



Oregon

Theodore R. Kulongoski, Governor

Oregon Watershed Enhancement Board

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August 28, 2008

MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Melissa Leoni, Senior Policy Coordinator
Ken Bierly, Deputy Director

**SUBJECT: Agenda Item F: Watershed Council Support
September 16-17, 2008 OWEB Board Meeting**

I. Introduction

This report updates the Board on discussions of the Council Support Subcommittee and the requests received from watershed councils who would like to apply for watershed council support funding separately from their current funding partners. It also provides options for the Board to consider in response to these requests.

II. Background

Watershed council support is a grant for the purpose of supporting the capacity of a watershed council or group of watershed councils to conduct the activities necessary for the watershed protection, enhancement, and restoration work of the council(s). Watershed councils are eligible to apply for watershed council support grants based on the following administrative rule criteria, adopted by the Board in 2004:

OAR 695-040-0030(1) A watershed council, or a group of watershed councils, is eligible to apply for Watershed Council Support if:

(a) The council serves a unique geographic area. A unique geographic area is one that is not or has not been located entirely or partially within the boundaries of another existing watershed council support grantee that has received council support funding from OWEB;

(A) In the situation where a watershed council has been awarded shared funding for watershed council support, but serves a watershed area that is not served by another watershed council, that council may be eligible to apply independently if it receives prior approval from the Board.

(b) Council membership reflects the balance of interests or is actively seeking a balance of interests in the affected watershed as defined in ORS 541.388(2); and,

(c) The council has been designated by a local government as provided by ORS 541.388. This eligibility criterion applies if the council formed after September 9, 1995.

In previous council support grant cycles, the Board had adopted policies attempting to encourage watershed councils to consolidate and apply jointly for council support grants. The objectives of these policies were to encourage similar councils to take advantage of economies of scale and to restrict the number of councils eligible to apply for grants from a limited funding source. For example, in April 2003, the Board adopted four funding principles that were applied to the 2003-2005 council support grants. These principles were:

1. No staffing increases from the 2001-2003 FTE levels.
2. Limit funding for new watershed councils to \$37,500 per biennium, regardless of their merit rating.
3. Establish a financial disincentive to council splintering off from an existing group and not fund councils that form within existing hydrologic watershed areas that have been served, or could continue to be served by an existing watershed council.
4. Encourage staff consolidation by identifying councils that could combine operations, take advantage of economies of scale and submit a joint council support application.

Recipients of watershed council support grant are eligible to request funding to support coordinator salary and benefits, operating costs (rent, utilities, supplies, and equipment), risk management and accountability assurance, and fiscal grant management costs.

III. Solo Funding Requests

The administrative rules adopted by the Board in November of 2004 formalized the policy to keep councils together. The administrative rules for Watershed Council Support Grants, OAR 695-040-0030(1)(a)(A) state: “In the situation where a watershed council has been awarded shared funding for watershed council support, but serves a watershed area that is not served by another watershed council, *that council may be eligible to apply independently if it receives prior approval from the Board.*” (Emphasis added.) Councils who desire to break off from a group of councils and apply independently must obtain Board approval prior to submitting the application.

In 2006, in anticipation of requests for independent funding, staff developed a list of items for watershed councils to address in their petition to the Board. The list focuses on trying to determine whether requiring multiple councils to combine operations has resulted in any efficiencies in terms of watershed services. The list included whether:

- The council represents unique ecological or social conditions that are significantly different from that of its funding partners.
- Solo funding would result in a significant improvement of service to the watershed and its residents compared to the level of service possible under the present funding arrangement.
- There is widespread and broad-spectrum community awareness of and support for the change.
- The split-off will not result in significant detrimental effects to previous funding partners.

In 2006, OWEB received requests from two watershed councils for permission to apply for council support funding separately from their current funding partners: the Elk Creek Watershed Council and the Luckiamute Watershed Council. Staff recommended and the Board approved both requests, increasing the number of council support grant applicants by two to 60.

IV. 2009-2011 Biennium Requests

OWEB received requests from seven watershed councils who would like permission to apply for council support funding separately from their current funding partners. The sections below provide background information on each request, which are attached to this report. (Attachments A-D)

A. Alsea Watershed Council (Region 1 – Attachment A)

The Alsea Watershed Council (Alsea) began with an informational and organizational meeting in December of 1997. It joined the MidCoast Watersheds Council (MidCoast) organization in 1998. The OWEB council support awards to the MidCoast for the 1999-2001, 2001-2003, 2003-2005, and 2005-2007 biennia included funding to support basin planning team staff for the Alsea.

The Alsea separated from the MidCoast as a basin planning team in June of 2005. OWEB received a letter from the Alsea in December of 2005 notifying OWEB that it had separated from the umbrella of the MidCoast with the intent of it becoming an independent council to “better represent the local people and communities.” The letter also stated that it understood that the MidCoast would continue to pay its coordinator \$375/month for the remainder of the biennium.

The Alsea adopted bylaws in December of 2006 and received its non-profit status in May of 2007. In 2008, the Alsea received watershed council recognition from Benton, Lane, and Lincoln counties as “the” watershed council serving the Alsea watershed. The MidCoast is recognized by the same counties, and Tillamook County, as serving the mid-coast area, which includes the Alsea watershed.

B. Lower Nehalem, Upper Nehalem, and Necanicum Watershed Councils (Region 1 – Attachment B)

In 1996, the Upper Nehalem was formed. The Lower Nehalem formed in 1997. Both councils were independently recognized by local government, and there have always been two councils with both shared and separate projects.

The Nehalem councils secured their first council support grant in 1997 and shared a coordinator from 1997 through 2003. The coordinator worked primarily out of the upper watershed, with only one day a week spent in the lower watershed. Until 2003, the Lower Nehalem was able to augment staffing with watershed planner funding and the Resource Assistance for Rural Environments program.

The Necanicum formed in 1997 and later joined what was then known as the Clatsop Coordinating Council (now called the North Coast Watershed Association). The Necanicum, with OWEB’s permission, left the North Coast Watershed Association in January of 2004, six months into the 2003-2005 biennium and joined the Nehalem councils. This move was allowed by OWEB when the Necanicum was unhappy with the staff support arrangement at the North Coast.

As a result, the total award to the three councils for the 2003-2005 biennium was \$112,426. The three councils applied for council support funding together for the 2005-2007 and 2007-2009 biennia, where they were awarded \$100,185 and \$134,520, respectively. The three councils qualified for the umbrella bonus, in which they received approximately \$30,000 more than the average council support award.

C. Williams Creek Watershed Council (Region 2 – Attachment C)

The Williams Creek Watershed Council (WCWC) formed in 1996. The Applegate Watershed Council (AWC) formed in 1994. Williams Creek is a fifth field watershed within the Applegate River Watershed. The Applegate Watershed is approximately 500,000 acres in size, with the Williams Creek watershed representing about 10 percent of that area.

The AWC has received council support funding since 1997. In 2000, the WCWC applied for its first council support grant for the 2001-2003 biennium. The WCWC received a positive evaluation, but OWEB took the position that it should not fund new councils that form within a geographic area wholly encompassed by an existing watershed council. This objective was applied to two councils in that grant cycle. Administrative rules adopted by OWEB subsequent to the 2001-2003 biennium made the WCWC ineligible to apply for council support funding on its own because it serves a portion of the Applegate watershed. For the past two biennia, the WCWC has applied jointly with the AWC.

D. Rickreall and Glenn-Gibson Watersheds Councils (Region 3 – Attachment D)

The Rickreall Watershed Council (Rickreall) was formed in 1997. The council requested and received part-time council support funding for the 1999-2001 biennium, but because of unresolved issues between council stakeholders, it did not hire its first coordinator until 2000. The council received funding in the 2001-2003 biennium. In 2001, the newly formed Luckiamute Watershed Council (Luckiamute) received a council support start-up grant in the amount of \$1,000.

The Rickreall and Luckiamute councils independently applied for council support in 2002. Through the grant evaluation process and in application of the funding principles developed in April of 2003, the Luckiamute and the Rickreall were identified as candidates for consolidation in 2003. As a consequence, they were awarded a joint council support award of \$85,000 for the 2003-2005 biennium.

Early in the 2003-2005 biennium, the two councils were joined by the Glenn-Gibson Creek Watershed Council (Glenn-Gibson), which is also located in Polk County and had previously been funded as part of the Salem Keizer Area Watershed Councils. Glenn-Gibson left the Salem Keizer Area Watershed Councils and took its portion of 2003-2005 council support funding from that organization to the Rickreall-Luckiamute organization, which resulted in a total award of \$100,776. This move was allowed by OWEB when Glenn-Gibson was unhappy with the staff support at the Salem Keizer council.

The three councils formed an umbrella organization that provided coordination services for the three groups. The councils received \$108,584 for the 2005-2007 biennia, in part because the organization qualified for the umbrella bonus. At the time, the Rickreall and Glenn-Gibson councils shared a staff person who also worked with the umbrella coordinating body

for the umbrella organization, while the Luckiamute contracted for coordinator services separately.

In 2006, the Luckiamute requested permission to apply for solo funding based on the assertion that it serves a much larger watershed, has more forest land, and has different partners than the other two councils. The staff evaluation at the time indicated that the three groups had been effective in sharing resources and regularly collaborating on projects, especially related to outreach and capacity building. However, the Luckiamute felt umbrella organization diluted their efforts and hindered their “ability to implement watershed improvement activities.” The Board approved the solo funding request and the Luckiamute submitted a separate application in December of 2006. The Luckiamute was ranked in the Very Good category and received \$104,000; the Rickreall-Glenn-Gibson was ranked in the Good category and received \$94,000.

V. Evaluation

Attachment E contains a matrix showing how each request addresses the criteria in their petition. Staff are not necessarily convinced that every petition makes a strong case with good evidence to support each criteria. The following sections summarize and evaluate each petition.

A. Alsea Watershed Council

The Alsea describes the reasons for its split with the MidCoast as a basic philosophical difference. It believes in good stewardship, but also believes that the local people should be responsible for and help make the decisions concerning their watershed. The Alsea does not plan to request full-time coordinator support and feels the work can be done with a part time person. It also describes its advantage as having members who are second and third generation to the area and have long-standing relationships with local people.

Because the MidCoast is also recognized for the same geographic area and has received council support funds to support watershed council efforts in that watershed, the Alsea does not serve a unique geographic area and is currently ineligible to apply independently.

B. Lower Nehalem, Upper Nehalem, and Necanicum Watershed Councils

The three councils have submitted separate petitions and one joint petition signed by the chairs of each council. The main reason for requesting permission to apply solo is the general feeling that they each must receive their own funding to survive. With the current funding scenario, each council falls short of its potential to work with landowners and implement restoration projects. The petitions also describe the different ecological and social aspects of each watershed.

For the Upper Nehalem (345,680 acres), the community hub is Vernonia, the watershed is mainly an upland valley watershed with diverse stakeholders and a large agricultural community that is spread out over 60 river miles. The Upper Nehalem also involves four counties and a number of small unincorporated communities.

