

Approved by the Board May 15, 2007
Oregon Watershed Enhancement Board

March 14, 2007
OWEB Board Meeting
Eugene, Oregon

Minutes

OWEB Members Present

Miles Brown
Bobby Brunoe
Dan Carver
Alan Christensen
Dan Heagerty
Skip Klarquist
Meta Loftsgaarden
Jane O’Keeffe
Dave Powers
Scott Reed
Patricia Smith
Diane Snyder
Michael Tehan
Dan Thorndike
Helen Westbrook
Ken Williamson

Members Not Present

Jim Nakano

OWEB Staff Present

Bonnie Ashford
Ken Bierly
Tom Byler
Rick Craiger
Mark Grenbemer
Wendy Hudson
Miriam Hulst
Karen Leiendecker
Tom Shafer
Greg Sieglitz
Cindy Silbernagel
Lori Warner-Dickason
Roger Wood

Others Present

David Bowers
Kip Wood
Pat Willis
Liz Redon
Erika Lang
Tara Putney
Eric Harlston
Renee Davis-Born
Kevin Goodson
Bob Kinyon
Walt Barton
Jennifer Hampel
Liz Vollmer-Buhl

Others Present

Leo Naapi
Bruce Taylor
Traci Price
Alan Horton
Dave Waddell
Jon Souder
Margaret Kirby
Kim Carson
Ryan Houston
John Moriarty
Dan Weitz
Max Nielsen-Piners
Paula Crowder
Lorena Freel
Jeanne Ginter
Carol Ach
John Eccles
Tom Taylor
Grace Dinsdale
Lee Russell
Josh Kling
Karla Kay Edwards
Clint Shock
Jenny Shine
John McDonald
Larry Six
Megan Finnessy
Shawn Mahugh
Maggie Kirby
Bryan vonBargen
Jenna Garmon

A. Board Member Comments

Representatives on the OWEB Board commented on recent activities and issues facing their respective agencies. Board Co-Chair Jane O’Keeffe reported on meetings she and Co-Chair Heagerty had with Legislators to promote OWEB and its budget, focusing on the importance of non-capital funds.

B. Minutes

Minutes of the following Board meeting were unanimously approved:
January 24-25, 2007 Board meeting in Hillsboro

C. Executive Director Update

Executive Director, Tom Byler, briefly described the following items.

1. Ongoing Grant Offerings

Last fall, OWEB held a solicitation for research proposals. Of the 33 submitted, OWEB asked ten entities to submit full proposals for Board consideration in September 2007. OWEB will need to ask the Legislature for expenditure limitation on the funds from the Research and Protection Account.

2. Watershed Council Support

Sixty watershed council support applications were received by the December 2006 deadline requesting \$7.9 million. The council support advisory committee met for four days in February to review the applications. The Board will consider staff's funding recommendations at the May 2007 meeting.

3. At the September 2006 Board meeting, Board member Helen Westbrook, requested a future Board discussion about the balance of applications received from region to region, noting that Region 1 has fewer applications than other regions. She also requested further information from staff on the number of funded watershed councils by region, and how staff balance the proposed funding recommendations for each region.

Director Byler reported that staff will provide additional information at the May 2007 Board meeting, but noted that there appear to be no trends or patterns for grant applications among the regions. Staff have been working to develop regional restoration priorities, and have brought them to the Board for adoption as they are completed. Some still remain to be submitted for Board consideration. The priorities will be a useful tool for the regional review teams, staff, and the Board to weigh and balance applications among the regions.

4. Legislature and Budget

OWEB's 2007-2009 budget presentation to the Ways and Means Subcommittee on Natural Resources is scheduled for March 20, 21, and 26, with public testimony scheduled for March 27. OWEB's budget work session with the Subcommittee will most likely be scheduled toward the end of the session. OWEB staff are participating on a water measurement work group on HB 2564. The federal government is under a continuing resolution and NOAA Fisheries has authority to distribute \$67 million in PCSRF funds to the Pacific Northwest states. To date, there are no earmarks.

5. Board Retreat

Roger Wood, Special Projects, is working to develop the agenda for a Board Retreat this summer.

D. Oregon Explorer

Greg Sieglitz, Monitoring and Reporting Program Manager, and Janine Salwasser and Renee Davis-Borne from Oregon State University Libraries, gave an update on the status and improvements made to the Oregon Explorer, and provided an overview of the site located at www.oregonexplorer.info.

