

APPROVED BY THE BOARD JUNE 14, 2011
Oregon Watershed Enhancement Board
March 15, 2011
OWEB Board Meeting
Salem, Oregon

Minutes

OWEB Members Present

Dan Carver
Mike Haske
Dan Heagerty
Alan Henning
Debbie Hollen
John Jackson
Jim Johnson
Skip Klarquist
Meta Loftsgaarden
Will Neuhauser
Jennifer Phillippi
Eric Quaempts
Patricia Smith
Dan Thorndike
Karl Wenner
Ken Williamson

Members Not Present

Kim Kratz

OWEB Staff Present

Kyle Abraham
Bonnie Ashford
Lauri Anan
Ken Bierly
Ben Buhayar
Tom Byler
Rick Craiger
Renee Davis-Born
Carolyn Devine
Sue Greer
Mark Grenbemer
Wendy Hudson
Karen Leindecker
Melissa Leoni
Kathy Leopold
Tom Shafer
Courtney Shaff
Greg Sieglitz
Cindy Silbernagel

Others Present

Tom O'Brien
Liz Vollmer-Buhl
Seth Mead
Wayne Hoffman
Amy Charette

A. Board Member Comments

Representatives on the OWEB Board commented on recent activities and issues facing their respective agencies and areas.

B. Minutes

Minutes of the January 19-20, 2011, Board meeting in Corvallis were unanimously approved.

C. Executive Director Update

Executive Director, Tom Byler, briefly reported on the following program updates:

1. Biennial Conference

A post-conference online survey was completed by 27 percent of those attending the Biennial Conference last November. Networking and professional development were highlighted as successful conference objectives. Planning will soon start for the 2012 Conference. There are a limited number of facilities in Oregon that can accommodate as large a number of attendees as our conference draws.

2. Working Lands Report

In 2010, OWEB hired an independent contractor to analyze programs that fund “working lands” conservation easements and how they could contribute to watershed and habitat restoration and conservation in Oregon. Board members were provided with an Executive Summary giving an overview and findings of the review. A number of the suggestions in the report will be considered by the recently formed land acquisition work group comprised of stakeholders with an interest in acquisitions. Although there are no Board members on the work group, the work group will report back to the Board Acquisition Subcommittee and full Board on the status of discussions and any recommendations.

3. Secretary of State Performance Audit

In 2010, the Secretary of State’s Audit Division initiated a performance audit of OWEB and the agency’s use of Measure 66 funding. The audit, concluded in January 2011, provided a very thorough and favorable assessment of OWEB’s growth and evolution following the passage of Measure 66 in 1998. Overall, it was a positive report and contained three recommendations that staff intend to discuss with Board members while charting the course under Measure 76 and other important legislative and budgetary priorities and considerations.

4. Watershed Council Support

This report updated Board members on the process for the 2011-13 Watershed Council Support grant cycle. Sixty-four applications were received by the deadline, and after evaluation and scoring, will be presented to the full Board for funding consideration at the June Board meeting. At the meeting, staff provided the Board with a watershed council fact sheet including how councils are addressed in OWEB’s statutes and the level of council support funding and council accomplishments. The fact sheet also outlines OWEB’s plans to convene a Council Support Work Group to advise OWEB with respect to streamlining the council support application and funding process in order to focus resources on improved reporting for accountability and tracking of accomplishments; refining eligibility criteria for council support grants; and working with the Network of Oregon Watershed Councils on council effectiveness indicators. The legislative Coastal Caucus sent Director Byler and Board members a letter voicing concerns based on their perceptions of the current state of watershed councils in Oregon. OWEB has committed to report back to the Coastal Caucus on issues raised in the letter.

5. Land Acquisition Program Report

Since the January 2011 Board meeting, OWEB has hired a temporary staff person to assist in working on the backlog of land acquisition projects. An independent contractor was also hired to facilitate a work group of stakeholders interested in the OWEB acquisition program. The first meeting on the work group is scheduled for March 17.

Board members were asked to hold July 26, 27, and 28 for a Board retreat. Governor Kitzhaber has named Richard Whitman as his Natural Resources Director.

D. 2009-2011 Budget Update

Director Tom Byler updated Board members on the status of OWEB’s 2009-2011 budget. OWEB does not receive any State General Fund revenues, which declined significantly this biennium. Lottery Fund revenues that were down early in the biennium have now stabilized, but still do not meet levels predicted for the biennium. Although the revenue shortfall is not as large as

anticipated, OWEB will need to balance its budget based on the final quarterly distribution of Lottery Funds in May. Staff will report on the final rebalance action at the June 2011 Board meeting.