The Lower Nehalem (200,172 acres) includes the Nehalem estuary and the small cities of Nehalem, Wheeler, and Mohler. Agricultural use is concentrated in the lower reaches of the Nehalem and is mainly dairy farms. The uplands are primarily owned by two industrial forestland owners and the Oregon Department of Forestry.

The Necanicum (53,817 acres) has the City of Seaside as its hub and the watershed is almost entirely owned by two industrial forest companies. There is little agricultural land and no public forest land in the watershed. The Necanicum is a coastal watershed, but its estuary is very different than the Nehalem estuary.

Staff and the Board Subcommittee felt that these councils had made a reasonable argument for solo funding and were more convinced that the councils could perform better with the opportunity to apply for funding on their own.

C. Williams Creek Watershed Council

The petition packet includes both a letter from the WCWC and numerous letters of support from other organizations, funders, agencies, and citizens in the community. All request that OWEB allow the WCWC to apply for council support funding to enable the council to continue operating and implementing projects with the local community. The AWC has also written a letter of support claiming benefit to both organizations with independent council support from OWEB. Only the WCWC and AWC letters are included in Attachment C.

The petition claims that shared support is difficult and time consuming for both organizations and that funding for each will increase the ability of both councils to focus on implementing projects. The geographic distance between the Williams community and AWC, the different constituencies served by each council, physiographical isolation of the Williams watershed, and inability of the AWC to adequately serve Williams Creek or share adequate council support resources are all reasons given as to why OWEB should support the request.

Similar to the Alsea Watershed Council, the WCWC is not eligible at this time to apply independently for council support funding and staff do not recommend approval of their request.

D. Rickreall and Glenn-Gibson Watersheds Councils

The petition requests the ability to apply for solo funding because there are ecological and social differences between the two watersheds and because both councils would benefit financially if allowed to apply independently.

The Rickreall watershed, at 64,541 acres, is primarily forest land in the upper watershed and agricultural land in the lower watershed. Fish passage and habitat enhancement are the priority issues. The council's main partners are the City of Dallas and large acreage landowners.

The Glenn-Gibson watershed, at 6,400 acres, is primarily residential and urban with some agriculture, parkland, and woodlands. Stormwater issues and habitat protection are priority issues. The council's main partners are the City of Salem and small acreage landowners.

Staff and the Subcommittee were not convinced that the two watersheds and councils are significantly unique and that services are affected by the current funding arrangements. Staff and the Subcommittee are also concerned about providing independent support to a council serving such a small area given the limited council support resources available.

VI. Approval Options

Below are three decision options that were discussed with the Council Support Subcommittee.

A. Option 1 – Approve All Requests

Under this option the Board would approve all requests from organizations that are eligible. Pursuant to rule, the Williams Creek and Alsea watershed councils are not eligible to apply independently at this time and staff and the Board Subcommittee would not recommend approval of their requests. This option would result in a net increase of three council support applicants, for a total of 63.

The downside of approving all requests is that the action could encourage additional councils to request solo funding permission two years from now. Staff expect non-capital funding for the 2009-2011 biennium to be limited and possibly less than the current biennium. Approval of all requests continues the process of “thinning the soup” of council support funding at a time when less funding may be available than is currently awarded.

B. Option 2 – Approve Limited Requests

Under this option, each petition would be evaluated based on the funding principles and criteria and only those councils who have demonstrated a strong case for solo funding would be recommended for funding. The advantage of this option would be to limit the number of newly eligible council support applicants and minimizes the “thinning of the soup.” This option also allows the Board to address situations that most meet the criteria and policy principles of Board and could further refine the criteria under which OWEB would approve requests to apply independently. This option requires additional justification and analysis and does not necessary discourage future splintering and solo funding requests.

C. Option 3 – No Approval of Requests

Under the third option the Board does not approve any solo funding requests and instead would need to address the funding allocation issues identified in the petitions through the grant funding allocation process in 2009. This option holds constant the number of applicants, maintains Board principles, and does not encourage further splintering.

Under this option, it will become even more important for the Board and staff to address the allocation formula for distributing funds before the evaluation process begins in 2009. The Board may also need to make more difficult choices in allocating funding rather than relying on base funding amounts or applied percentages for umbrella bonuses. One option for addressing the issues identified in some of the petitions would be to specify amounts for groups served in a single application; this would be new and potentially controversial. Councils have no basis on which to trust promises that OWEB would address council funding needs through the application and funding process, whereas there is significant belief (because it has yet to be proven incorrect) that applying independently results in more funding.

The Subcommittee supported Option 2 with a condition that the ability to apply independently be conditional and those who are funded will need to show progress and improved service to the watershed and community. The Subcommittee and staff will need to work out further details on how this will be implemented and monitored.

The Subcommittee also discussed the reality that approval of requests to apply for funding may make the funding decisions in 2009 even more difficult. For the past few biennia, staff and the Board have struggled with the question of whether to not fund some applicants with low merit scores. In the 2007-2009 biennium, councils that scored low were awarded provisional funding as an opportunity to show improvement and merit for council support funds. If the number of applicants increases, but the amount of funding available to allocate is static or decreases, one option to prevent further thinning of resources is to consider not funding all applicants. Under this approach, approval of a request to apply for funding does not guarantee funding. Staff and the Subcommittee will have time over the coming months to further consider how to best address this difficult issue.

VII. Recommendation

Based on discussions with the Board Subcommittee and staff evaluation of the petitions and options, staff recommend the Board approve Option 2 and only approve the solo petitions from the Upper Nehalem, Lower Nehalem, and Necanicum watershed councils.

Attachments

- A. Alsea Watershed Council
- B. Lower Nehalem, Upper Nehalem, and Necanicum Watershed Councils
- C. Williams Creek Watershed Council
- D. Rickreall and Glenn-Gibson Watershed Councils
- E. 2009-2011 Solo Funding Criteria Matrix

JUL 23 2008

Alsea Watershed Council

10518 E Five Rivers Rd
Tidewater, OR 97390
541/528-3221
5rivers@pioneer.net

Oregon Watershed Enhancement Board
Attn: Watershed Council Support
775 Summer St NE, Suite 360
Salem OR 97301-1290

22 July 2008

Dear Council Support Board subcommittee:

Background

The Alsea Watershed Council wishes to apply for solo council support funding. The AWC was an independent watershed council before the decision to join the MidCoast Watersheds Council (MCWC) umbrella organization. Over two years ago, after years of frustration, the AWC voted to separate from the umbrella structure. There are many reasons for this split, the primary being our basic philosophical differences. While the AWC believes in good stewardship of the land, better habitat for fish and wildlife, and the overall concept of watershed restoration, we also firmly believe the local people should be responsible for and help make the decisions concerning their watershed. Many local landowners have complained about not having a say in restoration projects in our basin, or have been discouraged when their opinions were ignored. The AWC represents the people who live here, are property owners in the watershed, and encourage local dialogue and involvement in restoration work in our Alsea basin, as was the original intent of watershed council formation.

- The AWC was an independent organization before the decision to join MCWC was made in 1998 (copy of minutes available).
- The AWC is a non-profit corporation and has completed the Central Contractor Registration with USA.gov.
- The AWC has received recognition from Benton, Lane and Lincoln county commissioners as "THE watershed council which will serve the entire Alsea River Watershed" (copies from Benton & Lincoln attached; Lane is verbal with written confirmation receipt on July 30).
- The AWC has a partnership arrangement with the Oregon Hatchery Research Center (OHRC) on Fall Creek in the Alsea basin, enabling us to utilize their technical resources and assistance on projects and grants.
- The AWC is an active member of the US Forest Service (USFS) Alsea Stewardship Group and received funding for one of the first projects submitted in the Alsea stewardship process.
- The AWC applied for the Bonneville Model Watershed program, and, although we were not approved for this go-round, the staff told us that because of the high ranking we received in their review process, they would greatly appreciate the continued opportunity to follow our progress and revisit a potential Model Watershed partnership in the future.

- The AWC will not return to our previous status under the MCWC umbrella, nor will we consider any sort of relationship where they are the decision maker in the Alsea watershed. The AWC struggled for the entire time we were involved with MCWC, with many heated discussions, conflicts, threats to cut our funding, and character assassinations. That experience does not bear repeating.
- The AWC is not seeking funding for a full time coordinator. We feel that the work in the basin can be managed with a part time person in addition to funding for other things such as project management, outreach and basic office support. Technical assistance is available through the various agencies and OHRC. We do not feel the people's money needs to be spent on high overhead organizations.
- Several AWC members voluntarily work each year on the wild brood stock collection program with the North Fork Alsea hatchery. They also assist ODFW and the Oregon Department of Fish and Wildlife (ODFW) North Fork Alsea Hatchery with the stream nutrient program by placing fish carcasses in selected streams each year. This is all volunteer with no cost to the public.
- All Board members are residents in the Alsea basin, are volunteers, and have a vested interest in the Alsea watershed

Criteria

The AWC has answered the following required questions/criteria as best we can.

1. *That the council represents unique ecological or social conditions that are significantly different from that of its previous funding partners. The point is to show that watershed issues, biology, geography, priorities, project types and practices are so different as to make the continued partnership impractical.*

There is a marked distrust of MCWC by some landowners in the Alsea basin. There was a trespass issue brought by one of our stakeholders; another landowner has complained repeatedly about the MCWC's unwillingness to listen to him regarding the effects on his land brought about by a MCWC restoration project. Many of the AWC members are second and third generation families, have worked in this area, and have long-standing relationships with local people. The AWC has the trust needed to gain admittance to some properties that currently are inaccessible to the MCWC. We believe that the people who live on the land have more knowledge about conditions than those who are not from the area. This philosophy goes much further than defining success by dollars spent or the size of the budget, which is what MCWC seems to emphasize. Successful projects have clearly defined goals and measurable results, no matter the amount of money spent. The basic differences between the AWC & MCWC are most likely insurmountable, given the concept of a practical local watershed management versus a large bureaucratic organization that will not undertake a project unless it has a large dollar value.

2. *How solo funding would result in a significant improvement of service to the watershed and its residents compared to the level of service possible under the present funding arrangement. This can be discussed in terms of project implementation, watershed enhancement, program efficiency (organizational and fiscal), and "bang for the buck."*

Service to the watershed and its residents would be improved due to the fact that the members of the AWC live in the basin and many are very familiar with the terrain and the people who in the basin. This local expertise is invaluable not only for access to private land, but in the knowledge gained from talking to the long time stakeholders, hearing their accumulated wisdom, and respecting their opinions and concerns. By keeping a small organization with a low overhead, project cost can be reduced. Using a compiled list of local contractors, and going out for bid will help control costs as well as bring employment to local people. Also, the high degree of trust that comes with a locally based organization brings more cooperation and willingness to "help out" with materials that might otherwise have to be purchased. Another improvement to the local people is the AWC strong belief in communication with the people. AWC projects will not be conceived and sent for grant approval unless all affected parties are aware and the AWC has their approval. That is not the current practice with MCWC in the Alsea. A glaring example of ignoring the local landowners is the proposed beaver project in Five Rivers. Dumping a bunch of beavers in an area without a word to the landowners may well be a violation of private property rights. Proposed projects should be an improvement over current conditions and not cause detrimental effects.

