



Oregon

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Oregon Watershed Enhancement Board

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MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Eric Williams, Grant Program Manager
Eric Hartstein, Senior Policy Coordinator

**SUBJECT: Agenda Item P: Other Business – Funding Request to Add Recaptured Grant Funds to Focused Investment Partnerships (FIPs) Implementation Initiatives
April 26-27, 2016 OWEB Board Meeting**

I. Introduction

This report requests the Board add \$174,548 of recaptured grant funds to the FIP Implementation line item of the 2015-2017 Spending Plan, and outlines specific FIPs within which to distribute those funds based on grants that were submitted through the Open Solicitation grant cycle that should have been identified and routed previously through the respective FIP programs.

II. Background

The 2015-2017 FIP Implementation grant solicitation cycle included two application phases. Phase I applications were submitted by July 1, 2015 and Phase II applications were submitted by November 2, 2015. At its January 2016 meeting, the Board approved funding for six FIP Implementation partnerships totaling \$12,770,790.

Prior to the FIP Phase II application due date and Board award, OWEB solicited for the October 2015 Open Solicitation grant cycle. In this grant cycle, two applications were submitted and recommended for funding by the Region Five Regional Review Team, where the geography, actions, and ecological outcomes aligned with FIP Implementation Initiatives:

- The Grande Ronde Model Watershed Program submitted a Technical Assistance application, Hall Ranch Habitat Restoration (#216-5049), seeking \$49,610 to design a habitat restoration project on Catherine Creek. The project aligns with the Upper Grande Ronde FIP (#216-8205).
- The Malheur Soil and Water Conservation District submitted a Restoration application, Juniper Mountain Off-stream Water (#216-5038), seeking \$124,938 to implement a project enhancing wet meadow habitat for brood-rearing sage-grouse. The project aligns with the Oregon Model to Protect Sage Grouse FIP (#216-8203).

III. FIP Eligibility in the Open Solicitation Grant Program

It was OWEB policy during the Special Investment Partnerships (SIP) that projects which align with awarded partnership's geographies, actions, and ecological outcomes are required to be submitted through the SIP process and were ineligible for an award through the Open Solicitation grant program. OWEB intended this policy carry forward into the FIP program as well. Therefore, the two projects described above were deemed ineligible by staff for funding through the October 2015 Open Solicitation grant cycle and moved to the respective FIP Implementation Initiatives.

However, in the course of receiving FIP applications at the same time the Open Solicitation cycle was occurring, OWEB did not provide clear guidance to potential FIP implementation partners of this policy. As a result, FIP budgets were not built to incorporate projects in these two cases. Staff acknowledge that the overlapping FIP and Open Solicitations grant cycles led to confusion, and propose to add \$174,548 in recaptured grant funds to the FIP Implementation line item of the 2015-2017 Spending Plan in order to fund the two projects. Recaptured grant funds are monies that have been previously allocated to other projects but were unspent and thus recaptured for reallocation. The current balance of recaptured funds is over \$1.2 million, which exceeds estimates for the spending plan. Staff will propose the remaining recaptured funds be added to the spending plan, along with new Pacific Coastal Salmon Recovery Funds, as a part of the spending plan update at the July 2016 Board meeting.

IV. Recommendation

Staff request the Board add \$174,548 of recaptured funds to the FIP Implementation line item of the 2015-2017 Spending Plan, and delegate authority to the Executive Director to enter into an agreement for project number 216-8203 for up to \$124,938 and an agreement for project number 216-8205 for up to \$49,610 with award dates of April 27, 2016.