

APPROVED BY THE BOARD APRIL 28, 2015
Oregon Watershed Enhancement Board

January 27, 2015
OWEB Board Meeting
Astoria, Oregon

Minutes

OWEB Members Present

Dan Thorndike
Eric Quaempts
Debbie Hollen
Will Neuhauser
Lisa Phipps
John Roberts
Bob Webber
Karl Wenner
Alan Henning
Mike Haske
Randy Labbe
Stephen Brandt
Ron Alvarado
Kim Kratz
Doug Krahmer

OWEB Staff Present

Meta Loftsgaarden
Greg Sieglitz
Renee Davis
Juniper Davis
Brandi Elmer
Liz Redon
Courtney Shaff
John Amoroso
Sue Greer
Sharon Clarke
Mark Grenbemer
Tom Shafer
Dana Hicks
Wendy Hudson
Eric Hartstein
Troy Wirth
Ken Fetcho
Andrew Dutterer

Others Present

Megan Nichols
Anna Rankin
Mark Stern
Bruce Taylor
Kari Hollander
Jenni Dykstra
Tara Davis
Kirk Shimenze
Steve Wise
Alix Lee
Katie Voelke
Tod Heisler
Mary Wahl
Jerry Nicolescu
Chris Farrar
Marty Suter-Goold
Dana Dedrick
Liz Vollmer-Buhl
Ken Bierly
Kathleen Guillozet
Sarah Dyrdaahl
Rebecca McCowen
Larry Six
Jeff Oveson
Tom Salzer
Kristen Larson
Amy Charelte
Sandy McKay
Herb Winters
Lower Nehalem Community Trust
Sarah O'Brien
Kendra Smith
Graham Klag
Una Monaghan
Karin Nembach
Debbie Pickering
Pam Wiley
Michele Long
George Hemmingway
Ryan Houston
Conrad Gowell
Kelley Beamer
Tessa Scheller
John Gardiner
Jerome Arnold
Denise Lofman

A. Board Member Comments

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

B. Review and Approval of Minutes

Minutes of the October 28-29, 2014 Board meeting in Grants Pass were presented for approval. Lisa Phipps commented that there was a typographical error that should be corrected under Others Present, Katie Volke should be changed to Katie Voelke, in all places where this typographical error appears, it should be corrected.

The board moved to approve the October 28-29, 2014 Board meeting minutes. Moved by Dan Thorndike, seconded by: Lisa Phipps. Motion passed unanimously.

C. Focused Investment Partnership Priorities

Meta Loftsgaarden, Executive Director, provided some information to the board about the priority submission process that had taken place with a variety of experts providing input to identify priority theme areas, she explained that this information would provide a starting point for Board discussion and development of the priority process the Board was asked to develop. Staff provided summaries of each theme area for their discussion. She reminded the Board with the approval of the Long-Term Investment Strategy in June of 2013, one of the four major areas of investment was Focused Investments. The development of these priorities will guide the selection making process for future board awards in the focused investment category.

Public Comment – Focused Investment

- Mark Stern, The Nature Conservancy, provided comments in support of dry-forest restoration focused investment priority
- Steve Wise, Executive Director, Sandy River Basin Watershed Council, commented on the need for continued support for restoring fish and wildlife and recovering threatened fish species
- Jerry Nicolescu, Oregon Association of Conservation Districts, spoke in support of the Oregon Model for protection of Sage Grouse
- Marty Suter-Goold, Harney Soil and Water Conservation District, spoke in support of protection for Sage Grouse
- Ken Bierly, High Desert Partnership, spoke in support of the FIP theme, Closed Basin Wetlands, (SONEC)
- Dana Dedrick, Willamette Steering Committee, commented in support of the Willamette with regards to scale, timeliness, and policy issues
- Ryan Houston and Tod Heisler, representing Upper Deschutes Watershed Council and Deschutes River Conservancy, commented on their support for the Deschutes Aquatic Habitat Focused Investment Priority
- Megan Nichols, Upper Klamath Conservation Action Network, spoke in support of focused investments in the Klamath Basin
- Amy Charette, Confederated Tribes of the Warm Springs, Sandy McKay, Gilliam Soil and Water Conservation District, and Herb Winters, Wheeler Soil and Water Conservation District, spoke in support of the John Day Basin focused investment priority

- Larry Six, McKenzie Watershed Council, spoke in support of focused investment priorities in the McKenzie sub-basin
- Jeff Oveson, Grande Ronde Model Watershed, spoke about the importance of restoration projects for endangered species

Renee Davis, Deputy Director, provided a brief summary of the twelve priority themes and how they were developed. She then reminded the board that during discussion of each of the twelve theme summaries the board would be asked to think about key priorities that they would like to adopt as guidance for future board awards in the focused investment category.

