to surface water or groundwater
- Waste discharge limits for reuse of biosolids or wastewater

18. Does the project address a water quality improvement or restoration need for a small community, defined as 10,000 or fewer people?

- Yes No

If yes, enter the population estimate*: _____

* Use current estimate from Portland State University [Population Research Center](#).

19. Are you applying for a Sponsorship Option loan for a nonpoint source project in addition to this loan?

- Yes No

*If yes, complete and submit a nonpoint source application with this application. Application located at: <http://www.oregon.gov/deq/wq/cwsrf/Pages/CWSRF-Application.aspx>

20. Project Categories:

Estimate the percentage of the CWSRF loan expected to be used for each of the appropriate categories shown below:

Project category	Description (Please enter all numbers as decimals (ex: 22.34% = .2234))	% CWSRF Funding
CWT	Secondary Treatment Plant (includes, but is not limited to new, expansion, improvements; effluent disposal; biosolids treatment, biosolids disposal, water reuse)	
CWT	Advanced Treatment	
CWT	Infiltration/Inflow	
CWT	Sewer System Rehabilitation	
CWT	New Collector Sewers	100
CWT	New Interceptor	
CWT	Combined Sewer Overflow (CSO) Correction	
Stormwater	Gray Infrastructure	
Stormwater	Green Infrastructure	
Energy Conservation	Energy Efficiency	
Energy Conservation	Renewable Energy	
Water Conservation	Water Efficiency	
Water Conservation	Water Reuse	
Other	Estuary (§320) Assistance	
Other	Desalination	
Total		100

21. Project location (if different from public agency location):

OR207 from Gettman Road south

Address			
Hermiston, OR	97838	Umatilla	2
City, State	Zip	County	Congressional District(s)

[Latitude WGS84](#)

[Longitude WGS84](#)

*Additional sites, please use the blank page provided at the back of the application.

Green Project Components

Oregon DEQ is required to finance a certain percentage of projects that utilize green infrastructure, address water and energy efficiency, and/or implement other environmentally innovative activities. Refer to [Appendices A-D, Green Project Reserve Project Eligibility Guidance](#), to complete the following questions.

22. Does the project incorporate or expand green infrastructure as described in [Appendix A](#)?

Yes No

If yes give the dollar value _____

If yes cite the objective. _____

Describe how the project will achieve the objective:

23. Does the project incorporate or expand water efficiency as described in [Appendix B](#)?

Yes No

If yes give the dollar value _____

If yes cite the objective. _____

Describe how the project will achieve the objective, including the estimated percent improvement in water efficiency:

24. Does the project incorporate or expand energy efficiency as described in [Appendix C](#)?

Yes No

If yes give the dollar value

If yes cite the objective.

Describe how the project will achieve it, including the estimated percent improvement in energy efficiency:

25. Does the project incorporate or expand environmentally innovative projects or practices as described in [Appendix D](#)?

Yes No

If yes give the dollar value

If yes cite the objective.

Describe the environmentally innovative projects or practices and how they will be incorporated into the project:

26. Does the project integrate or expand long term environmental or financial reliability and viability, or use an approach, not included in green project categories

Yes No

If yes give the dollar value \$567,000/yr

If yes cite the objective. _____

This project will help expand the number of sewer utility accounts within Hermiston by 25% (5,500 to 6,850). This helps ensure long-term financial stability of the sewer system by adding guaranteed monthly income of at least \$35 per customer per month. Increasing the number of base-rate-paying customers not only helps make operation of the treatment works more economical, but also helps pay down the debt associated with a \$23M plant expansion from 2014, which assumed customer growth as part of it's pro-forma.

Waterbody

27. Provide the name, eight-digit Hydrologic Unit Code, and the location of the waterbody receiving discharge:

Primary affected waterbody	Umatilla River		HUC#	17070103
Other affected waterbody			HUC#	
GPS Location WGS84	Lat	119.18.56	Long	45.51.46

28. Discharge affected by proposed project (check all that apply):

- | | |
|---|---|
| <input type="checkbox"/> Ocean outfall | <input type="checkbox"/> Estuary/Costal |
| <input type="checkbox"/> Wetland | <input checked="" type="checkbox"/> Surface water (lake, river, stream) |
| <input type="checkbox"/> groundwater | <input type="checkbox"/> Land application |
| <input type="checkbox"/> Other/reuse | <input type="checkbox"/> Eliminates discharge |
| <input type="checkbox"/> Seasonal discharge | <input type="checkbox"/> No change |
| <input type="checkbox"/> No Discharge | |

29. Wastewater volume (average dry weather design flow):

For current system:	<u>1.4</u>	mgd
For proposed project	<u>0.22</u>	mgd
Eliminated or conserved	_____	mgd

30. Indicate if the project will protect or restore beneficial uses of the waterbody. If the project provides both protection and restoration, indicated which beneficial uses are primary and which are secondary. (Not all beneficial uses may apply).