New features include:

- Access to restoration project locations and information from the Oregon Watershed Restoration Inventory database
- A feature to cut and paste charts and graphs featured in the Oregon Plan 2005-2007 Biennial Report.
- A feature to create charts and tables from information contained on the site.

E. Public Comment on Pending Grant Applications

Bob Kinyon, Partnership for the Umpqua Rivers, thanked OWEB for supporting 207-157, which was recommended for funding, which could be a potential project for the Strategic Investment Program.

Liz Vollmer-Buhl, Jeanne Giner, and Corena Freel, Siuslaw Watershed Council, supported 207-230 which was not recommended for funding.

Curt Mykut, Ducks Unlimited, supported 207-303 which was not recommended for funding.

Johnny Sundstrom, Siuslaw Institute, supported 207-192 which was not recommended for funding. He expressed concerns about the regional review team's evaluation of education applications.

Walt Barton, Douglas SWCD, supported 207-297, which was not recommended for funding due to fiscal concerns with outstanding grants.

Jennifer Hampel, Coquille Watershed Association, supported 207-286, 207-287, and 207-236, which were not recommended for funding.

Liz Redon, North Santiam Watershed Council, supported 207-207, which was not recommended for funding. They are open to a funding award at \$15,000 instead of the requested \$44,000, in order to secure \$100,000 in other grants.

Patrick Willis, Jackson Bottom Wetlands Preserve, supported maintaining grant funds for education and outreach.

Kip Wood, Lincoln SWCD, supported 207-227, which was recommended for funding.

Russell Hoeflich, The Nature Conservancy, supported 207-342 which was recommended for funding at a reduced level.

Dale Waddell and Jay Hopp, Wolfree, Inc., supported 207-215, which was not recommended for funding.

Ala Norton and Traci Price, Oregon Trout, and Ryan Houston, Upper Deschutes Watershed Council supported 207-224, which was not recommended for funding.

David Bowers, Willow Creek Watershed Council, supported 207-172, which was not recommended for funding.

Jon Souder, Coos Watershed Association, supported 207-160, which was not recommended for funding.

Michelle Bussard, Johnson Creek Watershed Council, supports 207-206, which was not recommended for funding; 207-316, which was recommended for funding at a reduced level; and 207-317, which was recommended for funding at a reduced level.

Grace Dinsdale, Dinsdale Farm, Inc. supported 201-184, and provided an overview of events related to their request to re-fund the grant. (See Agenda Item M, Other Business.)

Max Nielsen-Pincus and Scott Turo, Crooked River Watershed Council and Confederated Tribes of the Warm Springs Reservation, supported 207-178, which was not recommended for funding, and 207-173, which was recommended for funding.

Dan Weitz, Powder Basin Watershed Council, supported 207-188, which was not recommended for funding.

Clint Shock, Owyhee Watershed Council supported 207-256, which was not recommended for funding.

John Eccles, West Multnomah SWCD, supported 207-220, which was not recommended for funding.

Russ Stauff, Oregon Department of Fish and Wildlife, supported 207-275, which was not recommended for funding.

Josh Kling, Western Rivers Conservancy, supported 207-072, clarifying application information regarding the title holder for the Sandy River acquisition.

F. Board Consideration of Pending Applications

Ken Bierly, Deputy Director, briefed the Board on the applications received. A total of 206 grant applications seeking a total of \$19,226,568 were received by the October 16, 2006, deadline.

Technical Assistance	38	\$ 1,320,515
Education	36	\$ 1,589,368
Monitoring	24	\$ 1,256,181
Assessment	10	\$ 894,453
Acquisition	4	\$ 2,161,825
Restoration	94	\$12,004,226

After being screened for eligibility and completeness, the applications were sent to the appropriate review teams, who developed recommendations for individual projects on their merit for funding, and numerically ranked the recommended projects for funding. OWEB staff used the review team priorities developed to prepare the funding recommendation for Board consideration taking the budget into account.

Three new land acquisition applications and a water acquisition application received this cycle were first reviewed by the Board acquisition subcommittee that recommends whether staff should proceed with due diligence review or whether the application be denied and no due diligence review would occur. The applications are also reviewed by the regional review teams for ecological and educational values. Staff then consider all evaluation criteria, the subcommittee's recommendation, and available funding resources to develop a funding recommendation to the full Board.