1 – CLOSED BASIN WETLANDS/SONEC

Renee Davis, Deputy Director, explained the priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information requested:

- 1) More specifics about experts
- 2) Targets to be achieved at scale
- 3) Other funding options
- 4) What existing projects are already out there
- 5) Ecological outcomes tied to species
- 6) Themes and timeliness as it relates to scale
- 7) Key benefits vs. challenges/outcomes

2-SAGE-STEPPE/SAGE GROUSE

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information requested:

- 1) Details regarding implications of sage grouse listing
- 2) Are there ways to prioritize the issues and priorities within this area?
- 3) How much federal/state commitment has gone into this so far?
- 4) Sage Grouse population size, what is it?
- 5) Oregon's role in listing?

3-GRANDE RONDE NATIVE FISH

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information requested:

- 1) Where would we get the biggest outcome for our dollars invested?
- 2) Do not rule out smaller geographic areas, we may see a bigger impact here
- 3) Easement opportunities in the basin
- 4) Include Umatilla Tribe in experts consulted
- 5) Relationship between this priority and the dams
- 6) Add habitat acquisitions and easements as a limiting factor
- 7) Water quality around Looking Glass Creek
- 8) Basins/Sub-basins within a basin that are priority

4-DRYSIDE FORESTS

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional Information Requested:

- 1) Would like better definition of ecological outcomes in this category
- 2) Note any NRCS or ODF hotspots for this priority
- 3) What would be the minimum treatment needed to track ecological/social outcomes
- 4) Noted that the cost of this is tremendous, unless investments are focused Recommend using the 'disturbance map'
- 5) Are there options for leverage with private landowners
- 6) Is there an opportunity for OWEB to make a big impact
- 7) How can OWEB be catalyst in this priority area?

5-JOHN DAY NATIVE FISH HABITAT

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information requested:

- 1) More specifics related to overall ecological outcome
- 2) More specifics related to significance to the state

6-UPPER KLAMATH NATIVE FISH HABITAT AND WATER QUALITY

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information requested:

- 1) Is there a non-KBRA Plan? Where will this go if not?
- 2) Is there a leadership role for OWEB?
- 3) Crosses state lines, what is the relationship between the work in CA and OR?
- 4) What is driving factor?
- 5) What affect would OWEB investments have on phosphorous loading?

7-DESCHUTES AQUATIC HABITAT

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information requested:

- 1) De-listing of bull trout and steelhead, what would it mean?
- 2) Where are current investments in this area?
- 3) How has or could OWEB's contribution make a difference?
- 4) What is the list of remaining priorities

8-OAK WOODLANDS

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information requested:

- 1) How to measure outcomes in this priority?
- 2) Should this priority be called oak and prairie?
- 3) What are the avenues, acquisitions? Other?

9-LOWER COLUMBIA NATIVE FISH HABITAT

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information requested:

- 1) More specifics related to State/National significance
- 2) What are the limiting factors unique to non-anadromous species
- 3) What are the social outcomes near high population areas

10-WILLAMETTE BASIN AQUATIC HABITAT AND WATER QUALITY

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information requested:

- 1) Need clear outcomes
- 2) There is a range of submissions – request more clarity of options
- 3) Social capital, what is our role in the basin?
- 4) Summary of investments to date
- 5) What outcomes would we have within OWEB’s budget?

11-OREGON COAST

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information requested:

- 1) Does Oregon Coast Coho work as a stand-alone priority?
- 2) Would like to see more description of estuaries
- 3) Additional indications of the best criteria to use
- 4) Are there multiple priorities within this framework?
- 5) Investments only go so far what are the regulatory framework that goes with it?
- 6) Breakout of Coastal Coho and populations, but also habitat types

12-CROSS-CUTTING THEMES

Renee explained the key priorities and needs in this area along with significance to the state, geographical options and habitat/natural resource issues of concern. (See Attachment D)

Renee then engaged the Board in questions and discussion, surrounding what the board needs or wants to know in order to make decisions for future guidance when making board awards for focused investments.

