

**APPROVED BY THE BOARD SEPTEMBER 16, 2008**  
**Oregon Watershed Enhancement Board**

**May 20, 2008**  
**OWEB Board Meeting**  
**Ontario, Oregon**

**Minutes**

**OWEB Members Present**

Miles Brown  
Bobby Brunoe  
Dan Carver  
Dan Heagerty  
Skip Klarquist  
Kim Kratz  
Jose Linares  
Meta Loftsgaarden  
Jim Nakano  
Jennifer Phillippi  
Dave Powers  
Dan Thorndike  
Helen Westbrook  
Ken Williamson

**OWEB Staff Present**

Bonnie Ashford  
Lauri Aunan  
Ken Bierly  
Tom Byler  
Rick Craiger  
Renee Davis-Born  
Carolyn Devine  
Karen Leiendecker  
Melissa Leoni  
Greg Sieglitz

**Others Present**

Dave Waddell  
Bruce Taylor  
Heather Swartz  
Carl W. Hopp Jr.  
Elizabeth Felix  
Hugh Barrett

**Members Not Present**

Jim Johnson  
Patricia Smith  
Diane Snyder

**A. Board Member Comments**

Representatives on the OWEB Board commented on recent activities and issues facing their respective agencies. Co-Chair Heagerty welcomed new Board member Kim Kratz. Kim replaces Michael Tehan on the Board representing the National Marine Fisheries Service (NMFS). Board member Jim Nakano welcomed the Board to Malheur County.

State Representative Cliff Bentz welcomed the OWEB Board and staff to Ontario. Representative Bentz thanked Director Byler and Lauri Aunan for traveling to Burns recently to meet with OWEB's partners about the boundaries for the new sixth region and complimented them for a job well done.

**B. Minutes**

Minutes of the March 19-20, 2008, Board meeting in Medford were unanimously approved.

**C. Executive Director Update**

In addition to written items in the staff report, Executive Director, Tom Byler, briefly described the following to Board members: .

- The revenue forecast will be available the end of May; Lottery revenues are down.

- OWEB is expanding its work area in the Salem office to take over the entire west side of the third floor of the State Lands Building.
- The agency has started the recruitment for the regional program representative for the new Region 6, Mid-Columbia Region.
- Director Byler joined the Parks Commission for a coastal tour and discussed future partnering opportunities with the Oregon Parks and Recreation Department to leverage funding and interest in Ballot Measure 66 which will be up for renewal with Oregon voters in 2014.
- Director Byler gave an “OWEB 101” presentation at a recent Board of Agriculture meeting.
- Director Byler and Grant Program Manager, Lauri Aunan, traveled to Burns to meet with local partners on the boundaries of the new 6<sup>th</sup> region, and also met with the Bureau of Land Management on work they are doing in the area.

1. Oregon 150 Grants

The Board was provided information on the status of the Oregon 150 application review. Twelve applications requesting \$750,000 were received by ODFW by the February 25, 2008, deadline. The applications were reviewed and five were selected for funding for a total grant award of \$282,511. ODFW will advertise this summer for additional projects with the remaining funds.

2. Administrative Rulemaking

Staff intend to pursue rulemaking on a list of topics listed in the staff report. Staff will develop proposed rules and rule amendments, and work with a rules advisory committee to present a set of proposed rules for Board consideration at the September 2008 meeting.

3. 2007-2009 Oregon Plan Biennial Report

Staff presented Board members with a production schedule in order to deliver the biennial report to the Legislature by the due date, January 15, 2009. Staff included a draft outline for the 2007-2009 Biennial Report following the same format as the 2005-2007 report.

4. 2009-2011 Watershed Council Support

The Council Support Board Subcommittee staffed by Ken Bierly consists of Dave Powers, Helen Westbrook, Jim Nakano, and Jim Johnson. They will meet over the summer to discuss funding distribution criteria and will report back to the Board in September. A draft schedule was provided leading up to the December 15, 2008, application deadline, with Board consideration at the May 19-20, 2009, meeting.