One of the land acquisition applications is ready for funding (McKenzie Oxbow, 207-302 in Region 3). The other two land acquisition applications are recommended for deferral (Newton Creek Wetlands, 207-301, and Lostine River Wetlands, 207-324), and the water right acquisition is also recommended for funding (Evans Creek Flow Enhancement, 207-274).

STATEWIDE EDUCATION AND MONITORING

Ken Bierly, Deputy Director

Greg Sieglitz, Monitoring and Reporting Program Manager

Board members unanimously approved staff's funding recommendations as shown in the "shaded area" of Attachment C of the staff report.

REGION 1, NORTH COAST

Ken Bierly, Deputy Director

Tom Shafer, Regional Program Representative

Board members unanimously approved staff's funding recommendations as shown in the "shaded area" of Attachment A of the staff report.

Acquisition Projects

There were no outstanding acquisition projects in Region 1.

REGION 2, SOUTHWEST OREGON

Ken Bierly, Deputy Director

Mark Grenbemer, Regional Program Representative

Board members unanimously approved staff's funding recommendations as shown in the "shaded area" of the revised Attachment A of the staff report.

Acquisition Projects

Evans Creek at Wimer Flow Enhancement (207-274) was approved for funding.

Board members unanimously approved staff's funding recommendation for this project.

REGION 3, WILLAMETTE BASIN

Ken Bierly, Deputy Director

Wendy Hudson, Regional Program Representative

Greg Sieglitz, Monitoring and Reporting Program Manager

Board members unanimously approved staff's funding recommendations as shown in the "shaded area" of Attachment A of the staff report with the following change:

Acquisition Projects

Newton Creek Wetlands (207-301) was recommended for deferral pending receipt of additional information on the capacity of the Mary's Peak Natural Resources Interpretive Center to own and manage the site, the lack of other funding partners, and the potential for incompatible uses adjacent to the site.

McKenzie Oxbow Acquisition (207-302) meets the criteria for high ecological and educational value. Due diligence materials have been reviewed and approved by staff and legal counsel, and was recommended for funding.

Sandy River Acquisition (207-072) was recommended for funding at half the amount (\$364,000) requested by the Western Rivers Conservancy with the remainder (\$363,500) upon Board approval of a long-term owner of the property.

Board members unanimously approved staff's recommendations.

REGION 4, CENTRAL OREGON

Ken Bierly, Deputy Director

Rick Craiger, Regional Program Representative

Board member Bobby Brunoe recused himself from voting on Application No. 207-319 (recommended for funding) citing a conflict of interest.

Board members approved with one abstention staff's funding recommendations as shown in the "shaded area" of Attachment A of the staff report.

Acquisition Projects

There are no outstanding acquisition projects in Region 4.

REGION 5, EASTERN OREGON

Ken Bierly, Deputy Director

Karen Leiendecker, Regional Program Representative

Board member Diane Snyder recused herself from voting on Application Nos. 207-344 (recommended for funding) and 207-345 (recommended for funding) citing a conflict of interest.

Board members approved with one abstention, staff's funding recommendations as shown in the "shaded area" of Attachment A of the staff report.

Acquisition Projects

Lostine River (207-324) was deferred pending receipt and review of due diligence materials.

Pilcher Creek (206-339) was deferred pending receipt and review of due diligence materials.

Board members unanimously approved staff’s funding recommendations.

At the conclusion of the Statewide and Regional grant awards, staff identified additional funds available to address some of the needs identified in public testimony. Board members were asked to consider the following additional projects for funding:

Non Capital funds

Board members unanimously approved the following non-capital grants with revised work plans to be developed in cooperation with the regional program representatives:

207-230	Siuslaw Watershed Council	\$8,000
207-236	Coquille Watershed Association	\$40,000
207-206	Johnson Creek Watershed Council	\$20,000
207-215	Wolfree	\$42,000
207-256	Owyhee Watershed Council	\$40,000
TOTAL		\$150,000

Capital funds

Board members unanimously approved the following capital grants:

201-184	Grace Dinsdale/Tualatin SWCD	\$134,000
207-286	Coquille Watershed Association	\$99,150
207-342	The Nature Conservancy	\$16,850
TOTAL		\$250,000

Other

The Board was asked to consider special conditions for four grants. Following a discussion of the situation of each grant, the Board considered the following;

Johnson Creek Watershed Council

Allow the difference between the \$600,450 awarded for 207-317 and the amount provided by the Department of State Lands mitigation fund to be used for project 207-316.