Additional information or suggestions for this section:

- 1) Water supply development – Add as appropriate
- 2) Statewide priorities seem too large
- 3) Climate Change – should be discussed as a part of the application process

The Board then provided some general discussion and feedback on the priorities.

General Board Comments:

- General support was expressed for each of the priorities in different ways. Examples included a focus on coastal coho habitat and populations and combining Forest Health and Oak Woodlands
- Staff should outline what the board would “expect” within a submission
- Priorities shouldn’t be ranked – they should all be equal and we select programs
- Recommend moving away from geography
- Request that staff consider how to include water quality
- Enough side-boards that people understand what to propose in a way that starts to achieve outcomes
- Priority descriptions need to be clear enough and specific enough to limit applicant pool
- Partners are doing this work today – focus on making sure thresholds are established for proposals

The Board then entered into a discussion of how best to frame the priorities for further discussion in April. Karl Wenner proposed seven themes for consideration:

- Sage-grouse/Sage-Steppe Habitat
- Dryside forest habitat
- Oak woodland habitat
- Closed Basin wetland habitat
- Coastal Coho habitat and populations
- Inland anadromous fish habitat and populations
- Inland non-anadromous fish habitat and populations

Following extensive debate regarding the seven themes, staff asked if Board members would like the next presentation to utilize the seven theme areas identified with some leeway to make changes based on expert feedback. No vote was taken, and no other alternative approaches were provided.

The Board then discussed using the seven themes with a ‘two-pager’ that would consistently frame and describe each of the proposed priorities. Board members expressed support for highlighting the need for a landscape-level approach and tying to ecological outcomes.

Board members expressed concern about the time needed to fully review and vet priorities as revised into the new seven theme areas. Board members requested staff review alternatives for an additional in-person board meeting to provide members with an opportunity to discuss the

priorities as they evolve. Staff agreed to seek alternatives. Subsequent to the Board meeting, an additional one-day meeting was scheduled for March 18 in Salem.

Public Comment – Focused Investment

- Ken Bierly, commented on lessons learned and other focused investment priorities. He noted we have a diverse state we need good ecological outcomes – provided a handout
- Bruce Taylor, Oregon Habitat Joint Venture, commented on the priority process the board had discussed and asked the board to keep in mind that they are only talking about a part of the process
- Marty Suter-Goold, Harney Soil and Water Conservation District, commented on the ecological model for Sage Grouse
- Jerry Nicolescu, Oregon Association of Conservation Districts, commented on support for Sage Grouse
- Jeff Oveson, Grande Ronde Model Watershed, commented that Salmon/Steelhead should be a priority
- Kathleen Guillozet, Willamette Steering Committee, spoke in support of the Willamette Special Investment Partnership
- Kristin Larsen, Luckiamute Watershed Council, commented that OWEB should utilize the regional review teams as a part of the process
- Debbie Pickering, The Nature Conservancy, Catherine Pruett, Salmon-Drift Creek Watershed Council and Liz Vollmer-Buhl, Suislaw Watershed Council commented in support of the Coastal priorities and estuaries
- Steve Wise, Sandy River Basin Watershed Council, warned the board not to mistake categories for partnerships. Partnerships will deliver specific ecological outcomes; priority categories should remain at a larger scale.
- Tod Heisler, Deschutes River Conservancy, stated that he looks forward to the next level of discussion, and told the board they should focus on restoring ecological functions not on a particular species
- John Gardner, Illinois Valley Watershed Council and Rogue Basin Partnership, reminded the board they have a lot of influence, and to be careful about priorities
- Larry Six, McKenzie Watershed Council, reminded the board to be careful of groupings and proposals, and asked them to look at them carefully
- Pam Wiley, Meyer Memorial Trust, commented on her support for the Willamette Focused Investment Partnership and reminded the board to call on partners within the current Special Investment Partnership for lessons to share.