5. SIP Status

Staff provided Board members a report that summarized the status of the Deschutes and Willamette SIP partnerships. In order to address workload demands that have significantly grown with the approval of the two SIP efforts, OWEB is exploring options to hire temporary staff or contracted staff to help with specific tasks. One part-time temporary staff position has been hired, and staff are continuing to seek additional assistance.

The Deschutes partnership agreement has been signed. Five projects have all received extensive technical review and are in various stages of implementation start-up. Applications are being written for another eight Deschutes SIP projects from the list approved by the Board in January.

Willamette SIP partnership agreements have been drafted and are being reviewed by involved partners. Staff are continuing discussions with Meyer Memorial Trust and other partners on project development.

6. April 21, 2008 Grant Cycle

The staff report provided numbers, types, and amounts requested for Assessment, Technical Assistance, Acquisition, and Restoration applications received by the April 21, 2008, deadline.

**D. Education and Outreach Subcommittee Report**

Carolyn Devine, OWEB Communications Coordinator, reported that the Board Education and Outreach Subcommittee (Jim Johnson, Meta Loftsgaarden, Trish Smith, and Dan Thorndike) met recently. The Subcommittee supports the locally driven, regional approach to Education and Outreach grants and do not expect there to be a major change for the October grant cycle for these grants. However, Ms. Devine is working on two areas for the Education and Outreach grants: 1) modifying the application to enhance measurable outcomes that will allow OWEB to better describe the impact of the Education and Outreach projects that we fund; and 2) reviewing how and when to implement an Education and Outreach Review Team to provide support and help for the Regional Review Teams' review of Education and Outreach grants. The Subcommittee is also discussing a broader communication strategy for OWEB including goals and a process for stakeholder input.

**E. Monitoring and Research Subcommittee Update**

Greg Sieglitz, OWEB Monitoring and Reporting Program Manager, updated Board members on the Monitoring and Research Subcommittee consisting of Bobby Brunoe, Meta Loftsgaarden, and Ken Williamson. The Subcommittee is following up the Board's direction developed at last year's Board summer planning session, to develop a more focused strategic approach for monitoring and research grants.

The Board concurred with the following five proposed investment and strategies for monitoring and research grant offerings.

- A. Continue local need-based grant offerings for monitoring projects.
- B. Continue the practice of funding some effectiveness monitoring through restoration grants.
- C. Provide targeted monitoring grant opportunities for specific data needs (eg. Rogue basin fish passage evaluation).
- D. Continue direct funding of contracts for specific monitoring services.
- E. Entertain a research grant offering in early 2009 when enough interest accrues in the Research Fund to warrant a new offering.

*Board members unanimously approved the following:*

- A. Adopt the principles and strategies for the October 2008 Monitoring grant cycle contained in Section V of the staff report.*
- B. Support soliciting feedback on the strategies and principles over the course of the summer from local groups with a report back to the Board in September.*
- C. Approve development of an early 2009 Research Grant Offering.*

The Board funded nine research projects in September 2007, and staff are recommending a research grant solicitation in early 2009. Staff may be developing changes or additions for the October 2008 monitoring grant application offering.

#### **F. Non-Capital Funding and October Grant Applications**

Lauri Aunan, Grant Program Manager, briefed Board members on funding reserved for each grant cycle. Non-capital funds are dependent on how much Pacific Coastal Salmon Recovery Funds (PCSRF) Oregon receives.

In March, OWEB submitted an application requesting \$12 million of PCSRF funds for FY 2008. Although the awards process is not yet complete, based on the preliminary response to OWEB's application, OWEB expects to receive more than the previous year's award of \$6.5 million, but significantly less than the \$12 million requested. Director Byler announced that the informal award for Oregon will be \$8.2 million. Following confirmation and award of FY 2008 Pacific Coastal Salmon Recovery Funds, OWEB will develop a spending plan for those non-capital funds. Until then, staff recommended that the non-capital grant solicitation for October 2008 include the same as the April 21, 2008 cycles.