Crooked River Watershed Council

Allow the council to use award of \$49,575 for 207-173 to be partially used for the purposes of 207-178.

Board member Bobby Brunoe recused himself from voting due to a conflict of interest.

Board members approved with one abstention.

Local Partner Presentations

The following representatives from local watershed and conservation organizations took Board members on an in-house tour highlighting accomplishments made by the following local partners.

- *Joe Moll, McKenzie River Trust*
- *Megan Finessy, McKenzie Watershed Council*
- *Lauri Mullen, City of Eugene*
- *Pam Reber and Allen Martin, Coast Fork Watershed Council*
- *Dana Erickson, Long Tom Watershed Council*
- *Dave Downing, East Lane Soil and Water Conservation District*
- *Eve Montanaro, Middle Fork Watershed Council*
- *Rolf Anderson, Rolf Anderson & Associates*

At the conclusion of the business meeting, an informal reception for OWEB Board members, staff, watershed partners, and local officials was held.

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OWEB Staff Present

Bonnie Ashford
Ken Bierly
Tom Byler
Rick Craiger
Mark Grenbemer
Miriam Hulst
Karen Leiendecker
Tom Shafer
Greg Sieglitz
Roger Wood

Others Present

Marty Suter
John Moriarty
Sue Knapp
Jeff Samuels
Bruce Taylor

Members Not Present

Miles Brown
Bobby Brunoe
Alan Christensen
Jim Nakano
Scott Reed

G. Council-District Collaboration Update

John McDonald, OACD, and John Moriarty, Network of Oregon Watershed Councils, updated Board members on the status of the Council-District collaboration process. They continue to meet with legislators to reinforce the importance of non-capital, and equal funding to both watershed councils and soil and water conservation districts in the OWEB and ODA budgets.

H. Strategic Investments

Roger Wood, Special Projects, discussed agency efforts to explore opportunities for the Board to consider initiating a special investments partnerships program next biennium. At the January 2007 Board meeting, the Board appointed a subcommittee (Dan Heagerty, Diane Snyder, Dave Powers, and Ken Williamson) to work with staff on developing the details of the special investments concept. The subcommittee first met on February 27 and focused its discussion on the core elements of why the Board would consider a special investment partnerships approach and what that might entail. They also discussed several key criteria that would establish the framework under which potential SIP projects would be evaluated. The preliminary list includes:

1. High level ecological outcomes.
2. Strong community partnerships.
3. Efficiencies.
4. Sustainability.
5. Ripeness.
6. Leveraging.

The special investments partnerships (SIP) is a continuing effort to expand the offering from OWEB. It is not meant to replace OWEB's grant program which will remain whole. The intent is to focus on complicated proposals or special partnerships for projects with substantial funding or long-term funding needs, that would not normally fit into OWEB's regular grant program, and that would benefit economic and community sustainability. No Board action was requested. Staff plan to set up regular meetings with the Board subcommittee and will report at future Board meetings on progress toward the effort.

I. Public Comment – General

Joe Mill, McKenzie River Trust, offered support for the Strategic Investment Partnership that was discussed under Agenda Item H.

Sam Chan, OSU Sea Grant Extension, expressed concern and support for OWEB's education and outreach efforts.

Chris Orsinger, Friends of Buford Park and Mt. Pisgah, discussed a possible acquisition opportunity for OWEB at the Coast Fork, Middle Fork confluence.

J. Coastal Coho Conservation Plan

Sue Knapp, Governor's Natural Resources Office, Kevin Goodsen, Oregon Department of Fish and Wildlife, and Ken Bierly, Deputy Director, briefed Board members on the State of Oregon Conservation Plan for the Oregon Coast Coho Evolutionarily Significant Unit. The draft coastal coho conservation plan was developed by the Oregon Department of Fish and Wildlife (ODFW) with assistance and input from many interests, including OWEB. The purpose of the proposed plan is to ensure continued viability of the coast coho ESU and to achieve a desired status that provides substantial ecological and societal benefits. Successful implementation of the plan depends on commitments made by state natural resource agencies to fulfill statutory authorities and responsibilities for protecting coho habitat and conserving fish populations. ODFW will seek final approval of the plan from the Oregon Fish and Wildlife Commission at its March 16, 2007, meeting.

