Monday, January 23, 2017

Tour – 2:00 p.m.

The Board and OWEB staff will conduct a field tour of the Pelton Round Butte fish collection facility (Pelton Trap). The tour will be leaving from the Inn at Cross Keys Station. Anyone is welcome to join the tour, but please be prepared to provide your own transportation and be prepared for inclement weather.

Informal Reception – 5:30-6:30 p.m.

The public is invited to join the OWEB Board and staff at a reception sponsored by local partners and stakeholders.

Location:
Inn at Cross Keys Station
66 NW Cedar St.
Madras, OR 97741

Tuesday, January 24, 2017

Inn at Cross Keys Station
66 NW Cedar St.
Madras, OR 97741
Directions: http://www.innatcrosskeysstation.com/location.htm

Business Meeting – 8:00 a.m.

During the public comment period (Agenda Item D), anyone wishing to speak to the Board on specific agenda item is asked to fill out a comment request sheet (available at the information table). This helps the Board know how many individuals would like to speak and to schedule accordingly. At the discretion of the Board co-chairs, public comment for agenda items on which the Board is taking action may be invited during that agenda item. The Board encourages persons to limit comments to three to five minutes.

A. Board Member Comments

Board representatives from state and federal agencies will provide an update on issues related to the natural resource agency they represent. This is also an opportunity for public and tribal Board members to report on their recent activities and share information and comments on a variety of watershed enhancement and community conservation-related topics. Information item.
B. **Review and Approval of Minutes**  
The minutes of the October 25-26, 2016 meeting in Ashland will be presented for approval. *Action item.*

C. **Board Subcommittees Updates**  
Representatives from the Focused Investments, Monitoring, Open Solicitation, and Operating Capacity subcommittees will provide updates on subcommittee topics to the full Board. *Information item.*

D. **Public Comment [approximately 9:05 a.m.]**  
This time is reserved for general public comment, as well as other matters before the Board.

E. **Conservation Partnership– Funding Request**  
Capacity Coordinator Courtney Shaff, Network of Oregon Watershed Councils Executive Director Shawn Morford, Oregon Association of Conservation Districts Executive Director Jerry Nicolescu, Coalition of Oregon Land Trusts Executive Director Kelley Beamer, and Oregon Conservation Education and Assistance Network President Jason Faucera will update the Board on the activities of the Conservation Partnership and request the Board provide supplemental funding to the 2015-2017 partnership capacity grant and delegate authority to the Executive Director for distribution of these funds. *Action item.*

F. **2017-2019 Spending Plan Discussion**  
Executive Director Meta Loftsgaarden will lead the Board through an initial discussion of the 2017-2019 Spending Plan. *Information item.*

G. **Oregon Department of Fish and Wildlife (ODFW) Monitoring Update**  
Deputy Director Renee Davis and ODFW Conservation and Recovery Program Manager Tom Stahl will update the Board on ODFW’s monitoring activities, including those supported by the Pacific Coastal Salmon Recovery Fund. *Information item.*

H. **Focused Investment Partnerships (FIP) Program – Implementation Initiatives Update**  
Grant Program Manager Eric Williams, Partnerships Coordinator Andrew Dutterer, and Senior Policy Coordinator Eric Hartstein will provide an introduction to the FIP Implementation initiatives. Representatives from each of the six initiatives will then update the Board on progress made in the 2015-2017 biennium. *Information item.*

I. **Executive Director’s Update**  
Executive Director Meta Loftsgaarden will update the Board on agency business and late-breaking issues. *Information item.*

J. **Other Business**

**Wednesday, January 25, 2017**

*Board Retreat – 8:00 a.m.*  

Throughout 2017, the Board will be developing a new strategic plan. On January 25th, the Board will hold the first session to coordinate the strategic plan development process and outline the timeline for the agency to involve the public in the plan. In the coming months, the
Board will be seeking public comment at various multiple points and via various methods on the strategic plan. Dates, times, locations and approach will be announced following the Board’s coordinating conversation at this meeting.

Meeting Rules and Procedures

Meeting Procedures
Generally, agenda items will be taken in the order shown. However, in certain circumstances, the Board may elect to take an item out of order. To accommodate the scheduling needs of interested parties and the public, the Board may also designate a specific time at which an item will be heard. Any such times are indicated on the agenda.

Please be aware that topics not listed on the agenda may be introduced during the Board Comment period, the Executive Director’s Update, the Public Comment period, under Other Business, or at other times during the meeting.

Oregon’s Public Meetings Law requires disclosure that Board members may meet for meals on Monday, Tuesday, and Wednesday.

Voting Rules
The OWEB Board has 17 members. Of these, 11 are voting members and six are ex-officio. For purposes of conducting business, OWEB’s voting requirements are divided into two categories – general business and action on grant awards.

General Business
A general business quorum is six voting members. General business requires a majority of all voting members to pass a resolution (not just those present), so general business resolutions require affirmative votes of at least six voting members. Typical resolutions include adopting, amending, or appealing a rule, providing staff direction, etc. These resolutions cannot include a funding decision.

Action on Grant Awards
Per ORS 541.360(4), special requirements apply when OWEB considers action on grant awards. This includes a special quorum of at least eight voting members present to take action on grant awards, and affirmative votes of at least six voting members. In addition, regardless of the number of members present, if three or more voting members object to an award of funds, the proposal will be rejected.

Public Testimony
The Board encourages public comment on any agenda item.

General public comment periods will be held on Tuesday, January 24 at 9:05 a.m. for any matter before the Board. Comments relating to a specific agenda item may be heard by the Board as each agenda item is considered. People wishing to speak to the Board are asked to fill out a comment request sheet (available at the information table). The Board encourages persons to limit comments to three to five minutes.

Tour
The Board may tour local watershed restoration project sites. The public is invited to attend, however transportation may be limited to Board members and OWEB staff. Any person wishing to join the tour should have their own transportation.
**Executive Session**
The Board may also convene in a confidential executive session where, by law, only press members and OWEB staff may attend. Others will be asked to leave the room during these discussions, which usually deal with current or potential litigation. Before convening such a session, the presiding Board member will make a public announcement and explain necessary procedures.

**More Information**
If you have any questions about this agenda or the Board’s procedures, please call Darika Barnes, OWEB Board Assistant, at 503-986-0181. If special physical, language, or other accommodations are needed for this meeting, please advise Darika Barnes (503-986-0181) as soon as possible, and at least 48 hours in advance of the meeting.
Oregon Watershed Enhancement Board Membership

**Voting Members**
- Laura Masterson, *Board of Agriculture*
- Ed Armstrong, *Environmental Quality Commission*
- Bob Webber, *Fish and Wildlife Commission member*
- Vacant, *Board of Forestry*
- John Roberts, *Water Resources Commission*
- Eric Quaempts, *Public (tribal)*
- Gary Marshall, *Public*
- Will Neuhauser, *Public*
- Randy Labbe, *Board Co-Chair, Public*
- Dan Thorndike, *Board Co-Chair, Public*
- Karl Wenner, *Public*

**Non-voting Members**
- Rosemary Furfey, *National Marine Fisheries Service*
- Stephen Brandt, *Oregon State University Extension Service*
- Debbie Hollen, *U.S. Forest Service*
- Kathy Stangl, *U.S. Bureau of Land Management*
- Ron Alvarado, *U.S. National Resource Conservation Service*
- Alan Henning, *U.S. Environmental Protection Agency*

**Contact Information**
- Oregon Watershed Enhancement Board
- 775 Summer Street NE, Suite 360
- Salem, Oregon 97301-1290
- 503-986-0178
- Fax: 503-986-0199
- www.oregon.gov/OWEB

**OWEB Executive Director – Meta Loftsgaarden**
- meta.loftsgaarden@oweb.state.or.us

**OWEB Assistant to Executive Director and Board– Darika Barnes**
- darika.barnes@oweb.state.or.us
- 503-986-0181

**2017 Board Meeting Schedule**
- January 24-25 in Madras
- April 25-26 in Salem
- July 25-26 in Boardman/Hermiston
- October 24-25 in Lebanon

**2018 Board Meeting Schedule**
- January 30-31, location TBD
- April 24-25, location TBD
- July 24-25, location TBD
- October 30-31, location TBD

For online access to staff reports and other OWEB publications, visit our web site: [www.oregon.gov/OWEB](http://www.oregon.gov/OWEB).
Goals from OWEB’s 2010 Strategic Plan

In 2010, the OWEB Board approved a strategic plan with five goals. With the passage of Constitutional Measure 76 and permanent Lottery funding, the Board continues to operate under the strategy.

Goal 1: Adaptive Investment
Restore and sustain resilient ecosystems through program and project investments that enhance watershed and ecosystem functions and processes and support community needs.

Goal 2: Local Infrastructure Development
Support an enduring, high capacity local infrastructure for conducting watershed and habitat restoration and conservation.

Goal 3: Public Awareness and Involvement
Provide information to help Oregonians understand the need for and engage in activities that support healthy watersheds.

Goal 4: Partnership Development
Build and maintain strong partnerships with local, state, tribal, and federal agencies, nonprofit organizations, and private landowners for watershed and habitat restoration and conservation.

Goal 5: Efficient and Accountable Administration
Ensure efficient and accountable administration of all investments.

OWEB’s Framework for Grant Investments

In 2013, the Board adopted a Long-Term Investment Strategy that guides its investments of Lottery, federal and salmon plate funding. All of OWEB’s investments in ecological outcomes also help build communities and support the local economy. The Board also approved a direction for the investments outlined below. They will continue operating capacity and open solicitation grants and continue focused investments with a gradual increase over time.

Operating Capacity
Operating Capacity Investments support the operating costs of effective watershed councils and soil and water conservation districts. Councils and districts are specifically identified in OWEB’s statutes.

Open Solicitation
OWEB offers responsive grants across the state for competitive proposals based on local ecological priorities.

Focused Investments
OWEB helps landscape-scale collaborative partnerships achieve collaboratively prioritized ecological outcomes.

Effectiveness Monitoring
OWEB evaluates and reports on the progress and outcomes of watershed work it supports.
Guiding Principles
As the Board developed the Investment Strategy, they did so under established principles for how any changes in OWEB’s programs would operate.

Build on accomplishments. The commitment and work of our local partners have resulted in a nationally and internationally recognized approach with unmatched environmental accomplishments. OWEB will build on this foundation.

Effective communication. OWEB is committed to active, two-way communication of ideas, priorities, and results with its staff, partners, potential partners, and the public as a means for developing and maintaining a strong investment strategy and successful cooperative conservation.

Transparency. OWEB values transparency and develops its Long-Term Investment Strategy through an open, transparent process that involves input and dialogue with stakeholders and staff.

Maximize service, minimize disruption. The Board considers how OWEB’s grant portfolio impacts partner organizations and staff resources to maximize effectiveness without adversely affecting service delivery.

Responsive. The Long-Term Investment Strategy will adjust to changes in revenue and be responsive to changes in ecological priorities from the Governor, Legislature, the Board, and local partners.

Adapt based on monitoring and evaluation. OWEB’s staff and Board monitor and evaluate the effectiveness and implementation of the Long-Term Investment Strategy. The Board shall adapt and modify the strategy as needed to meet its desired goals and outcomes and to improve overall investment success.

Phase-in Change. OWEB’s Long-Term Investment Strategy will guide future efforts, is designed to accommodate changes and adjustments made by stakeholders and OWEB staff, and will be periodically revisited.

Operating Principles to Enhance OWEB Team Work
We will do all we can, individually and as a group, to:

- Use Good communication—at all levels and in all directions;
- Operate with a Team approach;
- Follow through on conversations in order to build and maintain needed trust;
- Empower staff wherever it is appropriate to do so; and
- Have fun while doing important work!
### OWEB 2015-17 Spending Plan for the January 2017 Board Meeting

#### OWEB SPENDING PLAN

<table>
<thead>
<tr>
<th></th>
<th>Jan 2017 Spendings</th>
<th>Jan 2017 Spending Plan</th>
<th>TOTAL Board Awards To Date</th>
<th>Remaining Spending Plan as of Oct 2016 awards</th>
<th>Jan 2017 Proposed Board Awards</th>
<th>Remaining Spending Plan as of Jan 2017</th>
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<tr>
<td>Open Solicitation:</td>
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<tr>
<td>Restoration**</td>
<td>25.207</td>
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<td>18.796</td>
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<td>6.411</td>
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<td>Technical Assistance</td>
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<tr>
<td>Restoration TA**</td>
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<td>2.224</td>
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<td>CREP TA</td>
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<td>Monitoring grants**</td>
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<td>0.971</td>
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<td>Outreach**</td>
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<td>0.310</td>
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<td>Land and Water Acquisition**</td>
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<td>Weed Grants</td>
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<td>Small Grants</td>
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<td>Programmatic Effectiveness Monitoring</td>
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<td>0.213</td>
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<td><strong>TOTAL</strong></td>
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<td>45.337</td>
<td>31.207</td>
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<td>% of assumed Total Budget</td>
<td>59.13%</td>
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<td></td>
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<tr>
<td><strong>if more funding becomes available, will go to these areas</strong></td>
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</tbody>
</table>

#### Focused Investments:

|                      | 14.058             | 14.058                  | 0.000                       |                                | 0.000                        |                                |
| Implementation FIPs   |                    |                        |                             |                                               |                                |                                      |
| Capacity-Building FIPs| 1.039              |                        | 1.039                       | 0.000                                         |                                | 0.000                                |
| FI Effectiveness Monitoring | 0.500 |                        | 0.200                       | 0.300                                         |                                | 0.300                                |
| **TOTAL**            | 15.597             |                        | 15.297                      | 0.300                                         | 0.000                        | 0.300                                |
| % of assumed Total Budget | 20.34%            |                        |                             |                                               |                                |                                      |

#### Operating Capacity:

|                      | 12.500             | 12.500                  | 0.000                       |                                | 0.000                        |                                |
| Capacity grants (WC/SWCD) |                    |                        |                             |                                               |                                |                                      |
| Statewide organization partnership support | 0.334 |                        | 0.300                       | 0.034                                         | 0.034                        | 0.000                                |
| Building Capacity Grants | 0.400              |                        | 0.400                       | 0.000                                         |                                | 0.000                                |
| **TOTAL**            | 0.000              |                        | 13.234                      | 0.034                                         | 0.034                        | 0.000                                |
| % of assumed Total Budget | 17.26%            |                        |                             |                                               |                                |                                      |

#### Other:

|                      | 0.500              | 0.500                   | 0.000                       |                                | 0.000                        |                                |
| CREP                 |                    |                        |                             |                                               |                                |                                      |
| Oregon Plan/Governor Priorities | 1.000 |                        | 1.000                       | 0.000                                         |                                | 0.000                                |
| Strategic Implementation Area's | 1.000 |                        | 1.000                       | 0.000                                         |                                | 0.000                                |
| **TOTAL**            | 0.000              |                        | 2.500                       | 0.000                                         | 0.000                        | 0.000                                |
| % of assumed Total Budget | 3.26%            |                        |                             |                                               |                                |                                      |

**TOTAL OWEB Spending Plan** | 0.000 | 76.668 | 62.204 | 14.464 | 0.034 | 14.430 |

### OTHER DISTRIBUTED FUNDS IN ADDITION TO SPENDING PLAN DISTRIBUTION

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<th>9.512</th>
<th>9.512</th>
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<td>Oregon Department of Fish and Wildlife - PCSRF</td>
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<td>Forest Health Collaboratives from ODF</td>
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<td>Rangeland Fire Protection Assoc from ODF</td>
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<td>1.200</td>
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<td>Lower Columbia Estuary Partnership</td>
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<tr>
<td>ODOT</td>
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<td>0.500</td>
<td>0.250</td>
<td>0.250</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>0.250</td>
<td>12.763</td>
<td>12.353</td>
<td>0.410</td>
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</table>

**TOTAL Including OWEB Spending Plan and Other Distributed Funds** | 0.250 | 89.431 | 74.557 | 14.874 | 0.034 | 14.840 |
MINUTES ARE NOT FINAL UNTIL APPROVED BY THE BOARD

Oregon Watershed Enhancement Board (OWEB)
October 25, 2016
OWEB Board Meeting
Ashland Hills Hotel, Cosmos Ballroom
2522 Ashland Street
Ashland, Oregon

MINUTES

OWEB Members Present
Alvarado, Ron
Armstrong, Ed
Brandt, Stephen
Furfey, Rosemary
Henning, Alan
Hollen, Debbie
Labbe, Randy
Marshall, Gary
Masterson, Laura
Neuhauser, Will
Quaempts, Eric
Stangl, Kathy
Thorndike, Dan
Webber, Bob
Wenner, Karl

OWEB Staff Present
Barnes, Darika
Ciannella, Greg
Davis, Renee
Duzik, Katie
Greer, Sue
Grenbemer, Mark
Hartstein, Eric
Hatch, Audrey
Leiendecker, Karen
Loftsgaarden, Meta
Redon, Liz
Shaff, Courtney
Williams, Eric

Others Present
Beamer, Kelley
Bish, Daniel
Dunlevy, Janelle
Garcia, Diane
Harper, Craig
Haynes, Shavon
Hillers, Pam
Hillers, Ron
Klock, Clair
Morford, Shawn
Rice, Marilyn
Ruiter, Terry
Scott, Nell

The meeting was called to order at 8:00AM by Co-Chair Dan Thorndike.

A. Board Member Comments

Board members provided updates on issues and activities related to their respective geographic regions and/or from their represented state and federal natural resource agencies.

Eric Quaempts announced his appointment to the Water Resources Commission and its Drought Task Force. Quaempts said he will be leaving the OWEB Board in January, which is a few months before his term is scheduled to end. He is working with OWEB’s Executive Director Meta Loftsgaarden on developing a pool of replacements to be considered for the Tribal Representative to the Board.

Kathy Stangl was introduced as a new member of the OWEB Board representing the Bureau of Land Management. She spoke briefly about her background and experience.

Loftsgaarden introduced Audrey Hatch, OWEB’s new Conservation Outcomes Coordinator.
B. Review and Approval of Minutes
Minutes of the July 26-27, 2016 Board meeting in Otter Rock were presented to the board for approval. Minutes of the August 2, 2016 special meeting of the board held by conference call were also presented to the board for approval. Rosemary Furfey had one correction to the August minutes. She said her name was missing among the list of those present for the August conference call.

Co-Chair Thorndike moved the board approve both the minutes from the July 25-26, 2016 meeting in Otter Rock and the minutes from the August 2, 2016 special meeting held by conference call, with the correction noted. The motion was seconded by Ed Armstrong. The motion passed unanimously.

C. Board Subcommittees Updates
Representatives from the Executive, Focused Investments, Monitoring, Open Solicitation, and Operating Capacity subcommittees provided updates to the full board on subcommittee topics.

Executive Committee: Co-Chair Randy Labbe said the Executive Committee met by teleconference on September 9. The committee members reviewed with OWEB staff their proposed biennial report to the Legislature, which will convene in February. They discussed the Strategic Planning process and the coordination of the first meeting to launch the process. The committee also talked about preparation for the upcoming legislative session with OWEB proposing to sponsor the Oregon Agricultural Heritage Program (OAHP) and the addition of an 18th member to the board from U.S. Fish and Wildlife Service, along with other statute revisions.

Focused Investment Committee: Will Neuhauser said the Focused Investment subcommittee also met by phone on September 9. He said the FIPs awarded in January are all in progress with no staff concerns. He said they also discussed effectiveness monitoring for FIPs with Bonneville Environmental Foundation (BEF), particularly their “results-chain” reporting mechanism. He said they are looking at the reporting-out mechanism for reporting FIP progress effectively.

Monitoring Committee: Alan Henning said the Monitoring Committee met twice since the last board meeting. One of those meetings was a joint meeting with the FIP Committee and Bonneville Environmental Foundation, where BEF talked about its monitoring approaches in both the FIP Capacity Program and FIP Implementation Program. He said the Monitoring Committee is becoming more active than it has been in the past. At their first recent meeting they discussed fundamentals in monitoring at OWEB, including where OWEB grant funds go, effectiveness monitoring programs established by the board to track its overall progress toward the board’s intent within specific programs, and monitoring of projects carried out by other agencies. Henning said staff presented a chart to the committee demonstrating OWEB investments and the effectiveness monitoring that has been applied to each type of investment. He said the committee discussed the value of status and trends monitoring and the monitoring that is necessary to address scientific questions. They started a conversation about how to maximize the effective use of monitoring grants by getting input from staff and field professionals to build sideboards on expectations for future grants, especially because those funds are limited. Finally, they talked about whether there is a need to prioritize where OWEB
offers monitoring grants. Rosemary Furfey agreed to become chairperson for the Monitoring Committee going forward.

Open Solicitation Committee: Bob Webber said the Open Solicitation committee met by teleconference in August to map out the goals of the committee regarding outreach grants, small grants, the funding line process, and the review team process. Webber talked about the changes to the criteria for outreach grants brought about by Measure 76 (M76). He said there was consensus among the committee that addressing outreach grants was a priority to be addressed for the benefit of applicants.

Operating Capacity Committee: Debbie Hollen said the Operating Capacity Committee met in early October to look at the 2017-2019 grant cycle for Operating Capacity. She said staff explained the grant process and deadlines, and the eligibility review process for watershed councils that happens in early November. She said grantees will be notified of eligibility in January, and awards will be granted in July. Hollen also talked about the next Operating Capacity cycle and the funding cycle, which may include cost of living increases. She also mentioned the issue of liability and insurance requirements going into effect on January 1 for watershed councils, which require minimum coverage for all projects and expanded coverage for larger or complex projects. They discussed organizational restructuring grants and success around Benton County Partners, and the merger of the Rogue River Council, and how OWEB wants to continue to support those potential mergers and conversations about partnering through capacity grants.

D. Public Comments
Diane Garcia from the Southern Oregon Land Conservancy (SOLC) addressed the board to thank them for a grant received to purchase a 352-acre property on the Rogue River just north of Medford. The grant was the vision that started their process in fundraising for this property. SOLC raised an additional $1.7 million, which includes a stewardship endowment for the property so SOLC can manage it in perpetuity. This is one of the largest intact riparian properties on the valley floor with two miles of river frontage and a mosaic of habitats. SOLC is excited to complete their fundraising campaign by end of the year and proceed with acquisition in 2017. Garcia said this is SOLC’s first acquisition and feels the process is changing the way they can protect land in Southern Oregon. Garcia presented a 2-minute video.