3. Widespread and broad community awareness of and support for the change.

One of the most important support issues is the response the AWC received from the county commissioners of Benton, Lane and Lincoln counties. Their willingness to designate the AWC as "THE" watershed council for the Alsea watershed speaks volumes as to their belief that watershed councils are most effective when locally based. Several of them congratulated the AWC on our achievements. The AWC already has a great working relationship with Benton County Public Works, one of the partners in our USFS stewardship culvert replacement.

The AWC is currently putting together another culvert replacement project with BLM, Weyerhaeuser and Benton County.

The manager of the Port of Alsea stated she is pleased to see our progress in representing the Alsea watershed.

The AWC has the support of Weyerhaeuser, Starker Forest, Hull-Oakes, as well as businesses like Integrated Resource Management.

The local people have been supportive of the AWC for years, and many have congratulated us on our progress in becoming an independent watershed council, and are becoming more involved now that the AWC is a locally based organization.

We are the core of the USFS Alsea Stewardship Group, helping on all levels to make sure the group concepts are publicized and successful partnerships are forged.

We continue to encourage agencies to work with us; however, we find there is some reluctance due to previous relationships and comments about our inability to function. Securing a council support grant would go a long ways in convincing these agencies that we are capable of managing our watershed. We continue to persevere, and progress is coming along.

4. *That the split-off will not result in significant detrimental effects to previous funding partners. The ideal demonstration of this being outright support for the split from the previous funding partners and their constituents.*

The AWC believes the MCWC will be better able to support their current basin groups if they do not have to be concerned about the Alsea. Of all their basin groups, only the Siletz is truly functioning. The Yaquina is struggling, the Yachats has not reformed nor has the proposed Beaver Creek group. The MCWC could better use their time, money and efforts to support those groups they claim under their umbrella, rather than striving to remove local influence in the Alsea. The AWC is willing to form partnerships with other watershed groups such as MCWC, providing the AWC is the lead in the Alsea basin, and a mutually respectful relationship can be fashioned and sustained. Apparently a mediation process is still available through OWEB; this is being considered.

The AWC wrote a letter to MCWC telling them we are asking for permission from the OWEB Board to apply for solo support funding. We requested their support in this endeavor. Their reply is that this request needs to come before the MCWC Administration committee, which will not meet until after this letter is due at OWEB.

Melissa Leoni also has spoken with the AWC, and indicated that for the AWC to be eligible for OWEB Board approval to apply independently for council support funding, either the MCWC voluntarily agrees to not operate as the watershed council in the Alsea watershed, or the county commissioners redraw council boundaries so there is only one recognized watershed council in the Alsea. The AWC is reviewing these options.

Thank you for your consideration,

Tom Davis, Elmer Ostling, Joe Rohleder, Donny Davis, Stan Steele, Linda Johnston
Alsea Watershed Council Board of Directors

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR BENTON COUNTY, OREGON**

**IN THE MATTER OF A RESOLUTION)
TO FORMALLY RECOGNIZE THE ALSEA)
WATERSHED COUNCIL, AS THE)
VOLUNTARY WATERSHED COUNCIL)
INTENDED TO DEVELOP AND IMPLEMENT) RESOLUTION NO. R2008-007
A WATERSHED ACTION PROGRAM TO)
PROTECT AND ENHANCE THE NATURAL)
RESOURCES OF THE ALSEA RIVER)
WATERSHED)**

WHEREAS, ORS 541.347(2)(a) encourages the initiation of voluntary programs at the local level to protect and enhance the quality and stability of watersheds; and

WHEREAS, ORS 541.350(7) defines a watershed council as “voluntary local organization designated by a local government group convened by a county governing body to address the goal of sustaining a natural resource and watershed protection with a water shed;” and

WHEREAS, ORS 541.388(1) encourages local government groups to form voluntary local watershed councils; and

WHEREAS, ORS 541.388(2) states that local watershed councils shall consist of a majority of local residents, including local officials, and that the council represent a balance of interested and affected persons within the watershed and assure a high level of citizen involvement in the development and implementation of a watershed action program; and

WHEREAS, the Alsea Watershed Council began an informational and organizational meeting in December of 1997 and established an organizational charter in June of 1998; and

WHEREAS, after separating from a basin planning team status with the MidCoast Watersheds Council umbrella in June of 2005 and establishing a steering committee; and

WHEREAS, the Alsea Watershed Council adopted bylaws on 28 December 2006; and

WHEREAS, the Alsea Watershed Council received non-profit status in May 2007 with an effective date of 26 December 2006; and

WHEREAS, the membership of the Alsea Watershed Council includes landowners in the Alsea River Watershed as well as representatives of local government, public interest groups, and industries, with a mailing list of about 120; and

WHEREAS, article 1.02 of the Alsea Watershed Council bylaws states that “The mission of the Alsea Watershed Council is to maintain or enhance the fauna, flora, and water of the Alsea watershed, while also taking into consideration the economic and social needs of the human population, and providing a forum for people to work through differences and come to some common ground;” and

WHEREAS, membership in the Alsea Watershed Council is open to any individual supporting the purpose and mission of the Alsea Watershed Council, living within the watershed or representing a group or organization active within the watershed; and

WHEREAS, the Benton County Board of Commissioners and its staff have examined the bylaws and organization activities to date of the Alsea Watershed Council and finds that they are consistent with ORS 541.345 to 541.400;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Benton County Board of Commissioners hereby recognizes the Alsea Watershed Council as the watershed council which will serve the entire Alsea River Watershed; and

IT IS FURTHER RESOLVED that the Benton County Board of Commissioners encourages the Alsea Watershed Council to maintain an organization which represents a balance of interested and affected persons within the watershed; and

IT IS FURTHER RESOLVED that the Benton County Commissioners encourages the Alsea Watershed Council to develop and implement watershed action programs intended to protect and enhance the quality of stability of the Alsea River Watershed both for the health of the watershed and for the economic and social betterment of the individuals, organizations, and communities in the watershed; and

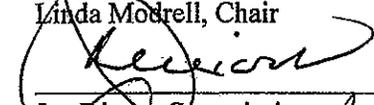
IT IS FURTHER RESOLVED that the Benton County Commissioners request the Alsea Watershed Council to make progress reports to the Board of Commissioners on at least an annual basis.

Dated this 25 day of March, 2008.

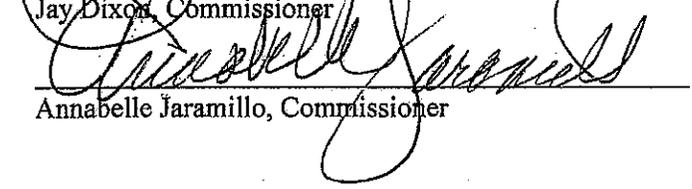
BENTON COUNTY BOARD OF COMMISSIONERS



Linda Modrell, Chair

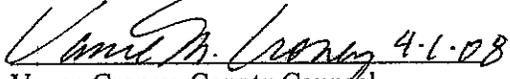


Jay Dixon, Commissioner



Annabelle Jaramillo, Commissioner

APPROVED AS TO FORM:



Vance Croney, County Counsel

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR LINCOLN COUNTY, OREGON

IN THE MATTER OF AMENDING A)	
RESOLUTION FORMALLY RECOGNIZING)	
THE ALSEA WATERSHED COUNCIL, AS THE)	RESOLUTION NO. 08-07-05F
VOLUNTARY WATERSHED COUNCIL)	Amending
INTENDED TO DEVELOP AND IMPLEMENT)	Resolution No. 07-05-12A
A WATERSHED ACTION PROGRAM TO)	
PROTECT AND ENHANCE THE NATURAL)	
RESOURCES OF THE ALSEA RIVER)	
WATERSHED)	

WHEREAS Resolution No. 07-05-12A, was adopted on December 5, 2007, and is amended as follows:

WHEREAS, ORS 541.347(2)(a) encourages the initiation of voluntary programs at the local level to protect and enhance the quality and stability of watersheds; and

WHEREAS, ORS 541.350(7) defines a watershed council as “voluntary local organization designated by a local government group convened by a county governing body to address the goal of sustaining a natural resource and watershed protection with a water shed;” and

WHEREAS, ORS 541.388(1) encourages local government groups to form voluntary local watershed councils; and

WHEREAS, ORS 541.388(2) states that local watershed councils shall consist of a majority of local residents, including local officials, and that the council represent a balance of interested and affected persons within the watershed and assure a high level of citizen involvement in the development and implementation of a watershed action program; and

WHEREAS, the Alsea Watershed Council began an informational and organizational meeting in December of 1997 and established an organizational charter in June of 1998; and

WHEREAS, after separating from a basin planning team status with the MidCoast Watersheds Council umbrella in June of 2005 and establishing a steering committee, the Alsea Watershed Council adopted bylaws on 28 December 2006; and

WHEREAS, the Alsea Watershed Council received non-profit status in May 2007 with an effective date of 26 December 2006; and

WHEREAS, the membership of the Alsea Watershed Council includes landowners in the Alsea River Watershed as well as representatives of local government, public interest groups, and industries, with a mailing list of about 120; and

WHEREAS, article 1.02 of the Alsea Watershed Council bylaws states that “The mission of the Alsea Watershed Council is to maintain or enhance the fauna, flora, and water of the Alsea watershed,

while also taking into consideration the economic and social needs of the human population, and providing a forum for people to work through differences and come to some common ground;" and

WHEREAS, membership in the Alsea Watershed Council is open to any individual supporting the purpose and mission of the Alsea Watershed Council, living within the watershed or representing a group or organization active within the watershed; and

WHEREAS, the Lincoln County Board of Commissioners and its staff have examined the bylaws and organization activities to date of the Alsea Watershed Council and finds that they are consistent with ORS 541.345 to 541.400;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Lincoln County Board of Commissioners hereby recognizes the Alsea Watershed Council as the watershed council which will serve the entire Alsea River Watershed; and

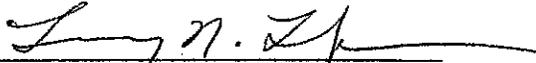
IT IS FURTHER RESOLVED that the Lincoln County Board of Commissioners encourages the Alsea Watershed Council to maintain an organization which represents a balance of interested and affected persons within the watershed; and

IT IS FURTHER RESOLVED that the Lincoln County Commissioners encourages the Alsea Watershed Council to develop and implement watershed action programs intended to protect and enhance the quality of stability of the Alsea River Watershed both for the health of the watershed and for the economic and social betterment of the individuals, organizations, and communities in the watershed; and

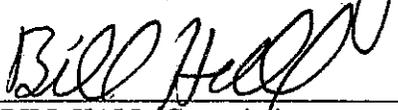
IT IS FURTHER RESOLVED that the Lincoln County Commissioners request the Alsea Watershed Council to make progress reports to the Board of Commissioners on at least an annual basis.