D. Public Comment – General

- Kristen Larsen, Luckiamute Watershed Council, commented on the Willamette Riparian Revegetation Program – provided a handout
- George Hemmingway, commented in support of habitat restoration
- Kelley Beamer, Executive Director, Coalition of Oregon Land Trusts, talked through the State of the Lands Report (COLT)
- Alix Lee, Coordinator for the Lower Nehalem Watershed Council, is new in this position and is excited to work with OWEB and the Board
- Rob Russell, Tillamook Bay Watershed Council, new North Coast member, wanted to introduce himself to the Board
- John Gardner, Illinois Valley Soil and Water Conservation District, provided an update on where the organization has come since the October Board Meeting

**APPROVED BY THE BOARD APRIL 28, 2015
Oregon Watershed Enhancement Board**

**January 28, 2015
OWEB Board Meeting
Astoria, Oregon**

Minutes

OWEB Members Present

Dan Thorndike
Eric Quaempts
Debbie Hollen
Lisa Phipps
Will Neuhauser
Bob Webber
Karl Wenner
John Roberts
Alan Henning
Mike Haske
Randy Labbe
Ron Alvarado
Kim Kratz
Stephen Brandt
Doug Krahmer

OWEB Staff Present

Meta Loftsgaarden
Renee Davis
Dana Hicks
Liz Redon
Courtney Shaff
Greg Sieglitz
Juniper Davis
John Amoroso
Sharon Clarke
Sue Greer
Brandi ElmerTom Shafer
Eric Hartstein
Andrew Dutterer
Ken Fetcho
Troy Wirth

Others Present

Rebecca McCoun
Anna Rankin
Mike Running
Sarah Dyrhahl
Sandy McKay
Jerry Nicolescu
Kristen Larson
Karin Nembach
Alix Lee

E. Salmon River Estuary Presentation

Kami Ellingson, of United States Forest Service, presented to the Board on collaborative restoration in the Salmon River Estuary. US Forest Service presented a section of the railroad from the former Pixieland Theme Park to the OWEB board in appreciation for their work on the project. (See Agenda Item E for more information)

F. Effectiveness Monitoring Update and Funding Request

Greg Sieglitz, Monitoring and Reporting Program Manager, presented to the board on partnership investments and future focused investment partnerships. Greg provided background to the board regarding the framework and direction of these partnerships and how they relate to monitoring and the Long Term Investment Strategy.

Ken Fetcho, Monitoring Specialist, talked to the board regarding ecological benefits in the Willamette Special Investment Partnership as an example of some of the work that has been done as well as accomplishments and lessons learned.

The board moved to provide \$47,495 in support of new and replacement equipment for the DEQ Volunteer Water Quality Monitoring Program, to be provided to locally-based groups in support of their monitoring projects and programs.

Moved by Dan Thorndike, seconded by Karl Wenner. The motion passed unanimously.

G. Conservation Reserve Enhancement Program Technical Assistance (CREP TA) Update and Award Funding

Juniper Davis, Partnerships Coordinator, provided a brief update to the Board about the CREP TA program, and asked for approval to receive program funding.

The board moved to approve receipt of \$100,000 in supplemental funding from the NRCS to support and improve the local delivery of CREP in Oregon, and delegate authority to the Executive Director to distribute funds through appropriate grants and agreements, with an award date of January 28, 2015 to be used for any grant agreement(s). Moved by Eric Quaempts, Seconded by John Roberts. The motion passed unanimously.

H. Willamette Riparian Pilot Project – Funding Request

Meta Loftsgaarden, Executive Director provided background to the board regarding the Willamette Riparian Initiative and Governor’s Clean Water Partnership. She identified roles for OWEB in the early implementation phase of the Clean Water Partnership and technical assistance for the Willamette Riparian Initiative. She then asked the board to consider funding \$150,000 from the Oregon Plan/Governor’s Priorities to support implementation of the framework, funds would be used to develop the program’s architecture, coordinate the various work groups and ultimately develop an implementation-ready approach to broad scale riparian restoration work in the Willamette.

The board moved to award \$150,000 grant from the Oregon Plan/Governor’s Priorities spending plan line item to support the implementation of the framework for the Governor’s Clean Water Partnership, and delegate authority to the Executive Director to distribute the funds through appropriate grants and agreements, with an award date of January 28, 2015 to be used for any grant agreement(s). Funds will be used to develop the program’s architecture, coordinate various work groups, and ultimately develop and implementation-ready approach to broad-scale riparian restoration work. Moved by Dan Thorndike, seconded by Doug Kraemer. The motion passed unanimously.

I. Sage-Grouse Conservation (SageCon) Update

Meta Loftsgaarden, Executive Director, provided an update to the board on the Sage Grouse (SageCon) Effort and the partnership and investment in the effort by OWEB. (See Staff Report for more information)

J. Executive Director Update

Meta Loftsgaarden, Executive Director, provided an updates on online grant applications and the grant agreement process.

