

2021-2023 Guidance for Outcome-Based Watershed Council Operating Capacity Grants: Watershed Councils NOT funded in the 2019-2021 Biennium

How to use this Guidance

On July 29, 2014, the OWEB Board adopted 1) Oregon Administrative Rules 695-040-0010 through 0150 for Outcome-Based Watershed Council Operating Capacity Grants (Council Capacity Grants), and 2) this Guidance document. OWEB staff will use this Guidance in administering the Council Capacity Grant program.

A watershed council that wants to apply for a Council Capacity Grant should read this Guidance to determine:

- Whether the council is eligible to apply,
- How to apply,
- How the application and the council will be evaluated, and
- How funding decisions are made.

Guidance Updates

This Guidance will be periodically updated by the OWEB Board as needed. The Board delegates to OWEB staff the authority to make non-policy updates, such as deadlines for eligibility and application materials; staff contact information; website links; and correction of typos and errors.

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Chapter 1: Background and Definitions

Background

Operating Capacity Investments are a core element of OWEB's 2018 Strategic Plan and 2013 Long-Term Investment Strategy. Council Capacity Grants:

- Help support operating costs of effective watershed councils;
- Are performance and outcome-based; and
- Contain high standards for eligibility, reporting and accountability.

OWEB envisions a statewide watershed restoration system that is resilient, sustainable and achieves ecological outcomes. Experience gained from supporting watershed work since 1997, and studies of successful watershed groups, demonstrate this vision can be achieved with watershed councils that:

- Are strong organizations with access to diverse skillsets.
- Have broad and deep support from local and regional communities.
- Engage a balance of interested and affected people, businesses, and communities in their watershed to participate in voluntary, cooperative conservation.
- Secure diversified funding and/or build strategic collaborations with other councils and/or natural resource groups to increase collective local capacity.

Definitions

These terms are used throughout this Guidance. Additional definitions are provided in Council Capacity Grant rules OAR 695-040-0020.

1. **Coordinating council:** A council that provides support to, and coordinates the work of, multiple councils. The coordinating council's governing body includes at least one member from each council participating in the coordinating council.
2. **Membership organization:** An organization with a defined group of individuals who play a role in the governance of the organization (i.e., by voting for a board of directors or other governing body that is responsible for the governance of the council).
3. **Local government:** Defined in ORS 174.116(1)(a) as all cities, counties and local service districts located in this state, and all administrative subdivisions of those cities, counties and local service districts.
4. **Council's governing body:** Means the group of people who have the responsibility to a) ensure that the council meets legal requirements, b) support successful achievement of the council's goals, and c) create a structure, policies, and procedures that support good governance.
5. **On-the-ground watershed restoration:** Means projects intended to 1) protect or restore native fish or wildlife habitats and 2) projects to protect or restore natural watershed functions to improve water quality or stream flows.
6. **Organizational development and management:** Activities with the objective of improving the council's organizational effectiveness and health.

7. **Progress (as used in merit criteria 2-4):** Means actions that demonstrate forward movement toward an overarching goal or objective. Progress is not measured by the number of actions, but by demonstrated forward movement on the identified actions.
8. **Stakeholder engagement:** Activities with the purpose to communicate and build ongoing, permanent relationships with landowners, organizations, and the community in the watershed for the purposes of carrying out eligible restoration and acquisition projects, or programs that lead to development of eligible projects.

Chapter 2: How to Apply

REQUIRED CONSULTATIONS: Councils interested in applying must first complete a consultation with OWEB staff. Consultations can be scheduled by emailing Courtney.Shaff@oregon.gov. Consultations will be from December 21, 2020 – January 29, 2021. No consultations will be scheduled after January 29, 2021. Councils are required to provide the following documents to OWEB 1 week before the scheduled consultation:

- Current list of council governing board members, including officers
- Bylaws
- Policies and Procedures
- Documentation of Local Recognition
- Council Adopted Action Plan

APPLICATION WINDOW: December 21, 2021- March 11, 2021.

Applications are only accepted through OWEB's Online Application System.