OWEB was awarded \$15 million by NOAA Fisheries under the Pacific Coastal Salmon Recovery Fund (PCSRF) program for FFY 2010. OWEB does not have legislative expenditure authority in its 2009-2011 budget to utilize these funds. The Governor’s Balanced Budget proposes to use the \$15 million to support natural resource agency budgets for the 2011-2013 biennium, thereby reducing the amount of non-capital funds available for grant awards at the March meeting. As a result, staff recommend using remaining non-capital resources to support applications that could not succeed if not funded until June, Education/Outreach applications that may not be eligible for Measure 76 funds, and Technical Assistance applications, in priority order, as recommended by the review teams.

OWEB staff met with NOAA Fisheries on the Governor’s proposed use of FFY 2010 PCSRF funds, and have set up a meeting for the affected natural resource agencies to meet with NOAA. Board members expressed concerned about future PCSRF funding for Oregon, and want to ensure that the use of PCSRF funds by other agencies is related to OWEB’s mission.

E. Public Comment – Pending Grant Applications

- Amy Charette, North Fork John Day Watershed Council, commented on two applications to help fund cleanup activities at the abandoned Red Boy gold mine in northeastern Grant County. Technical Assistance Application 211-6033 would fund an engineering evaluation to develop preferred design alternatives for treatment systems for acid mine drainage. Restoration Application 211-6035 proposes to replace an existing pipe that routes the drainage to a treatment pond. She supported funding now for the Technical Assistance application because they need to sample at high and low flows, with the high flows in April, May, and June.
- Wayne Hoffman, Mid-Coast Watersheds Council, thanked the Board for their efforts, and was available should they have any questions on Applications 211-1021, 211-1023, 211-1029, 211-1030, and 211-1031.

F. Board Consideration of Pending Grant Applications

Lauri Aunan, Grant Program Manager, provided Board members an overview of the October 18, 2010, grant cycle. Two hundred two grant applications seeking a total of \$21,307,170 were received.

The following identifies the number of applications received by application type and the amount of OWEB funds requested:

Technical Assistance	37	\$ 1,323,593
Monitoring	24	\$ 1,590,651
Education	32	\$ 1,220,385
Acquisition	7	\$ 3,447,345
Restoration	<u>102</u>	<u>\$13,725,196</u>
TOTAL	202	\$21,307,170

After being screened for eligibility and completeness, the applications were sent to the appropriate review teams, who made recommendations to OWEB staff regarding “fund” or “no fund” for

individual projects on their merit and numerically ranked the projects recommended for funding. OWEB staff then developed funding recommendations for Board consideration. The funding recommendations are based on funding availability, the rankings of the reviewers, and staff's evaluation of reviewer recommendations.

The October 2010 grant cycle is the last regular grant cycle where funding is governed by Ballot Measure 66 requirements (capital and non-capital). Due to the limited availability of non-capital funding, and the proposed distribution of PCSRF funds to other natural resource agency programs, staff recommended funding a portion of the non-capital applications in March, and asked the Board to signal its intent to award the remainder of the staff-recommended applications at the June Board meeting, dependent on OWEB's 2011-2013 budget.

Statewide Education/Outreach Applications

Staff recommended funding two applications submitted this grant cycle. Because of the lack of non-capital funds, staff recommended not funding these applications until June at the earliest. Both applications seek to train adults in principles necessary for effective restoration project implementation.

Statewide Monitoring Applications

The Oregon Plan Monitoring Team had not completed review of the monitoring applications. Recommendations will be presented for funding in June.

Acquisition Applications

Five new land acquisition applications and two new water acquisition applications were received during the October 2010 grant cycle. The Board Acquisition Subcommittee reviewed the applications before the regional review team evaluation of the ecological merit and recommended whether staff should proceed with due diligence review. Two of the five land acquisition applications were withdrawn by the applicants and the remaining three land acquisition applications were recommended for deferral. One of the two water acquisition applications is recommended for funding, and the other is not recommended for funding.

There are no other previously deferred acquisitions ready for a funding decision.

Staged Award

Sodom Ditch-Calapooia River Fish Passage Improvement (210-3067)

In March 2010, the Board awarded \$368,300, and committed to fund the remainder of the request (\$320,035) contingent on the grantee's progress report showing the need for the funding. Staff received a positive progress report. The applicant has done a great job and is on schedule to remove the dam in August. Staff recommended the Board award the remainder of the staged award.