The draft plan includes the following commitments from OWEB:

- A. OWEB will continue to provide funding for projects that restore and protect coastal coho habitat. Staff will soon issue a Request for Proposals (RFP) for the compilation of limiting factors in the range of coastal coho. The compilation will be conducted at the 5th field hydrological unit code (HUC) spatial scale. The results will be used to review and prioritize restoration activities and guide future funding decisions. OWEB will also continue to fund technical assistance, education, and outreach efforts that facilitate implementation of coastal coho projects.

- B. OWEB will support research that addresses objectives relevant to the coastal coho conservation plan, particularly those concerning watershed function and process issues that are relevant to local protection and restoration issues. OWEB recently received research proposals totaling approximately \$9.5 million for projects that address effectiveness monitoring, interactions between hatchery fish and wild fish, life history evaluations, water quality, fisheries genetics, population modeling, and habitat mapping. Many of these projects are expected to produce valuable information pertaining to coastal coho management and conservation.
- C. OWEB will continue to encourage the use of the Oregon Conservation Reserve Enhancement Program (CREP) in coastal counties. The goal of Oregon CREP is to enhance riparian habitat on agricultural lands along streams that provide habitat for ESA-listed salmonids and water quality benefits.
- D. OWEB will continue to work with other agencies to improve monitoring protocols for OWEB-funded projects. OWEB will also continue working with partnering agencies to develop large-scale, high-level indicators of ecosystem function and determine how to track changes through time.
- E. OWEB will increase staff capacity specifically to provide outreach to sectors and individuals that can assist with coastal coho conservation projects. Staff will facilitate interagency cooperation to accomplish outreach activities and develop restoration projects that strategically advance the habitat goals of the coastal coho conservation plan.

Board members unanimously approved OWEB's commitments to the plan as described above.

K. High Desert Partnership Presentation

Chad Karges, U.S. Fish and Wildlife Service, and Marty Suter, Harney SWCD, discussed efforts of the High Desert Partnership. The High Desert Partnership was formed in 2005. The partnership brings together diverse interest groups such as landowners, conservationists, agencies and other interested parties to address the challenges of the high desert of southeast Oregon, focusing on a balance between community, and economical and environmental factors.

L. Grant Solicitation for April 23, 2007 Grant Cycle

Ken Bierly, Deputy Director, briefed Board members on the April 23, 2007, grant application deadline. Currently, the grant cycle is for restoration and acquisition applications using capital funds. OWEB staff would like the Board to consider accepting technical assistance applications which use non-capital funds. Although non-capital funds are limited, there is a demand for technical assistance funding which in turn would be necessary for capital grant application – better design resulting in better restoration projects.

Board members voted unanimously to approve staff's recommendation to accept technical assistance applications in the April 23, 2007, grant solicitation.

M. Other Business

Board Authorization to Allocate Funds to Implement an Expired Project: Dinsdale Wetland Restoration Grant (201-184) to Ducks Unlimited.

Although the staff report for this Agenda Item was under Other Business, the item was discussed during Agenda Item F: Board Consideration of Pending Grants – Region 3. This grant was ranked number 1 of 8 restoration projects from the Willamette Basin and was awarded at the May 18, 2001, Board meeting. Since then, the project experienced numerous delays and setbacks. Staff attempted to accommodate the grantee’s various requests for time extensions, but ultimately, the grantee was unable to complete the project by the time project funding expired on December 31, 2006.

Late last year, the landowner and NRCS contacted OWEB staff to explore alternative ways to complete the project. After discussions with the landowner, NRCS, and the Tualatin SWCD, OWEB staff developed a funding proposal to present to Board members. After receiving requested information, staff forwarded information to the Board for approval.

Board members unanimously approved staff’s recommendation to enter into a new grant agreement with the landowner and Tualatin SWCD; approve an additional \$70,913 in capital funds; and allow staff to reallocate unspent capital funds of \$63,090 from the original grant for a total project cost of \$134,003.

Having no further business, the meeting was adjourned.