Applicants must complete all sections of the online application.

An OGMS login is required to access the online grant application. If no login exists for an organization, please [email Leilani Sullivan](mailto:Leilani.Sullivan@oregon.gov) at Leilani.Sullivan@oregon.gov to request one.

Online Application: <https://apps.wrd.state.or.us/apps/oweb/oa/>

Guidance to help you fill out the application is always available in the top navigation bar of the online application. An application template is also available after you log in and choose "Create a New Application."

Chapter 3: Eligibility Criteria and Review

Purpose of Eligibility Criteria

Eligibility criteria define how OWEB will determine whether a watershed council is eligible to apply for a Council Capacity Grant. The eligibility criteria do not limit or control the existence or creation of watershed councils. Watershed councils may form according to ORS 541.910 and 541.890(15); however, OWEB shall not review an application for a Council Capacity Grant unless OWEB determines the council or group of councils meets the eligibility criteria.

Eligibility criteria seek to ensure that OWEB's council capacity investment:

- Is an effective and accountable use of public funds;
- Supports councils that meet the intent of Oregon statutes defining watershed councils; and

- Encourages strategic collaboration to build collective local capacity for watershed restoration.

Eligibility Criteria

Local government designation as a watershed council

1. OWEB will determine local government designation by reviewing the local government ordinance or minutes of a local government action and reviewing the map of the geographic area designated by the county.
2. For watershed councils previously awarded a Watershed Council Support Grant, the council shall be designated as a watershed council by a local government.
3. For new or reorganized watershed councils, the council shall be designated as a watershed council by a county commission, county board, or county court. The documentation submitted to OWEB shall include a map of the geographic area designated by the county commission, board, or court.

Geographic Area and Population

1. A geographic area served by a council or group of councils can change. However, to be eligible, OWEB shall determine that a council or group of councils serves an area:
 - a. In which a council or group of councils previously received a Watershed Council Support Grant or Council Capacity Grant; and
 - b. That is the same or larger than the geographic area served by a council or group of councils as of July 1, 2013. To make the determination of “the same or larger,” OWEB shall use the OWEB Watershed Council Map, which was updated in June 2014 to correct council boundaries based on information supplied by councils; and
 - c. That includes a minimum population of 500 individuals within its designated boundary or boundaries.
 - i. If there is a question on population OWEB will use the most current U.S. Census Bureau’s census block shapefile for the state of Oregon and if necessary, absentee landowner information from county records.
2. No more than one applicant shall be eligible in the same geographic area.

Council Action Plan Adopted by Governing Body

OWEB shall determine whether the council has a Council Action Plan by reviewing the plan(s) and evidence of governing body adoption on file in OWEB’s records, and determining whether the plan(s) meet the minimum criteria described below.

A Council Action Plan is NOT a watershed assessment and is not the 2 year council capacity work plan. Action plans are living documents that will change over time as projects are implemented and new priorities arise. At a minimum, the plan or set of plans need to identify and prioritize ecological problems the council seeks to address, and voluntary on-the-ground watershed restoration activities the council will conduct to address those problems. The plan(s) can either be for the entire watershed or for sub watersheds, depending on the focus areas of the council. Council Action Plans may also contain other goals and objectives such as stakeholder engagement efforts, monitoring, and funding strategies for priority restoration work.

Organizational Structure and Business Operations

OWEB shall review the bylaws or charter and policies and procedures (“governing documents”) to determine whether they contain the required topics. [OAR 695-040-0030(5)]

OWEB shall also determine whether the governing documents were adopted by the council’s governing body. Acceptable evidence of governing body adoption is (a) Meeting minutes that describe the governing body’s adoption of the governing documents; or (b) A signature page contained within the governing documents and signed by the Board Chair or Secretary, dated, and indicating the action taken by the governing body.

OWEB will also determine when the council last reviewed its bylaws and policies and procedures. **Beginning in the 2023-2025 biennium OWEB will require council’s governing body to formally review these documents once every three years.**

OWEB Determination

Council governing documents shall cover all topics in OAR 695-040-0030(5) in order for OWEB to determine the council is eligible to apply.