Staff recommended funding in March 2011:

- \$7,662,790 Capital (Restoration, October Cycle; Restoration, Staged Award; Water Acquisition Application)
- \$858,780 Non-Capital (Education/Outreach, Monitoring, Technical Assistance)

Staff recommended funding in June 2011:

- \$1,359,535 Non-Capital (Education/Outreach, Monitoring, Technical Assistance)

At the start of each regional grant award presentation, program representatives highlighted a project in their region with a summary of the project, partners, cost, and community involvement.

REGION 1, NORTH COAST

Lauri Aunan, Grant Program Manager
Tom Shafer, Regional Program Representative
Ken Bierly, Acquisitions

Project Highlighted: Pebble Creek Sub-Basin Restoration – Phase I (211-1040), Upper Nehalem Watershed Council.

Lauri Aunan provided an overview of the Region 1 funding recommendations as presented in the staff report.

Ken Bierly briefly described the two land acquisition applications received in this cycle.
Withdrawn: Sand Lake Estuary Wetlands Acquisition Project (211-111)
Recommended for Deferral: Miami Wetlands Conservation Project (211-114)

REGION 2, SOUTHWEST OREGON

Lauri Aunan, Grant Program Manager
Mark Grenbemer, Regional Program Representative
Ken Bierly, Acquisitions

Project Highlighted: West Fork Smith River Instream Restoration (211-2054), Partnership for the Umpqua Rivers

Lauri Aunan provided an overview of the Region 2 funding recommendations as presented in the staff report.

Ken Bierly briefly described the land acquisition application received in this cycle.
Recommended for Deferral: Coquille Valley Wetlands Conservation Project (211-115)

REGION 3, WILLAMETTE BASIN

Lauri Aunan, Grant Program Manager
Wendy Hudson Regional Program Representative
Ken Bierly, Acquisitions

Project Highlighted: Canyon-Owl Steelhead Habitat Improvement Project (211-3041), South Santiam Watershed Council

Lauri Aunan provided an overview of the Region 3 funding recommendations as presented in the staff report.

Ken Bierly briefly described the land acquisition application received in this cycle.
Recommended for Deferral: South Eugene Hills Acquisition Project (211-116)

REGION 4, CENTRAL OREGON

Lauri Aunan, Grant Program Manager
Rick Craiger, Regional Program Representative
Ken Bierly, Acquisitions

Project Highlighted: Fourmile Creek and Harriman Spring Restoration (211-4029), Klamath Basin Rangeland Trust

Lauri Aunan provided an overview of the Region 4 funding recommendations as presented in the staff report.

Ken Bierly briefly described the land acquisition application and two water acquisition applications received in this cycle.

Recommended for Funding: Black Drake Ranch (211-110)

Not Recommended for Funding: Tumalo Feed Canal Water Conservation Project (211-112)

Withdrawn: Mill Creek Ridge Acquisition Project (211-113)

REGION 5, EASTERN OREGON

Lauri Aunan, Grant Program Manager
Karen Leiendecker, Regional Program Representative

Project Highlighted: BMV Spur Ditch Elimination (211-5056), Wallowa SWCD

Lauri Aunan provided an overview of the Region 5 funding recommendations as presented in the staff report.

REGION 6, MID COLUMBIA

Lauri Aunan, Grant Program Manager
Sue Greer, Regional Program Representative

Project Highlighted: Meacham Creek Habitat Restoration Project (211-6042), Confederated Tribes of the Umatilla Indian Reservation

Lauri Aunan provided an overview of the Region 6 funding recommendations as presented in the staff report.

In addition, Ms. Aunan described staff's recommendation to defer the Red Boy Mine applications (211-6033 and 211-6035). Deferring action on the two applications until the June meeting will allow staff and the Board time to further investigate and consider the legal and policy issues. Board members were provided with a summary of the two applications submitted for the October 2010 cycle, the state and federal cleanup programs that govern cleanup of hazardous waste sites, information on orphan sites, information on abandoned mines in Oregon, and the legal and policy issues identified by OWEB. An ad hoc Board Subcommittee (Alan Henning, Ken Williamson, Debbie Hollen, Eric Quaempts, Will Neuhauser, and Mike Haske) will work with OWEB staff on the policy issues associated with applications for environmental cleanup sites including orphan sites.