	Protection		Restoration	
	Primary	Secondary	Primary	Secondary
Domestic water supply	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fishing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Industrial water supply	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Boating	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Irrigation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water recreation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Livestock watering	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Aesthetic quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fish and aquatic life	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wildlife and hunting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commercial navigation and transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hydropower	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Information on beneficial uses of Oregon’s waters is available
<https://www.oregon.gov/deq/wq/Pages/WQ-Standards-Uses.aspx>

31. Identify other beneficial uses the project will protect or restore. If the project results in both protection and restoration, indicate which beneficial uses are primary and secondary. The project description must support expected outcomes. Not all listed outcomes may apply.

	Protection		Restoration		N/A
	Primary	Secondary	Primary	Secondary	
Infrastructure improvement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Regionalization/consolidation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water reuse/recycling/conservation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groundwater protection	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Drinking water supply (e.g., groundwater source)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other public health/pathogen reduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Wetland restoration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Security	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Industrial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other (please describe)					

Water Quality / Public Health Benefits

32. If the proposed project is not implemented at this time, are water quality standards likely to be exceeded, or are existing exceedances of the standard likely to worsen?

Yes No

If yes, explain which standard(s) will worsen and provide evidence:

This project supports the Lower Umatilla Groundwater Management Area Local Action Plan by reducing nitrate concentration from septic systems.

33. Will the project improve or sustain the following?

Aquatic habitat that supports native species:

Yes

No

Which species?

Describe how project will improve or sustain aquatic habitat that supports native species. Provide evidence, if available:

State threatened or endangered species:

Yes

No

Which species?

Describe how project will improve or sustain aquatic habitat that support threatened or endangered species. Provide evidence if available:

Federal threatened or endangered species:

Yes

No

Which species?

Describe how project will improve or sustain aquatic habitat that supports federal threatened or endangered species and provide evidence, if available:

34. Project will address water quality or public health issue within (check all that apply)

[Federally designated Wild and Scenic River](#) [Federally designated sole source aquifer](#)

[State designated scenic waterway](#) [Lower Columbia River Estuary](#)

[Tillamook Bay Estuary](#)

Wetland or riparian area listed by the state or a local government

River designated under OAR 340-041-0350 (Three Basin Rule): The Clackamas River Subbasin, the McKenzie River Subbasin above the Hayden Bridge (river mile 15), or the North Santiam Subbasin.

None of the above

*Attach a map with project location and habitat clearly indicated.



35. Project supports the implementation of the following (check all that apply):

- | | |
|---|--|
| <input type="checkbox"/> Existing Total Maximum Daily Load (TMDL) | <input checked="" type="checkbox"/> Projected TMDL |
| <input type="checkbox"/> DEQ Water Quality Status and Action Plan | <input type="checkbox"/> None of the above |
| <input type="checkbox"/> Designated Groundwater Management Area declared under ORS 468B.180 | |
| <input checked="" type="checkbox"/> Other Qualifying Plan (please specify): | <u>LUBGWMA Local Action Plan</u> |

Specify which TMDL, Plan or GWMA the project will support:

Umatilla River Basin TMDL

36. Does project provide performance-based water quality improvements supported by monitoring and reasonable assurance that the project will continue to function over time:

- Yes No

If yes, describe activities that support these water quality improvements and how these activities will provide reasonable assurance that the project will continue to function over time. Attach documentation, if available.

Education and Involvement

37. Explain long-term planning effort applicant is using to ensure the life and maintenance of the project:

The City of Hermiston updated its Sewer Collection System Master Plan in 2020 through Anderson Perry & Associates. This project is identified in that plan.

Long-Term maintenance of the project is cost effective because it was designed as a simple gravity main with no lift

stations requiring ongoing maintenance. The planned addition of 1,350 new rate-payers to the system will generate an additional \$567,000 per year to ensure adequate maintenance of the system.

38. Describe on-going educational or outreach components of the project:

Project is listed on City Website, has been referenced in a mailer going out to all 5,500 utility customers in the city with their September bills, and has been discussed multiple times in the East Oregonian, Hermiston Herald, Northeast Oregon Now, and KOHU/KQFM.