Dated this 7th day of May, 2008.

LINCOLN COUNTY BOARD OF COMMISSIONERS


TERRY N. THOMPSON, Chair


DON LINDLY, Commissioner


BILL HALL, Commissioner

JUL 25 2008



July 8, 2008

Oregon Watershed Enhancement Board
775 Summer Street NE, Suite 360
Salem, OR 97301-1290

To: OWEB Board Members

As the Chairs of the Lower Nehalem Watershed Council, the Upper Nehalem Watershed Council, and the Necanicum Watershed Council, it is our intent to communicate the need for the dissolution of the Nehalem Watershed Umbrella. We all mutually agree that for long term survival of each Watershed Council, each council must receive solo council support funding. We all mutually agree that under the present funding scenario, each council falls well short of its potential to positively impact healthy salmon populations, both biologically and socially. Further more, even though the present relationship between the councils is very positive, we recognize that sharing the current funding status to support three vibrant watershed councils is not working and each council must go its separate way.

We ask that you please seriously consider this request as we see no other sustaining options. Thank you for your consideration.

Sincerely,

Jay Holland, Chair Lower Nehalem Watershed Council

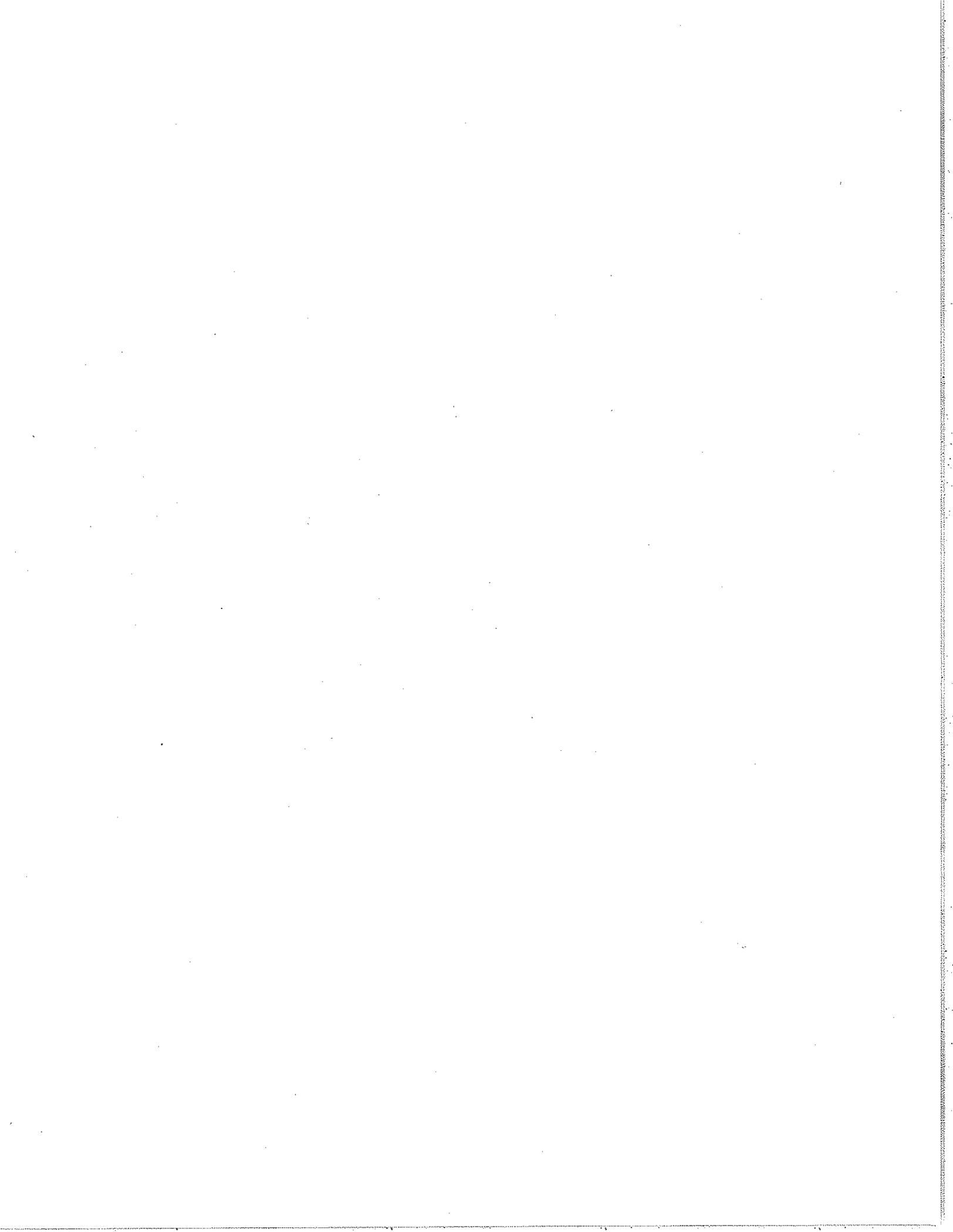
A handwritten signature in cursive script, appearing to read "Jay Holland".

Dennis Nelson, Chair Upper Nehalem Watershed Council

A handwritten signature in cursive script, appearing to read "Dennis Nelson".

Teresa Retzlaff, Chair Necanicum Watershed

A handwritten signature in cursive script, appearing to read "Teresa Retzlaff".



JUL 22 2008



Upper Nehalem Watershed Council
919 Bridge St., Vernonia, Oregon 97064
(503) 429-2401

Date: July 17, 2008

To: Oregon Watershed Enhancement Board
Attn: Watershed Council Support
775 Summer Street NE, Suite 360
Salem, Oregon 97301-1290

Re: Separation of the Nehalem and Necanicum Watershed Councils, seeking permission to apply for solo council support funding for the Upper Nehalem Watershed Council, the Lower Nehalem Watershed Council, and the Necanicum Watershed Council.

We request approval from OWEB to submit solo council support applications for the Upper Nehalem Watershed Council (UNWC), the Lower Nehalem Watershed Council (LNWC), and the Necanicum Watershed Council (NWC). Currently, these three councils share one council support grant as an umbrella council, under a Memorandum of Understanding (MOU) negotiated by a joint steering committee comprised of representatives of each council. Our joint support grant funds provide for one FTE. The result has been that all three councils have been under funded, limiting our potential and growth to the point of threatening the survival of the councils. All three councils are in agreement that we could work toward the accomplishment of our goals to protect, restore, and enhance our watersheds more effectively if we were funded individually. The Councils maintain good relationships, and will continue communications with each other, but are in agreement that each council needs stand alone funding to survive and to grow.

A little History: In 1996 the UNWC was formed, and the LNWC was formed in 1997. The Nehalem Councils secured their first coordinator support grant, GWEB # 97-025, for the 1997-98 fiscal year. Although the UNWC and LNWC shared one coordinator from 1997-2003, due to geography, social, and land use differences, there have always been two Nehalem Councils, with both shared and individual projects. Both Nehalem councils have been recognized as separate 501(c) 3 non-profit organizations. The distance (and the poor road conditions) from the upper to the lower, and the limited valuable time of the volunteer council members prevented the two councils from holding frequent joint meetings.

Until the 2003-2005 biennium the two councils shared a coordinator who worked primarily out of the UNWC office in Vernonia, and worked out of the LNWC office in Nehalem one day a week. In addition, the lower council was able to maintain a staff person in the LNWC office using RARE funding and watershed planner funding. In the 03-05 biennium, the other

funds which had been available to fund additional staff for the LNWC were no longer available. The UNWC & LNWC joint steering committee negotiated a MOU to divide/share the support money for the two councils and the LNWC hired a coordinator who would work only for the lower council. The UNWC continued to employ their existing coordinator. Also during the 2003-2005 biennium, at OWEB's strong suggestion, the Nehalem councils took in the Necanicum council, and formed an umbrella, with the belief that the umbrella council would be funded at a rate sufficient to enable all three councils to function to their capacities. The experience of the last two council support funding cycles has proved that expectation to be incorrect. In reality, we believe we would have received more total funding if we had applied as three individual councils. Our main limiting factor to the work we can get accomplished on the ground is a shortage of funding, particularly funding for coordination. The value of the position of coordinator to the functioning ability of a watershed council should never be underestimated. In order for each of our councils to function to their capacity, they need a full time staff person. Part-time funding for staff limits our capacity to accomplish our work and puts unnecessary stress on the current staff as they try to accomplish a full-time job with less than half-time funding. Increasingly over time, OWEB appears to have the expectation that the councils should function as though they are fully staffed full time, yet the council support funding that OWEB provides does not allow our councils to employ full time personnel.

The UNWC represents the following unique ecological and social conditions that are significantly different than the LNWC and the Necanicum WC: The UNWC covers 625 miles of stream of the mid and upper Nehalem and its tributaries. There are 22 6th field HUCs in the upper river. The boundaries of the UNWC lie within four counties: Columbia, Clatsop, Washington, and Tillamook. The only incorporated city in the upper basin is Vernonia. There are a number of other very small and very individual communities located primarily downstream, including Mist, Birkenfeld, Fishhawk Lake, Vesper, Jewell, Vinemaple, and Elsie, and upstream there is the small community of Timber. Agricultural use is scattered throughout the valley, consisting primarily of pasture and hay production, interspersed with small woodlot, residential, private industrial timber, and public landownership. The headwaters and uplands are primarily public and private industrial forest land. The upper river valley land use is not concentrated into well defined areas as is the lower river. The projects most commonly implemented in the UNWC are fish passage barrier removal, stream habitat complexity enhancements, and riparian restoration. The upper river and its tributaries provide spawning and rearing habitat, as well as summer and winter refuge for chinook (summer and fall), coho, winter steelhead and cutthroat trout.

The LNWC covers 311 miles of stream, with 12 6th field HUCs including the estuary of the Nehalem, which is a priority area and a unique habitat. The small cities of Nehalem, Wheeler, and Mohler are located on the estuary. There is a large and concentrated agricultural component, primarily dairy farms, in the lower reaches of the Nehalem, significantly different than the scattered small farms of the upper river valley. The remainder of the Lower Watershed is primarily timber under public and private industrial ownership.

The Necanicum watershed covers 86 stream miles, of small coastal stream, with the city of Seaside located on the Necanicum estuary. There is little agriculture, little public landownership, and the relationship of the Council with the City of Seaside is a priority. The

Necanicum estuary is very different than the Nehalem estuary, with different ecological issues.