At the conclusion of the region funding recommendations, Board members approved the following motions:

Board members unanimously voted to award the second stage of funding for application 210-3067 as shown in Attachment C to the Overview staff report and signaled their commitment to award funding in June for the two Statewide Education/Outreach applications shown in green shading on Attachment B to the Overview staff report.

Board members also unanimously voted to approve the staff funding recommendation as shown in the yellow shaded sections of Attachment A to the Region 1, 2, 3, 4, 5, and 6 staff reports; and signaled their commitment to make June funding awards for the applications shown in the green shaded sections of Attachment A to the regional staff reports, dependent on OWEB's 2011-2013 budget.

G. Coastal Wetlands Grants

Ken Bierly, Deputy Director, briefed Board members on three projects awarded funding through the federal 2010 U.S. Fish and Wildlife Service Coastal Wetlands Grant Program.

- Miami Wetlands Conservation Project in Region 1 (211-114)
- Coquille Valley Wetlands Conservation Project in Region 2 (211-115)
- Tillamook Bay Wetlands Acquisition and Restoration (Project Exodus)

The federal funds are not needed at this time for the project applicants and OWEB to proceed with the evaluation of and funding recommendation for the state match application. Staff will brief Board members on the status of these grants at the June 2011 Board meeting.

H. Climate Leadership Initiative

Greg Sieglitz, Monitoring and Reporting Program Manager, briefed Board members on OWEB's Research Investments in Priority Focus Areas.

- Modeling Water Availability in a Changing Climate
- Climate Change and Local Watershed Impacts
- Ocean Response to Climate Change – Sea Level Rise and Coastal Impacts

Steve Adams, Director, Eugene Climate Leadership Initiative, and former Florida Climate Change Director, provided a presentation to highlight the work accomplished to date by the CLI and discussed important findings and observations. Board members thought this presentation was good background information for a "climate refugee" agenda item at the Board retreat this summer.

I. Effectiveness Monitoring Program

Greg Sieglitz, Monitoring and Reporting Program Manager, and Kyle Abraham, Effectiveness Monitoring Specialist, provided Board members with the history of the effectiveness monitoring program development, a summary of the work completed since 2004, a description of the program activities underway, an overview of completed and ongoing projects implemented in various basins throughout Oregon between 2005 and 2010, and potential new areas to focus future monitoring efforts.

They briefed Board members on completed, continuing, and potential new effectiveness monitoring projects. The completed projects listed below represent a first phase in some cases, with more potential effectiveness monitoring for those project types in other areas or over a longer time period as the next steps.

Completed Projects

- Western Juniper Removal Project Evaluation – Central and South Central Oregon
- Wetland Monitoring Partnership with the Department of State Lands and Xerces Society– Willamette Valley
- CREP Monitoring – Sherman, Wasco Counties
- Fish Passage Improvement – South Coast and Rogue Basins
- Riparian Enhancement – South Coast and Grand Ronde Basins
- Coastal Storm Assessment – North Coast

Continuing Projects

- Livestock Exclusion Partnership with Washington State Salmon Recovery Funding Board
- Small Dam Removal
- Irrigation Improvements
- Intensively Monitored Watersheds
- Conservation Effectiveness Partnership with OWEB, NRCS, and DEQ

Potential New Projects

- Large wood effectiveness-particularly in large river systems
- Wetland monitoring in north coast and eastern Oregon (expanding the Willamette work)
- Off channel habitat in partnership with the Salmon Recovery Funding Board and Bonneville Power Administration
- Fish and water quality (statewide) in partnership with ODFW and DEQ
- Riparian (statewide); integration of CREP and other riparian evaluation
- Integration of Ecosystem Services methods and goals

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Courtney Shaff
Greg Sieglitz
Cindy Silbernagel

Others Present

Bruce Taylor
Steve Wise
Lisa Seales
Tom O'Brien
Racquel Rancier
Chris Wheaton
Laura Tester
Steve Denney
Pam Wiley

Members Not Present

Kim Kratz

J. Budget and Legislative

Tom Byler, Executive Director, briefed Board members on the budget process and provided an overview of the Governor's Balanced Budget (GBB) for 2011-2013. OWEB's budget proposal reflects changes in how Lottery Funds can be distributed under Measure 76, resulting in less funding being available to support state agency budgets than previously was available under Measure 66. The GBB also proposes to distribute \$15 million of FFY 2010 PCSRF funds to support other natural resource agency needs next biennium. Those agencies are the Departments of Agriculture, Environmental Quality, Fish and Wildlife, and Water Resources. OWEB, along with the Governor's Natural Resources Director, Richard Whitman, and representatives from those natural resource agencies are meeting with NOAA Fisheries on the proposed uses of PCSRF.