*Board members unanimously approved the solicitation as recommended by staff as listed below:*

- A. The solicitation of Technical Assistance grant applications for the October 20, 2008, deadline, with a targeted funding allocation of \$500,000.*
- B. The solicitation of Monitoring grant applications for the October 20, 2008, deadline, with a targeted funding allocation of \$1,500,000.*
- C. The solicitation of Education and Outreach grant applications for the October 20, 2008 deadline, with a targeted funding allocation of \$500,000.*

#### **G. Deferred Land Acquisition Applications**

Ken Bierly, Deputy Director, provided an update on the status of the 12 land acquisition grant applications currently pending. He reported that the Board Acquisition Subcommittee will be developing a strategy to identify which are the most important pending acquisitions for OWEB to fund, with a goal of bringing recommendations to the full Board in September 2008. This is necessary because OWEB is looking at a total of about \$14 million in pending acquisitions.

Staff are recommending funding up to \$500,000 for the Whychus Creek Discovery Outpost acquisition project submitted in October 2007 by Wolfree, Inc. The acquisition is for 58 acres on Whychus Creek just east of Sisters. Wolfree has been operating in Sisters for about six years, engaging youth in environmental studies and restoration of habitats. This property will serve as a base for their field learning experiences for central Oregon youth. They continue to expand the number of schools they offer their educational services to. The property is one of

several protected on Whychus Creek to protect and improve the riparian areas and aquatic habitats for the re-introduction of anadromous fish.

*Board members unanimously approved to award up to \$500,000 in funds toward the Wychus Creek Discovery Outpost acquisition project (#208-110).*

#### **H. Public Comment**

- Carl W. (Bill) Hopp, Jr., Tumalo Irrigation District, expressed his appreciation for Phase I funding for a project in Tumalo and Crescent creeks.
- Bruce Taylor, Oregon Habitat Joint Venture, and Heather Swartz, provided information on the Sagebrush Cooperative.

#### **I. Oregon Plan Products**

Greg Sieglitz, Monitoring and Reporting Program Manager, and Renee Davis-Born, Data Analyst/Information Specialist, presented this agenda item. Following up on the Board planning session last summer, they reported on recent discussions about the need for and creation of high-priority products supporting the Oregon Plan for Salmon and Watersheds. These projects using non-capital funds are recommended by the Oregon Plan Monitoring Team, Oregon Plan Core Team, or the Oregon Plan Data and Information Subcommittee. Staff are currently considering the following projects that would improve the accessibility to technology tools, data and information, and would facilitate information sharing among Oregon Plan partners. Possible future projects involve 1) Digitization of remaining National Wetland Inventory (NWI) maps; 2) Equipment for DEQ's volunteer water quality monitoring program; 3) Oregon Explorer natural resources digital library; and 4) Inventory and online data management system for fish-passage barriers. Staff may return to the September 2008 Board meeting with funding requests after subsequent discussions with watershed councils, districts, and agency staff who would be the ultimate users of the products and consumers of the information.

#### **J. 2009-2011 Budget and Policy Packages**

Director Byler reported that OWEB has begun working on its 2009-2011 budget. In addition to OWEB's base budget, staff develop policy packages as a means to identify and address constraints and deficiencies in current program levels, and to meet new and emerging needs. OWEB's policy package concepts are developed to make limited duration positions permanent, add new positions to meet the workload demands resulting from the growth in OWEB funding and projects, and to address new areas such as climate change. He briefly discussed OWEB's proposed policy packages.

He explained the process for policy package development and submittal of the agency's requested budget to the Governor. After reviewing the agency budgets, the Governor submits his recommended budget to the Legislature, who eventually comes up with the legislatively approved budget for agencies.

