



Oregon

Theodore R. Kulongoski., Governor

Oregon Watershed Enhancement Board

775 Summer Street NE, Suite 360

Salem, OR 97301-1290

(503) 986-0178

FAX (503) 986-0199

www.oregon.gov/OWEB

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MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Ken Bierly, Deputy Director
Greg Sieglitz, Monitoring and Reporting Program Manager

SUBJECT: **Agenda Item L: Award Adjustments**
January 16-17, 2008 OWEB Board Meeting

I. Introduction

This report seeks Board authorization to amend OWEB grant #206-293, Tenmile Lakes Watershed Fish Passage and Sediment Abatement Phase III, and #208-8008, Development of Physiological Health Criteria to Assess Habitat Quality in Degraded and Recovering/Restored Stream Systems, and to replace capital funds with non-capital funds for each award.

II. Background

Capital funds may only be used for project elements that meet the definition in statute. Staff typically identify potential non-capital expenses in budget proposals prior to the Board approval of a grant or award. For example, in response to advice from legal counsel, OWEB uses non-capital funds for the education and outreach elements of capital-funded restoration projects. Non-capital costs such as this are identified in the tables attached to each grant staff report.

III. Restoration Award #206-293

The Tenmile Lakes Basin Partnership submitted an application in October of 2005 for a project that proposed to correct 12 stream crossings and improve anadromous and resident fish access to approximately 23 miles of spawning and rearing habitats. During the staff review of this application, a budget element of \$3,600 for office space and related expenses was overlooked. These costs would normally be recommended for funding with non-capital funds. Staff failed to identify these funds as non-capital expenditures at the time of Board action in March of 2006. Staff request the Board replace \$3,600 of capital funds with non-capital funds for this budget element of grant #206-293 as shown in the table below. The total award of \$320,071 remains unchanged. This replacement represents a no-cost adjustment of the budget.

Application Number: 206-293
Project Name: Tenmile Lakes Watershed Fish Passage and Sediment Abatement
Phase III
Region Region 2

	Capital	Non-Capital	Total
March 2006 Award	\$318,577	\$1,494	\$320,071
REVISED ALLOCATION	\$314,977	\$5,094	\$320,071

IV. Research Award #208-8008

In September of 2007, the Board allocated \$240,000 to the research project (#208-8008) designed to investigate the physiological relationships in fish as they are affected by the stream environment. As with all of the research grants, the award was split into capital and non-capital eligible expenditures. The Board award for this project was split into \$235,500 of capital funds and \$4,500 of non-capital funds.

The tuition for a graduate student was misplaced into the capital funding category prior to the September 2007 Board action. Tuition is not eligible for capital funds; therefore \$36,856 of non-capital funds is needed to pay for this budget item. Replacing \$36,856 of capital research funds with non-capital research funds for this project will result in an additional \$36,856 made available to the research capital budget for future awards. The research non-capital budget will be reduced by the same amount.

Application Number: 208-8008
Project Name: Development of Physiological Health Criteria to Assess Habitat Quality in Degraded and Recovering/Restored Stream Systems
Region Region 5
Category of Research: Indicator of Conditions

	Capital	Non-Capital	Total
September 2007 Award	\$235,500	\$4,500	\$240,000
REVISED ALLOCATION	\$198,644	\$41,356	\$240,000

V. Recommendation

Staff recommend that the Board:

- A. Amend grant #206-293 and authorize the replacement of \$3,600 in capital funds with non-capital funds.
- B. Amend #208-8008 and authorize the replacement of \$36,856 in research capital funds with research non-capital funds.