Kelley Beamer from the Coalition of Oregon Land Trust (COLT) provided an update from the stakeholder perspective on the Oregon Agricultural Heritage Program. She thanked the board for its support and staff involvement in helping the process along. It has been about one year since the Governor’s Office convened a group of stakeholders who work with landowners across Oregon to explore opportunities to provide incentives and tools to assist conservation and succession issues for working farms and ranches. The group includes COLT, Oregon Cattlemen’s Association, Sustainable Northwest, The Nature Conservancy, Oregon Farm Bureau, and the Oregon Association of Conservation Districts, who collectively work with thousands of landowners around the state. She is excited about the program being included for consideration in the Governor’s Budget as an OWEB policy option package because this is a vital tool that Oregon needs. Beamer said Portland State University and Oregon State University conducted a study that showed 64% of Oregon’s farmland (10 million acres) will change hands
in the next 20 years, which makes this a critical conversation. Land trusts have been getting more calls on this issue from landowners who are having conversations about who is taking over their operations and what are their conservation options. At this time, land trusts struggle with matching USDA’s Agricultural Land Easement Program, which is administered by National Resource Conservation Service (NRCS), and this 2-year pilot program is a great opportunity to help leverage those federal funds that will benefit landowners. Beamer expressed her appreciation to OWEB for being part of moving this program forward.

Alan Henning asked if the work being done by SWCDs is being brought under this program or accounted for in this program, and about the relationship of OAHP with conservation programs that already exist. Beamer said there is a representative from OACD on the OAHP workgroup who helps inform what kind of tools are still needed. She believes the OAHP work is complementary to existing conservation programs...

Dan Thorndike mentioned his participation in a recent tour of a working lands easement on a large cattle ranch with a different model having over 30 owners. He said it is important to look at the broader experience of OWEB and other organizations to discover lessons learned in generational land transfers.

E. Upper Middle Fork John Day River Intensively Monitoring Watershed (IMW) – Funding Request

Deputy Director Renee Davis provided an update to the board on the monitoring activities of the IMW. Davis requested consideration by the board for funding for the final component of this program from the Programmatic Effectiveness Monitoring for Open Solicitation line item in the 2015-2017 Spending Plan. She summarized the purpose of the IMW project as an evaluation of the effects of collective restoration efforts at a fairly large scale in the Upper Middle Fork John Day watershed over a 10-year period, tracking the effects on salmon and Steelhead populations, habitat, and water quality. She pointed out the broad partners in the IMW provide robust science to assess the effects of restoration work. The bulk of funding has come as a pass-through from National Oceanic and Atmospheric Administration’s (NOAA) to Pacific States Marine Fisheries Commission (PSMFC), which grants to various entities. She notes that the board has contributed supplemental funding. The board approved in July the receipt of final funding from PSMFC. Davis requested nearly $19,000 to complete the project in 2017. She asked the board to delegate authority to the Executive Director for distribution of these funds. She said funding would specifically support work by Oregon State University on data collection, analysis, and synthesis reporting, with the final report due to NOAA and PSMFC in October of 2017.

Karl Wenner stressed the importance of this monitoring project and asked how the report will be used in a meaningful way. Davis said it will be brought back to the board and shared in light of three important components: how restoration is put into place and the adaptive management “lessons learned”, the monitoring necessary for an effective study, and some of the communication coordination needs around this issue. She said that information from this 10-year study can help guide how we do monitoring in the future. She also noted that the Pacific Northwest Aquatic Monitoring Program (PNAMP) is organizing a workshop including all of the IMWs around the region to come together to discuss monitoring design, lessons learned,
and plans for disseminating results. Rosemary Furfey said the community has wanted to understand the information coming from all IMW’s across the west. She feels there has been a collective question about what has been learned, how it should be reported, and how other organizations make use of that information. Wenner requested an update of ongoing programmatic effectiveness monitoring projects at every board meeting. Executive Director Meta Loftsgaarden said the Monitoring Subcommittee will be receiving such updates, but staff will be glad to add additional updates for the board as needed. Wenner also suggested recalling the questions first asked with these projects to see if they have been answered.

Eric Quaempts suggested providing the information to other project proponents to be able to benefit from lessons learned when developing their proposals. Davis agreed and stated the Technical Services Program and Grant Program have an opportunity to work together to determine the salient pieces of the report that can inform other entities that are engaging in restoration.

Gary Marshall asked if this IMW was the only one in the state. Davis said it is the only one funded by PSMFC, but there are others in the state revolving around other issues with different structures (e.g., funding, timeframe, geographic scale).

Co-Chair Randy Labbe moved the board award up to $18,897 from the Programmatic Effectiveness Monitoring for Open Solicitation line item in the spending plan in support of Oregon State University’s work as part of the Upper Middle Fork John Day Intensively Monitored Watershed, and delegate authority to the Executive Director to enter into appropriate agreements, with an award date of October 25, 2016. The motion was seconded by Karl Wenner. The motion passed unanimously.

F. Pending Open Solicitation Grant Applications
Grant Program Manager Eric Williams and OWEB Regional Program Representatives presented background information on the April 2016 Open Solicitation grant cycle, and the award recommendations from OWEB staff. He said there were 144 applications submitted. Each of these was reviewed and site visits conducted by the regional review teams in all six regions. He said review team members vote whether to “fund,” “do not fund,” or “fund with conditions” at the review team meetings, and then rank the recommended projects in priority order.

Williams highlighted the process of the review team meetings, which now includes a co-facilitation model with the Grant Program Manager guiding the meeting, allowing the Regional Program Representatives to focus on content, and the use of clickers to vote on projects. Williams said the clickers streamline the voting process and allow for completely anonymous voting. He has received positive feedback on the clicker process from the review team members. Williams said he will be sending the board the schedule of regional review team meetings for the upcoming cycle, and invited them to attend at least one so they can see firsthand what the process looks like.

Will Neuhauser asked for a running total of funds spent toward the $10 million Sage Grouse board commitment. Meta Loftsgaarden stated that staff would add a line item indicating what the FIPs have added to the total. Neuhauser also said he appreciates the consistency provided by the new review format, particularly in the summaries, and uniformity across regions.
Ron Alvarado asked for clarification of the term “urgent” in the decision-making quadrant graphic found in Attachment A. Williams explained several different criteria used to measure urgency, including landowner willingness and partner participation. Williams then briefly reviewed the packet of public comment letters and their subject projects, and introduced the Regional Program Representatives, who highlighted projects within their regions that illustrate the strategic nature of the projects (i.e., the project is the right action at the right time at the right location).

REGION 1: Katie Duzik, Regional Program Representative for the North Coast Basin, presented background information about the Skookum Dam and Fiddle & Billy Moore Creek Confluence projects, demonstrating their strategic nature and ecological uplift.

Alan Henning asked about a reduction and change in the amount of funding and work hours proposed for project 217-1001. He said it was a lot of work hours for a comparatively small amount of dollars. Duzik explained the reduction in project management hours was a recommendation from the review team.

Henning also asked to what extent the properties are contributing to the large wood replacement on project 217-1002. Duzik said there are some donations of materials and time, but the bulk of the cost is covered by other partners. Henning wanted clarification about adding large wood to private harvested land. Duzik explained that this is a complex topic on the North Coast with a historical context. Executive Director Meta Loftsgaarden explained this is an ongoing policy-level conversation around the coordination of a regulatory baseline with voluntary conservation efforts and investments. OWEB is working with what is available and the willingness of landowners to achieve conservation goals as quickly as possible. Will Neuhauser asked how recently the land was harvested. Duzik said it spans 5 ½ miles of stream, so past harvest activity is varied and patchwork, but she estimates harvesting at 20 years ago based on her site visit.

REGION 2: Mark Grenbemer, Regional Program Representative for Southern Oregon, presented project details about Salt Creek fish passage improvement, a technical assistance project identifying and assessing several barriers. He then presented Butcherknife Creek culvert replacement in the Applegate watershed to open two and a half miles of cold water refugia and Coho habitat. He discussed the rich history of the Rogue Basin with strategic planning and prioritization of fish passage barriers for removal, with over 50 barriers removed.

Karl Wenner asked if there has been monitoring to identify any changes since the barriers have been removed. Grenbemer said monitoring is difficult to obtain funding for, but monitoring is occurring, particularly on some of the largest dam removals (e.g., Gold Ray Dam). Wenner stated this is the type of project OWEB needs to push because the outcomes can and should be quantified. Loftsgaarden said that at the January board meeting, the Oregon Department of Fish and Wildlife will present on monitoring related to Pacific Coastal Salmon Recovery funding.

Bob Webber asked if there are any downstream passage issues on these two projects. Grenbemer said there are Coho up to these barriers, but no Coho are found above the barriers.

Debbie Hollen and Eric Quaempts also commented on the importance of measuring the outcomes and tracking progress toward OWEB’s long term goals.
Alan Henning asked about two Coos Bay Oxbow projects (217-2009 and 2010). Both were recommended for funding but one fell below the funding line. Henning asked if these were both components of the Coos Bay FIP. Grenbemer confirmed they were.

REGION 3: Liz Redon, Regional Program Representative for the Willamette Basin, presented an upland project called Nelson’s Checkermallow Recovery Phase 3. She said the results of this project could establish habitat to de-list the Checkermallow flower from the Endangered Species List. She then presented Middle Crabtree and Upper Thomas Creek Riparian Restoration, which is a project that demonstrates the momentum of landowner interest in riparian restoration along this waterway. This project creates continuity of projects with a common vision, which has been a theme of this region’s projects this cycle.

Gary Marshall asked for clarification about exactly what plans are to restore the site in project 217-3007. Redon explained this project is complicated because they have so many different funding streams coming into this site (Jackson Bottom). For OWEB’s part, this is a wetland restoration of a degraded floodplain which has recently been overrun by noxious weeds.

Alan Henning asked about before and after monitoring for project 217-3002. Redon explained that monitoring is an explicit component of this project, but that funding for detailed monitoring is difficult to obtain. Henning suggested photo-points as an effective method. Redon said that maps and photo points have been incorporated as a requirement for first payment.

REGION 4: Greg Ciannella, OWEB’s Regional Program Representative in Central Oregon presented the main components of the Sun Creek Irrigation Piping project (217-4003). He said this is a strategic action plan project in Klamath County designed to control invasive Brook Trout and provide benefits to Bull Trout and for water conservation. He then presented a strategic opportunity project called Marks Creek Riparian Meadow Restoration (217-4007) east of Prineville, and highlighted the exemplary partnership between the Crooked River Watershed Council and the Ochoco National Forest.

Dan Thorndike asked if the Sun Creek channel would ultimately reconnect with the Wood River. Ciannella said the channel restoration would hydrologically reconnect Sun Creek with the Upper Wood River. He said the new channel is 90% carved out, and expects reconnection to the Wood River to be completed in the spring. He also mentioned NRCS has provided the funds to purchase 250 acres of water rights.

Rosemary Furfey asked if they are seeing positive results in stream temperature, flow, and other indicators of improvement on the Marks Creek project. Greg said the riparian vegetation has greatly improved, and this has been captured with before and after photos. He also said there have been positive physical changes in the channel. This project will help connect the pieces of this project that have formerly been fragmented.

Alan Henning had a question about project 217-4002. He said the $1 million request from Tumalo Irrigation District seems high and wondered if they could have come in with a more scaled approach. Greg explained he did discuss the proposal with the applicant, and whether the project could be scaled accordingly. However, the applicant has a $2 million match, so they decided to stay with the higher requested dollar amount. Eric Williams explained that there are no limits on requests, and projects are measured by their merit in ecological gain for the
investment. Eric Quaempts pointed out the value of the substantial increase in acre-feet of water storage in Tumalo Creek and Crescent Lake. Ron Alvarado said it is critical to build this kind of resiliency, especially if Oregon keeps experiencing severe droughts, and acknowledged the merit of this project. Bob Webber requested clarification about where projects fit inside or outside of the FIP geographies. It was noted that the project fell outside of the scope of the Deschutes FIP, and Loftsgaarden noted that staff can provide this information.

Karl Wenner talked about the value of the Beaver project, 217-4022, in light of the historic elimination of beavers in the Klamath.

Alan Henning asked about project 217-4010, which was not recommended for funding. He asked why this project would not be covered by the FIP and wondered if there is a way to indicate when a project is covered by a FIP. Loftsgaarden said staff screen every project and make the determination ahead of the meeting. She said the board will never see a project presented for funding that is found in a FIP geography and seeks to address the FIP-identified outcomes.

**REGION 5:** Karen Leiendecker, Regional Program Representative for Eastern Oregon, first presented Alder Creek Wetland Restoration (217-5009) to increase floodplain connectivity, provide habitat features, and add channel complexity. She also presented Ruby Peak Pipeline (217-5003) in Enterprise, which is a partnership between the Wallowa SWCD with NRCS addressing one of three pipelines on Alder Slope.

Alan Henning asked if there are grazing rights on the Alder Creek property. Leiendecker said there is a grazing allotment, but the meadow is protected.

Ron Alvarado mentioned this area was recently awarded 2016 RCPP funding as well.

**REGION 6:** Sue Greer, Regional Program Representative for the Mid-Columbia Basin, presented Lonerock Ridge Juniper Project (217-6020) and provided context and background on the basin and on the strategic planning that went into this watershed. With additional grants being applied for, including a monitoring component, this will be a basin-scale project when it is complete. Greer also presented Tom Colvin Ranch and Twelvemile Creek Middle Fork John Day River Riparian Improvements 217-6024). She highlighted that there are 31 participating and motivated landowners with good momentum.

Karl Wenner asked for clarification about spring development. Greer said the livestock water developments are off-channel because they want to protect the spring site and be able to completely fence off the rivers.

Eric Quaempts inquired about a study for conducting pumping tests included in project 217-6028. He wanted to know how many tests would be conducted and for how long, and asked if there is a report that will be provided as a result of the project. Greer said there will be a deliverable on the results in two years. He also asked for clarification about protecting stream flows once they hit the state line, mentioning the inability to protect water flows in Oregon that are currently being tapped into by junior users in Washington. Greer said the Walla Walla Basin Watershed Council has been doing restoration work on both sides of the state border and the conversation is ongoing.
There was no public comment on pending Open Solicitation grant applications.

Co-Chair Labbe moved the board approve the staff funding recommendations as shown in Attachments E-J to the April 2016 Open Solicitation Grant Cycle staff report. The motion was seconded by Will Neuhauser. The motion passed unanimously.

J. Approval of Board Recommendations for 2015-2017 Biennial Report
Deputy Director Renee Davis updated the board on the agency’s development of the 2015-2017 Biennial Report on the Oregon Plan for Salmon and Watersheds. She provided background on the past and current requirements for report format. She said there are new State requirements for reports like this to have a web-friendly and mobile-friendly format. Per statute, a 2-page executive summary is required. She reviewed the list of proposed recommended items found in Attachment B to the staff report, including reference to the upcoming strategic planning process on which OWEB is embarking. Davis asked the board to adopt the recommendations to include in the report, which will be submitted to the Legislature and Governor’s Office.

Alan Henning suggested capturing the development of key staff positions that have happened this biennium, and then suggested mentioning working lands efforts, whether forest or agriculture.

Rosemary Furfey drew on the importance of monitoring. She suggested adding an example to the Clean Water Partnership item to provide more detail and support.

Eric Quaemps suggested more graphics and less text on the two-pager, particularly with regard to distribution of funding to programs. Executive Director Meta Loftsgaarden said that OWEB is challenged by the limit of two pages for the Executive Summary, but said staff would incorporate more graphics into the detailed pdf on the website.

Co-Chair Labbe moved the board adopt as final the Draft Board Recommendations, for inclusion in the 2015-2017 Biennial Report for the Oregon Plan for Salmon and Watersheds including the recommendations for modification of the CWP segment and the working farms and ranches segment, and capturing key staff positions, as outlined in this board meeting. The motion was seconded by Will Neuhauser. There was no discussion. The motion passed unanimously.

I. OWEB Rulemaking
Senior Policy Coordinator Eric Hartstein updated the board on the process and schedule for rulemaking that is planned to occur within Oregon Administrative Rules Division 5 (OWEB Grant Program) and Division 10 (Restoration Grants). Over the summer OWEB initiated a required five-year rule review on several of OWEB’s administrative rules. Hartstein said there were no recommended changes to the administrative rules for the Watershed Enhancement Program and Assessment & Action Plan. He said there were also no suggested changes to the rules for the Education and Outreach and Small Grant programs since OWEB will be doing a more extensive review in the upcoming year. Hartstein cited several suggested changes to the
administrative rules for the OWEB Grant Program (Division 5 rules) and Restoration Grants (Division 10 rules). He directed the board’s attention to Attachments A and B, which are the Rule Review Memos for each division and discussed examples of suggested changes. Hartstein asked the board to authorize rulemaking to amend the administrative rules for OWEB Grant Program and Restoration Grants.

Regarding equipment purchased with OWEB funding, Alan Henning asked for clarification about the current rules surrounding equipment ownership relative to the proposed changes. Hartstein stated the equipment currently must be retained by certain agencies and organizations. The suggested change would expand the permission to retain equipment to other approved non-profit or organizational grantees.

Rosemary Furfey asked for clarification about using lottery funds for education and outreach, and whether this issue rises to the level of a rule change. Hartstein clarified that these rules are broad, and can potentially involve funding sources outside of lottery. He also stated that these are the rules used by the regional review teams, stating there is currently no score or weight attached to each criterion, but that a weighting system may be applied in the future.

Alan Henning stated he is not comfortable with “generally accepted requirements” as a threshold criterion for restoration proposals. He feels this is opening it up to broad discretion for aquatic restoration work. He stated, however, that he is comfortable relying on “generally accepted requirements” for the upland portion only. Hartstein said there is an in-progress effort to look at what generally accepted restoration standards are out there, which may lead to a staff-directed policy that is more specific with detailed options. Dan Thorndike suggested including some language to make sure the standards are high enough and not the lowest common denominator. Will Neuhauser said he appreciated having a general rule with control over the more specific policy. Executive Director Meta Loftsgaarden said that the Rules Advisory Committee (RAC) and staff will be discussing this issue.

Hartstein talked about the proposed schedule and process for rulemaking, and said he will come back to the Board in January with an update and will look for board adoption of the amended rules at the April meetings. Neuhauser asked who is on the RAC. Eric said it is a group of eight stakeholders from a tribe, watershed councils, and SWCDs across the state. Dan Thorndike said those initial recommendations would be run through the appropriate subcommittee before coming back to the board.

Co-Chair Thorndike moved the board authorize rulemaking to amend the OWEB Grant Program (Division 5) and Restoration Grants (Division 10) administrative rules. The motion was seconded by Will Neuhauser. The motion passed unanimously.

Eric Hartstein provided information and logistics for the afternoon tour to the Ashland Forest.

The meeting was adjourned at 1:38PM by Co-Chair Randy Labbe.
The meeting was called to order at 8:00AM by Co-Chair Dan Thorndike. He thanked the sponsors of the reception from the previous night and recapped the tour to the Ashland Forest.

G. Public Comment
Shawn Morford, executive director of the Network of Oregon Watershed Councils (the Network), spoke about the partnership between the Network and the Oregon Association of Conservation Districts (OACD). She said they renewed a Memorandum of Agreement in a cake-cutting ceremony at their joint Annual Fall Networking Event in the prior week. She said they were preparing to submit their second year of the biennium funding proposal and discussed some of the new features in the proposal. Morford discussed their planned use of GoTo Meetings as a method of effective networking that reduces costly and time-consuming travel. Dan Thorndike mentioned that in rural areas the use of technology like webinars is an effective method of communication and helps provide for continuing education. Morford agreed that webinars are highly convenient and cost-effective ways to disseminate information when a face-to-face meeting is not convenient or possible. Karl Wenner said the fiscal benefits that
organizations like OACD and the Network can provide to local watershed councils and SWCDs should be considered, particularly insurance packages. Morford said that during the facilitated discussion at their conference in the previous week, insurance – particularly health insurance – was a prime concern. Morford said she would be at the January meeting with another update. She thanked the Board for their commitment to continue to fund the Network and OACD partnership to help facilitate the human side of these restoration projects, and she and pledged to continue providing reports to the Board.

Clair Klock from Corbett came to represent his conservation district in Multnomah and as a retired Oregon farmer. He discussed conservation education for adults and supported “Outdoor School for All” under Measure 99. Klock then recognized OWEB as one of the leaders in helping landowners achieve conservation goals through the Oregon Agricultural Heritage Program and said he hopes this will include small landowners to maintain farmland in the State of Oregon. He is presently in a working conservation easement; he has the land, but not the $50-75,000 it will take to get to a conservation easement. He mentioned the board’s tour of Ashland Forest as an example of the best way to learn about the scientific value of these projects in order to be able to discuss them with legislative committees.

H. Authorize Interagency Agreement with Oregon Department of Transportation (ODOT) for Fish Passage Projects

OWEB Grant Program Manager Eric Williams and ODOT Statewide Fish Passage and Aquatic Biology Leader Bill Warncke presented the Board with an opportunity to work together on fish passage projects in a more formal capacity. Warncke provided an overview of ODOT’s existing Fish Passage Program, the type of partners involved, and some of the challenges encountered in identifying these barriers and funding their removal. ODOT is interested in helping watershed councils by contributing funds to the design and construction of fish passage projects, but they have limitations on their authority to enter into agreements with watershed councils that would provide funds for this purpose. Williams requested the Board authorize the Executive Director to enter into an Interagency Master Funding Contribution Agreement with ODOT in the amount of $250,000, and to delegate authority to the Executive Director to enter into appropriate agreements with eligible grantees on a project by project basis under the terms of the Master Funding Contribution Agreement.

Alan Henning asked if the funds were for one year. Dan Thorndike asked if the $250,000 was for each project. Williams said the funds being requested would cover 8-10 projects over 5-10 years, but that amount may need to be adjusted with board approval. Henning also asked about targeting priority projects and whether OWEB would be involved in deciding which projects are the highest priorities. Warncke said watershed councils would approach ODOT with requests, which would be discussed with OWEB and compared with ODOT’s high-priority fish passage projects. Williams noted that all applications would be subject to technical review, as required by OWEB rules. Williams then clarified that the $250,000 funding is actually ODOT funding that would come through OWEB to distribute as grants to watershed councils. Executive Director Meta Loftsgaarden mentioned encouragement of past and present Governors for agencies to share services and she praised ODOT for approaching OWEB with this project. Williams said ODOT draws from a $4.2 million program to do projects on their own and
this smaller amount of $250,000 per year is to help watershed councils who are not eligible to receive funding directly from ODOT. Warnke said he feels ODOT will maximize their investment with these low-cost projects, which will actually be large impact projects relative to habitat benefit. Eric Quaempts mentioned his appreciation and support of ODOT’s work. He wanted to raise awareness and emphasize the importance of the continued involvement of the state historic preservation office to protect cultural resources and ancestral burial grounds when considering projects.