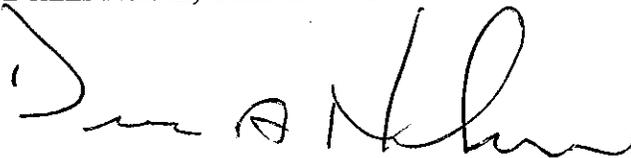
If all three councils had adequate individual funding for their coordinators, and the coordinators did not need to spend valuable time working with the joint steering committee on the negotiations to divide the support grant, there would be more time available to develop projects, write project grants, and oversee implementation of those projects. Volunteer council members also have spent much of their valuable time on the negotiations to divide the support grant; time and energy that could be spent more productively for each individual council. Currently, the funding for coordination is not adequate for the amount of outreach and education that needs to occur in these watersheds. Office procedures, volunteer and staff supervision, grant writing and project development consume most of the coordination time. If the councils had adequate funding for coordination, more projects including more outreach (resulting in more projects) could occur. The coordinator needs to be available when landowners come in or call with questions or ideas – the phone messages must be answered, e-mails read and responded to, reports completed, projects developed, grants written – the job is too complex to do well if there are not enough (funded) hours available.

Our board/steering committee, and the Joint steering committee, representing community as well as other stakeholders, have desired this change for a long time. The general populace in the Upper Nehalem already views the UNWC as an entity independent of the LNWC and the Necanicum, and is probably unaware that we share a council support grant with two other councils. The limited time and resources the councils can dedicate to outreach and education have not been spent explaining the details of OWEB's council funding processes.

We believe this change will not result in significant detrimental effects to the previous funding partners: all three councils support this decision, and ultimately it is up to OWEB whether or not this will result in detrimental financial effects. We believe each of our councils would compete well in the statewide council support application review and as such we believe our three councils would be funded higher individually than the share we each get under the current umbrella funding. It is certainly our hope that all three councils will be able to survive and grow.

Thank you for taking the time to consider our request.

Dennis Nelson, Chair UNWC

A handwritten signature in black ink, appearing to read "Dennis Nelson", written in a cursive style.





Received By
OWEB

JUL 25 2008

July 8, 2008

Oregon Watershed Enhancement Board
775 Summer Street NE, Suite 360
Salem, OR 97301-1290

To: OWEB Board Members

It is the desire of the Lower Nehalem Watershed Council (LNWC) to dissolve the umbrella status of the Nehalem Watershed Council and to officially divide the Nehalem Watershed Council into the Upper Nehalem Watershed Council (UNWC) and the LNWC. This desire is shared by the other councils under the umbrella status, the Necanicum Watershed Council (NWC) and the UNWC. Attached to this letter is a copy of a joint letter from the chairs of each council communicating the need to separate.

The desire to separate the three watershed councils is based upon a positive relationship between the councils. All three councils are on good terms with good inter-council communication. All three councils recognize that in the best interest for each council, the only alternative for long term survival and growth is stand alone status for each council with solo council support funding.

All three councils share one geographic point in common, the very peak of Humbug Mountain. From this common geographic point, the "distances" in social focal points, environmental concerns, biological characteristics, and physical locations are not so common.

The NWC has Seaside as its hub. It is dominated by one community with the watershed almost entirely owned by two industrial forestry companies. For the most part there is no agricultural component and no public forest lands. The NWC is a coastal watershed and the social and biological issues of the estuary are very different than the estuary of the LNWC. For the NWC, its relationship to the City of Seaside is a top priority.

The Nehalem River historically supported strong populations of Chinook (summer and fall), coho, chum, steelhead, and cutthroat (resident and searun). The geographic break between the Lower and the Upper Nehalem watersheds is Humbug Cr. The reason for that break back in 1997 when the councils were first beginning was the distance between "hub centers". The hub for the LNWC is the cities of Nehalem, Wheeler and Manzanita. There is a large agriculture component and a large public (ODF) ownership of the forestlands along with two major industrial forest landowners. The LNWC is a coastal watershed with a large estuary that is a key priority component.

The hub of the UNWC is Vernonia. The drive between the Vernonia office and the LNWC' office in Nehalem is one and a half hours. The UNWC is a valley watershed (vs. coastal watershed) and doesn't have the dynamics of an estuary. The UNWC is a long upland river valley and must deal with a spread out community of stakeholders unlike the NWC and the LNWC. There is a large agriculture component for the UNWC, but unlike the LNWC where it is all concentrated near the lower river reach, the agriculture interest in the upper watershed is spread out over much of its 60 river miles. The UNWC has many more industrial landowners than the other two watershed councils as well as considerable ODF and BLM holdings.

The driving force for the need/desire to be stand alone watershed councils is long term survival. OWEB has always recognized and funded the Nehalem Watershed Council as one council, even though since 2003 the reality has been that the LNWC and the UNWC have had their own coordinators and their own offices. The reasons for the internal establishment of the LNWC and the UNWC as separate councils are alluded to above: the great distance between hub centers and the different characteristics and needs of the watershed basins. Since 2003, the reality of having two councils, yet being recognized as one has meant half funding for both councils. Due in part to a request from OWEB and also to bring in more funding, in 2005 the Necanicum Watershed Council was included with the Upper and Lower Nehalem councils to form the umbrella status.

However, the hard facts remain that for the last three years, the council support award has been split with 50% going to the Upper Nehalem to run that council and to accomplish any basin-wide work, and the LNWC and the NWC split the remaining 50% of the support grant. The LNWC and the NWC share a coordinator and thus each council gets a quarter time position. Each council has an office and the time requirement of office "procedures" consumes most of the quarter time position. Under the current funding for the LNWC and the NWC, each council literally struggles to survive. There is no funding left over for outreach, council growth, or project development, and the frustration level within the councils is high. In the opinion of the councils' membership, the umbrella arrangement with OWEB has actually penalized the three councils and reduced the councils' capacity to accomplish the important restoration work desired to do. With the seeming lack of backing from OWEB, the future of the councils is in jeopardy.

With quarter time funding for the LNWC coordinator, the time and opportunity to network with other partners is extremely limited. The LNWC receives direct financial support, in-kind support, or indirect support from a variety of community or agency partners for many of the council's projects and activities. These partners include, but are not limited to, Oregon Department of Fish & Wildlife, US Fish & Wildlife, Lower Nehalem Community Trust, North Coast Land Conservancy, Tillamook Estuary Partnership, Oregon Department of Forestry, Longview Timber Corp., Green Diamond Resource Co., City of Nehalem, and the many local businesses that help support the council's efforts. These partnerships know of the struggles of the council and support the move to change.

We believe the fact that the UNWC, the LNWC and the NWC want to stand alone and seek solo council support funding is a good thing. The councils want to continue to make a difference for salmon restoration and the Oregon Plan. The councils want to grow and reach out to the stakeholders so that all can share in the vision of the return of healthy salmon populations. The UNWC, the LNWC, and the NWC all have rejected the status quo of continuing to struggle with

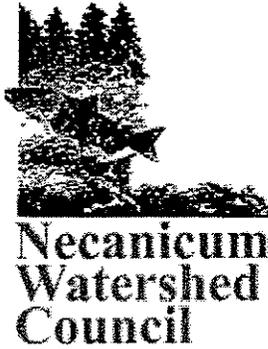
shared funding. Each council is tired of falling far short of its potential because of the low support level from OWEB. This is a positive move by the councils to get positive results in very important watersheds. With sufficient funding these councils will continue to work together because of a shared history and a shared basin for the UNWC and the LNWC. It is the hope of the LNWC that the OWEB Board will grant the three watershed councils independent status.

Thank you for your time and consideration.

Jay Holland, Chair LNWC

A handwritten signature in cursive script that reads "Jay Holland". The signature is written in black ink and is positioned below the typed name.





Received By
OWEB
JUL 25 2008

July 17, 2008

Oregon Watershed Enhancement Board
775 Summer Street NE, Suite 360
Salem, OR 97301-1290

To: OWEB Board Members

On behalf of the members of the Necanicum Watershed Council (NWC), I am writing to express our unanimous wish to dissolve the umbrella group we participate in with the Upper Nehalem Watershed Council (UNWC) and the Lower Nehalem Watershed Council (LNWC), and to apply for stand-alone council status. We share this wish with the members of both the UNWC and the LNWC.

We have great respect for our umbrella group partners, and deeply appreciate all that they have shared with us while we have been connected. We desire for all three of our councils to achieve the full potential for both meaningful ecological work and important education and outreach to community members that exists in each of our watersheds. We believe that stand-alone status, with appropriate solo council support funding, is the best chance that each of our councils has to achieve these goals.

Jay Holland, the chair of the LNWC, has written eloquently about the geographic relationships that our councils share, and also outlined the tremendous differences between us all. I will not repeat his words here; I will only say that we at the NWC agree with his observations about the unique characteristics of each of our regions, and about the challenges that we each face.

The NWC has been fortunate to find a home with the UNWC and the LNWC for the last three years, and our council has benefited tremendously from the relationship. Prior to joining with these two fine groups, our council had gone through periods of dysfunction, of volunteer burnout and a lack of direction. We are proud of the achievements our council has made in recent years, and wish to build upon this newfound momentum. However, the economic realities of the way our council support funding is divided means that both our council and the

Necanicum Watershed Council 32825 Rippet Lane, Seaside OR 97138

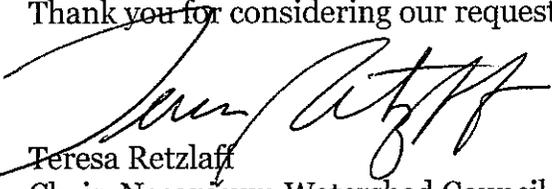
LNWC struggle with trying to share a half-time position between us. There is barely enough time for our coordinator to keep up with the paperwork for both our councils. Meaningful community outreach, capacity building, and working to strengthen partnerships with other organizations are virtually impossible under our current staffing situation. Our small membership is loyal, but with only a 1/4 time staff person we are unable to successfully connect to the larger community we seek to serve, and thus are unable to grow our membership, to strengthen our council and to strategically address the issues that our watershed faces.

The NWC has worked to develop positive relationships with the many organizations that operate in our watershed, and we have been fortunate to receive either direct financial support, in-kind support or other assistance from many of them, including the Oregon Department of Fish & Wildlife, US Fish & Wildlife, North Coast Land Conservancy, Trout Unlimited, Longview Timber Corp., Weyerhaeuser, City of Seaside, and Sunset Parks & Recreation, as well as many other small local businesses that support our endeavors. It takes time and effort to develop and nurture these relationships, and to take advantage of the opportunities to do meaningful work in our watershed. Time for someone to make that effort is in very short supply for us, and relying primarily upon over committed volunteers to provide council support activities has proven to be unsuccessful.

We see the desire of our three councils to stand alone as a positive step for us all. There are tremendous opportunities for progress in each of our geographic regions, opportunities that are too often lost because of a lack of capacity to seize them. Each of our three councils has the potential to fully address the issues raised in the Oregon Plan for salmon, and to keep the salmon that continue to live in our rivers and creeks not only alive, but also hopefully prospering. The reason our councils cannot make more significant contributions to the well being of our respective watersheds and the communities we serve is due to the financial realities that leave us each struggling for our own survival.