OWEB's budget hearing before the Ways and Means Natural Resources Subcommittee is scheduled for the week of April 18.

Melissa Leoni, Senior Policy Coordinator, briefed Board members on key bills OWEB is tracking. **SB 342** is intended as the vehicle to make the necessary changes in statute to implement Measure 76 at the start of the 2011-2013 biennium.

HB 3109 would expend state policy relating to conserving ecosystems for “long-term ecological, economic, and social benefits” and encourage state agencies and local governments to use market-based approaches to conserve or enhance ecosystem services. The bill would add “maintain and enhance ecosystem services” as an overarching principle guiding Oregon’s land-use program. Renee Davis-Born, Ecosystem Services Coordinator, provided a summary to Board members about this bill and responded to questions.

HJR 29 and HB 2417 could impact OWEB’s budget in 2011-2013 and future biennia. HJR 29 proposes a referendum for Oregon voters to amend Measure 76 in a special election. A companion bill, HB 2417, as amended, would authorize the special election for the HJR 29 referral.

SB 169 and SB 521 were the subject of an information meeting and first public hearing on March 1, 2011, in the Senate Environment and Natural Resources Committee with the House, Energy, Environment, and Water Committee in attendance. SB 169 establishes a task force on natural resource agency consolidation to make recommendations by July 1, 2012, to the appropriate interim legislative committees. SB 521 would consolidate a number of state natural resource agencies, including OWEB, into a single Oregon Department of Natural Resources under the authority of a single director and a nine-member Oregon Natural Resources Commission. HB 2456 and HB 3270 propose to study the consolidation of state agencies, boards and commissions more generally. HB 2855 takes a look at efficiency in state government. SB 41 relates to public records.

Ms. Leoni reminded Board members of a bi-weekly legislative conference call to keep them apprised of legislative issues, with the next call on April 1, 2011.

K. Strategic Plan Implementation Update

Tom Byler, Executive Director, walked Board members through action items identified in OWEB’s Strategic Plan that the Board approved in January 2010. The passage of Measure 76 in November 2010 created an opportunity for OWEB to consider its strategic direction with now a long-term horizon for conservation investments. In addition, the Board may want to revisit the Communications Strategy which was implemented before the passage of Measure 76 since OWEB no longer has a sunset date of 2014. Staff plan to further discuss OWEB’s strategic direction at the Board Retreat scheduled for late July.

L. Public Comment – General

- Tom O’Brien, Network of Oregon Watershed Councils, commented on watershed council effectiveness and that the 10 percent fiscal administration is not enough. A number of councils struggle to make ends meet. He also reported on the legislative outreach day at the capital with 7-10 joint watershed council and soil and water conservation district displays. The Network and OACD are also partnering on a November 9 bridge day between the OACD convention and Network gathering at Sunriver.
- Steve Wise, Sandy River Basin Watershed Council/Sandy River Partners, Sean Welch, River Design Group/Sandy River Partners, and Todd Alsbury, ODFW/Sandy River Partners, updated Board members on the effects the January 2011 flood had on the Sandy Basin.
- Bruce Taylor, Defenders of Wildlife, commented on OWEB’s land acquisition grants, and thanked OWEB for developing a work group to discuss OWEB’s program. He would like

OWEB staff to develop an informal target for acquisitions; 10 percent of OWEB's budget for acquisitions is not enough. The Measure 76 coalition struggled with acquisitions and identified concerns about the review process and due diligence requirements.

- Wayne Hoffman, Mid-Coast Watersheds Council, commented on SIPs and their success in raising match, bringing partners together, and bringing major efficiencies to the process, and suggested that OWEB fund smaller SIPs, such as \$1 million, which might attract more match. For example, he suggested a possible recovery plan SIP on the coast to take advantage of local efforts that are already underway. He noted that the Sandy Basin Partners presentation indicated they appear to be a good opportunity for a SIP.

M. Ecosystem Services Update

Greg Sieglitz, Monitoring and Reporting Program Manager, and Renee Davis-Born, Ecosystem Services Coordinator, reviewed briefly the categories and activities within OWEB's developing ecosystem services program and reported on several initiatives involving ecosystem services and markets under way in the Klamath Basin.