Co-Chair Labbe moved the Board authorize the Executive Director to enter into an Interagency Master Funding Contribution Agreement with the Oregon Department of Transportation to provide grant-making services for habitat restoration projects up to $250,000, and delegate authority to the Executive Director to enter into appropriate agreements with grantees under the terms of the Agreement. The motion was seconded by Bob Webber. The motion passed unanimously.

K. OWEB Strategic Plan

Executive Director Meta Loftsgaarden updated the board on developments that have occurred in the process to update OWEB’s 2010 Strategic Plan. Loftsgaarden talked about the kick-off process and schedule of future dates, and the subset of staff that would be part of the steering process along the way. She also talked about an external stakeholder team that would also act as advisors to the Board.

Loftsgaarden announced the selection of a contractor for strategic plan facilitation called Dialogues in Action (DIA). She highlighted DIA’s new and innovative approach to reaching out to and interviewing stakeholders. She also talked about how they maximize board engagement to help understand what is truly important to stakeholders. Rosemary Furfey asked about the deliverable reports and who would be responsible for writing the plan. Loftsgaarden said that DIA would contribute to developing the plan; however, the board will be very involved in setting the direction and the tone, and staff will be heavily engaged in identifying the implementation components. She also talked about the evaluation component DIA provides in this process and tracking progress toward the achievement of goals, which is missing from OWEB’s current strategic plan.

Eric Quaempts asked about how the stakeholder group will be formed. Loftsgaarden said that will be something discussed in the future after the facilitator has been brought into the discussion. Stephen Brandt said a strategic plan is often broad like the one we currently have, with an accompanying implementation plan that is more detailed with specific and measurable goals. He asked if OWEB will develop two plans, or roll them into one. Loftsgaarden said it is likely that OWEB will have both kinds of documents, but those decisions will also be made in conjunction with the facilitator.

Loftsgaarden explained how the current strategic plan was developed prior to the passing of M76, which meant trying to create a plan with an unknown funding future for the agency. She then reviewed each goal in the Strategic Plan and the major strategies to support them, and then explained how OWEB has achieved or exceeded each goal. Where goals were not
achieved, Loftsgaarden explained how components of the plan became obsolete because the language of M76 excluded them from funding.

There was discussion around Goal 3 (provide information to help Oregonians understand the need for and engage in activities that support healthy watersheds), prompting Loftsgaarden to clarify that OWEB’s role is not to be the face of conservation, but to support and assist local organizations in being the face of conservation in Oregon. Randy Labbe suggested OWEB needs to find creative ways to present top-down results of OWEB’s work to the citizens and Legislature because he feels there is not a strong understanding of how OWEB works. Bob Webber also feels that OWEB needs to do a better job of communicating to the public OWEB’s role in conservation and restoration. Dan Thorndike said this highlights the slim difference between outreach and education. He suggested that people who are unaware of OWEB may be equally unaware of their local watershed council. He agrees there is value in communicating to the public the role of OWEB in local conservation efforts around the state. Loftsgaarden responded that promotion of the work OWEB accomplishes through local partnerships might be something best-accomplished through local groups, which is happening more through press releases and local stories about projects. Rosemary Furfey agreed that diffusing implementation down to local groups was the correct avenue, but advocated for a greater role in providing the whole story at the state level. She believes OWEB has the responsibility to tell the story, analyze it, and move it forward in the public perception. Loftsgaarden replied that this will be an excellent topic of conversation for the strategic planning process starting in January. Karl Wenner talked about how monitoring can provide for public awareness of the restoration work that has been accomplished. Ed Armstrong talked about how OWEB can benefit from members of the media which can help communicate with the public in an effective manner that speaks to work at the local level. Rosemary Furfey said we should look at the biennial report with fresh eyes as an important vehicle to see if it is telling the story we want to tell. Loftsgaarden talked about the materials and publications OWEB uses to communicate with legislators and the congressional delegation, and how these have not yet been shared with the board.

Alan Henning commented that OWEB tracks more than 1,100 open grants. He encouraged inviting other “invisible” OWEB staff who manage or support the grant programs to come to a board meeting to talk about what they do. Loftsgaarden stated that staff are designing and running a very efficient system, and would come to speak with the Board when appropriate.

Dan Thorndike directed the board members to consider whether there are any key changes they want to see in the new strategic plan, which may or may not be driven by the language of M76. He also questioned how to set it up to deal with a potential generational gap. Loftsgaarden said. For the new plan, the board can either work from the original plan or start with a clean slate. Eric Quaempts warned about the complacency that may come with the security of the passing of M76 and permanent funding. He encouraged board and staff to keep setting high standards and continue challenging themselves so future board and staff members will also follow a pattern of high performance. He also recognized the importance of gathering a stakeholder group for the strategic plan that is diverse and includes university-aged youth.
Will Neuhauser noted that the strategic plan will be complete in 2018 which coincides with the 20th anniversary of the passage of Measure 66. He suggested an approach for the new strategic plan based on another 10-20 years.

L. Executive Director’s Update
Executive Director Meta Loftsgaarden updated the board on agency business and late-breaking issues.

1) Spending Plan: Executive Director Loftsgaarden called the board’s attention to the timeline for the Spending Plan. She said the board will have a conversation in January about where the board wants to be in very broad terms regarding percentages allocated to each of the grant programs. In April, OWEB staff will bring each of the line items before the board and recommend what those amounts should be based on the budget forecast. Finally, in July the board will approve the new spending plan for the next biennium. Eric Quaempts suggested considering how the strategic plan and the spending plans are linked and how to communicate that to stakeholders. Loftsgaarden said it has been very helpful to have the spending plan built around the Long Term Investment Strategy so stakeholders can see how the board’s actions reflect the strategies OWEB is trying to implement.

2) Legislative: Executive Director Loftsgaarden presented the OAHP legislative concept and walked the board through nine points in Attachment A. She provided a brief history of the formation of the work group and talked about their schedule of meetings, public listening sessions, and a future timeline through program implementation in July 2017 if the legislative concept is passed in the 2017 legislative session. She said the workgroup is refining the concepts and then bringing forward any amendments to the legislative draft if it has a hearing in the legislative session. Loftsgaarden explained the focus of the OAHP workgroup is to develop voluntary tools that keep working lands in farming and ranching that are supporting the economy, healthy rural communities, and healthy fish and wildlife and other natural resources. She said the projects that fit this program are different that those funded through M76, but that is by design. She said that agriculture is the second largest economic driver and the cornerstone for rural communities; however, these lands also support valuable fish and wildlife habitat. She covered the goals of the program, then the details of the program, highlighted in the attachment.

Loftsgaarden explained how the OAHP would work and the role of the OWEB Board to approve the receipt of funding for OAHP projects. OAHP first establishes a separate fund (non-M76) using lottery bonds. Then the OWEB Board establishes OAHP representatives as a commission, composed of a mix of conservation and agriculture representatives, with a tribal representative and an OWEB Board representative. These members will be appointed and guided by the OWEB Board to oversee the investments. Funding approval will always come from the OWEB Board, but individual project investments would be decided by the commission. Karl Wenner asked where staff will come from, and Loftsgaarden said that funding from the program would provide for new staff.

Loftsgaarden talked about the suite of tools being made available for landowners under OAHP. Alan Henning asked if succession planning is the trigger to get landowners involved. He also
asked about when project goals overlap with M76 viability and how to qualify a project for OWEB funds or OAHP funds. Loftsgaarden said succession planning is one element of the program that can help recruit landowners. She clarified that most of the projects in working lands easements do not meet the bar for M76 funds. However, if a project meets that bar, it would come through an OWEB grant program. She said there is a proposal for a dedicated staff person who would be working in both programs to counsel and direct landowners to the right program since there may be some overlap.

Will Neuhauser asked for clarification about the definition of a working lands easement from a land use perspective. Loftsgaarden said an easement is normally a document that takes away rights, and sometimes also provides affirmative obligations, and landowners are compensated accordingly. Landowners may have a management plan, but it is not a requirement of the program. The goal is to keep the lands in agricultural production, providing habitat values even at a minimum level, such as non-development restraints. Ron Alvarado talked about the investments that have been made to protect habitat in terms of improvements, and now the NRCS Agricultural Land Easements program is being implemented to sustain the conservation and on-farm improvements. Loftsgaarden agreed that this is what OAHP is designed to do. She said that the program would help sustain current conservation work that is being completed.

Karl Wenner asked who will hold the easement. Loftsgaarden said local land trusts, soil and water conservation districts, and others will hold them because it is very important to landowners to continue working with local organizations. OWEB will not hold easements, but will always have third party rights of enforcement. Wenner suggested that there would need to be some capacity building for non-profit land trusts, and Loftsgaarden acknowledged that this has clearly been identified as a need based on gap analysis funded by OWEB and NRCS.

Loftsgaarden emphasized how there is some sensitivity to giving up development rights for perpetuity. There is an option in the OAHP for termed working land conservation covenants (20-50 years). Dan Thorndike compared the potential success of this type of easement with the success of termed water leases, versus the full transfer of water rights which can make right holders more reluctant to participate.

Loftsgaarden talked about planned grant programs and the ability to leverage with NRCS for match funding. Ron Alvarado reflected on the more strategic approach of OWEB with FIPs, and NRCS’s approach with RCPPs, as more landscape-scale level conservation. He said OAHP is another tool in the toolbox for the agricultural community and will help to capture what has been improved together on a more landscape-scale. He believes NRCS may have an opportunity to provide match for this program.

Rosemary Furfey asked if there had been conversation among staff that participation in this program would affect OWEB’s mission and strategic plan with regard to being linked to programs that may not meet M76 goals. Loftsgaarden said that OWEB already supports projects through different programs that have different requirements than those found in M76 (e.g. Forest Collaboratives, Rangeland Wildfire Threat Reduction, and PCSRF). She said this program fits well with the triple bottom line of the strategic plan, but the funding source is different. She sees it as the equivalent of another grant program.
Alan Henning asked about the dichotomy of funding projects that do not meet M76 goals, and thereby do not meet OWEB goals. Loftsgaarden emphasized that the OAHP program is seeking a different funding source because its projects will not meet M76 funding goals. She clarified that these projects would still provide for fish and wildlife habitat, but they would be doing conservation in parallel with working lands.

Randy Labbe said he feels the OAHP program would complement the M76 goals, but the task of educating people about it is difficult. He said Oregon has one of the highest estate taxes in the country, which is a huge dilemma because it makes properties valuable for investors... Gary Marshall said he sees the potential for conflict with M76 goals, but we need to weigh the potential complement we can provide for the state that may be larger even than what we’re thinking of now. Loftsgaarden said the states that have this in place already have a tremendous value added.

Eric Quaempts asked about assisting families with alternate uses, citing the example of areas with ground water issues and if this program would cover conversion to other enterprises, such as solar farms. Loftsgaarden said this program would probably not fit for that purpose, but it might help with succession planning.

Rosemary Furfey asked if the board will get a staff report and an analysis of how the program will work and its implications (e.g., staffing, budget, timing, etc.). Meta Loftsgaarden said the budget has already been presented to the board for this program, and that staff will be happy to provide these items again. However, but those figures are not available now because they are not yet in the Governor’s Budget. If the concept is not in the Governor’s Budget OWEB will no longer be authorized to promote the program. The workgroup could carry it forward with the legislature if it is not in the Governor’s Budget.

OWEB Senior Policy Coordinator Eric Hartstein presented to the Board OWEB’s other legislative concept that involves statute revisions. The legislative concept would provide cleanup and updates to certain sections of OWEB statutes. He said final approval of all agency concepts from the Governor’s Office will occur in December in order for concepts to move forward in the 2017 legislative session.

Gary Marshall asked about when action would be taken on the decision to add a member from U.S. Fish and Wildlife Service. Hartstein replied that, if the concept passes, July would be the earliest date for an appointment.

3) Budget: Executive Director Loftsgaarden provided a brief overview of the budget forecast and lottery revenues. The $1.4 Billion deficit requires all agencies to submit a budget cut at 5% and 10% of current service level. State revenues will not be able to keep up with the deficit, including the impact of PERS costs, even if the economy continues to grow. OWEB developed its budget with both best-case and worse-case scenarios in mind, relative to ballot measures pending in the upcoming election. Attachment A is the proposed best-case budget.

Dan Thorndike asked for clarification about the difference between general funds and lottery funds and whether both are affected by the cuts. Loftsgaarden explained that both kinds of operating funds are impacted when developing the requested budget cuts, but that grant funds are not affected.
Deputy Director Renee Davis walked the board through the specifics of the Agency Request Budget, directing the board to Attachment A. She said additional requests above and beyond current service level are described as Policy Packages and reminded the board they reviewed and approved these packages in April. Davis talked about the Program Continuity package, which includes several limited duration positions that OWEB would like to continue, along with contracting funds that facilitate such work as acquisitions due diligence. Alan Henning asked whether it was more feasible to hire a part-time employee to handle the duties listed under Contracted Services for acquisitions. Davis stated that a simple analysis shows this is more cost-effective because it’s difficult to predict what the workload will be in acquisitions. She said this has been a more strategic way to target what OWEB needs based on applications that come in. Bob Webber asked if the Strategic Plan facilitator contract fees were included in Contracted Services. Loftsgaarden replied that it falls in OWEB’s base budget.

Davis talked about the Program Enhancement request being additional contracting funds that would support such activities as Monitoring.

Loftsgaarden reviewed the request of $4.25 million for the OAHP and walked the board through the duties of 2.5 designated employees and the distribution of the remainder of funds to the different grant programs under that initiative. Randy Labbe asked if the workgroup has calculated how much federal funding we are forgoing by not having match. Loftsgaarden said we forgo all match funding at this time. With the program, we could bring in $2.25 million. The goal of the program is to grow to $8-10 million, and we would match that with federal funds. She said if OAHP is in the Governor’s Budget, then OWEB will work with the legislature and the workgroup to push it as hard as we can. Conversely, if OAHP is not in the Governor’s Budget, it will be the job of the workgroup to get a legislator to support the program and OWEB can no longer promote it.

4) Key Performance Measures (KPMs): Deputy Director Davis updated the board about the Annual Performance Progress Report (APPR) submitted to the Oregon Department of Administrative Services and the Legislative Fiscal Office, and discussed the status of the proposed revised KPMs. She provided a broad overview of the KPM process and purpose to gauge progress toward mission and goals while measuring customer satisfaction. She reviewed the board’s approval of proposed revised KPMs over time since January. Davis offered to send the APPR out to board members by e-mail and said that staff will keep the board apprised at future meetings about the conversations around the new slate of KPMs.

Eric Quaempts said he has advocated for a greater focus on floodplain process as it relates to riparian work, and he wondered if it was too late to make that change. Davis said it is too late to add it to this slate, but it could be on the radar for future KPM updates.

5) Pacific Coastal Salmon Recovery Fund (PCSRF) Tour: Deputy Director Davis summarized the events of a recent tour, in partnership with the NOAA Portland office, to highlight some OWEB investments funded under PCSRF and OWEB’s M76 funds. This tour was organized on behalf of NOAA Headquarters staff and staff from the President’s Office of Management and Budget (OMB) to see first-hand the on-the-ground results of PCSRF investments. The tour also created a forum for visiting staff to talk directly with local partners about their successes, lessons learned, and future restoration needs to address limiting factors for salmon and steelhead.
Eric Quaempts expressed his appreciation for Meacham Creek being selected as a stop on the tour. He talked about his conversation with OMB staff about floodplain processes and buffering the effects of climate change. Loftsgaarden said this OMB staff person was the same person she and the co-chairs met with at the Washington D.C. meetings in May.

6) FIP Capacity Building: Capacity Coordinator Courtney Shaff addressed the board about FIP Capacity-Building grants, stating are all making progress toward program goals. She said OWEB staff recently completed brief check-ins with all grantees to discuss accomplishments, unforeseen challenges, and overall progress. Staff have also held three conference calls with all of the FIP Capacity-Building grantees. The purpose of the calls has been to connect the partnerships with each other, talk about challenges and “ah-ha moments,” and provide opportunities for information sharing.

Shaff also talked about how these grant funds are being leveraged by grantees and thereby increasing the capacity of the partnerships and individual partners to complete work.

Karl Wenner asked whether each partner, as part of this, will develop a strategic action plan for coordination or a plan for actual restoration activities. Shaff said there were four activities they could apply for in this biennium: 1) enhance an existing strategic action plan, 2) develop a new strategic action plan, 3) develop partnership materials, or 4) do community outreach related to their strategic action plan. All existing FIP Capacity-Building grantees are either developing or enhancing a strategic action plan.

M. Other Business

Fiscal Manager Cindy Silbernagel discovered a technical issue that needed to be addressed by the board. The board-approved funding tables were missing Plant Establishment or Effectiveness Monitoring splits because staff need to prepare separate grant agreements for those amounts. Executive Director Meta Loftsgaarden provided an example of what one of these splits looks like from the funding tables and project summaries. She said the board needed to approve those splits as a technical fix, and it would not change the amount awarded.

Co-Chair Randy Labbe moved the Board approve all Plant Establishment and Effectiveness Monitoring splits as indicated in the evaluations for approved restoration grants. The motion was seconded by Dan Thorndike. The motion passed unanimously.

The meeting was adjourned by Co-Chair Labbe at 11:00AM.
Background
The subcommittee is currently focused on monitoring the early progress of the FIPs and planning for future biennium awards and solicitations.

Summary of Subcommittee Work this Quarter
The subcommittee met on December 9 and discussed the following topics:

- An update on Capacity Building FIP projects;
- An update on FIP effectiveness monitoring;
- An update on the 2017 Capacity Building FIP solicitation;
- Plans for Implementation FIP presentations at the January Board meeting; and
- Implementation FIP project accounting.

OWEB staff updated the subcommittee on the status of the current FIP Capacity Building grants. All grantees are meeting regularly and making progress on strategic action plans, with progress reports due January 30, 2017. Staff hold quarterly conference calls with grantees to share successes and challenges, and to discuss specific topics like engaging local stakeholders and prioritizing projects within strategic action plans. Calls will continue throughout the biennium. Board members expressed interest in attending partnership meetings to learn more about their work. Recognizing the sensitivity of having outside parties present at partnership meetings, dates of upcoming meetings will be provided to the subcommittee members.

The 2017-2019 Capacity Building grant cycle will be announced on January 9, 2017, with board awards scheduled for October 2017. Board members asked about the range of funding requests received in the initial solicitation, which was from about $80,000 to $150,000.

Staff provided a status update on FIP effectiveness monitoring recently begun by the Bonneville Environmental Foundation (BEF). BEF is completing an anonymous survey of both Capacity Building and Implementation FIPs. Information will be rolled into a collective report to OWEB. Board members discussed the integrity of the process, which allows partnerships to provide candid reporting on their progress and effectiveness. The resulting product will help the Board evaluate the program and make successful future investments based on lessons learned.

The subcommittee discussed plans for Implementation FIP presentations at the January board meeting. Partnerships will provide detailed progress reports and project accounting spreadsheets. At the board meeting, staff will provide an introduction to the FIPs, and then partnerships will present to and engage in dialogue with the board. Presentations will inform
the board about status and progress of partnership efforts, leading up to April board recommendations for second biennium funding. Board members discussed the importance of the board showing interest in the partnerships’ work and expressed a strong desire to be thoroughly prepared for the dialogue. The Subcommittee scheduled a call on January 13th to prepare for the board discussions with the partnerships at the January board meeting.

**To Be Presented at the January 2017 Board Meeting by:**
Will Neuhauser, Subcommittee Chair

**Staff Contact:**
Eric Williams, Grant Program Manager
[eric.williams@oweb.state.or.us](mailto:eric.williams@oweb.state.or.us) or 503-986-0047.
Background
The Monitoring Subcommittee’s recent focus has been to increase their understanding of past and current Open Solicitation monitoring investments and create a process to develop improved guidance for applicants submitting monitoring grant applications.

Summary of Monitoring Subcommittee Work this Quarter
The subcommittee met on November 3, 2016 and discussed the following topics:

- Debrief about monitoring discussions at the October Board meeting;
- Summary information about past and current Open Solicitation monitoring investments;
- Brainstorming about development of guidance for monitoring grant applications; and
- Ideas for future monitoring presentations for the full board.

Board members shared their perspectives following the October board meeting, and underscored the importance of OWEB working with grantees and others gathering monitoring data to better tell the story of the cumulative results of restoration investments. They also expressed interest in better understanding where OWEB fits within the larger monitoring structure in Oregon and across the region.

To increase the subcommittee’s understanding of OWEB’s monitoring investments, staff presented summary statistics about monitoring grant investments since 2006. Information included the number of monitoring grants and funding awarded, distribution of awards among different types of monitoring activities (e.g., status and trend, rapid bioassessment) and monitoring parameters (e.g., water quality, habitat), range of cost for different types of monitoring grants, and categories of monitoring grantees.

This information lead to a discussion about OWEB’s approach to monitoring grantmaking, given the limited availability of funds for monitoring and the diverse collection of data and information needs. The subcommittee brainstormed about approaches for developing monitoring application guidance with the intent of improving the technical completeness and quality of monitoring grant applications being submitted. The group also discussed the importance of balancing investments in high-priority local monitoring with more targeted/prioritized monitoring actions intended to address interagency information needs (e.g., outcomes reporting).

The subcommittee met again on December 14, with the meeting focused on 1) a review of the draft workplan for developing monitoring application guidance, 2) a presentation about the
Conservation Effectiveness Partnership (CEP), and 3) the upcoming presentation by Oregon Department of Fish and Wildlife (ODFW) staff about that agency’s monitoring work at the January 2017 Board meeting. Subcommittee members provided staff with feedback about the monitoring guidance development process that will gather information from OWEB staff, technical experts from partner agencies, and monitoring grantees, then use this input to establish more clearly defined expectations and guidance for monitoring grants. Staff will incorporate the subcommittee’s feedback into the final workplan, and then develop a detailed timeline for the guidance development process. The group also discussed that the guidance development process will assist the subcommittee in exploring if OWEB should consider developing priorities for some of its monitoring investments.

Staff then presented information about CEP, which is an interagency collaboration among OWEB; Oregon Departments of Environmental Quality, Agriculture, and Fish and Wildlife; and the Natural Resources Conservation Service. The partnership aims to describe the effectiveness of cumulative conservation and restoration actions in achieving natural resources outcomes through collaborative monitoring, evaluation, and reporting. Subcommittee members heard about three CEP case studies—Wilson River, Whychus Creek, and Fifteenmile Creek—and asked questions to learn more about the CEP effort and next steps for 2017. They discussed the potential for an approach such as that being used by CEP to assist OWEB in telling the story of the results of its investments. A CEP presentation to the full board is slated for spring of 2017.