Topics Covered in Current Bylaws or Charter

1. Council Mission

A council may have multiple purposes in its mission. However, at a minimum, the bylaws or charter shall indicate that “a primary purpose of the council is to work collaboratively with communities and landowners to develop and carry out voluntary watershed protection, restoration, enhancement, and stakeholder engagement activities.”

2. Governing Body and Officers

The bylaws or charter shall contain the following topics:

- a. How the governing body is selected;
- b. Titles of officers, e.g., Chair, President, Secretary, Treasurer;
- c. How officers are selected;
- d. Who is eligible for the governing body;
- e. Who is eligible to be an officer;
- f. Length of service on governing body;
- g. Length of service for officers;
- h. Powers of governing body;
- i. Powers of officers;
- j. Minimum number or frequency of governing body meetings;
- k. Decision making process of governing body; and
- l. A statement that the council intends its governing body to include a diverse range of geographic areas and community interests in the watershed in order to engage a balance of interested and affected persons within the watershed as required by ORS 541.910(2).

3. Process for Amending Bylaws or Charter

The bylaws or charter shall describe a process for amending the bylaws or charter.

4. Membership Organization Provisions

If the council is a membership organization, the bylaws or charter shall also include the following topics:

- a. Who is eligible for watershed council membership;
- b. Minimum frequency of council membership meetings;
- c. The decision making role of the membership; and
- d. Mechanisms to remove members from the watershed council or terminate the voting rights of members. The bylaws or charter may provide for either removal or voting right termination, or provide for both.

Topics Covered in Current Policies and Procedures

1. **A list of the geographic areas and community interests** the council intends to include on its governing body in order to engage a balance of interested and affected persons within the watershed pursuant to ORS 541.910(2).
2. **A policy that the council operates as an open and inclusive organization.** The policy shall include at a minimum the following elements:

Inviting the public to council meetings, and

The council, upon request, provides the public with meeting agendas and records of decisions. This does not include personnel discussions and actions.

3. **A policy that the council, or its fiscal sponsor, uses Generally Accepted Accounting Principles (GAAP).**
4. **A policy that the council does not rely on litigation** to compel regulatory enforcement as a means to implement the council's mission.

Reason: Council Capacity Grants help support councils that engage people and communities to participate in collaborative, voluntary restoration and protection of native fish or wildlife habitat and natural watershed functions to improve water quality or stream flows. The role of watershed councils is to bring people together to solve problems.

Councils that use litigation to pursue protection, enhancement or restoration of watershed health (for example, litigation to enforce environmental regulations) are not eligible for Council Capacity Grants.

Litigation necessary to enforce contracts is not considered litigation to compel regulatory enforcement as a means to implement the council's mission.

Chapter 4: OWEB Eligibility Review

Eligibility Review

OWEB staff shall complete the eligibility review of Council Capacity grant applications and notify all councils of the results within one week of the application deadline. Councils determined to be ineligible may appeal to OWEB's Executive Director through the process described below.

Appeal Process

If a council disputes the determination it is not eligible to apply and wishes to appeal, it may appeal to the OWEB Director (OAR 695-040-0090(2)). The appeal shall follow all of the requirements below.

- Appeal by the Deadline: April 1, 2021.

- **Appeal Materials:** The council's appeal letter and any attachments shall be sent to OWEB by delivery service that provides documentation of receipt (e.g., email that includes receipt of delivery confirmation, or registered or certified letter). To be considered, the letter shall be received by OWEB by the appeal deadline. Letters of support will not be reviewed and should not be submitted.
- **Appeal Review and Decision:** OWEB's Executive Director will review the council's letter and any attached information. A council's appeal shall be granted only where the Executive Director determines the council provided clear and convincing evidence that the council meets all the eligibility criteria described in OAR 695-040-0030.

Future Eligibility Review Requests Allowed

Councils determined to be ineligible for a particular Council Capacity Grant offering may request eligibility review during future Council Capacity Grant offerings.