We in the NWC will continue to work with and support the UNWC and the LNWC wherever the opportunity arises. We hope that the OWEB board will grant our three councils stand-alone status so that we may all begin to live up to our full potential.

Thank you for considering our request.



Teresa Retzlaff
Chair, Necanicum Watershed Council

JUL 28 2008



Williams Creek Watershed Council

P.O. Box 94
Williams, OR 97544
(541) 846-9175
wccw.arthur@starband.net

July 22, 2008

Oregon Watershed Enhancement Board
Ken Bierly, Deputy Director
775 Summer Street NE Suite 360
Salem, OR 97301-1290

Dear Mr. Bierly:

Attached is the Williams Creek Watershed Council's (WCWC) response to your June 9, 2008 memo regarding permission to apply for solo support funding. Included with this response is a chart showing OWEB funding to watershed councils in our region (based on OWEB's Grant Management System data) and letters supporting our request for solo support funding.

It is pretty clear from our history that WCWC is a very effective watershed council. Brian Barr's letter (see attached) from the NCCSP supports this view:

"I served on the support grant review team in 2007. That opportunity gave me a great sense of the accomplishments, approaches and visions of watershed councils from across the state." "...I would place the Williams Creek Watershed council among the better performers."

Although WCWC serves a fairly small area compared to many of the watershed councils in Oregon, there are 24 Oregon watershed councils with fewer stream miles. And, as we discuss in our attached document, these stream miles are of higher than average value to fish populations.

All of the watershed councils within our region are accomplishing good things. When analyzing the value of an individual council, however, there are many factors to consider. One is the bang derived per OWEB buck. The attached chart compares total OWEB "project" funding dollars to "council support" dollars for the eight watershed councils in our region. Granted, some councils may leverage OWEB dollars to a greater extent than others (over 41% of WCWC project funding comes from non-OWEB sources), but the data shows some definite trends:

- Historically, 'council support' grants in our region range from 30% to 306% of each council's OWEB 'project' funding amount.

- ❑ The regional average for watershed council support funding is 124% of council project funding.
- ❑ Three of the eight councils in our region have received more support funding than project funding.
- ❑ WCWC has managed more OWEB project funds than five of the eight councils in our region.
- ❑ OWEB records indicate that since 7/1/2001 one council received \$56,959 in OWEB project funds yet received \$281,529.08 in Council Support funds.
- ❑ While the seven other Watershed Councils in the Rogue Basin each receive from \$40k to \$55k a year in council support from OWEB, WCWC receives none.

Given these facts it seems a miracle that WCWC has accomplished as much as it has. We are proud of our accomplishments.

Clearly WCWC needs and deserves an opportunity for council support funding equal to the other Oregon watershed councils. We feel confident that OWEB would fund us providing the state's Administrative Rules would allow it to. A past sticking point in obtaining council support funding has been the perspective that WCWC is part of the Applegate Partnership and Watershed Council (APWC). The attached letter from them makes it clear that they are unable to manage the complex ecological and social issues within the Williams watershed.

We understand that OWEB, given the limited Council Support dollars, is attempting to reduce the number of councils receiving it. This is understandable. One of the two primary guidelines for watershed councils in state statute ORS 541.350, however, is that watershed councils be a "local" group. The Statute emphasizes over and over again the importance of the 'local' nature of watershed councils. The OWEB web page states that:

"Watershed Councils are made up of people from the local communities. They represent local knowledge and have ties to the existing community in all its complexity."

Sharing council support funding with the APWC (if it could really ever happen), or attempting to mix the two councils would significantly reduce, if not remove, the all-important "local" element that makes WCWC work so well.

We have attempted, here, to provide you with information you can use to make a strong case to the Watershed Enhancement Board for allowing WCWC to apply for solo council support funding side-by-side with the other watershed councils in the state.

Therefore we respectfully request eligibility for solo Council Support funding from OWEB so that we may continue to grow and flourish, and thereby be able to continue to serve the State of Oregon.

We thank you in advance for your support.

Sincerely,


Arthur Sherman
WCWC Council Coordinator

Oregon Watershed Enhancement Board
Attn: Watershed Council Support
775 Summer Street NE Suite 360
Salem, OR 97301-1290

July 10, 2008

Dear OWEB Board members:

We are grateful to have this opportunity to seek permission to apply for solo council support funding. We hope this letter will help to demonstrate our eligibility. We believe that we meet the criteria outlined in the June 9, 2008 letter from Ken Bierly:

1. *That the council represents unique ecological or social conditions that are significantly different from that of its previous funding partners. The point is to show that watershed issues, biology, geography, priorities, projects types, and practices are so different as to make the continued partnership impractical.*

When the National Center for Conservation Science & Policy (NCCSP) reviewed the southwest Oregon region for project funding, they selected the Williams Creek Watershed as their focal area, specifically because of its unique ecological position within the coho habitat system (Please see letter from NCCSP). They have invested heavily in WCWC restoration projects as part of their "Freeways for Fish" program. NCCSP also selected WCWC as recipients of their Headwaters Heritage Award. This prestigious award honors a single organization, *worldwide*, that does an "exemplary job" of being "solution oriented", "science based", "results driven" and "honest and accountable".

Williams Creek and its tributaries provide over 150 miles of spawning, rearing and over-wintering grounds for anadromous fish such as coho and chinook salmon; winter and summer steelhead; Pacific lamprey and other resident fish. Within the Williams Creek system, there are 25 miles of coho habitat, five miles of which are considered 'core area' habitat. It is one of only three such areas in the Applegate Basin and one of only 12 in the whole Rogue Basin. There are at least 24 watershed councils across the state whose watersheds have fewer stream miles than WCWC.

The Williams Creek Watershed Council is within the greater Applegate Watershed, however, the Williams Creek watershed is clearly an area defined by unique geographic and social conditions. As a cul-de-sac valley, Williams is physiographically isolated from the rest of the Applegate Watershed. In addition, the Williams Creek Watershed is unique in a social sense as well. The only "town" within the Williams Creek Watershed (52,000 acres) is the unincorporated, rural community of Williams, which is home to about 3,000 people. This is the most densely populated and tightly knit community in the Applegate Sub-basin.

The Applegate River Watershed contains over 500,000 acres. The Applegate River Watershed Council (ARWC) has had its hands full implementing basin-wide as well as more localized monitoring and restoration projects in other parts of the Applegate Sub-basin. As noted in the attached letter from the ARWC:

"WCWC fills a niche that cannot be fulfilled by the Applegate Partnership and Watershed Council (APWC)." and "We... simply do not have the personnel to give the

Williams Creek watershed the attention it needs to continue the major protection and restoration efforts that WCWC has accomplished there."

WCWC and ARWC have been complementing each other's efforts for over a decade: ARWC has focused its efforts outside the Williams Creek Watershed, and with the exception of a few basin-wide monitoring projects, has left the Williams Creek system in the hands of WCWC.

Our partnership with the Applegate River Watershed Council has been cordial, but separate from the beginning. When WCWC was started in 1996, community members took to heart the language put forth by the 1995 House Bill 3441, which stated that (according to the OWEB website):

"Watershed councils offer local residents the opportunity to independently evaluate watershed conditions and identify opportunities to restore or enhance the conditions."

Thus, in 2000, WCWC, Williams residents and other interested parties developed a watershed assessment and action plan for the Williams Creek Watershed. We have been diligently working to execute projects prioritized in those documents. The Applegate River Watershed Council, meanwhile, has identified its own priorities, with the full knowledge that the Williams Creek Watershed is "covered" by WCWC.

It is the relationships that WCWC has developed with residents, local, state and federal agency staff and other groups that have provided for its success. Williams residents and agency personnel alike have come to rely on WCWC as a source of information and assistance as well as a link to other resources. Thanks to WCWC's outreach efforts, Williams' residents have become increasingly aware of conditions that limit fish production and good water quality. In the past twelve years, WCWC has worked with over 100 landowners to improve watershed health through on-the-ground projects. These accomplishments would have been impossible without WCWC's local presence in the Williams community.

- 2. How solo funding would result in a significant improvement of service to the watershed and its residents compared to the level of service possible under the present funding arrangement. This can be discussed in terms of project implementation, watershed enhancement, program efficiency (organizational and fiscal), and "bang for the buck."*

Although WCWC has a respectful and cooperative relationship with ARWC, both organizations have long recognized that we serve very different constituencies. The founders of WCWC recognized that the needs of our watershed and community would be better served by a local council focused on local issues, rather than by one whose home base (at the time) was over 35 miles away. This consideration is still applicable. It simply does not make sense for WCWC to share operational funding with a distant council, whose office is now over fifty miles away.

The geographic distance is indicative of the separate lives that these two organizations live. In fact, WCWC was already up and running and fully recognized by OWEB and the Josephine County Commissioners before the Applegate River Watershed Council got its first council support grant in December 1998 (OWEB grant #098-076). Therefore, WCWC fits the "Eligibility Criteria" of being:

"A unique geographic area... that is not or has not been located entirely or partially within the boundaries of another watershed council support grantee that has received council support funding from OWEB" (ORS 695-040-0030 (1)(a)).

When WCWC was formed in 1997 the ARWC was not *"another watershed council support grantee that has received council support funding from OWEB."* Given this, WCWC should technically already be eligible for council support funding.

The road to council support funding for WCWC, however, has been convoluted. In 2003, we were finally able to negotiate a percentage of ARWC's OWEB council support. We applied jointly, but ARWC did not follow through in passing the money on to WCWC. So, even though the funds were awarded jointly, WCWC didn't receive a penny of it. During the last funding cycle (2006) we applied jointly again and agreed on a 35% share for WCWC. When the funds were awarded, however, ARWC was having significant financial and staffing problems and was unwilling or unable to follow that agreement. The two councils discussed the issues and developed a MOU in which WCWC was to receive a two-year total distribution of \$11,400 of ARWC's \$104,000 Council Support grant. Thus far, however, we have not received any of the funds due to us. This lack of follow-through; the necessity for redundant, complicated bookkeeping; and our physical distance and differing program priorities makes the shared council support option unfeasible between WCWC and ARWC. Again, from the attached ARWC letter:

"On a practical level, we believe that both APWC [ARWC] and WCWC would benefit from independent council support..."

Although we are frustrated by the lack of forthcoming funds, we do not view this difficulty with animosity: instead it enhances our desire to be eligible for solo council support funding. Suffice it to say that our council has persevered but has spent an inordinate amount of time and energy wrestling with an unworkable arrangement with ARWC that has resulted in less time for meaningful and productive output and, in the end, less money for WCWC. Fortunately, for several years we were able to secure small general support grants from the Ralph L Smith Foundation, which has kept us afloat. As of this year, however, this source of funding is no longer available to us, leaving us in need of OWEB council support more than ever.