To Be Presented at the October 2016 Board Meeting by:
Rosemary Furfey, Subcommittee Chair

Staff Contact:
Renee Davis, Deputy Director
renee.davis@state.or.us or 503-986-0203
January 24, 2017 OWEB Board Meeting
Open Solicitation Subcommittee Update

Background
The Open Solicitation Subcommittee held its initial meeting in August 2016 and prioritized work on the following issues: 1) aligning the Outreach solicitation with the changes adopted in Measure 76; 2) evaluating the Small Grant Program; 3) evaluating the funding line process; and 4) evaluating the regional review team process.

Summary of Subcommittee Work this Quarter
The subcommittee met on November 30. The subcommittee reviewed the results of a summary of Outreach projects funded since passage of Measure 76, beginning with the 2012 solicitation through 2016. The review showed that nearly half of the projects funded may not meet the Measure 76 threshold of being “necessary for carrying out” restoration or acquisition projects. Board members suggested that renaming the grant offering may be appropriate depending on the outcome of the work to be done by the Outreach Application Stakeholder Work Group. Board members also suggested that OWEB consider providing applicants whose projects may be ineligible with information about alternative funding sources.

Next, the subcommittee discussed an evaluation of the Small Grant Program. Kathy Leopold, Small Grant Coordinator, provided a history of the program, beginning with Board approval of program objectives in 2001 and Board adoption of rules in 2002 that included a $10,000 cap on individual grant awards and the current Small Grant review team structure consisting of at least one watershed council and at least one soil and water conservation district (SWCD). Historically, the Board has included $2.8 million in the spending plan and awarded $100,000 to each of 28 small grant teams, who submit bylaws and evaluation criteria each biennium. Eligible applicants include watershed councils, SWCDs, and tribes, who act on behalf of landowners to implement projects designed based on standard technical guidance.

Board members discussed evaluating whether to change the $10,000 cap, clarifying eligibility, and what information is needed for the Board to determine whether the program is meeting its intended purpose. Members wanted to learn more about whether the program has evolved since 2002, whether we are evaluating success or lessons learned, and whether RPRs think that small grants projects are complementary to open solicitation projects. Members decided to ask the Board at the January meeting what it would like to know about the program.

There was further discussion about what happens to unspent funds. Currently, there is not a method to redistribute unspent funds, so they are recaptured in the next biennium spending plan. Some small grant teams would like the opportunity to access unspent funds.
The Small Grant Program evaluation will continue after receiving further Board input in January.

The subcommittee introduced the next topic for their work, asking staff to provide the basis for the current funding line process at the next quarterly meeting, scheduled for February 22.

To Be Presented at the January 2017 Board Meeting by:
Bob Webber, Subcommittee Chair

Staff Contact:
Eric Williams, Grant Program Manager
eric.williams@oweb.state.or.us or 503-986-0047.
Background
The Operating Capacity Subcommittee focuses on issues related to watershed council and soil and water conservation district operating capacity grants, monitoring of capacity investments, support for the statewide partnership organizations, and organizational restructuring grants.

Summary of Subcommittee Work this Quarter
The subcommittee met via phone on January 11 and discussed 2017-2019 Council Capacity grants, the Conservation Partnership funding request (agenda item E) and the FIP Partnership Learning project (updated provided in Director’s Update I-5).

Staff updated the subcommittee on the council capacity eligibility review process and future deadlines. The Council Capacity grant eligibility review deadline was November 14, 2016. All 59 possible watershed councils submitted the required eligibility materials by the deadline. One watershed council was determined ineligible. Using OWEB’s established process, the council appealed to OWEB’s Executive Director and was determined to be eligible once they provided updated information to address the identified eligibility concerns. As a next step, the Council Capacity grant application deadline is March 6, 2017. Following review and evaluation, recommendations to the board for 2017-2019 Council Capacity grants will be made at the July 2017 OWEB Board meeting.

The subcommittee also discussed the funding request from the Conservation Partnership (agenda item E). The subcommittee supports this funding as the partnership continues to lead by example though working collectively to deliver learning opportunities to all of their stakeholders.

Finally, the subcommittee received an update on the FIP Partnership Learning project. Detailed information about this project are provided in the Director’s update (I-5).

Submitted by:
Debbie Hollen, Subcommittee Chair

Staff Contact:
Courtney Shaff, Capacity Coordinator
courtney.shaff@oregon.gov or 503-986-0046
MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Courtney Shaff, Capacity Coordinator
SUBJECT: Agenda Item E – Conservation Partnership Funding
January 24, 2017 Board Meeting

I. Introduction
This report provides an update regarding the Conservation Partnership (Partnership) and requests the board approve $33,575 of additional funding for the continuation and expansion of the Partnership’s activities.

II. Background
The Partnership includes The Network of Oregon Watershed Councils (NOWC), Oregon Association of Conservation Districts (OACD), Coalition of Oregon Land Trusts (COLT), and Oregon Conservation Education & Assistance Network (OCEAN). These separate groups collaborate and coordinate to deliver technical support, member services, program development, training, and outreach to their stakeholders.

In July 2015, the OWEB Board approved $300,000 to deliver joint programming that serves the collective and complementary missions of the councils, districts, and land trusts. The funding was split into two grants, each for one year of the biennium. Both grant agreements include requirements for quarterly reports on program deliverables, as well as challenges the Partnership has faced. The Partnership has met the deliverables for the first half of the biennium, and OWEB staff just executed the grant agreement for the second half of the biennium’s funding.

The Partnership accomplished a number of tasks in their first year. A few items include COLT working towards finalizing the Working Lands Gap Analysis and successful completion of 2016 CONNECT conference and planning for the 2017 CONNECT conference in May, 2017. Both the NOWC and OACD held annual meetings in Portland, and the NOWC hosted two webinars: one on Logic Models and one on Risk Management and Insurance.
III. Funding Request

The four organizations of the Partnership are entering a new phase of collaboration as they look ahead into the new biennium. The boards of the organizations have met together and expressed the importance of their collective voice for voluntary conservation and their desire for more joint programming for councils, districts, and land trusts to create greater efficiencies and impact. In support of the expanded collaboration, the Partnership has targeted significant increases in services for 2017. These increases include using webinars to provide trainings, regional meetings, coordinated/shared resources such as legal services, and downloadable templates.

To support this growth in collaboration and expansion of services, the Partnership requests an additional $33,575 from OWEB for the second part of the biennium. The additional funding would be used for the following activities that were not budgeted for in the second half of the biennium:

- 2017 State of the Lands Report
- Sponsorship of the CONNECT 2017 conference.
- IT support and upgrades to support webinar and video conferencing software that enables webinars and face to face meetings, which has significantly enhanced outreach to constituents.
- Secure a Willamette University intern to coordinate stakeholder communication and coordinate shared resources and templates for councils, districts, and land trusts.
- Cover additional NOWC and OACD salary costs due to funding sources not being available in 2017, and changes in salary with the new NOWC Executive Director.

IV. Recommendation

Staff recommend the board add $33,575 of Building Capacity funds to existing award 216-8006-12263 for the expansion of the Conservation Partnership’s expanded collaboration and deliverables in 2017.
MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Meta Loftsgaarden, Executive Director
SUBJECT: Agenda Item F – 2017-2019 Spending Plan
January 24, 2017 Board Meeting

I. Introduction
This report provides information on the timeline for approval of the 2017-2019 spending plan, and requests the board provide general direction in terms of major spending plan category percentages. Staff also request feedback to determine if there is interest in new spending plan line items, or questions about current line items, to be addressed at the April board meeting.

II. Background
After the Oregon Legislature approves OWEB’s budget at the beginning of each biennium, the board considers and approves a spending plan for the distribution of grant funding. The OWEB spending plan guides the agency’s grant investments for the biennium. Available funding for the board to distribute includes Measure 76 Lottery, federal, and salmon license plate revenues, with the bulk from Measure 76 and the federal Pacific Coastal Salmon Recovery Fund (PCSRF). PCSRF funds have been a significant component of OWEB’s budget since 2000, accounting for approximately one-third of OWEB’s total funds.

At its July 2015 meeting, the board adopted a 2015-2017 Spending Plan totaling $74.664 million. In July 2016, the board revised the spending plan to include additional recapture and PCSRF funding.

III. 2017-19 Spending Plan Timeline
The 2017-19 Spending Plan will be approved by the board in July 2017. In preparation for that approval, the following steps will occur:

• In January 2017, the board will provide an indication of the percentages it would like to include for the overall spending plan budget categories.
• Between the January and April meetings, staff and the subcommittees will convene to discuss funding options for specific grant types within each category.
• In April 2017, staff will present each of the line items within each category and propose an investment amount for each line based on the overall percentages indicated by the board in January. The board will provide feedback on the funding amounts for each grant type.
• In July 2017, staff will present 2017-19 recommendations for board approval.
• In July 2018, the board will consider additional funds for the spending plan from PCSRF and recapture, similar to the approval at the 2016 July board meeting.
IV. Spending Plan Percentages

It is estimated that funding available for the 2017-19 spending plan will be $80 million in the first year, with an additional $4.9 million available in year two based on successful receipt of PCSRF funding.

At the July 2016 board meeting, members indicated a preference for increasing focused investment spending as a part of the overall spending plan to 25% of the spending plan over time (see attachment A). In addition, at the August teleconference meeting, the board delayed funding for new Implementation Focused Investment Partnerships (FIPs) to the 2019-21 biennium. Additional Capacity FIPs will be funded in 2017-19.

The current requests from Implementation FIPs (if approved by the board), combined with an additional solicitation for Capacity FIPs, would be approximately 20% of the spending plan. With that in mind, staff propose the amounts below as a base for the board to consider in determining percentages for each spending plan category. Additional funds available in the second year would be placed in the Open Solicitation category.

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<tr>
<td>Operating Capacity</td>
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<tr>
<td>Focused Investments *</td>
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<tr>
<td>Other</td>
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<td>*includes monitoring</td>
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V. Spending Plan Categories

Attachment B contains the current spending plan for the board to review in considering whether new line items are warranted or to highlight questions for staff response at the April board meeting.

VI. Recommendation

Because actual budget figures will change based on future Lottery revenue forecasts, staff will not be requesting official approval of spending plan category percentages at the January meeting. Staff is requesting feedback on any recommendations for new spending plan line items or line items the board would like to receive additional information about at the April board meeting.

Attachments

A. Focused Investment Recommended Percentage
B. Current Spending Plan
### OWEB 2015-17 Spending Plan for the January 2017 Board Meeting

#### OWEB SPENDING PLAN

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<th>TOTAL Board Awards To Date</th>
<th>Remaining Spending Plan as of Oct 2016 awards</th>
<th>Jan 2017 Proposed Board Awards</th>
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**if more funding becomes available, will go to these areas**

#### Focused Investments:

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<th>Jan 2017</th>
<th>TOTAL Board Awards To Date</th>
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#### Operating Capacity:

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<th>Jan 2017</th>
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<th>Jan 2017 Proposed Board Awards</th>
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<tr>
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<td>Awards To Date</td>
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#### Other:

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<th>Jan 2017 Proposed Board Awards</th>
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<tr>
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<td>Award Plan</td>
<td>Awards To Date</td>
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<td>Oregon Plan/Governor Priorities</td>
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### OTHER DISTRIBUTED FUNDS IN ADDITION TO SPENDING PLAN DISTRIBUTION

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<th>Jan 2017 Proposed Board Awards</th>
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<tbody>
<tr>
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### TOTAL Including OWEB Spending Plan and Other Distributed Funds

<table>
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<tr>
<th></th>
<th>Jan 2017</th>
<th>Jan 2017</th>
<th>TOTAL Board Awards To Date</th>
<th>Remaining Spending Plan as of Oct 2016 awards</th>
<th>Jan 2017 Proposed Board Awards</th>
<th>Remaining Spending Plan as of Jan 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>additions to spending plan</td>
<td>Spending Plan</td>
<td>Award Plan</td>
<td>Awards To Date</td>
<td>Remaining</td>
<td>Awards</td>
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<td>89,431</td>
<td>74,557</td>
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MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Renee Davis, Deputy Director
SUBJECT: Agenda Item G – Monitoring Update from the Oregon Department of Fish and Wildlife (ODFW), January 24, 2017 Board Meeting

I. Introduction
This report provides background in preparation for an update at the January Board meeting about ODFW’s monitoring efforts.

II. Background
Since 2000, approximately one-third of OWEB’s funding (both for grants and operations) has been provided through the competitive Pacific Coastal Salmon Recovery Fund (PCSRF) grant process, which is offered by National Oceanic and Atmospheric Administration (NOAA) Fisheries. On an annual basis, OWEB, as the designated grant recipient for the State of Oregon, applies for PCSRF funding. Annual requests for funding propose a combination of monies to support on-the-ground restoration, acquisition and technical design, along with monitoring related to salmon and steelhead populations. Between 2000 and 2015, PCSRF has contributed just over $200 million to Oregon for salmon and steelhead recovery efforts.

For the FFY 2016 PCSRF solicitation, Oregon was the highest ranked applicant. As a result, NOAA awarded the state $14.8 million in PCSRF funding this year. This amount is a slight increase over the FFY 2015 award amount. Of that amount, $1.37 million is being distributed to ODFW in support of monitoring related activities.

At recent meetings, the OWEB Board expressed interest in learning about the status of ODFW’s monitoring work and the potential for results of this work to both inform future restoration and conservation investments by the Board, and to assist in quantifying outcomes from OWEB’s past and current investments.

III. Presentation about ODFW Monitoring Activities
At the January Board meeting, Thomas Stahl, ODFW Conservation and Recovery Program Manager, will provide an overview of the wide array of native fish
research, monitoring, and evaluation (RME) activities conducted by the agency across the state. The methods and types of programmatic activities, species addressed, locations of work, funding, and uses for resulting information will be described, along with several examples of how monitoring has or will inform the effectiveness of restoration projects. Finally, ODFW is undertaking several initiatives to explore future RME methods and approaches that can better inform fish, wildlife, and habitat management decisions. These new possibilities will be outlined, as they have the potential to focus limited staff and funding resources across species and spatial scales. The importance of being able to prioritize and strategically focus resources is likely to increase given projected increases in human development and climate change that may radically alter the distributions of fish, wildlife, and their habitat.

IV. Recommendation
This item is for information only.
MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Eric Williams, Grant Program Manager
       Andrew Dutterer, Partnerships Coordinator
       Eric Hartstein, Senior Policy Coordinator
SUBJECT: Agenda Item H – FIP Implementation Update
         January 24, 2016 Board Meeting

I. Introduction
This report provides an update on the Focused Investment Partnership (FIP) Implementation initiatives that were awarded for the 2015-2017 biennium. Staff will provide summary information, and FIP Implementation partners will provide a progress report to the board and answer questions from board members.

II. Background
At its January, 2016 meeting the board awarded over $12.7 million to six partnership initiatives as a part of the FIP Implementation program. In the spring of 2016, agreements between each partnership and OWEB were developed which govern the process for technical project reviews, grant awards, and reporting. A map of the FIP Implementation geographies is provided as Attachment A.

In April 2016, the board provided additional awards to the Upper Grande Ronde Initiative ($49,610) and the Oregon Model to Protect Sage Grouse, All Counties ($124,938). This funding was for projects submitted prior to when FIPs were awarded. They were recommended for funding in the Open Solicitation grant program, but deemed eligible instead for FIP as the geographies, actions, and ecological outcomes aligned with their FIP initiatives.

In July 2016, the board awarded $1.113 million of recaptured funds to the FIP Implementation partnerships to fully fund each of the partnerships, based on reductions that each partnership received in their funding request to the board at its January 2016 meeting. This brings the total amount for each partnership to:
<table>
<thead>
<tr>
<th>Partnership</th>
<th>OWEB Award Amount</th>
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</thead>
<tbody>
<tr>
<td>The Deschutes Partnership</td>
<td>$4,000,000</td>
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<tr>
<td>Willamette Mainstem Anchor Habitat Working Group</td>
<td>$2,550,000</td>
</tr>
<tr>
<td>Harney Basin Wetlands Initiative</td>
<td>$1,780,000</td>
</tr>
<tr>
<td>Oregon Model to Protect Sage Grouse, All Counties</td>
<td>$2,295,938</td>
</tr>
<tr>
<td>Ashland Forest All-lands Restoration</td>
<td>$1,660,000</td>
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<tr>
<td>Upper Grande Ronde Initiative</td>
<td>$1,771,610</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$14,057,548</strong></td>
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</table>

III. Implementation

In order to begin work on their FIP initiatives, each partnership has submitted grant proposals to OWEB (i.e., capacity building, outreach, acquisition, technical assistance, monitoring, and restoration). Proposals are reviewed by technical review teams (TRT) that have been developed with partnership input. The role of the TRT is to verify that proposed projects contribute to the outputs and outcomes described in each partnership’s Strategic Action Plan, and to collaborate with OWEB and the partners to ensure that each project has the best possible design and is successfully implemented. Attachment B provides an accounting of each FIP partnership’s current projects, as well as a projection of projects that are intended to be submitted to OWEB before the end of the 2015-2017 biennium.

One year into the initiative, each FIP partnership has provided OWEB feedback on project implementation, adjustments to their Strategic Action Plan, successes and challenges addressed, and how the partnership is on track to measure ecological outcomes. These progress reports are provided in Attachment C.

At the April board meeting, staff will provide recommendations for continuing unobligated appropriations from the first biennium into the second biennium, and for second biennium awards for the six implementation FIPs.

IV. Recommendation

This is an information item only. OWEB staff and FIP Implementation partners will be at the January board meeting to present an update and answer questions from the board about progress in their FIP Implementation initiatives.

Attachments
A.  FIP Implementation Map
B.  FIP Implementation Project Accounting
C.  FIP Progress Report Summaries
OWEB Focused Investment Partnerships: Implementation Initiatives 2015-2017

- Harney Basin Wetlands Initiative
- Upper Grande Ronde Initiative
- Upper and Middle Willamette Mainstem Anchor Habitats
- Habitat Restoration for Resident and Anadromous Fish in the Deschutes
- Ashland Forest All-Lands Restoration
- The Oregon Model to Protect Sage Grouse
- Harney Basin Wetlands Initiative
Focused Investment Partnerships (FIP)
Biennium 2015-2017
Biennial Report - January 2017

Name of Partnership: The Deschutes Partnership

<table>
<thead>
<tr>
<th>Partnership Lead</th>
<th>Project Name</th>
<th>Project Number</th>
<th>Date Grant Agreement Executed</th>
<th>Project Type</th>
<th>Project Sub-type</th>
<th>OWEB Grant Award</th>
<th>Leveraged Funds</th>
<th>Status</th>
<th>Notes</th>
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</thead>
<tbody>
<tr>
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<td>Deschutes Partnership Capacity</td>
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<td>Opal Springs Dam Volitional Fish</td>
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<td>Instream habitat</td>
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<td>$6,754,911</td>
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<td>Three Sisters Irrigation District Main Canal Phase 8</td>
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<td>Technical Design</td>
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<td>Technical Design</td>
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<td>Whychus Creek Floodplain Restoration Monitoring</td>
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TOTAL $2,118,695 $7,974,855

TOTAL AWARD $4,000,000
BALANCE $1,881,305
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<tr>
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<th>Project Name</th>
<th>Project Number</th>
<th>Date Grant Agreement Executed</th>
<th>Project Type</th>
<th>Project Sub-type</th>
<th>OWEB Grant Award</th>
<th>Leveraged Funds</th>
<th>Status</th>
<th>Notes</th>
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</thead>
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<tr>
<td>The Nature Conservancy</td>
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</table>

**TOTAL**                                     |                                                                              |                |                               |              |                  | $1,512,276       | $1,803,397     |             |                                                 |
**TOTAL AWARD**                                |                                                                              |                |                               |              |                  | $2,550,000       |               |             |                                                 |
**BALANCE**                                    |                                                                              |                |                               |              |                  | $1,037,724       |               |             |                                                 |
### Focused Investment Partnerships (FIP)
#### Biennium 2015-2017
#### Biennial Report - January 2017

**Name of Partnership:** Harney Basin Wetlands Initiative

<table>
<thead>
<tr>
<th>Partnership Lead</th>
<th>Project Name</th>
<th>Project Number</th>
<th>Date Grant Agreement Executed</th>
<th>Project Type</th>
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<td>HBWI Outreach</td>
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<tr>
<td>MNWR</td>
<td>Carp Model for Malheur Lake</td>
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<td>Technical Planning</td>
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<td></td>
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<td>To Be Submitted</td>
<td>Proposal to be submitted 2/15/17 for Winter HBWI Cycle</td>
</tr>
<tr>
<td>Wetlands Conservancy</td>
<td>Water Table Dynamics and Plant Community Expression</td>
<td></td>
<td></td>
<td>Monitoring</td>
<td>Status and Trend Monitoring</td>
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<td>Proposal to be submitted 2/15/17 for Winter HBWI Cycle</td>
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<tr>
<td>Harney County WSC/Ducks Unlimited</td>
<td>Silvies River Irrigation Diversion Structure Replacement-Implementation</td>
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<td></td>
<td>Restoration</td>
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<tr>
<td>Ducks Unlimited</td>
<td>Structural/Management Practices to Improve On-Farm Water Delivery and Habitat Values</td>
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<td>Technical Assistance</td>
<td>Technical Planning</td>
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<td>To Be Submitted</td>
<td>Proposal to be submitted 2/15/17 for Winter HBWI Cycle</td>
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<tr>
<td>Ducks Unlimited</td>
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<tr>
<td>High Desert Partnership</td>
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**TOTAL** | **$464,378** | **$237,783**
**TOTAL AWARD** | **$1,780,000**
**BALANCE** | **$1,315,622**
### Focused Investment Partnerships (FIP)
### Biennium 2015-2017
### Biennial Report - January 2017

