



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD



TO: Commissioners McRae, Barofsky, Schlossberg, Brown, and Carlson
FROM: Deborah Hart, Assistant General Manager/CFO; Tegan DeBolt, Grants Specialist
DATE: January 31, 2024
SUBJECT: Grant Funding Process
OBJECTIVE: Information

Issue

Considering recent federal legislation directed toward renewal of the nation's infrastructure, staff observed an opportunity to formalize a standardized grant funding process enhancing EWEB's strategic positioning to leverage funding opportunities and prioritize grants in capital and project planning.

Background

Prior to 2020, large grant awards were provided through the Federal Emergency Management Agency's (FEMA) Public Assistance program and were a function of disaster recovery efforts, typically following winter storms. Since 2020, EWEB has received over \$20 million in grant awards from six federal and state sources for a range of projects. With recent emphasis on recovery from the 2020 wildfires, EWEB is now adapting to focus on grant funding for infrastructure and resiliency projects.

Discussion

Foundations and Successes

2021 was a transformative period with the inception of the Grants Specialist role and the establishment of the Grants Working Group. This cross-functional team was an intake hub for grant opportunities and supported grant logistics, such as compliance and accounting. Complementing this, the Grants Oversight Committee, composed of Executive Team members, Finance Management, and the Grants Specialist, convened monthly to provide strategic direction.

Since the September 2020 wildfires, EWEB has directed most grant resources to recovery and source water protection efforts. Funding for damage done to EWEB's infrastructure during the 2020 wildfires and other resiliency/hardening projects came from FEMA, while significant work upriver has been successfully completed through grant funding from a variety of sources. Attachment 2 includes a listing of grant awards received by EWEB since 2020. In addition, collaborative efforts with partner agencies generated awards from the National Oceanic and Atmospheric Administration and Department of Energy's Grid Resilience Innovation Program totaling \$9.5 million.

Since December 2022, EWEB has participated in several opportunities to provide feedback on a grant funding announcement issued by Oregon Department of Energy and advocating for inclusion of community energy resiliency funding along with ways to maximize community impact through equity. State funding allocations for federal grant programs represent an important way for EWEB to access federal funds, particularly because EWEB will be more competitive at the state level and these grants contain fewer barriers to access.

EWEB also engaged a consultant to assist in developing a comprehensive funding strategy looking at both competitive and noncompetitive funding opportunities to align with EWEB's near and long-term goals. They assist EWEB with identifying and prioritizing federal funding opportunities.

Future Opportunities

With significant awards for wildfire recovery and mitigation work, Staff have shifted focus to new opportunities leveraging alternative funding available through the Infrastructure Investment & Jobs Act (IIJA), Inflation Reduction Act (IRA), Oregon Department of Energy (ODOE), and other federal or state opportunities included in Attachment 1.

EWEB's organization goal to access alternative funding opportunities includes an internal exploration, evaluation, and review process in 2024. Leveraging the grants framework already established over the last several years, Staff will establish a structured framework for sourcing grants. The goal is to more effectively make resource-focused decisions and enhance competitiveness, doing so with a commitment to a foundation reflecting our community values and meeting federal requirements, like Justice40, as well as incorporating principles of diversity, equity, and inclusion, and workforce development.

A part of this approach includes a focus on two tracks for grant funding:

1. Alternative funding for established priorities - Staff will align funding opportunities with the existing Capital Improvement Plan, Water Master Plan, division goals, Wildfire Mitigation Plan, Natural Hazards Mitigation Plan, and the Community Wildfire Protection Plan, among others. Timing considerations will necessitate project prioritization based on funding opportunities.
2. Opportunistic grants to fund strategic objectives - Over the coming year, Staff will identify, scope, and understand these projects, prioritizing based on business continuity, resiliency, and resource optimization.

The first half of 2024 initiates the formalization process with key focuses, including:

- o Renewal of the Grants Oversight Committee as the body providing high-level decision-making, ensuring alignment with organizational goals and evolving needs, as well as strategic configuration of the grants program to allocate required resources.
- o Reformation of the Grants Working Group with broad cross-divisional representation, fostering brainstorming and insights into capital and master plans and support to identify and scope potential projects with strategic objectives as noted within Track 2.
- o Establish industry-wide relationships with similar sized utilities, networking support and information-sharing through quarterly meetings.
- o Establish local partnerships, beginning with the Lane Regional Climate Collaborative, a task force comprised of local government and public entities in the Eugene/Springfield community dedicated to collaboration and information sharing in attracting grant dollars to our community.
- o Develop a formal positioning strategy for grant identification based on resources, competitiveness, and relevance. Focusing on opportunities aligned with our criteria ensures a targeted approach, optimizing existing resources.

Recommendation / Requested Board Action

This memo is for Board information purposes only. Accordingly, there is no recommendation or requested action.

Attachment 1 – Recent Grant Program Submissions

Attachment 2 – List of Grant Awards since 2020

Attachment 1 – Recent Submissions

- Submitted a \$5 million request for Federal Department of Energy's (DOE) Maintaining and Enhancing Hydroelectricity Incentives program to provide three years of funding for dam safety and infrastructure improvements for ESA listed species at the Smith Spillway.
- Submitted an application for DOE's Regional/Municipal Utilities Cybersecurity Prize which can award up to \$200,000 and Technical Assistance for support to successful applicants.
- Following an unsuccessful application in 2022, EWEB submitted a more refined request for \$6.9 million in funding from US Department of Agriculture's Community Wildfire Defense Grant for fuels treatment upriver, in Eugene's Wildland Urban Interface areas, and around EWEB's future second source.
- Partnered with Portland General Electric and Clark Public Utility District on a concept paper for the second round of DOE's Grid Resilience and Innovation Partnerships (GRIP) grant to fund a regional effort towards advanced distribution management systems.
- Submitted an application for a State Preparedness and Incidence Response Equipment grant. If successful, EWEB will receive a 900-gallon mobile water tanker.

Attachment 2 – List of Grant Awards since 2020

Grant Awarded	Award Year	Award Amount
FEMA AA: Day Island Water Line Crossing Feasibility Study	2023	\$793,982
FEMA AA: Willamette Knickerbocker Bridge Water Line Crossing Feasibility Study	2023	\$454,915
FEMA AA: Middle McKenzie Floodplain Restoration Planning & Design	2022	\$735,000
FEMA AA: McKenzie Watershed Fire Recovery & Restoration	2022	\$452,625
OWEB: Middle McKenzie Floodplain Restoration	2022	\$3,000,000
OWEB: Holiday Farm Fire Riparian Recovery Phase 1	2022	\$1,897,172
OWEB: Holiday Farm Fire Riparian Recovery Phase 4	2023	\$799,680
American Rescue Plan Act: Finn Rock Reach Floodplain Restoration	2022	\$325,000
Department of Environmental Quality: Septic Financial Aid Program	2022	\$1,592,410
Oregon Department of Forestry: McKenzie Subbasin Fuels Reduction Treatment	2022/23	\$340,000
FEMA PA: Wildfire Recovery Grants	2020	\$10,130,615
	Total	\$20,521,395

AA = Advance Assistance

PA = Public Assistance

OWEB = Oregon Watershed Enhancement Board