She updated the board on the Continuous Improvement Process, including the workshops and other key business practices that are being developed to improve on our processes and to be able to streamline certain processes to save time and resources for staff and our customers.

She updated the board on the current legislative activities and budget proposals that will be considered by the legislature during the 2015 legislative session, and she introduced the new Senior Policy Coordinator/Legislative Liaison, Eric Hartstein to the Board.

She updated the board about the Pacific Coastal Salmon Recovery Fund. She told the board that OWEB is currently in the process of submitting the pre-application for PCSRF funding, and will follow-up with the final application for a funding request.

She updated the board on the coastal wetlands projects that are currently going through the approval and application process. Three of OWEB's submissions were approved, including: Scholfield Creek Tidal Wetlands Conservation Project, Kilchis Wetlands Conservation and Restoration Project, and the China Camp Creek Project.

She updated the Board on the Oregon Coastal Coho Business Plan, and explained the implementation of the Oregon Plan for Salmon and Watersheds along with the other restoration and conservation goals of the state of Oregon.

She explained the need for a full two day Board meeting in April and asked Board members if they were amenable to a full two-day meeting in April. The consensus was yes.
(See staff report for more information)

K. Oregon Plan for Salmon and Watersheds 2013-15 Biennial Report on the Oregon Plan for Salmon and Watersheds

Greg Sieglitz, Monitoring and Reporting Manager, Troy Wirth, GIS and Technology Specialist, and Sharon Clarke, Information Management Specialist, provided an update on the completion of the 2013-15 Biennial Report for Salmon and Watersheds and provided the board with a final report that was submitted to the Legislature and Governor's Office.

L. Spending Plan Discussion

Meta Loftsgaarden, Executive Director, discussed the spending plan options with the Board and asked for their feedback surrounding the development of the 2015-17 spending plan.

Board Comments were:

- 1) Keep in mind limitation of available funding; prefer option A
- 2) Prefer option C, due to the newest Focused Investment Process
- 3) Question about the demand for Focused Investments – how much funding is needed?
How many programs are expected?
- 4) Would like to see more than one option proposed in April
- 5) Concern about the SIP funding continuing and how that would occur?
- 6) Like options B and C, we should take a cautious approach
- 7) Make assumptions and put dollar figures into categories
- 8) Keep watershed councils encouraged/motivated
- 9) Don't rely on OWEB as the only funder of projects
- 10) Would like more examples from staff of Open Solicitation information

M. Public Comment - General

- Anna Rankin, of the Pudding River Watershed Council, asked the board for support for their council
- Sarah Dyrdaahl, Calapooia, South Santiam, North Santiam Watershed Council provided an update to the Board of their projects and accomplishments
- Kristen Larson, Luckiamute Watershed Council, provided some data with regards to the spending plan and told the Board to be cautious with new programs
- Conrad Gowell, Mid-Coast Watershed Council, introduced himself to the Board and thanked them for all their work

I. Sage Grouse Conservation Update (SageCon Update)

Jamie Damon, Governor's Natural Resources Office, came to speak to the Board about Sage Grouse (SageCon) Effort and gave a statewide update. She discussed the Stakeholder and State Leadership Teams that had convened to develop a draft plan and initiated a rulemaking process. She stated the budget is \$4.5 million for the Governor's Budget for Fire and Forestry to provide additional resources for funding.

N. Other Business: Upper Klamath Basin Comprehensive Agreement Update and Funding Request

Renee Davis, Deputy Director, provided an update to the board on the Upper Klamath Basin Comprehensive Agreement and OWEB funding already put to use. The Governor's office is requesting an additional \$125,000 to ensure the water-use agreements committed during year 1 of the transitional Water Use Plan are supported for a full three-year timeframe.

Board Discussion: How does this process affect other land/water acquisitions? Concerns about spending more money if the KBRA is not continued.

The board moved to award up to \$125,000 from the Land and Water Acquisitions line item in the 2013-15 spending plan to the Transitional Water Use Program under the Upper Klamath Basin Comprehensive Agreement, as described in Section IV of the staff report, an delegate authority to the Executive Director to distribute funds through appropriate grants and agreements, with an award date of January 28, 2015 to be used for any grant agreement(s). Moved by Karl Wenner, seconded by Lisa Phipps. The motion passed unanimously.

Having no further business, the meeting was adjourned.