**Name of Partnership:** Sage Grouse - Oregon All Counties CCAA Steering Committee

<table>
<thead>
<tr>
<th>Partnership Lead</th>
<th>Project Name</th>
<th>Project Number</th>
<th>Date Grant Agreement Executed</th>
<th>Project Type</th>
<th>Project Sub-type</th>
<th>OWEB Grant Award</th>
<th>Leveraged Funds</th>
<th>Status</th>
<th>Notes</th>
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</thead>
<tbody>
<tr>
<td>Malheur SWCD</td>
<td>Juniper Mtn. Off-Stream Water</td>
<td>216-8203-12971</td>
<td>7/12/2016</td>
<td>Restoration</td>
<td>Riparian habitat</td>
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<td>Reviewed as part of Region 5 RRT</td>
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<tr>
<td>Lakeview SWCD</td>
<td>Honey Creek Sage-Steppe</td>
<td>216-8203-12972</td>
<td>8/23/2016</td>
<td>Restoration</td>
<td>Upland habitat</td>
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<td>Malheur SWCD</td>
<td>In the Shadow of Ironside</td>
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<td>10/28/2016</td>
<td>Restoration</td>
<td>Upland habitat</td>
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<tr>
<td>Harney SWCD</td>
<td>Model to Protect Sage-Grouse Landscape CM Implementation</td>
<td>216-8203-12974</td>
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<td>$846,918</td>
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<td>7/19/2016</td>
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<td>Malheur SWCD</td>
<td>TA Conservation Objective</td>
<td>216-8203-12976</td>
<td>7/12/2016</td>
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<td>$55,623</td>
<td>$16,992</td>
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<tr>
<td>Malheur SWCD</td>
<td>Upper Cow Creek I</td>
<td>216-8203-14349</td>
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<td>Malheur SWCD</td>
<td>Brogan Hill Thrill</td>
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<td>$34,286</td>
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<td>Malheur SWCD</td>
<td>Beulah View</td>
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<td>Restoration</td>
<td>Upland habitat</td>
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<tr>
<td>Harney SWCD</td>
<td>CCAA Technical Assistance</td>
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<td>Technical Planning</td>
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**TOTAL** $1,978,233 $1,333,976

**TOTAL AWARD** $2,295,938

**BALANCE** $317,705
Name of Partnership: Ashland Forest All-lands Restoration Partnership

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<th>Project Name</th>
<th>Project Number</th>
<th>Date Grant Agreement Executed</th>
<th>Project Type</th>
<th>Project Sub-type</th>
<th>OWEB Grant Award</th>
<th>Leveraged Funds</th>
<th>Status</th>
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<tbody>
<tr>
<td>Lomakatsi Restoration Project</td>
<td>Ashland Forest All Lands Initiative</td>
<td>216-8204-14107</td>
<td>1/3/2017</td>
<td>Monitoring</td>
<td>Landscape Scale Effectiveness Monitoring</td>
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<td>Lomakatsi Restoration Project</td>
<td>Ashland Forest All Lands Implementation</td>
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<td>Upland habitat</td>
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**TOTAL** $506,369 $168,918

**TOTAL AWARD** $1,660,000

**BALANCE** $1,153,631
Name of Partnership: Grande Ronde Restoration Partnership - Restoration Outreach Coordinator

<table>
<thead>
<tr>
<th>Partnership Lead</th>
<th>Project Name</th>
<th>Project Number</th>
<th>Date Grant Agreement Executed</th>
<th>Project Type</th>
<th>Project Sub-type</th>
<th>OWEB Grant Award</th>
<th>Leveraged Funds</th>
<th>Status</th>
<th>Notes</th>
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</thead>
<tbody>
<tr>
<td>Grande Ronde Model Watershed Foundation</td>
<td>Hall Ranch Habitat Restoration</td>
<td>216-8205-13012</td>
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<td>Technical Design</td>
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<td>Outreach</td>
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<td>Monitoring</td>
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<td>Fence Reconstruction Project within the Grande Ronde Watershed Project</td>
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<td>Grande Ronde Model Watershed Foundation</td>
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<td>This is a Biennium 2 project</td>
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<tr>
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<td>Union Soil and Water Conservation District</td>
<td>Catherine Creek River Mile 38</td>
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<tr>
<td>Confederated Tribes of the Umatilla Indian Reservation</td>
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<tr>
<td>Grande Ronde Model Watershed Foundation</td>
<td>Whiskey Creek Courtney Ranch Restoration</td>
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<tr>
<td>Union Soil and Water Conservation District</td>
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<td>Grande Ronde Model Watershed Foundation</td>
<td>Catherine Creek State Parks Restoration</td>
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<td>Technical Design</td>
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<td>Riparian habitat</td>
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</table>

| TOTAL | $280,391 | $764,848 |
|TOTAL AWARD | $1,771,610 |
|BALANCE | $1,491,219 |
Focused Investment Partnerships (FIP)
Biennium 2015-2017

Biennial Report – January 2017

Name of Partnership: Deschutes Partnership

Please address the following questions (*in five pages or fewer*):

1) What projects has the partnership implemented through the FIP initiative? How did this match with your expectations at the beginning of the FIP time period? What factors impacted your ability to achieve your identified goals (positive or negative)?

Since the launch of our FIP in early 2016, we submitted grant applications to OWEB for the following projects/activities:

- **a)** FIP Partnership Capacity ($95,000, grant agreement secured)
- **b)** Opal Springs Fish Passage Project ($1,765,000, grant agreement pending)
- **c)** Three Sisters Irrigation District Canal Piping – Phase VIII ($258,695, grant agreement pending)

In total, these three projects account for approximately 50% of our total FIP funding for the biennium. In addition to these projects, we are working on developing an additional seven project grant applications that we expect to submit for FIP funding in early 2017. These additional projects represent a tremendous amount of progress to date and will include a combination of project types from across our entire FIP geography. Once these projects have been submitted, we will have allocated most of our FIP funding in this biennium.

The primary factor that has determined how many projects have been accomplished to date is the start date of the FIP program. The FIP MOU that launched the program was signed in April 2016, which means that our biennium is shorter than the normal 24 months. At the writing of this report (December 2016), our FIP has been active for only nine months and our project implementation grant agreements are still pending. Because most of the large-scale projects included in our FIP work plan require year-long permitting and contracting processes, nine-month growing contracts for native plants
and seasonally-restricted in-water work windows, this timing effectively means that there has not been a feasible implementation window since the launch of the FIP.

2) **How has the partnership’s Strategic Action Plan evolved and/or been modified during the biennium?**

Since the launch of the FIP program in April 2016, we have focused our time and energy on organizing our FIP, establishing our methods and systems of FIP administration, and developing our portfolio of projects for submission as OWEB grant applications. Overall, these projects continue to be aligned with our Strategic Action Plan so we have not made any changes to this document at this point.

However, as we near the end of the biennium, we anticipate that there may be some minor changes in the timing of the projects in our Strategic Action Plan as project schedules are finalized and we submit our remaining portfolio of grant applications to OWEB. We may also consider amending the programs included in the Strategic Action Plan to provide opportunities to include more types of restoration work in the Crooked River. Because we are still working to develop our first series of projects, we have not yet invested the time to update details in our Strategic Action Plan. Our expectation is that we will update the plan toward the end of each biennium/beginning of the next biennium as part of the final reporting for the closing biennium and the funding request for the next biennium.

3) **Beyond project implementation identified in question 1, describe the challenges and successes that the partnership has encountered during the biennium. What are the lessons learned through these experiences that will benefit the partnership in the future?**

There have been several challenges and successes thus far in this biennium:

**Land Conservation Grant Application Process**

At the beginning of the biennium, OWEB established October of each year as the only date that land acquisition grant applications could be submitted because they were to be aligned with the regular land acquisition grant review process. However, as we began working through the details of several potential land acquisition projects, we realized that this restrictive timing would make it difficult to move projects forward given the unpredictable timing of land acquisition deals and the short duration of this biennium. When we approached OWEB staff with this dilemma, OWEB staff worked with us to develop some alternative timing for grant applications to quickly resolve the problem. We are very appreciative of OWEB’s flexible, adaptive and solution-oriented
approach. We see this problem-solving example as one of the key strengths of the FIP program as a whole. The changes made are allowing us to move ahead more efficiently on some important land acquisition projects along Whychus Creek that will help us meet our FIP outcomes.

FIP Technical Review Team
Soon after the launch of the FIP program we worked with OWEB staff to help plan an all-day FIP kick-off meeting with the FIP Technical Review Team to discuss the Deschutes Partnership’s vision, goals and desired outcomes for the FIP. This meeting included a series of presentations by the FIP partners and discussion of the Strategic Action Plan, followed by a robust discussion among all of the TRT and FIP members.

Reflecting back on this meeting, we believe that this meeting was instrumental in creating a positive, collaborative launch to the FIP program so that the FIP partners and TRT members could understand one another’s perspectives and identify ways to work together to make the FIP program as successful as possible. We hope that this kind of strategic, big-picture conversation will provide important context as project-specific TRT reviews are conducted over time. In the future, we hope to schedule one of these strategic conversations with the TRT at least once per biennium.

Floodplain Restoration Projects
Large-scale stream and floodplain restoration projects at the Deschutes Land Trust’s Whychus Canyon Preserve are a core component of the habitat restoration work planned in our Strategic Action Plan. From 2016 to 2022, these projects will total 5.9 miles of restoration and 284 floodplain acres (See Section 8.2 of Strategic Action Plan). These projects are planned for implementation over multiple phases, with each one-mile phase implemented every other year as shown below.

This schedule reflects a significant increase in our pace and scale of restoration on Whychus Creek. From 2005 through 2015, only 3.3 miles of Whychus Creek have been restored. By the end of 2022, this will increase by 5.9 miles to a total of more than nine miles. We have been excited about this approach because it will bring about very
significant improvement to the habitat in sections of the creek that were damaged by historic channelization.

However, as we have completed the first phase of implementation in 2016, some of our local partners asked that we conduct more restoration project monitoring as it evolves over time and thus slow down our implementation schedule. This desire for more monitoring is rooted in the fact that the large-scale floodplain restoration work being implemented on Whychus Creek reflects some of the newest thinking on floodplain restoration techniques. This means that the project includes large-scale disturbance designed to promote natural evolution over time with successive flood events, rapid riparian plant establishment, long-term gravel and sediment movement and deposition, avulsions and channel changes, and other natural processes that are fundamental for healthy, dynamic stream systems.

While some partners are enthusiastic about this restoration approach, other partners have expressed a desire to document interim changes to stream and floodplain habitat to more thoroughly understand this restoration approach. These partners have asked that we invest in thoroughly monitoring the site so that we can document change over time, help inform the next phase of restoration and contribute to the greater restoration community by recording and sharing our results.

While we already had routine project monitoring in place, this added emphasis on monitoring will provide an opportunity to deepen our understanding of the natural processes at play and ensure that adaptive management is fully embraced by exploring technical questions that are fundamental to our long-term ecological outcomes (e.g., how long does it take for gravel recruitment to create the necessary conditions for steelhead spawning?). Although this will take time and result in a shift in our implementation schedule, it allows us to capitalize on a key opportunity to engage in adaptive management on this and future projects in a way we have not previously had an opportunity to do over the past 15 years. The level of commitment and interest from agency partners has been impressive, with 18 individuals attending multiple field visits and project meetings over the past several months. Currently, the USFS, ODFW, USFWS, PGE, and Confederated Tribes of the Warm Springs Reservation have all engaged in these discussions.

The result of this change is that we are going to shift our implementation schedule for the next project phase by one year (from 2018 to 2019) and focus on intensive monitoring and adaptive design leading up to project implementation in 2019. Grant applications for this monitoring and restoration design work will be submitted in this biennium. Although this change delays the project implementation by one year, we do not expect it to change our cumulative six-year FIP restoration outcomes.
The primary lesson we have learned in this process is that, while we may have the FIP funding needed to implement projects at an accelerated pace and scale, we need to continually adjust our implementation plans to accommodate the diverse interests of our extended networks of partners that are fundamental to our work. As FIP partners, we often have a laser-focused approach to delivering projects on our stated FIP timeline when other external partners may emphasize monitoring, adaptive learning and a slower pace of restoration that allows for additional objectives to be met. It is important for us to balance these interests and embrace these collaborative opportunities with our partners because they contribute to excellent adaptive learning opportunities over time and support long-term restoration success in the region.

4) Is the partnership on a trajectory to measure ecological outcomes? Explain.

Yes, our partnership is on track with the activities and outcomes as described in our FIP application documents and Strategic Action Plan. However, because we are only nine months into the FIP program and we have not yet implemented most of our on-the-ground actions, more time will be required before we generate the outputs that will accrue over time to bring the desired long-term ecological outcomes.

Provided we are successful in obtaining monitoring funding throughout the duration of the FIP, we are confident that we will be able to monitor and evaluate the outcomes as described in Section 10 of our Strategic Action Plan.
Focused Investment Partnerships (FIP)
Biennium 2015-2017

Biennial Report – January 2017

Name of Partnership: Willamette Mainstem Anchor Habitat Working Group
Submitter: Dan Bell, Bonneville Environmental Foundation

Please address the following questions (in five pages or fewer):

1) What projects has the partnership implemented through the FIP initiative? How did this match with your expectations at the beginning of the FIP time period? What factors impacted your ability to achieve your identified goals (positive or negative)?

Restoration Projects:

As a consequence of the timing of the OWEB FIP decisions (January 2016) and the integration into the existing Willamette River Initiative funding framework, there have not been specific FIP funded projects implemented as of this time. Final award decisions for the 2016 project proposals were finished in October 2016, with OWEB moving quickly to get grant agreements in place since that time.

This was fully anticipated, and did not impact planning/ restoration timelines on any proposed projects. The project roster within the Willamette Mainstem FIP assumed that OWEB FIP funding would be in place for grantees to initiate projects in early 2017.

At this point, all of those projects are proceeding as planned, with site preparation and/or contracting activities beginning this upcoming spring.

The comprehensive project list for 2016 awards:

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<thead>
<tr>
<th>Project</th>
<th>Sponsor</th>
<th>OWEB FIP</th>
<th>BPA</th>
<th>MMT</th>
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<td>Willamette Confluence restoration</td>
<td>The Nature Conservancy</td>
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<td>$303,327</td>
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<td>Wilamette Riverkeeper</td>
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<td>Green Island reforestation</td>
<td>McKenzie River Trust</td>
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<td>Long Tom Watershed</td>
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<tr>
<td>---------------------------------</td>
<td>------------------------</td>
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<td>Bowers Rock restoration</td>
<td>Calapooia Watershed Council</td>
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<td>Sam Daws Landing restoration design</td>
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<td>Cold Water Refuge Research</td>
<td>USGS</td>
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由于项目投资和拟在FIP下实施的项目之间存在很强的连续性，今年通过FIP的资助而得以继续的项目进度令人欣慰。这些项目包括（但不限于）：Willamette Confluence（The Nature Conservancy and Friends of Buford Park）的恢复建设；Luckiamute State Natural Area（Luckiamute Watershed Council）的设计工作；以及Bowers Rock的植被恢复工作（Calapooia Watershed Council）。

同样的情况将在2017年发生，即在目前的OWEB两年周期结束后的最终决策将在2017-19两年周期的头一年进行。这样将使需要将这些资金转入2017-19两年周期的头一年。

2) 如何更新和/or调整战略行动计划？

战略行动计划在2015年10月完成。根据OWEB和其他技术审查的意见，当时所做的调整主要集中在增强SMART目标方面。

在制定Willamette Strategic Action Plan的过程中，指导委员会决定制定一个能够被补充和更新的文件。这样做，我们的目标是将这项工作整合到行动计划中，而不是开发一个单独的文件。

虽然没有引入新的材料，到目前为止，计划中的工作正在进行。在接下来的一年里，Willamette Aquatic Invasives Network (WAIN) 将与合作伙伴共同制定一个**Aquatic Invasives Plan**。WAIN将开发一个版本的计划/地图，作为单独的文件，我们将同时更新战略行动计划，以反映策略、目标和指标的实现。
Similarly, ongoing research efforts to improve our knowledge of the location of thermal refuges/cold water inputs on the mainstem Willamette (led by OSU) and the river’s geomorphology (led by USGS) will yield supplemental information that can improve the Strategic Action Plan.

Finally, a core team comprised of USGS, Bonneville Environmental Foundation and The Nature Conservancy are leading efforts to fully develop an Effectiveness Monitoring Framework. This was a known and noted gap at the time we developed the strategic plan.

3) Beyond project implementation identified in question 1, describe the challenges and successes that the partnership has encountered during the biennium. What are the lessons learned through these experiences that will benefit the partnership in the future?

TOPIC: Revised Application and Project Review Process

Successes:

- The partnership, working in conjunction with the trio of funders involved in the Willamette River Initiative (OWEB, MMT and BPA), successfully modified the existing application process to accommodate the transition from the Willamette SIP to the FIP. This primarily included revised application materials, updating the solicitation schedules and integration of third-party technical review. Overall, the new process and materials for 2016 worked well for both the funders and project sponsors.

Challenges:

- Much of the challenge associated with this transition was based in the fundamental change of the OWEB restoration funds from an open solicitation, competitive grant process to a partner prioritized process. At the same time, it remained critical to both MMT and BPA that their project solicitation process remains open and grounded in independent technical review.
- One nuance of that challenge centers around the need to integrate technical review and the Willamette Technical Review Team into a process where their guidance is in part decisional (BPA & MMT awards) and part consultative (OWEB FIP). The Working Group will continue to work with the funders and technical reviewers to improve this process for the 2017 application cycle.
- Some technical reviewers would prefer deeper opportunities for meaningful engagement in project development and implementation. Given the varying levels of interest and available time for our technical reviewers, it can be difficult to give everyone the level of information and stakeholder interaction that they may prefer.
• Another aspect of this challenge is to limit the burden on implementers for developing application materials, hosting site visits and other related activities. In large part because of the needs of the three-funder partnership, participating in the solicitation process for the Willamette River Initiative can present a significant amount of work. This includes completion of a pre-proposal and a full OWEB application, hosting at least one site visit, responding to technical reviewer feedback/questions and (in some cases) developing various iterations of budget spreadsheets. There is very little reduction in this burden because projects are included within the partner-driven FIP project list.

• Finally- particularly in the early months of the new FIPs- there was not clear communication from OWEB about the application process and requirements for funds intended to be used on activities that were not core restoration projects (i.e. monitoring, outreach, partner administration). In some cases, the delay and confusion made it difficult to retain identified match funds and slowed progress in getting activities underway.

Lessons Learned:

• OWEB could consider developing board-adopted streamlined versions of its full applications that could be used by FIP participants. The regular, open-solicitation application materials require considerable background information that is of lesser value within a Focused Investment Program approach and duplicative of material included in the Phase 1 and 2 Focused Investment Program applications.

• Re-consider the approach for the technical review team conversations, and invest up front in ensuring that reviewers understand the basis of geographic prioritization (Anchor Habitats) and project selection. Much of the conversation during review team meetings was focused on comparing the actual projects being considered with hypothetical “better” projects elsewhere on the river. This short changed the more useful conversations that could provide useful project feedback for sponsors.

TOPIC: Unexpected staffing changes that impacted the leadership of Working Group

Success: The Willamette Mainstem Anchor Habitat Working Group successfully weathered unexpected transition in the staffing of the Chair in the middle of the 2016 application process. This included the admission of a new partner into the Working Group, followed by the election of a new (old) chair.

Challenge:

• As a relatively newly formed partnership, there was not an obvious replacement within the membership that had the time, expertise and interest in directing the Anchor Habitat Working Group. Likewise, the organization represented by the departing chair (The Nature Conservancy) did not have the capacity to offer a suitable replacement, nor the support of the partnership for continuing in the leadership role.
Lessons Learned:

- OWEB’s partnership support staff was integral to keep the process moving and serving as a consistent point of contact for stakeholders throughout the transition period. While we hope it is an infrequent need, OWEB can be well-positioned to help partnerships navigate through transition and provide a neutral perspective on processes and approach.

- Consider unplanned transitions within the partnership agreement. If feasible, outline contingency plans in the event of an unexpected vacancy at the leadership role. Also ensure that the process for selecting new leadership is clearly articulated, and is adaptable enough to accommodate both planned and unplanned transitions of leadership within the partnership.

4) Is the partnership on a trajectory to measure ecological outcomes? Explain.

Absolutely.

The Willamette Mainstem FIP proposals outlined specific and measurable ecological outcomes. These outcomes were grounded within the Willamette Strategic Action Plan and reflective of the project work planned during the duration of this FIP effort. The core team developing the Effectiveness Monitoring Framework is focused on developing metrics to assess progress that are both relevant and reportable.

Our outcomes and metrics are also consistent with the priorities of the broader Willamette River Initiative, and the larger effort to use the SLICES framework to measure long-term status and trends changes.
Biennial Report – January 2017

Name of Partnership: Harney Basin Wetlands Initiative

Please address the following questions (in five pages or fewer):

1) **What projects has the partnership implemented through the FIP initiative?**
   1. 216-8202-12979 Aquatic Health Basin-Wide Baseline - Harney County SWCD
   2. 216-8202-12980 Silvies River Irrigation Structure Replacement – Harney County Watershed Council
   3. 216-8202-12981 Carp Biomass Threshold Project – Harney County Watershed Council
   4. 216-8202-12982 Capacity Support for HBWI – High Desert Partnership
   5. 216-8202-14069 Harney Basin Wetlands Initiative Outreach – High Desert Partnership
   6. 216-8202-14343 KV Bar Ranch Restoration Planning – High Desert Partnership

**How did this match with your expectations at the beginning of the FIP time period? What factors impacted your ability to achieve your identified goals (positive or negative)?**

**216-8202-12979 Aquatic Health Basin-Wide Baseline**

In late June and early July, a total of 14 sites were sampled in the Silvies River and 29 sites were visited in Silver creek where 16 of those were dry. Water quality readings were taken at each site where a sample was collected. All samples were sent to the Rocky Mountain Research Center for analysis and results are pending. The Harney Soil & Water Conservation District issued a Professional Service contract to Tetra Tech for $30,639.00 to prioritize reaches, conduct fish assessments on 50 m stream reaches, collect water quality data, evaluate submerged aquatic vegetation and sample macroinvertebrates in the Silvies River and Silver Creek. A total of 8 reaches were sampled on Silver Creek and 9 reaches on the Silvies River. Data has been inputted into an excel data base, but no samples or data has been analyzed. No carp were collected from any of the sites. Factors impacting our ability to achieve project goals were lack of staffing as a lingering result of the Malheur National Wildlife Refuge occupation.

**216-8202-12980 Silvies River Irrigation Structure Replacement**

The project was submitted as a restoration project that included design as well as implementation. At the request of the Technical Review Team the grant was split into a Technical Assistance for Design and Restoration for Implementation. The TA for design was funded at a level of $61,276.00. To date the project area has been surveyed for the purposes of developing a topographic map to aid engineering and siting design. Field work to support permitting (wetland delineation, identification of impact area) has been completed. Preliminary engineering has begun. Once a ~60% design is completed formal pursuit of regulatory permits and clearances will be initiated. A final engineering design, suitable for
restoration application, is on scheduled to be completed by mid-February. The restoration application for implementation will be submitted to the FIP at our February submission date.

