

July 3, 2007

MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Tom Byler, Executive Director

**SUBJECT: Agenda Item C: Implementation Assistance for Watershed Council Support Provisional Funding
July 9, 2007 Special Board Meeting via Teleconference**

I. Introduction

This report requests the Board award up to \$10,500 in non-capital funds to assist in the implementation of provisional funding requirements for watershed councils in the “Needs Improvement” merit category as identified in the May Board action for watershed council support awards.

II. Background

Each biennium, OWEB evaluates grant applications from watershed councils through a merit-based approach to determine council support funding levels. For the 2007-2009 biennium, the OWEB evaluation process resulted in five merit ranking categories based on review scores: Excellent, Very Good, Good, Satisfactory, and Needs Improvement.

The 2007-2009 biennium evaluation process resulted in three councils receiving a “Needs Improvement” merit ranking. Part of the recommendation adopted by the Board in May of 2007 was a direction for staff to provide provisional funds to watershed councils receiving this ranking. Specifically, staff proposed that the three councils be awarded half of their support funding based upon an assessment of needs and development of a plan to meet specific benchmarks during the first year. Upon meeting those benchmarks, the councils will receive the remainder of the funding for the second year of the biennium.

III. Provisional Funding Strategy

Since the May 2007 Board meeting, staff have developed a strategy for addressing provisional funding for the watershed councils that rated in the “Needs Improvement” category. The strategy includes the following steps:

- A. Identify areas that need improvement based on the eight review criteria for Council Support.
 1. Review existing information such as past council support application evaluations and past self-evaluations.
 2. Council conducts a Strengths, Weaknesses, Opportunities, and Challenges (SWOC) or other analysis with facilitation.

- B. Watershed council creates measurable benchmarks to address the areas for improvement by September 1, 2007.
 - 1. This should be done with some outside facilitation.
 - 2. This should also involve input from OWEB staff.
 - 3. Benchmarks should be measurable, realistic, easily translated to grant agreement conditions and attainable by July 1, 2008.
- C. Develop a plan for improvement by November 1, 2007 to meet the benchmarks.
- D. Implement the plan for improvement.
- E. Watershed council provides a progress report to OWEB to evaluate the request for release of funds by September, 2008.

Staff examined the potential for outside facilitation resources. Because of its mission to support watersheds councils, goal to build watershed council capacity, and existing relationships with watershed councils, OWEB staff contacted the Network of Oregon Watershed Councils. The Network has developed a proposal for working with the three councils to design and facilitate the first two steps in the process of the provisional funding strategy: identify areas that need improvement and create measurable benchmarks to address the areas for improvement. The Network proposal has draft timelines, activities, and deliverables. The work plan proposal will require \$10,500 for implementation. Additional assistance with plan development and implementation may be necessary, but has not been discussed at this time.

Staff recommend utilizing unused non-capital funds that have been recaptured from previous grants as they are completed. By using recaptured funds, the Board can immediately support this work without allocating 2007-2009 non-capital funds. To the extent possible, staff wish to preserve the new biennium's non-capital funding for a priority setting discussion and decisions at the September 2007 Board meeting.

IV. Recommendation

Staff recommend the Board award up to \$10,500 in recaptured non-capital funds for a grant to the Network of Oregon Watershed Councils to work with the three councils to identify areas that need improvement and create measurable benchmarks to address the areas for improvement by October 1, 2007.