At the conclusion of the meeting, Board members and staff were joined by representatives of the Oregon Departments of Environmental Quality and Agriculture, the Willow Creek, Owyhee, and Malheur watershed councils, local landowners, and the Malheur Soil and Water Conservation District for a tour of OWEB-funded projects in the Malheur basin. At the conclusion of the tour, Board members and staff attended a barbeque and informal reception hosted by the Malheur Watershed Council.

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**Others Present**

Karen Moon  
Jack Wenteroth  
Hugh Barrett  
Tony Svejar  
Tim Deboodt

**Members Not Present**

Jim Johnson  
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**K. Wetland Mapping and Monitoring**

Greg Sieglitz, Monitoring and Reporting Program Manager, and Renee Davis-Born, Data Analyst and Information Specialist, updated Board members on a grant request to the Environmental Protection Agency for wetland mitigation and restoration effectiveness monitoring. OWEB partnered with the Department of State Lands and the Xerces Society to prepare the EPA grant application. OWEB received advance notice from the EPA that the grant was awarded and funding will be available this fall.

They also reported on progress made toward building an electronic map of all wetlands located in the state. The map is based on data from the National Wetlands Inventory (NWI) and will be readily available to local restoration groups and interested parties such as state and federal agencies responsible for the management of wetlands. OWEB has finalized interagency agreements with the Oregon Department of Administrative Services and Oregon Corrections Enterprises to receive funding and digitize 240 NWI maps.

Four hundred and eighty one maps in southeastern Oregon remain to be digitized to complete a full digital collection of wetlands data for Oregon. This work will complete a two and one-half year project. Staff are requesting \$96,200 in non-capital funding and to delegate authority to the Director to enter into a contract to complete the remainder of the map digitization as identified in the staff report.

*Board members unanimously approved the staff recommendation to allocate \$96,200 in non-capital funding and delegate authority to the Director to enter into a contract to complete digitization of the remaining 481 National Wetlands Inventory maps for Oregon.*

#### **L. Coastal Wetlands Grants**

Ken Bierly, Deputy Director, reported on the partnership that OWEB has developed with the US Fish and Wildlife Service under which a 3:1 federal funding and state funding package has been, and continues to be used, to acquire and restore important habitat on Oregon's coast. He described the three projects (Lint Slough Restoration, and the Yaquina and Alsea Bay acquisitions) proposed for 2008 Coastal Wetlands Grant funding.

For the 2009 Coastal Wetlands Grant submissions, staff are working with local land conservation groups along the Oregon Coast to identify opportunities for estuarine resource protection. To date, OWEB staff are working with four partners on four separate applications:

1. Nehalem Bay Acquisition, Lower Nehalem Community Trust;
2. Siuslaw River (Duncan Island) Conservation Easement, McKenzie River Trust;
3. New Lake Conservation Easement, The Nature Conservancy; and
4. Alsea Bay Acquisition, The Wetlands Conservancy.

OWEB staff are seeking Board authorization for the Director to request approval from the June 2008 Emergency Board in order to submit applications to the USFWS 2009 Coastal Wetlands Grant program. Successful applicants are not notified until January 2009, therefore, because of the timing involved, the required state match funds most likely will be allocated from the 2009-2011 biennium capital funds.

*Board members unanimously approved the following:*

- A. *Delegate to the Director the authority to enter into the appropriate grant agreements for the U.S. Fish and Wildlife Service 2008 Coastal Wetlands Grant funds, \$310,000 for Lint Slough Restoration, \$95,725 for Yaquina Acquisition, and \$997,350 for Alsea Bay Acquisition, to accomplish the three projects as identified in the federal grant applications.*
- B. *Allocate up to \$265,000 of capital funds for the state match for the Lint Slough Restoration application.*
- C. *Authorize the Director to request legislative Emergency Board approval to submit 2009 Coastal Wetlands Grant applications to the U.S. Fish and Wildlife Service.*

Board members requested that the Partnership Investments Subcommittee would be used to review applications.