Project sequencing and timeline, particularly as it relates to strategic identification of appropriate structures and the resulting landowner outreach, was carried as planned. This is encouraging as we expected relative optimization of subsequent diversion structure replacements resulting in efficiencies in conservation delivery. Our experienced good fortune to date does not warrant a relaxation posture. We will continue to maintain vigilance for identifying unforeseen obstacles and addressing them immediately.

One issue that we are currently addressing, which may affect our implementation timeline, is some inconsistent feedback on whether or not we need screening and passage. Locally, ODFW has determined we will not need to provide fish passage in the spirit maintaining a restriction on invasive carp migration. However, the formal process at the state level to receive an ‘exception’ or ‘waiver’ is still somewhat unclear. Furthermore, we have heard of instances where restoration practitioners did not receive such clearance for more than a year. If that is the case for our project, we will not meet our scheduled construction date of Fall 2017. However, we have initiated this process and may opt to pursue an exception/waiver for all five proposed structures programmatically packaged in one request.

Regarding screening, we were initially directed by ODFW regional staff that we would not need a screen. We have since been given the impression that we may need to include screening. This was not included in our original cost estimate. However, contingency for such issues was placed in a similar line item in the work plan and may ultimately be drawn upon to include the screening. We are presently seeking resolution to this mixed messaging.

216-8202-12981 Carp Threshold Project
Due to the delay in signing the FIP grant agreement, project partners chose to use the fall of 2016 as a pilot year to test enclosure materials; construction; water quality and carp response inside the enclosures and to commence the full project July of 2017. Working agreements between Abernathy Fish Technology Center, the Watershed Council and the Malheur National Wildlife Refuge are complete, but took more time to finalize than anticipated. Given the timing of the agreements, a large amount of supplies would need to be purchased in a short amount of time and the partners felt it was too late in the submerged aquatic vegetation growing period to implement the full project. A time extension for the grant was completed this fall.

216-8202-12982 Capacity Support for HBWI – High Desert Partnership
As part of capacity support for this initiative implementing FIP projects over the next 6 years, High Desert Partnership was successful in hiring a Project coordinator in September through a competitive process. Karena Stalcup has been in the position since that time and has set up all the financial tracking and project management for this complex partnership. Our communication coordinator, Melissa Speeg, who has been working with High Desert Partnership has added HBWI outreach responsibilities to her position and we successfully
submitted a FIP Outreach proposal in August 2016. HBWI has an updated webpage at www.highdesertpartnership.org to keep partners and the general public apprised of project implementation. We are fortunate to have these two key positions filled early in our effort and believe we are on track to meet our goals. A part of this funding, High Desert Partnership has also been successful in obtaining office and meeting space. A central location where partners can meet for working groups has already proven invaluable in just the last two months. This physical space seems to be important in achieving our goals. HBWI Partners have identified 7 proposals to be submitted for the February 15, 2017 cycle in Biennium 1. We have a rigorous schedule in the next 45 days.

216-8202-14069 Harney Basin Wetlands Initiative Outreach
The activities described in the outreach proposal have all been developed as part of the HBWI communications strategy. Several key outreach efforts are underway with planning and a February 15, 2016 outreach event with Portland Audubon will be the first event. Diverse events and outreach formats are planned to reach the target audiences. We are on track with the timelines set out in this proposal.

216-8202-14343 KV Bar Ranch Restoration Planning
The signed grant agreement was finalized mid-December and work will be commencing. Everything is on track at this time.

2) How has the partnership’s Strategic Action Plan evolved and/or been modified during the biennium? The HBWI partners have worked closely in implementing action items identified in the strategic action plan and to date have not made any significant changes or modifications to the overall plan. It is currently being implemented with very few adaptations in this early stage of the wetlands project implementation work. Our priorities remain the same for projects being developed to fill in critical knowledge gaps and for implemented projects to achieve the desired results on a landscape scale.

3) Beyond project implementation identified in question 1, describe the challenges and successes that the partnership has encountered during the biennium. What are the lessons learned through these experiences that will benefit the partnership in the future? The HBWI partners have been working together for a number of years and have a solid foundation. This became even more apparent when one of our main project areas was impacted by closure and subsequent issues surrounding the militia occupation of the Malheur National Wildlife Refuge. We could have never anticipated the full ramifications of this incident which are continuing. However, the HBWI partners have been steadfast in stepping up where needed and identifying the gaps that have been made as a result of many staffing changes that have occurred at the refuge and generally just the closure of the refuge overall. Our adaptive management was fully tested in this past year and we are pleased to report that the initiative partners are adept at adapting. Lessons learned haven’t quite solidified at this juncture but we do know that it takes deeply committed and hard-
working individuals in partnership to achieve a project as large as the Focused Investment Partnership.

4) **Is the partnership on a trajectory to measure ecological outcomes? Explain.** One of our first proposals was the Aquatic Health Baseline Monitoring, submitted so that we will have the important baseline information that will enable us to see if we are meeting our ecological outcomes. Additionally, we recently met with Bonneville Environmental Foundation on the overall FIP monitoring and are encouraged that we will be measuring the proper indicators to know if we will be meeting ecological outcomes.
Focused Investment Partnerships (FIP)  
Biennium 2015-2017  
Biennial Report – January 2017

Name of Partnership: _____Oregon Model to Protect Sage-Grouse, All Counties_______

Please address the following questions (in five pages or fewer):

1) What projects has the partnership implemented through the FIP initiative? How did this match with your expectations at the beginning of the FIP time period? What factors impacted your ability to achieve your identified goals (positive or negative)?

All County Grants:

Harney County Grant:

Harney County has implemented juniper treatments, annual grass treatment plans, rangeland seeding project development, fence marking and escape ramp projects. Specific project details are as follows: For site specific plan HC-55 (SSP HC-55), juniper treatments have been mapped, flagged and a bid tour was completed. The awarded contractor began cutting on the 1353 acres of phase I juniper on 12/13/16. Annual grass treatments are planned for fall of 2017 on up to 1900 acres. Multiple meetings and tours have been completed on the site with SSP planner, local weed specialists and scientists to coordinate efforts and determine the most successful treatment plan. Rangeland seeding of 100 acres is planned for post annual grass treatment areas. Crane Union High School’s “Mustang Manufacturing” has been contracted to produce supplies for 4 miles of fence marking and 8 wildlife escape ramps. The markers are ready and will be installed as soon as a date can be set.

SSP HC-10 includes juniper treatments and annual grass spraying. The 942 acre juniper contract has been put out to bid and a contractor has been chosen. Work will begin when weather is conducive. There are 160 acres of annual grass treatments planned to be completed in the fall of 2017.

SSP HC-16 has 517 acres of juniper cutting units and bid tours are currently underway. This contract will be awarded at our December 22nd board meeting. Juniper treatments for SSP HC-14 include 504 acres, which will be mapped and contracted in the spring of 2017. Weather conditions have delayed layout of these units. Annual grass treatments on HC-14 are planned for the fall of 2017.

Lake County Grant:

The Honey Creek Sage-Steppe Project includes a variety of conservation measures including ~5,300 acres of Phase I and Phase II juniper removal and 1,322.6 acres of exotic annual grass treatments (aerial spray only) that will help restore several thousand contiguous acres of sage grouse habitat in the Warner PAC. Approximately 7,392 feet of fence construction and 5 spring developments will improve livestock dispersement and utilization near riparian zones and critical sage grouse brood rearing habitats. Three wildlife escape ramps and ~19 miles of fence marking will help reduce the risk of wildlife drowning in water troughs and mortality by collision with fences. Decadent willow removal (~12 acres) will also occur in order to improve wet meadow health,
diversity and function. All exotic annual grass treatment acres have been aerially sprayed this fall by helicopter and effectiveness will be better able to determine this spring/summer. Juniper cutting contractors also began work this fall and will pick up work again in the spring. The remaining items within the grant will occur in the spring once ground and weather conditions have improved.

Malheur County Grants:

**Grant 216-8203-12971 Juniper Mountain Off-stream Water** includes 1 spring development to gravity feed water to six 1,000-gallon water troughs via 10,000 feet of 2-inch diameter pipe. These troughs will serve six pastures; each trough will have a wildlife escape ramp. The spring produces about 15 gallons per minute (gpm) measured during a sustained drought. The project will also include one 6,000-gallon storage tank to ensure 3-day supply of water for 120 pairs and wildlife drinking water. Fence for this project will include 20,258 feet of wildlife friendly fence to create a 140-acre riparian pasture along 1.6 miles of creek and to prevent uncontrolled grazing in the riparian area. To enhance riparian and wet meadow vegetation (inside of the fence), the area (140 acres) will be seeded by a range drill with a mixture of native and introduced grass species at a rate of 16 pounds per acre. There will be about 2,000 linear feet, (1,000 feet of creek x 2 to account for both banks) of willows, dogwood and aspen planted with cage protection.

**Grant 216-8203-12973 In the Shadow of Ironside** includes 2 separate landowners. The first contains juniper removal on 3,001 acres consisting of 1,701 acres of Phase I, 1,090 acres of Phase II, and 211 acres of Phase III. All acres will be cut with a chainsaw using the lop and scatter brush control method where applicable. The 211 acres of Phase III will be machine piled with cool season burning. There will be 500 acres of reseeding in the more dense areas of tree removal with a seed mix of Crested, Siberian, Intermediate wheatgrasses, Idaho Fescue, burnet & alfalfa.

In the other portion of this application, the landowner will treat 400 acres of Medusahead by burning where needed (to remove the thatch layer), herbicide treatment (to prevent sprouting of the soil banked medusahead seed) , then replanting the 400 acres with a competitive seed mix of crested wheatgrass and forage kochia. The goal is to use a highly competitive mix of species to outcompete Medusahead. These two species are proven to have competitive abilities. Crested wheat will be applied at 15 pounds per acre, either broadcast or drilled depending on the microsite conditions. Kochia seeding will be about a 0.25 pound per acre by broadcast or aerial application.

**Grant 216-8203-12973 TA.** Malheur SWCD hired a full time employee (GS-5) to write CCAA plans for landowners, and a seasonal employee was also hired to help with monitoring on CCAA plans that have already been enrolled.

**Proposed:**

**Grant 216-8203-14349 Upper Cow Creek I.** This project contains juniper removal on 688 acres consisting of 143 acres of Phase I, 468 acres of Phase II, and 77 acres of Phase III. All acres will be cut with a chainsaw using the lop and scatter brush control method where applicable. The 211 acres of Phase III slash will be placed in the creek for erosion mitigation and/or machine piled with cool season burning. After the piling and burning, a determination will be made as to the necessity of seeding areas if they are deemed marginal for grass recovery due to lack of understory. That will be addressed at a later time.

**Grant 216-8203 Brogan Hill Thrill.** This project consists of four parts. The first and second part of the project includes two buck and pole riparian enclosures that total a mile of fence. One is ¼ of a mile long...
and encompasses a large riparian area. The second is ¼ of a mile long and will encompass a spring and existing spring box. Within the ¼ mile enclosure is the 3rd part of the project. Located in the center will be a solar panel and pump that will supply water out of the already existing spring box to an already existing trough that is roughly 250 feet away uphill just outside of the enclosure. These enclosures will help bring the riparian areas back to a more natural state and will ensure that cattle do not disturb the area. The fourth part of the project is 200 acres of reseeding in a disturbed area of the property. This reseeding area was in the Kitten complex fire in 2014 and is now mostly annual invasive grasses. By reseeding the area with a broadcast spreader, we are hoping to out compete the annual grasses while keeping the sagebrush that is still present.

The FIP initiative met our expectations and we were able to put the types of projects together that we anticipated to build/design. Factors that impacted our ability to achieve our identified goals begin primarily with negative factors like a short timeframe to plan/design projects and to actually complete project implementation, as well as positive factors such as having a flexibility with our budget and having shovel-ready projects due to the completion of CCAA Site Specific Plans.

Having a short timeframe made it difficult to work and coordinate with contractors implementing the projects who were also working under unpredictable weather conditions. Additionally, the short timeframe made it difficult to properly plan/design project prescriptions and the levels and types of treatments for various conservation measures. Actual project implementation, such as Medusahead spraying was also a challenge because of all factors listed above (short timeframe, weather, etc.).

Nonetheless, we were able to achieve some of our partnership’s goals due to the flexibility with our FIP budget. In some cases, contractor bids came in lower than what was estimated in grant budgets so we were able to add more acres and/or conservation measures to projects in order to capture any leftover funds remaining in the actual project budgets. Also, by having completed CCAA Site Specific Plans, we had many projects that were ready for implementation due to the willingness of interested and participating landowners. These same landowners also had an extra incentive to move forward with implementation of conservation measures, as they are required to implement them under their Site Specific Plans.

2) How has the partnership’s Strategic Action Plan evolved and/or been modified during the biennium?

The partnership’s Strategic Action Plan (SAP) has not evolved or been modified during the first biennium. At this time there are plans to submit an amendment to the RCPP, which may change our SAP in upcoming bienniums.

3) Beyond project implementation identified in in question 1, describe the challenges and successes that the partnership has encountered during the biennium. What are the lessons learned through these experiences that will benefit the partnership in the future?

During the first biennium, the partnership experienced a variety of successes and challenges beyond project implementation. One of the successes we incurred was an increase in recognition and appreciation by private landowners for having the ability to obtain a financial and technical assistance program that could help assist them in implementing a variety of Conservation Measures that are a required component of their CCAA Site Specific Plans. Furthermore, the partnership experienced improved communication and unity amongst the members of the partnership. As a core group we have
become stronger in problem solving across county jurisdictional boundaries with project implementation and design. The partnership is also better able to collaborate together on conservation implementation types and budget management. We have established fluidity of funds across county lines and have managed to avoid rigidity in fund division and allocation between counties. Another welcoming success was the increased interest by existing partners outside of the immediate partnership. Having the knowledge of our Oregon Model to Protect Sage-Grouse, All Counties FIP, partners were more willing and able to work with us to combine partner funds and work on larger, landscape scale projects, increasing the success of our FIP.

Aside from successes, the partnership also had challenges along the way. Firstly, the coordination with OWEB was found to be a challenge when trying to get signed agreements and funds released to begin implementation. The partnership experienced delayed project implementation, even though OWEB told us to move forward. However, we did not feel comfortable moving forward with implementation without signed agreements. Additionally, we faced an increase in workload and the pressure to work efficiently and effectively with a very short timeframe. The partnership had less than a months’ time to plan, design, research and write restoration grants for the first round of grant applications. Private landowners and SWCD Boards & staff felt pressure and angst to get projects/grants put together with very little time to put a lot of thought/planning into them. It is felt by the partnership that all projects should be fully researched with plenty of landowner meetings and site visits prior to submitting an application. Nevertheless, we were able to produce complete and carefully designed projects that were ready for implementation. Another challenge we faced occurred while applying for the FIP. OWEB requested on multiple occasions that FIP areas be modified due to them being either too big, too small, or that we weren’t being focused/strategic enough for the program. Lastly, some members of the partnership experienced significant staff turnover during the first biennium. This challenge caused complications with project development, as we were working under very short timelines. The timing of losing staff members and acquiring new staff could not have been worse for those who were left to pick up where others left off.

As a partnership we believe it is too early to address any lessons learned since we were not able to get going with project development and implementation until well into the first biennium. Conversely, in the future it would be beneficial to have a clear timeframe that is agreed upon between the partnership and OWEB. For example, it would be valuable to know when we will have signed agreements, be able to begin implementation, to know when funds would be eligible to spend, as well as to obtain more flexible implementation timelines that we could prepare for in the future.

4) Is the partnership on a trajectory to measure ecological outcomes? Explain.

The partnership is on a trajectory to measure ecological outcomes within a year’s time because we chose Conservation Measures within our FIP that are measurable as part of our Strategic Action Plan. Moreover, we had landowner interest/participation within our FIP Focus Areas and we had shovel-ready projects due to the completion of CCAA Site Specific Plans. The partnership is fast approaching an opportunity to begin measuring some ecological outcomes since most of us were able to have projects commence this last fall. The FIP TA grants also allowed SWCD’s to hire additional staff to help implement projects and develop grants within a short amount of time.
Name of Partnership: Ashland Forest All Lands Restoration

Please address the following questions (in five pages or fewer):

1) What projects has the partnership implemented through the FIP initiative? How did this match with your expectations at the beginning of the FIP time period? What factors impacted your ability to achieve your identified goals (positive or negative)?

To date under the Ashland Forest All Lands Restoration Initiative “AFARI” no on the ground restoration projects have been implemented under the OWEB Grant, however work has been ongoing on the Ashland Forest Resiliency Stewardship Project on USFS administered lands and implementation work has begun on private lands with matching funds through NRCS funding. The current focus of the partnership has been related to the development, planning and coordination process of the initiative which has been supported under a Technical Assistance Grant from OWEB. The Partners have strategically developed our first biennium timeline and work plan in three phases, related to three OWEB grant submissions.

**Phase one:** The initial phase includes project development and planning, landowner outreach and recruitment, and layout and design of projects. The first OWEB biennium 1 proposal submitted was a merged proposal for Technical assistance, outreach, and capacity. Due to the unique and multi-faceted nature of the Dry Forest AFAR initiative, the combined activities to be achieved under the grant will lay the foundation for treatment of approximately 1,000 acres in the first biennium and develop landowner recruitment and restoration planning elements for this and subsequent biennia. Activities to be performed during this phase will consist of a) GIS modelling and analysis to create a prioritization scheme; b) landowner outreach, engagement and contracting; c) site specific ecological restoration prescriptions that delineate property boundaries, wildlife/riparian exclusions, no treatment designations, and tree removal or retention designations. Lomakatsi and the City of Ashland are collaborating on the development of these projects.

**Phase 2:** Phase 2 of the timeline relates to the second OWEB grant proposal for project monitoring. The phase two application has been submitted and approved by OWEB. Following the Phase 1 technical assistance work, the monitoring proposal integrates a comprehensive
monitoring protocol that tracks changes in forest structure and wildfire risk as a result of the ecological treatments. The monitoring work will be a collaborative effort between Lomakatsi, responsible for gathering of the monitoring data, and The Nature Conservancy, who will lead the management, processing and reporting of the data and monitoring results.

Phase 3: Phase 3 of the timeline culminates in an OWEB implementation grant. The partners have worked vigorously under the Technical Assistance grant to prepare this proposal for submission by January 15, 2017. At the time of this report over 1,000 acres has been identified and property specific activity plans have been developed to facilitate a comprehensive review from our recently created Technical Advisory Team (TRT). This team, representing key resource professionals, has been reviewing all phases and applications of our OWEB grants and the work proposed under the initiative. The TRT has participated in a cursory strategic review of the proposed implementation properties to ensure the prescriptions meet OWEB FIP goals and objectives. The partners will submit this application by January 15, with OWEB and TRT review being complete by late February to facilitate on the ground implementation beginning in March 2017. We estimate that approximately half of the projected acres will be completed by the end of June 2017, the close of OWEB Biennium 1, with the rest of the acres being carried over into the next biennium and completed in the first 6 months of biennium 2.

All the work described above has met or exceeded the original OWEB FIP expectations, and due to the experienced partnership, we were able to make up for lost time in the first biennium due to a delay in award of the FIP funding. No other factors have delayed our ability to achieve our stated goals.

2) How has the partnership’s Strategic Action Plan evolved and/or been modified during the biennium? At this stage of the initiative we are currently in line with the original intent of the strategic action plan and it has not evolved or been modified.

3) Beyond project implementation identified in in question 1, describe the challenges and successes that the partnership has encountered during the biennium. What are the lessons learned through these experiences that will benefit the partnership in the future? Due to being in the early stages of the initiative, and that we are only working on project selection, development and planning, no significant successes or challenges other than as stated above on question 1 are worthy of mention at this time.

4) Is the partnership on a trajectory to measure ecological outcomes? Explain. The partnership is well on track to meet ecological outcomes. The current biennium acre target has been met for project selection, and with a projected start date for implementation of March 2017 we are currently on track, even with the initial year one funding delay from OWEB.
Focused Investment Partnerships (FIP)
Biennium 2015-2017

Biennial Report – January 2017 (Due Dec. 23rd)

Name of Partnership: Grande Ronde Restoration Partnership

Please address the following questions (in five pages or fewer):

1) What projects has the partnership implemented through the FIP initiative? How did this match with your expectations at the beginning of the FIP time period? What factors impacted your ability to achieve your identified goals (positive or negative)?

Projects implemented include:
   a. Monitoring Equipment, Action 2.1.4b
   b. Outreach Coordinator, Action 4.1.1c
   c. Fence Reconstruction within the Grande Ronde Watershed, Agreement in place and will be implemented in 2017.
   d. Purchase and Install PIT Tag arrays (included in Monitoring Equipment application), Action 1.1.1a. Agreement in place and will be implemented in 2017.
   e. Effectiveness Monitoring of Meadow Creek Restoration, Action 1.2.1a. Agreement in place and will be implemented in 2017.

At this time our progress aligns well with our expectations. There was some lag amongst the partnership getting FIP projects initiated. Most of this lag was due to some uncertainty about the project prioritization and selection process would be integrated with ongoing GRMW/BPA BiOp related processes. The largest obstacle was figuring out how to mesh the GRMW stepwise process with OWEB funding, including revision of the GRMW prospectus and proposal formats and ultimately deciding to use the OWEB proposal for all projects. Additionally, the summer field season is a difficult time to plan.
projects since most partners are very busy implementing during the summer and fall. Now that the field season is complete, we feel confident that by the spring of 2017 we should be on track with our strategic action plan.

2) How has the partnership’s Strategic Action Plan evolved and/or been modified during the biennium?

For the most part our Strategic Action Plan (SAP) is on track and being implemented as planned. We have made a couple modifications to our SAP during the first year. The first change was to Action 2.1.1e - Replace one culvert with a bridge on Whiskey Creek. The plan was to provide $300,000 of cost share on a culvert replacement with the Oregon Department of Transportation that was a partial barrier. Once we received word of a successful FIP application, we contacted ODOT again and were informed that ODOT no longer needed cost share money because they had received enough funding to implement the project themselves. The funding award to ODOT is specific to this culvert and cannot be used as cost share on alternate projects, so the partnership needed to reallocate this funding. After discussing possibilities with the core partners, Andrew Dutterer and ODOT the decision was made to apply this money to additional Technical Assistance needs to get more projects ready for implementation. It should be noted here that OWEB Board members questioned whether we had allocated adequate levels of Technical Assistance (specifically, design) funding. In a late response to that question, the answer is “no”.