OWEB has recognized WCWC as unique and separate from ARWC and has granted WCWC \$521,195 in project funding: \$475K directly through WCWC and over \$45k in joint project funding through ARWC. Altogether, WCWC has raised over \$850,000 for solid on-the-ground and educational projects over the past twelve years, yet:

- ❑ Every year we struggle to pay our coordinator, the rent and utility bills.
- ❑ Many important restoration, monitoring and educational opportunities cannot be developed because our staff lacks funding to do so.
- ❑ We do not have a bookkeeper to manage the daily financial details.
- ❑ We are unable to participate in trainings, conferences and other professional development programs enjoyed by other councils.
- ❑ We are not able to fully integrate with other organizations such as RBFATT, RBCC, RBCoG and others.
- ❑ It is nearly impossible to support the OWEB regional Small Grant Team (although WCWC, the only non-funded member of the Team, worked closely with Bev Goodreau, OWEB Small Grant Specialist, to draft the team's bylaws, biannual report, expedite the receipt of late grant reports and facilitate reorganizing the team for the last biennium granting effort.)

These hardships could be greatly alleviated if we were eligible to receive independent OWEB council support funding.

WCWC has done a lot with a little for a long time. We have worked hard to manifest the goals and mission of the Oregon Watershed Enhancement Board for almost as long as the agency has existed. Our current workload, however, has grown considerably. We have managed to gain a reputation for effective project design and implementation and currently are fielding many calls coming in from across the region requesting technical support, advice and project assistance. Although WCWC will continue to seek community and other support funding, with 23 open grants, we need help to keep up with the increasing demands. We cannot effectively manage the increased workload without council support from OWEB.

3. *Widespread and broad community awareness of and support for the change.*

The attached letters of support from community members come at our request. They serve as evidence that we have made our community members aware of WCWC's desire to become eligible for solo council support funding. Most of these letters came in response to a single posting that we sent to our community email list announcing our intent and requesting letters of support.

We have engaged all kinds of people to participate with various aspects of our work: those who have historically been anti-government; those who had previously had no interest in fisheries or watershed health; and those who had previously written us off as a "radical environmental" organization. It is in our ability to respond "neighbor to neighbor", rather than as an outside interest, that WCWC has met with so much success in improving watershed conditions.

The Williams Creek Watershed Council's Board of Directors consists of ten Williams residents, representing the diverse interests of our community, thus meeting the requirements of OAR 695-040-0030(b). We hold regular elections and publicly announce board vacancies. This approach has benefited our organization, which enjoys a good balance of "old" board members (several of which have been with WCWC since its inception), and "new" members, who have more recently joined the council. In addition, WCWC has three long-term staff members, all of whom are longtime Williams residents. WCWC has been effective, in part, because the people in Williams take pride in the fact that WCWC is "their" council. The enclosed letters of support reflect this sentiment.

4. *That the split-off will not result in significant detrimental effects to previous funding partners. The ideal demonstration of this being outright support for the split from the previous funding partners and their constituents.*

As noted in the enclosed letter from the Applegate River Watershed Council, the proposed fiscal "split-off" of WCWC will be beneficial to both organizations. Although we have worked with ARWC on several projects, we are clearly two different organizations. Our financial interactions with ARWC have been fraught with difficulty, as noted above. In order to maintain the high level of effectiveness we demonstrated in the past, we need to maintain our historical status as an independently functioning watershed council.

ATTACHMENTS

Attachment #1 Council Funding Comparison Chart

Attachment #2 Letters from Organizations, funders and agencies

Attachment #3 Individual letters from our community

Attachment #4 Form letters of support from our community

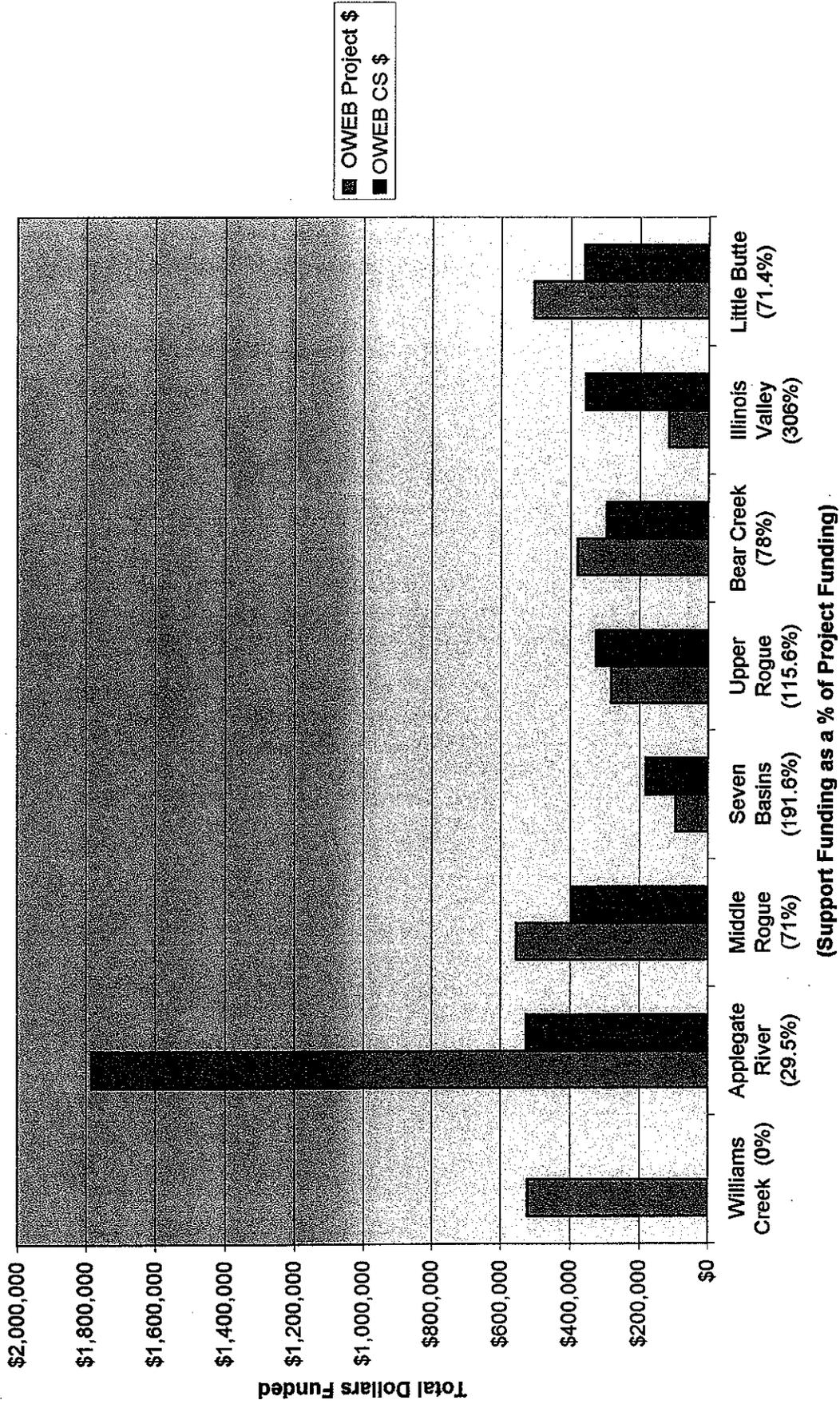
NOTE: We have divided the letters into groups for your convenience. The “Form Letters” are copies of a letter drafted by WCWC to provide an informational format for their letter. Many people, due to the short time period we had for responses, chose to just sign and return the form letter.



Attachment #1

Council Funding Comparison Chart

Council OWEB \$\$ Projects vs. Council Support \$\$



(Support Funding as a % of Project Funding)



Applegate Partnership & Watershed Council

6941 Upper Applegate Rd. | Jacksonville, OR 97530

Phone: 541-899-9982 | Fax: 541-899-1256

e-mail: director@arwc.org

www.arwc.org

Dear OWEB Board members,

We are writing to express our support for the Williams Creek Watershed Council (WCWC), which is seeking OWEB's recognition of its eligibility for Council Support funding. In the last biennium, WCWC received shared council support funding from OWEB together with the Applegate River Watershed Council. Therefore, according to the language put forth in OAR 695-040-0030 (1)(a)(A), the "council [WCWC] may be eligible to apply independently if it receives prior approval from the [OWEB] Board."

We encourage you to allow the Williams Creek Watershed Council to apply independently for council support funding. WCWC fills a niche that cannot be fulfilled by the Applegate Partnership and Watershed Council (APWC). As much as we would like to afford specific attention to each individual watershed, we represent and oversee five 5th field watersheds, covering over 500,000 acres. We simply do not have the personnel to give the Williams Creek watershed the attention it needs to continue the major protection and restoration efforts that WCWC has accomplished there. WCWC has served this need since 1996 and OWEB has historically recognized the unique and separate status of WCWC by granting them over half a million dollars in project money over the past twelve years.

Williams Creek supports runs of threatened coho salmon, fall Chinook and winter and summer steelhead. Although strategies employed by APWC and WCWC for enhancing fish habitat are similar, the social and political environments represented by these sister organizations are not. WCWC has been very effective (number three in the project funds awarded by OWEB to the region's WSC's) in their twelve years of work in Williams largely due to the fact that the residents of their community take pride in WCWC, because it is "their" watershed council.

On a practical level, we believe that both APWC and WCWC would benefit from independent council support from OWEB. We have worked together on watershed monitoring, grant proposals, workshops and other activities, but we acknowledge that it has also been very challenging for our organizations to meld our project priorities and fiscal management. Shared council support requires redundant bookkeeping, which is time consuming for both organizations and is not cost-effective from OWEB's perspective. In addition, funds APWC shares with WCWC effectively reduce council support funds for our organization.

WCWC has maintained its own board of directors, office, bookkeeping and 501(c)(3) status since 1997. It has managed almost a million dollars in project funding with no Council Support funding from OWEB. For these reasons, we believe WCWC is well equipped to handle its own Council Support funding.