The Klamath Basin Water Quality Improvement Tracking and Accounting Program (KTAP) is being developed to support Klamath Basin restoration efforts. The proposed goal is to increase the pace and to reduce the cost of improving Klamath Basin water quality and the recovery of native fish.

The National Fish and Wildlife Foundation (NFWF) is using funding from a 2010 National Conservation Innovation Grant (CIG) to establish an ecosystem market credit for water flow restoration. The project aims to develop an ecosystem services crediting protocol to quantify the fish and water-quality benefits of additional instream flow. The intent of this work is to expand market-based programs that compensate landowners for the water quantity, fish recovery, and ecosystem services improvements resulting from voluntary flow restoration efforts.

The Klamath Watershed Partnership's Conservation Innovation Grant (CIG) proposal to improve conservation effects in the Klamath Basin is part of an application to the NRCS CIG program. OWEB was invited to partner on this proposal by making funded restoration projects available as pilots for demonstrating the measurement and crediting of ecosystem services. OWEB staff have identified five restoration applications in Region 4, Central Oregon, submitted in October 2010, and awarded on March 15, 2011, to be provided as match funds for the Klamath CIG proposal.

Renee Davis-Born noted the possible connections between, and complementary nature of, these initiatives and discussions about a potential Klamath Special Investment Partnership that have been led by Ken Bierly and Melissa Leoni. OWEB staff have had multiple conversations with local partners regarding potential partnerships in the Klamath Basin, Lower John Day, Sandy, and South Coast. There is a promising overlap between the potential Klamath SIP and ecosystem services. The Klamath Basin initiatives align well with OWEB's ecosystem services program areas, and address several of the policy recommendations that emerged from the SB 513 process. Board members highlighted the importance of projects such as the Klamath Watershed Partnership's proposed CIG in providing tools and resources for local partners to complete the measurement of ecosystem services associated with restoration work. They also discussed that if the measurement tools and capacity are built in a particular location through initiatives such as those in the Klamath, these can be used on other projects both within and beyond the basin.

OWEB staff are also monitoring follow-up legislation to SB 513 (HB 3109).

N. OWEB Partnership Investments

Ken Bierly, Deputy Director, provided Board members with background on how OWEB's partnership investments began and how the two pilot SIPs (Willamette and Deschutes) were developed. OWEB is current involved in the following partnerships: Deschutes SIP; Willamette SIP; Whole Watersheds Restoration Initiative; and Conservation Reserve Enhancement Program.

OWEB has been approached about opportunities for SIPs in the Lower John Day, Lincoln City, Fish Passage, Sandy, Klamath, and the South Coast. Staff working with the Partnership Subcommittee, have been exploring the process for considering and allocating staff time to new partnerships. They have proposed an expedited process for the 2011-2013 biennium, focusing on one or two partnerships, and are proposing a new process for considering partnerships in the 2013-2015 biennium which would involve a more extensive solicitation process. A draft timeline for the solicitation process was included for the 2013-2015 biennium starting in January 2012 with an announcement of solicitation of interest, concluding with Board action on budget proposals and partnership agreements in September 2013.

Board members cautioned that a SIP is not yet set in the Klamath, and questioned the transparency of the process on how SIPs are selected. Some Board members suggested slowing down and taking our time to select a Special Investment Partnership, and others want to jump ahead on proposed SIPs the agency is already aware of.

Board members discussed having a transparent process for selecting partnerships, and the importance of having a strategic discussion before selecting SIPs to fund. Some Board members commented that a couple of opportunities for SIPs are "ripe" and should be acted on now. Urgency vs. development of a solicitation was discussed. A concern was raised that an expedited process for 2011-2013 might now be warranted. Staffing and budgetary concerns with adding additional partnership efforts were raised.

Board members unanimously voted to adopt the process described in Section III of the staff report and ask staff to come back to the June Board meeting with a recommendation for partnerships for the 2011-2013 biennium.

O. Willamette SIP Presentation

Ken Bierly, Deputy Director, and Pam Wiley, Meyer Memorial Trust, updated Board members on the status of the Willamette Special Investment Partnership.

Ken Bierly reported that the Board needs to have a conversation at the June Board meeting regarding OWEB's mitigation policy adopted in March 2009. An issue has come up in the Willamette regarding a settlement agreement between BPA and ODFW on wildlife mitigation for the Willamette River Dams.

P. Other Business

There was none.

Having no further business, the meeting was adjourned.