Another change is to Action 1.1.1a - purchase and install 6 PIT tag arrays ($90,000). The cost estimate that ODFW received was much higher than they anticipated to purchase the materials for a PIT Tag array. So instead of purchasing and installing six PIT Tag arrays the first biennium, we were able to purchase one ($51,573). ODFW has removed some PIT Tag arrays from another project and these arrays will be installed in the initiative area to ensure we have enough arrays to meet our monitoring goals. The plan is still to install six PIT Tag arrays but it is going to take another year to get them installed and operating.

Action 2.1.1c - Replace two culverts on West Fork Chicken Creek to provide year around passage for all aquatic species. After reviewing these two culverts with engineers and the core partners it was decided that only one of these culverts needed replaced. The funding will be applied to replacing the one culvert and cost share will be used to replace two other culverts that were not identified in the SAP. The selection of these alternate culverts is the result of an
assessment of 8 culverts in UGR BSR’s conducted by core partners and technical experts from BPA and USFS.

Action 3.2.4b - Conduct future road improvements/relocation projects within the initiative area. The core partners would like to move the funding for this action ($65,000) to the second biennium. We have some high priority road relocation and obliteration work that is being scoped and planned currently for the upper Grande Ronde River (UGR 20). This work should be ready for 2019 implementation.

3) Beyond project implementation identified in question 1, describe the challenges and successes that the partnership has encountered during the biennium. What are the lessons learned through these experiences that will benefit the partnership in the future?

Even with monthly coordination meetings, it can be challenging to communicate and coordinate effectively with all the partners. A potential project can develop undergo significant revisions in just a few weeks as relationships with landowners evolve. Keeping all the partners up dated on multiple projects is proving to be a challenge, so we have found that additional meetings in addition to our monthly coordination meetings are often in order. Several of the projects in the SAP are large, complex projects and project planning and permitting is taking longer than expected. Often times Section 106 clearance takes the longest to complete. The Bird Track Springs project has been delayed due to the time and expense associated with such a large archeological survey.

When the partners in the upper Grande Ronde River subbasin first starting forming a restoration prioritization framework (Atlas) in 2013 there was little communication amongst the partners, especially between researchers and implementers. Through collaboratively building the Atlas and now implementing the strategy, the partnership is the strongest and most functional it has ever been. Working together to implement our FIP Strategic Action Plan has only served to further the strength of the partnership.

4) Is the partnership on a trajectory to measure ecological outcomes? Explain.

Our partnership is relying heavily upon the existing ODFW and CRITFC Columbia Habitat and Monitoring Program (CHaMP) to measure our ecological outcomes. This program has been in place for 5 years in our basin now and has collected a wealth of data to establish an excellent status of our current habitat. With this status in place they can now monitor the trend over the
next 5 years to measure our progress. CHaMP will measure both the quality and quantity of habitat within our initiative area. The installation and operation of more PIT Tag arrays will help to inform our knowledge of factors affecting survival of juvenile fish in tandem with other projects monitoring juvenile and adult Chinook and steelhead abundance and migration. Our final outcome of building trust and relationships with landowners will ultimately be measured by the number of successful projects implemented with private landowners and the ongoing relationship with those land managers. In partnership with Bonneville Environmental Foundation we are on track to measure our ecological outcomes and tell the story of our success in the upper Grande Ronde River subbasin.
This report provides the board an update on tribal involvement in OWEB’s programs.

Background
Each year, OWEB provides a Government-to-Government Report to the Governor and the Legislative Commission on Indian Services (LCIS) detailing the relationship between OWEB and Indian Tribes as required by Oregon Revised Statute182.166 and OWEB’s State/Tribal Government-to-Government Relations Policy.

OWEB Engagement with Tribes
OWEB engages with tribes at a variety of levels which are detailed in the report and are summarized below:

- The Governor appoints a tribal representative as a voting member of the OWEB Board. This position is currently filled by Eric Quaempts, representing the Confederated Tribes of the Umatilla Indian Reservation, who will resign his term in January of 2017.
- Since 2006, OWEB has awarded approximately $4,300,000 in grants to tribal governments.
- Currently, six tribal agency representatives participate on five of the six Regional Review Teams, including representatives from the Burns Paiute Tribe, Confederated Tribes of the Umatilla Indian Reservation, Confederated Tribes of Siletz Indians, Confederated Tribes of the Warm Springs Reservation of Oregon, the Klamath Tribes, and the Confederated Tribes of the Grand Ronde Community of Oregon.
- Nine tribal agency representatives served on 19 of the 28 Small Grants Teams. In addition, OWEB has awarded three new small grants in 2016 for a total of 13 grants to tribal agencies through this program since 1999.
- OWEB provides notification to LCIS Tribal Key Contacts on all water and land acquisition grant applications.

Staff Contact
If you have questions or need additional information, contact Ken Fetcho, Effectiveness Monitoring Coordinator, at ken.fetcho@oregon.gov or 503-986-0035.

Attachments
A. OWEB 2016 Annual Tribal Report provided to the Governor and the Legislative Commission on Indian Services
Key Contact
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Oregon Watershed Enhancement Board
775 Summer Street NE, Suite 360
Salem, OR 97301-1290
Telephone: 503-986-0180
meta.loftsgaarden@oregon.gov

Tribal Liaison
Ken Fetcho, Effectiveness Monitoring Coordinator
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Salem, OR 97301-1290
Telephone: 503-986-0035
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ken.fetcho@oregon.gov

Major Areas of Work
The Oregon Watershed Enhancement Board (OWEB) is a state agency with statutory authority to administer constitutionally dedicated funds for the purpose of protecting and enhancing Oregon’s watersheds and native fish and wildlife habitats. The responsibilities of the agency include:

- Managing a grant program for watershed protection and enhancement;
- Assisting in the development and implementation of watershed-scale restoration efforts; and
- Coordinating and supporting local infrastructure throughout the state to achieve voluntary cooperative conservation outcomes.

OWEB works with Oregon’s nine federally recognized tribes on a government-to-government basis to address the watershed scale restoration efforts and through a grant program to fund watershed management, protection, and restoration projects.

OWEB is led by a 17-member policy oversight and decision-making board. Board members represent the public at large, federally recognized tribes, state natural resource agency boards and commissions, Oregon State University Extension Service, and five federal land management and natural resource agencies. The agency provides grants and services to citizen groups, organizations, and agencies working to restore healthy watersheds in Oregon. OWEB actions support the Oregon Plan for Salmon and Watersheds, created in 1997. Funding comes from the Oregon Lottery as a result of citizen initiatives in 1998 and 2010, sales of salmon license plates since 1997, federal salmon recovery funds, and other sources.
Department Statement
In 2007, the OWEB Board unanimously adopted a Statement of Policy on State/Tribal Government-to-Government Relations. The policy, which is attached to this report, contains provisions for tribal relations protocols and tribal government participation in OWEB policy.

Summary of Programs and Process for Involving Tribes
OWEB involves tribes at all levels of the organization. The following sections describe the agency’s involvement during 2016 with Oregon’s nine federally recognized tribal governments and a neighboring Tribe that shares territory in Idaho and Oregon.

A. OWEB Board and Management

1. Board Membership. The Governor appoints a tribal representative as a voting member of the OWEB Board. The position currently is occupied by Eric Quaempts, Natural Resources Director of the Confederated Tribes of the Umatilla Indian Reservation. In September 2011, Mr. Quaempts was elected as a Board Co-Chair. In January 2013, he was re-elected as Co-Chair for a two-year term and his term recently ended in April 2016. Mr. Quaempts’ term on the Board expires in January of 2017 at which point the Governor will be looking to appoint a new representative of an Oregon tribe to participate as a voting member on the OWEB Board.

The tribal position on the Board has been extremely valuable in helping to identify opportunities for collaboration and making the OWEB Board and staff aware of its responsibilities to involve and consider tribal interests. Mr. Quaempts has been an effective voice for tribal interests, and has improved awareness by OWEB staff of the significance of tribal issues associated with the grants and programs managed by the agency.

OWEB’s Executive Director Meta Loftsgaarden and Board Member Quaempts have been actively searching for an OWEB Board tribal representative replacement candidate in 2016. Outreach for a replacement included presenting at the 2015 Tribal Summit, sending surveys, and contacting key tribal natural resource professionals to request recommendations for a suitable candidate. Several potential candidates have been interviewed by the Executive Director and Board Member Quaempts in an effort to identify an interested and qualified candidate.

B. Grant Program

1. Small Grant Program. In OWEB’s small grant program (OAR Chapter 695, Division 35); tribes are identified as an eligible member of “Small Grant Teams” in each of the 28 Small Grant areas around the state. In this role, tribes are members of local teams that award grants of up to $10,000 for watershed restoration purposes. (Other members of the teams include watershed councils and soil and water conservation districts.) In 2016, nine tribal agency representatives served on 19 of the 28 Small Grants Teams. In addition, OWEB has awarded three new small grants in 2016 for a total of 13 grants to tribal agencies through this program since 1999.
2. **Regular Grant Program.** OWEB solicits grant applications twice a year through the Regular Grant Program. During 2016, five grants were awarded to tribes as follows: Confederated Tribes of the Warm Springs Reservation of Oregon, one grant of $85,000; Nez Perce Tribe, two grants totaling $69,908; and Burns Paiute Tribe, two grants totaling $120,526. In our most recent grant cycle, for which awards have not yet been made, applications were submitted by tribal agencies. Since 2006, OWEB has awarded approximately $4,300,000 in grants to tribal governments.

OWEB’s Regional Program Representatives (RPRs) have regular contact with tribal staff that administer the grants which OWEB provides to tribes in Oregon. This interaction often begins with interested tribes prior to grant application submission and continues all the way through the completion of the grant. It is common for OWEB’s RPRs to help tribes develop a project that has a high likelihood of being funded by suggesting key points to add to a grant application and by referring them to other experts in their region to obtain important information. Each RPR has a unique relationship with their tribal contacts that has been fostered over years of interaction and professional courtesy.

3. **Regular Grant Program – Regional Review Teams.** Applications received through OWEB’s Regular Grant Program are reviewed by one of six Regional Review Teams, comprising state, federal, and tribal natural resource professionals. Currently, six tribal agency representatives participate on agency Regional Review Teams which includes representatives from the Burns Paiute Tribe, Confederated Tribes of the Umatilla Indian Reservation, Confederated Tribes of Siletz Indians, Confederated Tribes of the Warm Springs Reservation of Oregon, the Klamath Tribes, and the Confederated Tribes of the Grand Ronde Community of Oregon.

4. **Land Acquisition Grant Program.** OWEB’s land acquisition grant program provides funding for projects that acquire an interest in land from a willing seller for the purpose of addressing the conservation needs of priority habitat and species. OWEB provides notification to tribes after an acquisition application is received. In 2016, OWEB provided information on five proposed acquisition projects to tribal natural resource agency directors. If a tribe expresses interest in a project, OWEB staff will complete a tribal consultation.

In 2015, the OWEB Board approved funding to the McKenzie River Trust to acquire a 125-acre forested property upstream of Tahkenitch Lake in Douglas County. McKenzie River Trust acquired the property in 2016 and immediately transferred it to the Confederated Tribes of Siletz Indians. The tribe will manage the property for the protection of its natural resources in perpetuity.

5. **Water Acquisition Grant Program.** OWEB’s water acquisition grant program provides funding for programs or projects that acquire an interest or interests in water from a willing seller for the purpose of increasing instream flow. OWEB provides notification to tribes after a water acquisition grant application is received.
The 2016 OWEB Water Acquisition Grant offering, issued in November 2016, implements a coordinated funder-based framework in partnership with the National Fish and Wildlife Foundation (NFWF). The intent of this approach is to achieve a more streamlined process to solicit, screen, and make decisions about water acquisition applications.

In 2016, the Board continued support of the Klamath water leasing program to complete work under the Upper Klamath Basin Comprehensive Agreement to which the Klamath Tribes are a signatory.

6. **Focused Investment Partnership Program.** In 2016, the OWEB Board made the initial awards in the newly created Focused Investment Partnership (FIP) Program. The FIP Program offers Implementation and Capacity-Building funding. Implementation funding provides opportunities for tribes and others to work collaboratively in partnerships on ambitious, long-term and landscape-scale programmatic restoration initiatives aimed at creating measurable outcomes within priority areas that were identified by the OWEB Board. Two of the six Implementation FIPs that were funded by the OWEB Board include tribes in their core partnerships, including the Burns Paiute Tribe and the Confederated Tribes of the Umatilla Indian Reservation. Capacity-Building FIP funding allows partnerships to produce or enhance a Strategic Action Plan, and in doing so to cultivate their partnership and develop an approach to programmatic restoration actions in their focused geography. Six of the eight Capacity-Building FIPs that the Board recently awarded include tribes as core partners. Those tribes include the Confederated Tribes of the Warm Springs Reservation of Oregon; Cow Creek Band of Umpqua Tribe of Indians; Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Tribes; Nez Perce Tribe; and the Confederated Tribes of Siletz Indians. In addition, the Grande Ronde and the Deschutes River FIPs have tribal representatives on the technical review team from the Confederated Tribes of the Umatilla Indian Reservation and the Confederated Tribes of the Warm Springs Reservation of Oregon, respectively.

The Klamath Tribes are a core member of OWEB’s Upper Klamath Special Investment Partnership, or SIP. The SIP was a predecessor to the FIP program. Collectively, the core partners of the Upper Klamath SIP have a strong foundation working on restoration issues in the Klamath basin that will allow for significant progress related to habitat restoration and conservation, water use management, integrated strategic planning, and monitoring. OWEB staff worked with the Klamath Tribes and other core members of the Upper Klamath SIP to develop a summary document highlighting the accomplishments achieved with OWEB’s investment. The [UKSIP Accomplishments Report](#) was presented to the OWEB Board at their meeting in April 2016. This presentation included Megan Skinner of the Klamath Tribes as she shared with the Board lessons learned from a tribal perspective and next steps for continued restoration efforts in the Upper Klamath Basin.
6. **Other Grant Program Involvements.** The Confederated Tribes of the Warm Springs Reservation of Oregon is a key participant in the Upper Middle Fork John Day River Intensively Monitored Watershed and is receiving additional funding for the current federal fiscal year and state biennium for their work.

OWEB staff participate on the Confederated Tribes of the Warm Springs Reservation’s John Day restoration review team.

OWEB staff also participate in the Willamette Wildlife Mitigation Program (WWMP). The WWMP is the result of the State’s 2010 agreement with Bonneville Power Administration for mitigation for the loss of fish and wildlife habitat due to the construction of 13 dams and reservoirs on major tributaries to the Willamette River from 1946-1964. Members from Confederated Tribes of the Warm Springs, Confederated Tribes of Grand Ronde Community, and Confederated Tribes of Siletz Indians participate in the WWMP as they all have historic hunting, fishing, and trading areas in the Basin.

C. **Grant Applicants.** OWEB grants are available to a broad range of entities, including tribes. Tribes have no unique standing in the grant program, but are equal to any other applicant [ORS 541.375(1)].

In addition to eligibility on their own, tribes are often members of local watershed councils. Oregon statutes describing watershed councils, ORS 541.388, specifically identifies “federally recognized Indian Tribes” as potential members of local watershed councils.

**Promotion of Communication between OWEB and Tribes**

In 2015, OWEB initiated the first phase of a tribal outreach plan aimed at increasing the involvement of tribes in our grant programs and in our agency’s policy development. Working closely with Board Co-Chair Eric Quaempts, OWEB developed a brief survey that was sent to natural resource tribal key contacts, our current and past tribal government grantees, and the tribal representatives which sit on our review teams. This outreach effort continued into 2016 and included the interviewing of tribal employees to select a new suitable tribal representative to OWEB’s Board to be appointed by the Governor, staff presentations to the Board on tribal involvement in our programs, and staff training on tribal sovereignty. After the compilation of 2015’s survey results, OWEB is working on additional training opportunities for tribal natural resources staff on key areas of OWEB policies and programs. For example, OWEB staff have followed up with Margaret Corvi, the Natural Resources Department Director of the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Tribes to discuss how they might pursue OWEB funding opportunities and invited them to a recent training on OWEB’s new online grant applications.

OWEB staff have been active in communicating with tribes in 2016 in a number of ways. Staff attended and presented on the topic of OWEB funding opportunities at the West Coast Salmon Summit in Canyonville on September 26-29 hosted by the Cow Creek Band of Umpqua Tribe of Indians. OWEB also coordinated a field tour of restoration projects around the state for
administrators and staff from National Headquarters and the regional office of the National Marine Fisheries Service (NMFS) and the federal Office of Management and Budget in September. As part of the tour, OWEB highlighted a large-scale restoration project that was implemented by the Confederated Tribes of the Umatilla Indian Reservation near Pendleton. This tour highlighted the exemplary efforts by the tribes in Oregon to restore watersheds to support threatened salmon and steelhead.

OWEB staff coordinated with tribal Pacific Coastal Salmon Recovery Funds recipients in Oregon to advance potential projects to highlight in a report to Congress. Both of these coordination efforts ensured that Tribes receive due recognition for their efforts to restore salmon and steelhead in the Pacific Northwest.

In November, OWEB staff presented to the Legislative Commission on Indian Services Natural Resources Workgroup to share with them the recent developments related to the Oregon Agricultural Heritage Program.

In December, OWEB’s Executive Director, Tribal Liaison, and Board member Quaempts will attend the Annual Tribal Summit in Lincoln City to engage Tribal representatives and listen to them to better understand the issues that are important to them. In conformance with OWEB’s Tribal Policy, OWEB designates a staff person to operate as a Tribal Liaison for the agency. The Tribal Liaison is responsible for ensuring that OWEB’s programs and policy development adheres to our Tribal Policy. This includes coordinating program and policy notices to tribal natural resource key contacts and providing training to staff as appropriate.

Ken Fetcho, OWEB’s Effectiveness Monitoring Coordinator, has replaced Juniper Davis as OWEB’s Tribal Liaison. He has initiated planning for cultural resources protection training for OWEB’s grantees to be held in May 2017 in Pendleton. He is actively working with OWEB staff to establish a process to jointly report how OWEB and Tribes spend funding on restoration actions using NOAA’s Pacific Coastal Salmon Recovery Funds. As appropriate, OWEB’s Tribal Liaison meets internally with management staff to provide updates on government-to-government activities, and communicates about tribal interests and issues at all-staff meetings and retreats. Mr. Fetcho will present at OWEB’s all-staff retreat on November 29, 2016, to update agency personnel on the outreach activities discussed above.
This report provides the board an update on preparations for the 2017 legislative session and information about the status of OWEB’s 2017-2019 budget.

Background

The Oregon Legislature begins on February 1, 2017. Following the November 2016 election, both the Senate and House are controlled by Democrats. Peter Courtney remains as Senate President and Tina Kotek as House Speaker. On January 9-11, the Legislature held Organizational Days to organize and prepare for the session. In addition, the Legislative Leadership has established committees and assigned members. Attachment A includes a list of relevant natural resources committees (including chairs and members).

The Oregon Legislature approves budgets for state agencies on a biennial basis. In preparing for the next biennium, budgets are structured so that each agency’s Current Service Level (CSL, or “base”) budget is recalibrated and submitted without need for specific policy description or justification. Any resources requested to be added to the base budget by agencies must be identified separately with full policy narratives and justification of funds requested. The requested additions to an agency’s base budget are called “Policy Packages” or POPs. In preparation for the 2017-2019 budgeting process, the Governor and the Department of Administrative Services (DAS)’s Chief Financial Office (CFO) provided instructions to guide agency development of Policy Packages.

Governor’s Recommended Budget and Next Steps

The Governor’s Office finalized the Governor’s state budget recommendations, known as the Governor’s Recommended Budget (GRB), and released this document on December 1, 2016. This budget proposal includes agency POPs that reflect the Governor’s priorities and initiatives. The GRB is the starting point for agency budget discussions at legislative hearings. During the session, agencies may advocate for their individual POPs only to the extent that these are included in the GRB.

Attachment B contains a brief summary of the OWEB’s budget. OWEB’s budget primarily relates to the Governor’s ‘Responsible Environmental Stewardship’ focus area. The GRB retains nearly all of the components of the Program Continuity package requested by OWEB, including four positions (i.e., River Basin/Native Fish Partnerships Coordinator, Coast Coho/Clean Water Partnerships Coordinator, Conservation Outcomes Coordinator, and Conservation Outcomes Specialist) and rental costs for the North Coast field office. The Governor’s Budget also includes staffing and grant funds in support of forest collaborative grant-making on behalf of the Oregon Department of Forestry (ODF), using Other Funds provided by ODF to OWEB. Policy packages requested by OWEB, but not included in the GRB are program enhancement funding for contracted services and funding related to the Oregon Agricultural Heritage Program.

At the writing of this report, staff are updating budget documents to reflect the Governor’s Budget. These documents will be submitted to DAS CFO prior to session. In addition, by
December 31, 2016, the Legislative Fiscal Office has requested that agencies provide reduction options from CSL in 5% increments up to 15%.

In February of 2017, the Legislature convenes to consider the GRB and initiate the legislative budget development process. The first phase of the budgeting process—agency budget presentations during legislative hearings—occurs between early February and early April. As needed, additional discussion of budgetary issues may occur through early May. Work sessions with the Natural Resources Subcommittee of the Ways and Means Committee may occur anytime after agency budget hearings are completed.

**OWEB Legislative Concepts**

Over the spring and summer of 2016, OWEB developed two legislative concepts for consideration by the Governor’s Office. The Oregon Agricultural Heritage Program (OAHP) legislative concept was not approved by the Governor’s Office, while the legislative concept to revise OWEB’s statutes was approved to move forward.

The OAHP was not included in the GRB and, at this point in time, is not considered one of the Governor’s priorities. The OAHP work group has elected to move the legislative concept forward through legislative sponsorship. If the legislation establishing the OAHP is passed and signed into law during the session, the program would be established at OWEB.

The legislative concept to revise OWEB’s statutes has been assigned to the House and has been provided a number: House Bill (HB) 2327. If approved, HB 2327 will provide cleanup and updates to sections OWEB statutes including the Oregon Plan, Oregon Plan administration, Watershed Enhancement Program, and Reports. The statute revisions are intended to include additional language that will revitalize certain statutes and remove aspects of the statutes that are no longer relevant. Some statutes for which repeal or revisions are recommended no longer apply due to statutory changes made by the legislature in previous years, while others reflect changes to the way OWEB serves the public.