39. Does the project incorporate partnerships or support from one or more of the following?

- In-kind support
- Other funding sources
- Partnerships with organizations (governmental, tribal, non-governmental)
- Other: _____
- N/A

If yes, please describe:

This project is a true Public-Private-Partnership with Monte Vista Homes to help them bring 1,350 new housing units on to the Hermiston market. The City has formed the Southwest Hermiston Urban Renewal Area, and identified this as a project eligible for funding. Meanwhile, the City and Monte Vista have executed a Development Agreement whereby the partners share equally in the annual debt-service for this project, less any revenue from the SHURA. As more homes are built, more revenue accrues to SHURA, thus minimizing the debt-service obligations of the partners until such time that the SHURA revenues are anticipated to fully cover all debt-service by 2033.

Evidence of broad-based community support comes through the SHURA adoption process. As part of adopting an urban renewal area, the City followed all required steps for outreach to the community as well as impacted taxing districts; which included formal written notice and 45 day comment period followed by a public hearing. The City received no written comments from any impacted taxing district, and no written or oral testimony during the October 10 public hearing on SHURA adoption. This evidences tangible financial support from all area taxing districts, since they will forego property tax revenue from new development until this infrastructure improvement is paid off.

Schedule and Budgeting

40. Project Schedule:

Estimated design start date: 01/01/2023

Estimated construction start date: 01/01/2024

Estimated project completion date: 12/31/2024

Estimated initiation of operations date:

Please explain if the estimated dates are before the loan application date or the date a loan will be signed:

Design will begin once a loan is signed and take 12 months

41. Project cost and funding:

Table A: Project Budget		
	Total Project Budget	Amount Funded by CWSRF
Administration and legal		
Contingency	369,000	369,000
Preliminary Expense		
Land and Right of Way	93,000	93,000

Basic Engineering	185,000	185,000
Other Engineering		
Project Inspection	184,000	184,000
Construction	1,842,000	1,842,000
Other:	274,000	274,000
Total Cost	NaN	NaN

Table B: Funding Sources		
	Amount	Interim
DEQ Clean Water State Revolving Fund	2947000	
Business Oregon Special Public Works grant and/or loan		
Business Oregon Water/Wastewater grant and/or loan		
Business Oregon Community Development Block Grant		
General obligation bonds		
Revenue bonds		
Local funds (note source of funds):		
In-kind assistance		
Other:		
Total Cost	2947000	

42. Existing sewer-related debt service (before CWSRF project funding):

Type	Current Balance	Interest Rate	Year Issued	Annual Payment	Bond Rating
General obligation bonds	6172500	4.0	2020	657700	A+
Sewer revenue bonds	3147500	3.5	2017	270256	AA-
Other debt					

43. Service Area Data:

Population served by current system: 19,696

Population served by proposed project: 3,645+

Required Documentation

This application provides the necessary information for DEQ to determine eligibility, scoring, ranking and to complete reporting requirements for the proposed project. Once deemed eligible and scored, the project will be included in the Clean Water State Revolving Fund Intended Use Plan and the applicant can then complete the remaining required documents. Consult the Checklist of Loan Requirements for a list of required documents. The documents require time to prepare and complete. DEQ recommends that applicants become familiar with these required documents early in the application process. The checklist is [online](#).

Check here to receive DEQ program updates through GovDelivery. You may unsubscribe at any time.

Certification

The public agency or applicant certifies that:

- Clean Water State Revolving Fund loan proceeds will be used only for the project described in this application and that project work will be consistent with project objectives.
- The public agency or applicant will comply with all applicable rules and laws.
- The public agency or applicant will obtain all applicable local, state, and federal permits, approvals, and licenses, and comply with their terms and conditions.
- The undersigned is duly authorized to request this loan on behalf of the public agency.
- The public agency or applicant declares under penalty of law that all facts given and information attached are true and correct.
- The public agency or applicant authorizes DEQ to verify all information.

Authorized signature:

Date:

Assistant City Manager

Typed name:

Title:

LGIP account number (for processing loan disbursements)

Return the completed application to your DEQ Project Officer. A complete list of Clean Water State Revolving Fund staff is [online](#).

Accessibility

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.oregon.gov.

<u>DEQ USE ONLY</u>	
Application Name:	_____
Application #:	_____
GPR Amount:	_____
GPR Category:	_____
Application Deemed Eligible and Complete:	
Initial:	_____
Date:	_____
SERP applicant guide version:	

*Additional space, please indicate which question you are answering