#### **M. Oregon Conservation Reserve Enhancement Program (CREP)**

Ken Bierly, Deputy Director, provided Board members with background information on the Oregon CREP. OWEB funded an evaluation of CREP through the Oregon Department of Agriculture and the Oregon Association of Conservation Districts. Findings in the report identified critical technical assistance needs for outreach, conservation plan development, and landowner assistance in CREP. The Board responded by providing funding for technical assistance (the primary factor limiting participation).

Use of a part of the recent \$1 million allocation to support CREP technical assistance made available from OWEB via the soil and water conservation districts has raised questions about the manner of providing technical assistance funding.

The Farm Bill expired in 2007 and is being considered for reauthorization by Congress. The 2004 CREP agreement between Oregon and the USDA expired on December 31, 2007. Once a new Farm Bill is approved, Oregon and the USDA will need to begin negotiating a new CREP implementation agreement. OWEB proposes to develop and facilitate a work group to discuss the infrastructure needed to support Oregon's CREP investment, including the new Oregon agreement and the technical assistance needs of the program.

OWEB staff plan to come back to the September 2008 meeting with a new Oregon /USDA agreement upon passage of the new Farm Bill.

#### **N. Climate Change Presentation and Discussion**

Tony Svejcar, USDA-Agricultural Research Service; Tim Deboodt, OSU Eastern Oregon Agricultural Research Center; and Hugh Barrett, SCR Consulting; discussed issues related to water availability, rangeland health, and climate change. Barrett, author of the Juniper Field Guide, is presenting three workshops this summer based on the Guide.

#### **O. Public Comment**

There was none.

#### **P. StreamBank Presentation**

Pete Dalke, coordinator with the Oregon Solutions Office, and Joe Whitworth, Oregon Trout, provided Board members with a presentation on StreamBank, a web-based tool for private landowners and local restoration professionals to quickly identify and obtain restoration funding and necessary permits based on project type, geographic location, science-based restoration needs, and funding priorities.

#### **Q. Other Business**

##### Salmon Season State of Emergency Grants and Temporary Rules

Melissa Leoni, Senior Policy Coordinator, presented proposed rules for Board approval in response to the Governor's Executive Order No. 08-10 declaring a state of emergency in response to serious economic and social impacts facing coastal communities due to significant commercial and sport fishing restrictions imposed this year.

Again in response to Governor's Executive Order 06-06 issued on April 24, 2006, the Board adopted temporary rules to give OWEB the ability to apply award preferences related to the employment of displaced fishers, providing fish habitat benefits, and addressing identified watershed needs. The temporary rules expired on January 21, 2007, and permanent administrative rules based on the temporary rules were adopted on January 25, 2007. For clarity, the permanent rules were given their own division in OWEB's rules.

The need for an amendment to the permanent administrative rules was needed because the adopted rules did not reference eligibility for the charter fleet, which are affected now, but weren't affected by the 2006 closure.

*Board members unanimously approved the proposed amendments to OAR 695, Division 7 as shown in Attachment B of the staff report.*

Dam Removal Effectiveness Monitoring

Greg Sieglitz, Monitoring and Reporting Program Manager, requested Board approval for a change in scope to an interagency agreement which allows for Oregon State University to conduct effectiveness monitoring at Savage Rapids Dam on the Rogue River. The original scope of work in the agreement (208-931) was for the Brownsville Dam and Sodom Dam removal projects on the Calapooia River in the Willamette basin. This change allows the scientists to collect pre-dam removal data in preparation for the actual demolition of Savage Rapids Dam next year while additional negotiations occur over Sodom Dam removal.

*Board members unanimously approved a change in the scope of work for Grant No. 208-931 to reflect the addition of Savage Rapids Dam.*

Having no further business, the meeting was adjourned.