In addition to general statutory cleanup, the bill provides two substantive changes related to 1) adding U.S. Fish and Wildlife Service as an ex-officio member to the OWEB Board, and 2) removing language that allows DAS to provide liability coverage for watershed councils, based on the fact that OWEB is putting in place stronger requirements for all grantees. Staff will update the Board at the January meeting about this and any other potential concepts that are of relevance to the agency.

**Staff Contact**

If you have questions or need additional information, contact Renee Davis, Deputy Director, at renee.davis@oregon.gov or 503-986-0203, or Eric Hartstein, Senior Policy Coordinator, at eric.hartstein@oregon.gov or 503-986-0029.

**Attachments**

A. Natural Resources Committees
B. Budget and Legislative Handout
## 2017 Oregon Legislature

**OWEB-Related Committee Assignments**

### Senate Environment and Natural Resources Committee

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### House Agriculture and Natural Resources Committee

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### House Energy and Environment Committee

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Joint Ways and Means Natural Resources Subcommittee

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</tbody>
</table>
OREGON WATERSHED ENHANCEMENT BOARD
2017-2019 Governor’s Budget and Agency Legislation

<table>
<thead>
<tr>
<th></th>
<th>2015-2017 Legislatively Adopted Budget</th>
<th>2017-2019 Governor’s Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Lottery Funds</td>
<td>$62,482,687</td>
<td>$72,300,559</td>
</tr>
<tr>
<td>Other Funds</td>
<td>$3,553,093</td>
<td>$3,781,360</td>
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<tr>
<td>Federal Funds</td>
<td>$37,274,113</td>
<td>$41,668,724</td>
</tr>
<tr>
<td>Total Funds</td>
<td>$103,309,893</td>
<td>$117,750,643</td>
</tr>
<tr>
<td>Full-Time Equivalent (FTE)</td>
<td>34.25</td>
<td>32.99</td>
</tr>
</tbody>
</table>

HB 2327 OWEB Statute Revisions

In addition to general clean-up, HB 2327 includes the following revisions to OWEB statutes:

- Adding a representative of the U.S. Fish and Wildlife Service (USFWS) as a non-voting member of the OWEB Board. USFWS plays an important role in funding and implementing watershed enhancement projects across the state, and the addition of a USFWS representative to the Board will provide important guidance to the agency on a broad array of issues.

- Repealing language in statute that the Department of Administrative Services (DAS) may provide liability coverage for watershed councils at the expense of OWEB, and replacing with language requiring grantees to obtain liability insurance. The liability coverage provided by DAS is limited, and OWEB staff is working with stakeholders to ensure grantees obtain appropriate levels of liability insurance commensurate with activities.

- Repealing the requirement for other natural resource agencies to provide written reports related to the enhancement or restoration of riparian areas or associated uplands to OWEB to assist in developing and maintaining a centralized repository. The widespread use of the Internet has made this requirement unnecessary, as reports are posted on agency websites and other information clearinghouses found online.

- Repealing elements in OWEB statutes related to Oregon Plan status reporting on watershed and key habitat conditions in each drainage basin in the state. The State does not have data or resources to adequately address this biennial status reporting requirement in a geographically consistent manner.

2017–2019 Critical Budget Issues

Program Continuity – Provides capacity to effectively deliver grants, manage operations of 17-member board and stay abreast of emerging funding opportunities while reporting accomplishments of OWEB investments.

- NRS4 – River Basin/Native Fish Partnerships Coordinator (FF: PCSRF/BPA). Manages three current Focused Investment Partnerships: the Upper Deschutes, the Upper Grande Ronde, and the Willamette Mainstem Anchor Habitat. $271,143
- **NRS4 – Coast Coho/Clean Watershed Partnerships Coordinator (FF: PCSRF).** Manages five current programs: Water Acquisitions grant program, Strategic Investment Area grant program, the Coastal Wetlands grant program, the Conservation Reserve Enhancement Program’s technical assistance work, and the Coastal Coho Business planning effort. $242,397

- **NRS-4 - Conservation Outcomes Coordinator (FF: PCSRF).** Limited duration; measures and reports on ecological, economic, and social outcomes resulting from OWEB grant investments at the landscape level. Coordinates with various agencies and stakeholders to implement the Conservation Effectiveness Partnership and similar initiatives (including those with a connection to salmon habitat and recovery), and develop metrics and evaluation methods. $234,740

- **NRS-3 - Conservation Outcomes Specialist (LF: Ops).** Limited duration; measures and reports on ecological, economic, and social outcomes resulting from OWEB grant investments at the landscape level. $198,165

- **Office Rent (LF: Ops).** Biennial rent, Region 1, to share office space with Oregon Department of Geology and Mineral Industries in Newport. $12,000

**Federal Forest Health Policy Packages –**

- **Additional Grant Funds:** This policy package proposes to allow OWEB to receive and allocate funds up to $750,000 (OF), should additional funds be appropriated by the Legislature, for grants to forest collaboratives under the State’s Federal Forest Health Program in conjunction with the Oregon Department of Forestry (ODF).

- **Federal Forest Health Grant Administration (shift from LF: Ops to Other).** This policy package provides limited support and duration; continues grant management of Federal Forest Health program in coordination with ODF.

**Carry Forward –** This policy package proposes to extend expenditure limitation for non-lottery fund grants that have been awarded and continue to be active. This will allow funds for these grants to be expended in the 2017-19 biennium. $16,400,000

**Lottery Funds: Measure 76 Grant Funds –** This policy package provides the budget vehicle for Measure 76 grant funds for the next biennium. These are the primary source of grant funds for OWEB and are used to support a wide variety of grants, including watershed council and soil and water conservation district capacity, restoration, acquisition, technical assistance, monitoring and outreach. $65,329,830
This report provides the board an update on rulemaking to update the OWEB Grant Program (Division 5) and Restoration Grants (Division 10) administrative rules.

Background
During the spring and summer of 2016, staff conducted a review of several OWEB administrative rule divisions. After completing the rule reviews, staff recommended changes to certain administrative rules.

Staff have proposed changes in the OWEB Grant Program rules (Division 5) in the purpose section, application requirements, grant agreement conditions, and distribution of funds. Proposed rule changes in Division 5 range from technical clean-up (e.g., not requiring applicant provide a fax number on grant proposals) to more substantive, policy changes (e.g., removing “a person” from OWEB grant eligibility).

In the Restoration Grants rules (Division 10), substantial changes are recommended to the evaluation criteria. Staff have also recommended changes to the evaluation criteria utilized by the regional review teams.

At its October 2016 meeting, the board authorized rulemaking to amend the OWEB Grant Program and Restoration Grants administrative rules.

Rules Advisory Committee
On December 16th, OWEB convened a rules advisory committee (RAC) to discuss both the technical and substantive policy-oriented rule change proposals. The RAC is composed of stakeholders representing OWEB applicants and grantees from across the state. Attachment A provides the members of the RAC, whose purpose is to provide feedback on the proposed rule changes and offer recommendations for staff to consider when drafting final rules. For the proposed technical fixes to administrative rules, the RAC had broad agreement that the proposed changes were appropriate. There was also agreement on many of the proposed policy changes, with much of the discussion centered around language to be used in the Restoration Grants evaluation criteria, including new criteria proposed by the RAC. The RAC provided valuable insights that, at the time of this staff report, are being summarized to be brought before OWEB staff for further review.

Next Steps
After OWEB staff have an opportunity to review the comments and suggestions offered by the RAC, a refined draft will be provided to the RAC over the winter for discussion. Once final input has been gathered from the RAC, OWEB staff will file appropriate notices with the State, before
seeking board approval of the amended rules at its April 2016 meeting. If approved by the board, the amended rules would be effective within weeks after the board action.

**Staff Contact**
If you have questions or need additional information, contact Eric Hartstein, Senior Policy Coordinator, at eric.hartstein@oregon.gov or 503-986-0029.

**Attachments**
A. Rules Advisory Committee Members
## OWEB Division 5 and 10 Rulemaking: Rules Advisory Committee Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seth Mead</td>
<td>Siuslaw SWCD</td>
<td>1</td>
</tr>
<tr>
<td>Brian Barr</td>
<td>Rogue River WC</td>
<td>2</td>
</tr>
<tr>
<td>Sarah Dyrdahl</td>
<td>Middle Fork Willamette WC</td>
<td>3</td>
</tr>
<tr>
<td>Deb Merchant</td>
<td>Marys River WC</td>
<td>3</td>
</tr>
<tr>
<td>Shilah Olson</td>
<td>Wasco SWCD</td>
<td>4</td>
</tr>
<tr>
<td>Marci Schreder</td>
<td>Lake County Umbrella WSC</td>
<td>4</td>
</tr>
<tr>
<td>Ken Diebel</td>
<td>Malheur WC</td>
<td>5</td>
</tr>
<tr>
<td>Amy Charette</td>
<td>Confederated Tribes Warm Springs</td>
<td>6</td>
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</table>
This report provides an update about the agency’s development and distribution of the 2015-2017 Biennial Report on the Oregon Plan for Salmon and Watersheds (Biennial Report). The 2015-2017 Biennial Report was submitted to the Legislature and Governor’s Office on January 15, 2015. The report, and additional supporting information, is also available online.

Background
Oregon Revised Statute 541.972 requires OWEB to submit a biennial report that assesses the statewide and regional implementation and effectiveness of the Oregon Plan for Salmon and Watersheds to the Governor and appropriate committees of the Legislative Assembly. The report must address each drainage basin in the state and include information about watershed and habitat conditions, voluntary restoration activities, Board investments, and recommendations from the OWEB Board for enhancing effectiveness of the Oregon Plan, among other topics. At the October 2016 meeting, the Board approved its recommendations for inclusion in the Biennial Report.

Biennial Report Format
The 2015-2017 Biennial Report maintains major aspects of the framework used for past Oregon Plan Biennial Reports. As required by the Legislature, a two-page Executive Summary is available both electronically and in hard copy. The 2015-17 Biennial Report consists of four primary sections:
1) a two-page Executive Summary;
2) an overview of investments and accomplishments associated with the Oregon Plan for Salmon and Watersheds, including highlights of coordinated actions around the state and programs of natural resources agencies implementing aspects of the Oregon Plan;
3) Data and information about each of the 15 Oregon Plan reporting basins; and
4) Recommendations from the OWEB Board.

This biennium’s report reflects a streamlining of content (e.g., providing links to ensure up-to-date information available from other agencies implementing the Oregon Plan). The streamlined approach provides a simpler product for the audience to understand how the Oregon Plan for Salmon and Watersheds is working, in addition to complying with the Oregon Department of Administrative Services’ “State Agencies Website Guidelines for Usability and Accessibility.”

The Executive Summary is available online and in hardcopy. A longer PDF, consisting of the four aforementioned sections, is available online via OWEB’s website as of mid-January of 2017 at www.oregon.gov/OWEB/Pages/BiennialReport.aspx.
Staff Contact
If you have questions or need additional information, contact Renee Davis, Deputy Director, at renee.davis@oregon.gov or 503-986-0203.

Attachments
A. OWEB Biennial Report 2015-2017 Executive Summary (to be provided at the January 2017 Board meeting)
From rural landowners to urban residents, Oregonians value watersheds as a key to our quality of life in Oregon. This care and commitment helps drive on-the-ground projects that aim to improve water quality and restore habitat for native fish and wildlife. Since 1997, the Oregon Plan for Salmon and Watersheds, or ‘Oregon Plan,’ has guided these efforts. The Oregon Plan provides a statewide framework for restoration and conservation of the state’s watersheds and fish and wildlife habitats, while at the same time supporting local economies and enriching Oregon’s communities through local, voluntary restoration. Pursuant to Oregon Revised Statute 541.972, the Oregon Plan Biennial Report describes activities implemented under the plan for the 2015-2017 biennium. This Executive Summary of the Biennial Report highlights key investments and accomplishments over the past two years; coordinated actions among Oregon Plan partners and agencies; and recommendations from the Oregon Watershed Enhancement Board (OWEB) about future work. The full report can be found online (http://www.oregon.gov/OWEB/Pages/BiennialReport.aspx) and includes information about each region of the state, as well as additional details about the activities and accomplishments summarized below.

**2015-2017 INVESTMENTS AND ACCOMPLISHMENTS**

Total funding for watershed enhancement projects in Oregon was over $125 million during the 2015-2017 Biennium. This total includes funding provided by OWEB from the Oregon Lottery, the Pacific Coastal Salmon Recovery Fund (PCSRF), salmon license plate revenues, and other sources. PCSRF, funded by NOAA Fisheries, remained an important contributor to Oregon’s restoration efforts. Significant funding to match these dollars is provided by other funders, agencies and partner organizations, increasing the impact of OWEB funding throughout the state.

Partners under the Oregon Plan are as important and diverse as the actions they undertake to benefit salmon and watersheds. These partners include landowners, non-profit organizations, tribes, local businesses, individuals, and all levels of government, each contributing to collaborative investments designed to support priority actions across the state.

<table>
<thead>
<tr>
<th>Watershed Metric</th>
<th>OWRI</th>
<th>BLM</th>
<th>USFS</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Riparian Miles (e.g., streamside plantings)</td>
<td>313.7</td>
<td>61</td>
<td>116.4</td>
<td>491.1</td>
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<tr>
<td>Instream Habitat Miles (e.g., wood placement)</td>
<td>160.2</td>
<td>-</td>
<td>-</td>
<td>160.2</td>
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<tr>
<td>Miles of Fish Habitat Made Accessible</td>
<td>165</td>
<td>23</td>
<td>148.3</td>
<td>336.3</td>
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<tr>
<td>Stream Crossings Improved for Fish Passage</td>
<td>138</td>
<td>26</td>
<td>52</td>
<td>216</td>
</tr>
<tr>
<td>Push-up Dams Retired to Improve Fish Passage</td>
<td>18</td>
<td>-</td>
<td>-</td>
<td>18</td>
</tr>
<tr>
<td>Fish Screens Installed on Water Diversions</td>
<td>62</td>
<td>-</td>
<td>-</td>
<td>62</td>
</tr>
<tr>
<td>Upland Acres (e.g., juniper thinning, seeding)</td>
<td>76,394</td>
<td>-</td>
<td>-</td>
<td>76,394</td>
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<tr>
<td>Wetland Acres (e.g., wetland habitat created)</td>
<td>2,758.7</td>
<td>-</td>
<td>-</td>
<td>2,758.7</td>
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<tr>
<td>Miles of Road Closures</td>
<td>17.9</td>
<td>4</td>
<td>169.6</td>
<td>191.5</td>
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<tr>
<td>Miles of Road Improvements (e.g., erosion control)</td>
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<td>351</td>
<td>106</td>
<td>515.2</td>
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<tr>
<td>Miles of Riparian Invasive Treatments</td>
<td>628.2</td>
<td>-</td>
<td>-</td>
<td>628.2</td>
</tr>
</tbody>
</table>

Watershed restoration activities completed from 1/1/14 to 12/31/15 as reported to the Oregon Watershed Restoration Inventory (OWRI), maintained by OWEB; U.S. Bureau of Land Management (BLM); and U.S. Forest Service (USFS).

Grants awarded by OWEB, the amount of matching funds contributed by grant participants, and the percentage of match funds contributed by different categories of participants.
Coordinated Agency Actions

State natural resource agencies that support the Oregon Plan recognize the value of shared approaches. Collaboration across these agencies continued throughout the 2015-2017 biennium on several key interagency initiatives, including (but not limited to):

- The Sage-Grouse Conservation Partnership (SageCon), which brings together landowners, agencies and interest groups to identify and address threats to sagebrush habitats and the species that rely on them, implementing the Oregon Greater Sage-Grouse Action Plan (2015);
- The Conservation Effectiveness Partnership, a collaborative effort among multiple state and federal agencies that aims to describe the effectiveness of cumulative conservation and restoration actions in achieving natural resource outcomes through collaborative monitoring, evaluation and reporting;
- Agricultural landowners engaging in innovative and results-oriented water quality improvements with assistance from Oregon Department of Agriculture’s Strategic Implementation Areas initiative;
- Ongoing implementation of Oregon’s Integrated Water Resources Strategy (led by the Oregon Water Resources Department) and the state’s Federal Forest Health Program (led by the Oregon Department of Forestry);
- The first update to the Oregon Conservation Strategy in 2016; and
- Initial implementation of Oregon Department of Fish and Wildlife’s Multi-Species Coastal Management Plan for salmon and other native fish.

Additional information about coordinated actions around the state focused on monitoring water quality and quantity, fish populations, and habitat, are described in the Biennial Report, along with details about other Oregon Plan agency programs.

From the OWEB Board

To date during the 2015-2017 biennium, OWEB has invested significant effort in turning past recommendations into reality, awarding over $13 million in operating capacity grants; over $45 million in Open Solicitation grants; nearly $14 million in Focused Investment Partnerships; launching a new online grant application system; and continuing to support monitoring and reporting on all aspects of the Oregon Plan.

The OWEB Board now is embarking on an update to its 2010 Strategic Plan, which provides an opportunity for the agency to strategically look at its programs and granting decisions, and consider how best to address new challenges and seize upon new opportunities over the long term.

OWEB Board Recommendations

- Continue to invest in local organizational capacity via OWEB’s Operating Capacity grant-making and locally driven, high-priority projects—including working lands approaches on both forestry and agricultural lands around the state—through Open Solicitation grants, along with effectiveness monitoring of these investments.
- Make programmatic investments that contribute to the conservation and recovery of native fish and wildlife and their habitats through coordinated, large-scale programs. Examples include:
  - Invest in future Focused Investment Partnerships and associated monitoring and tracking of progress by these partnerships.
  - Continue OWEB’s commitment to greater sage-grouse habitat restoration by investing $10 million between 2015 and 2025.
  - Assist with the implementation of the federal recovery plan for Oregon Coast Coho Salmon by supporting development of strategic action plans in support of coho restoration work.
- Support the Clean Water Partnership, a Governor’s Office initiative, by developing partnerships with other state and federal agencies to improve the use of water-quality data to inform conservation and restoration investments and develop tools to improve water quality and streamside health on agricultural lands. For example:
  - Agency staff continue to participate in the Conservation Effectiveness Partnership, which brings together federal and state agencies to evaluate the effects of conservation and restoration investments on water quality and watershed condition.
- Support Oregon’s forest health by administering grants to forest health collaboratives in partnership with Oregon Department of Forestry.
- Work to retain key staff positions that support OWEB’s partnership investments and quantification of conservation outcomes.
- Support Oregon’s working farms and ranches in coordination with agriculture and conservation organizations to identify approaches to keep working lands in agriculture while supporting fish, wildlife and other natural resource values.
In April 2016, the Board awarded $302,823 to Bonneville Environmental Foundation (BEF) for FIP Monitoring, including a progress monitoring framework for Implementation FIPs and the Partnership Learning Project. This report provides a status update.

Background
OWEB’s investments in FIP Implementation and Capacity Building are approaches to support restoration at a strategic scale and build resilient, sustainable partnerships able to strategically plan and implement effective restoration projects. This approach provides an opportunity to learn about the progress and outcomes possible under six-year investments in Implementation partnerships, and to document lessons learned about partnership development from both Capacity Building and Implementation FIPs. Information will be used to adaptively manage partnership investments. OWEB staff meet regularly with the BEF team to develop and begin implementation of both the Progress Monitoring Framework and Partnership Learning projects.

Progress Monitoring Framework for Implementation FIPs
The structure and process for developing Progress Monitoring Frameworks with each of the Implementation FIPs has been finalized and implementation has begun. The framework consists of a results chain (a graphical representation of the partnership’s theory for how strategies are expected to produce long-term ecological impacts) and a crosswalk matrix that documents and tracks both implementation measures and ecological outcomes.

The project team has developed draft results chains for each of the Implementation FIPs using each partnership’s FIP application, Strategic Action Plans and other supporting documents. This, along with the crosswalks, have been presented and discussed with four FIPs, with the remaining FIPs to be scheduled soon.

Partnership Learning Project
The purpose of the Partnership Learning Project is to gain insight into what is needed for a partnership to thrive by reflecting on the success and challenges across all FIP partnerships. Jennifer Arnold of Reciprocity Consulting is reaching out to all currently funded FIPs to invite reflections and feedback through phone calls, online surveys, and in-person meetings.

All aspects of the Partnership Learning Project’s engagement approach are currently being implemented. Jennifer Arnold has attended meetings of three capacity building partnerships and initiated or completed online surveys with two partnerships. She has also conducted one-on-one interviews, with an ultimate target of 1-4 interviews for each of the 14 partnerships.
This phase of the project will continue with all the Capacity Building partnerships into the early spring. At that point, Jennifer will shift her focus on Implementation FIPs.

The results from interviews and interactions with each of the partnerships are confidential in order to facilitate honest communication and reflection. The BEF team will provide a summary report to the Board in July of 2017.

**Staff Contact**

If you have questions or need additional information on the Progress Monitoring Framework Project, contact Renee Davis, Deputy Director, at renee.davis@oregon.gov or 503-986-0203. If you have questions or need additional information on the Partnership Learning Project, contact Courtney Shaff, Capacity Coordinator, at courtney.shaff@oregon.gov or 503-986-0046.
MEMORANDUM

TO:        Oregon Watershed Enhancement Board
FROM:      Eric Williams, Grant Program Manager
SUBJECT:  Agenda Item J – Other Business – Outreach Rules Advisory Committee
          January 24, 2017 Board Meeting

I. Introduction
   This report requests the Board approve a Rules Advisory Committee to update
   OWEB’s Outreach grant program rules.

II. Background
   In 2010, the passage of Oregon Constitutional Ballot Measure 76 (M76) resulted in
   a change to both the constitution and OWEB’s accompanying statutes regarding
   education. As a result of this new language, OWEB is no longer authorized to fund
   education grants with M76 grant funding.

   As the OWEB Board developed the Long Term Investment Strategy (LTIS) in 2012-
   13, they identified this as an area that needed to be updated in OWEB’s granting
   programs. Recognizing the heavy workload involved with other components of M76
   and LTIS implementation, the Board recommended making changes to the outreach
   program in the 2015-17 biennium.

   The Board’s outreach subcommittee has been meeting since November to discuss
   this issue. As a part of their discussion, they have established a work group to
   provide assistance in designing a new application to meet M76 grant requirements.

III. Recommendation
   OWEB has current rules (Division 15) that speak to the agency’s ‘Education and
   Outreach Grants’. As a result of the process outlined above, these rules will need to
   change. In the interest of expediency, staff request the board designate the
   outreach work group as a Rules Advisory Committee and authorize rulemaking to
   develop rules to mirror the new outreach application and associated process.