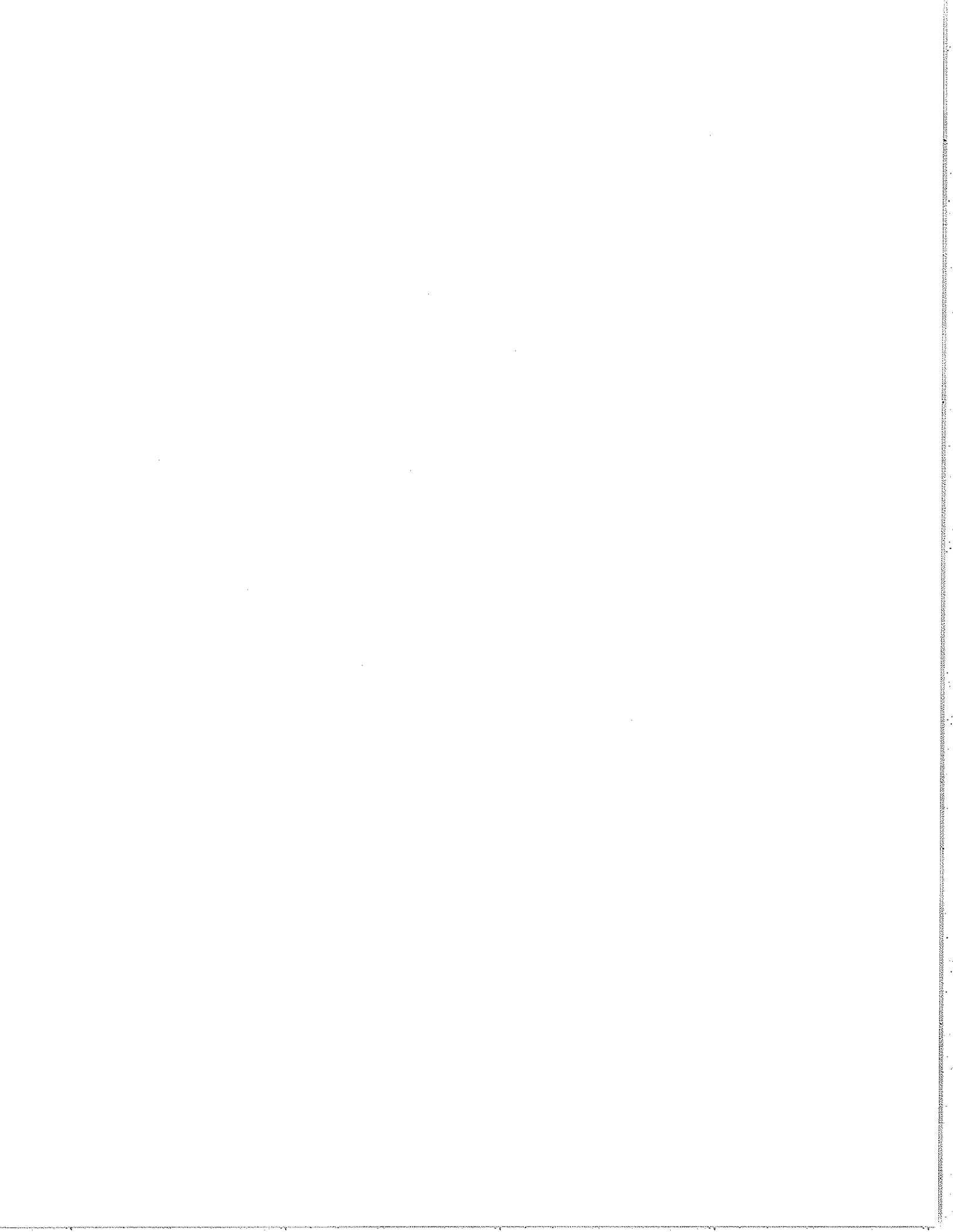
Independent council support for our two groups would increase the abilities of both councils to focus on accomplishing projects that will move each watershed towards a healthy, more sustainable future. By granting this opportunity to WCWC, we believe OWEB would be working within its guidelines for watershed council support and improving the efficiency and cost-effectiveness of both APWC and WCWC.

We hope you will support this position and will find the Williams Creek Watershed Council eligible to apply for independent council support funding.

Thank you.

Sincerely,

Jack Shipley, Chairperson
Applegate Partnership and Watershed Council



July 22nd. 2008

Oregon Watershed Enhancement Board
775 Summer Street NE, Suite 360
Salem, OR 97301-1290

Re: 2009-2011 Council Support

Dear OWEB Board Members and Staff:

The Rickreall Watershed Council and the Glenn-Gibson Watershed Council request your permission to apply separately for OWEB Council Support for the 2009-2011 biennium. We believe this will allow each council to provide the best possible service to their watersheds. We have addressed the required criteria below.

The watershed council seeking eligibility to apply for new solo funding must demonstrate:

1. That the council represents unique ecological or social conditions that are significantly different from that of its previous funding partners, that watershed issues, biology, geography, priorities, projects types, and practices are so different as to make continued partnership impractical.

Ecological and social conditions both vary between watersheds. The two councils work with very different types of landowners and different municipalities. Project prioritization and partnerships are very different in each watershed.

The Rickreall Watershed runs from the Coast Range to the Willamette River and is primarily private forestland in the upper reaches and agricultural land in the lower reaches. Fish passage and habitat enhancement are priority issues here. Projects here often require partnerships with the City of Dallas and/or large acreage landowners.

The Glenn-Gibson is primarily in residential and urban areas with some agriculture, parklands and woodlands. Stormwater issues and habitat protection are a high priority here and projects often require partnership with the City of Salem and/or small lot owners.

2. How solo funding would result in a significant improvement of service to the watershed and its residents compared to the level of service possible under the present funding arrangement - this can be discussed in terms of project implementation, watershed enhancement, program efficiency (organizational and fiscal), and "bang for the buck."

Some background may help the Board understand the situation. The Rickreall and Glenn-Gibson were previously (2003-2005) directed by OWEB staff to join in council support with the Luckiamute WC as an umbrella group. At that time, assurances were made by

OWEB staff that agreement with this arrangement would bring positive benefits to the three councils even though written requests were made by the councils for the merger not to be forced. Even though the resulting applications were ranked reasonably well, the funding provided left each council with reduced funding for staff support. Two of the councils which previously had full time coordinators were reduced to less than one-third time staff. The Luckiamute previously applied for and was granted permission to split for the current 07-09 biennium. The Rickreall and Glenn-Gibson chose at that time to remain linked because council support was being revamped and even though we would lose Umbrella status, council support administrative rules also required consideration of groups of two or more council demonstrating "operational economies of scale". During the 07-09 council support review, staff and board chose:

- 1) To ignore this rule on shared efficiencies "in part because the situations it was developed to address have been resolved by applicants either qualifying for the umbrella council factor because of additional partnerships, or because of approved requests to the Board to apply independently." In fact, the approval of the Luckiamute split left the Rickreall and Glenn-Gibson as a two council group with demonstrated operational economies of scale. Council members expected OAR 695-040-0060 (4) c.) to be followed with a percentage above base award, just as OAR...0060 (4) b.) was allotted. However no such award was given and the incentive for the councils to split was increased.
- 2) To distribute council support funding among merit categories in ways that penalize councils with shared applications. Over the last two bienniums, this has left the Rickreall with between 0.33 FTE and 0.45 FTE support and the Glenn-Gibson with between 0.2 and 0.3 FTE support; a minimal support level, even though they are ranked in the middle of the pack as "Good".

Although the Rickreall and Glenn-Gibson councils maintain a good relationship, both councils feel it is clear that splitting would allow them to deliver better service to their watersheds based on: 1.)Eliminating the originally forced partnership while continuing to partner in ways that make sense (such as shared office space and educational materials) and 2) Applying independently for council support which under all past distribution systems would result in increased funding support for each watershed. The current shared funding levels simply prohibit them from being able to support a fair share of staff time for project development and management in each watershed.

3. Widespread and broad community awareness of and support for the change.

The Rickreall and Glenn-Gibson councils are each run by a board with representatives from the diversity of interest groups in that watershed. Each group listed this issue as an agenda item, discussed it at their open monthly meetings, and decided by consensus of their boards of representatives that applying for permission for solo council support funding was in their best interest.

4. That the split-off will not result in significant detrimental effects to previous funding partners – the ideal demonstration of this being outright support for the split from the previous funding partners.

This letter is a joint application of both funding partners. As discussed above, each council independently and unanimously decided to apply for solo funding.

We thank you for your serious consideration of our request.

Sincerely,



David Simmons, Chairperson, Glenn-Gibson Watershed Council



Frank Pender, Chairperson, Rickreall Watershed Council



Charles Redon, Coordinator

2009-2011 Solo Funding Criteria Matrix

Council	Eligibility	Unique Ecological and Social	Service Improvement	Community Awareness & Support	Detrimental Effects
Alsea Watershed Council (R1)	No – MidCoast WC is also recognized for watershed	<ul style="list-style-type: none"> • Council has landowner trust and relationships. • Different philosophies. • Does not address ecological differences 	<ul style="list-style-type: none"> • Council listens and involves landowners and has landowner trust. • Lower project overhead. 	<ul style="list-style-type: none"> • Lists organizations that support watershed council. • Landowner involvement 	<ul style="list-style-type: none"> • No letter from MidCoast Watershed Council. Petition claims MCWC could better support other basin groups with split.
Upper Nehalem, Lower Nehalem, and Necanicum WCs (R1)	Yes – all three councils are recognized for unique areas.	<ul style="list-style-type: none"> • Upper Nehalem - community hub is Vernonia; watershed is mainly an upland valley; diverse stakeholders; large ag community spread out over 60 river miles; four counties and a number of small unincorporated communities. • Lower Nehalem – estuary, small cities of Nehalem, Wheeler, and Mohler, ag use is in the lower reaches (mainly dairy farms), uplands are two industrial forestland owners and ODF. • Necanicum - City of Seaside, coastal watershed, almost entirely owned by two industrial forest companies, little ag land, and no public forest land. 	<ul style="list-style-type: none"> • Current grant is split 50/25/25 between groups – limits ability of councils to develop projects or do outreach. • Lack of resources – need additional funding to survive. • Less time coordinating grant means more staff and board time for grants and projects. 	<ul style="list-style-type: none"> • Three boards and steering committees as representatives of the community support the request. • General population already believes the councils to be separate. 	<ul style="list-style-type: none"> • No detrimental effects. More funding is key.

Council	Eligibility	Unique Ecological and Social	Service Improvement	Community Awareness & Support	Detrimental Effects
Williams Creek Watershed Council (R2)	No – Applegate WC is also recognized for watershed.	<ul style="list-style-type: none"> • Communities are different; Williams is heart of watershed. • Watershed is isolated from Applegate (cul-de-sac valley). • Travel distance from Applegate WC • One of three core coho areas in Applegate. 	<ul style="list-style-type: none"> • Have been successful at obtaining OWEB and other grants for restoration projects. • Will lose ability to service the watershed without council support funds. • Applegate does not have resources to support Williams. 	<ul style="list-style-type: none"> • Large number of letters from community members, organizations, and agencies. • All support council and projects and would like council to be part of community. 	<ul style="list-style-type: none"> • Letter from Applegate WC – they would like the Williams Creek WC to have their own funding.
Rickreall and Glenn-Gibson WCs (R3)	Yes – both councils are recognized for unique areas.	<ul style="list-style-type: none"> • Rickreall - forest land in upper and ag in lower watershed, fish passage and habitat enhancement are priorities, partners are City of Dallas and large acreage landowners. • Glenn-Gibson - primarily residential and urban, some ag, parkland/woodland, stormwater and habitat protection are priorities, partners are Salem and small acreage landowners. 	<ul style="list-style-type: none"> • Improve funding by applying separately 	<ul style="list-style-type: none"> • Council board support only. 	<ul style="list-style-type: none"> • Both submitted the petition requesting funding and see benefits.