Chapter 5: Merit Criteria and Evaluation

Goals of OWEB's Merit Evaluation

- Ensure strategic and accountable investment of public funds;
- Encourage continuous improvement in watershed councils' organizational management, operating structure, and functions, and the planning and implementation of on-the-ground watershed protection, restoration, enhancement, and stakeholder engagement activities; and
- Ensure watershed councils are working toward strengthening their role in their watersheds through activities focusing on council resilience, leadership, collaboration, and representing a balance of interested and affected persons within the watershed as required by ORS 541.910(2).

Information Considered in Merit Review

The four merit criteria below guide OWEB's evaluation of a council's progress and performance. OWEB will consider:

- The Council Capacity Grant application.
- OWEB staff's knowledge of council performance, including information gained through the council's OWEB project grants and OWEB staff's firsthand knowledge of council activities.
- Any supplemental information provided by the council in response to OWEB's request.
- If requested by OWEB, interviews with council officers and staff.

Merit Criteria

Merit Criterion #1: Effective Governance and Management

The council has effective bylaws or charter and policies and procedures, and follows them. The council includes a balance of interested and affected persons from the watershed on its governing body. The council regularly, but at least every three years, evaluates and takes action to improve its organization including bylaws, operations and policies and procedures.

The governing body takes action to ensure the council meets legal obligations and requirements; support successful achievement of the council's goals; and create organizational structure, policies, and procedures to support good governance. The council's governing body provides effective oversight of staff and contractors.

Evidence of Effective Governance and Management

CRITERIA o-r are new for the 2021-2023 biennium.

- a. The council holds elections according to its bylaws or charter.
- b. The council holds governing body meetings according to its bylaws or charter, and its governing body meets at least four times a year.
- c. The council operates as an open and inclusive organization according to its policies and procedures, including inviting the public to council meetings by publishing its meeting schedule in advance of meetings in a manner that provides adequate notice to the general public.
- d. The council, upon request, provides the public with records of its meetings and decisions.
- e. The council completes a self-evaluation or other assessment of its governing body at least once every two years.
- f. The council adopts an annual budget and regularly reviews that budget.
- g. The board regularly examines the nonprofit financial statements and discusses questions, concerns, issues, i.e. the board takes responsibility for the financial health of the nonprofit.
- h. The council has defined roles and responsibilities for its governing body and officers and follows them.
- i. The council has on file a current position description or set of deliverables for the council's executive director or coordinator.
- j. The council has personnel policies and follows them.
- k. The council coordinator or executive director is annually evaluated by the council.
- l. If the council is a membership organization,
- m. The council holds membership meetings according to its bylaws or charter, and
- n. The council membership meetings include agendas, attendance records, and records of decisions, and the council keeps this information on file and makes it available to the public upon request.

Merit Criterion #2: Progress in Planning

In planning its priority work, the council makes progress in engaging a balance of interested and affected persons in the watershed. The council uses its planning documents, such as the action plan, strategic plan, and other relevant documents, to identify and implement on-the-ground watershed restoration and stakeholder engagement projects. The council regularly evaluates its action plan and work plans and makes adjustments to respond to changes and challenges.

Evidence of Progress in Planning

- a. The council's 2-year work plan is reviewed and adopted by the council's governing body.
- b. Work plan projects are linked to the council's action plan and/or strategic plan.
- c. Council work plans are developed with consideration of the council's staffing and organizational resources.
- d. The council capacity grant application demonstrates the council is working with a mix of watershed stakeholders to plan and prioritize work to address current needs and is not operating in a manner that would alienate stakeholders. Example: working with a technical team, or a council project committee, to review and update the council's action plan(s). Regularly attending meetings of or otherwise engaging with stakeholders that do not typically participate in council activities.
- e. The council has a succession plan for board members and the executive director/coordinator.
- f. The council regularly engages in monitoring, assessments, or other actions that support using data and other watershed information to inform future restoration actions.

Merit Criterion #3: Progress in On-the-Ground Watershed Restoration

The council's actions result in progress in completing priority, on-the-ground watershed restoration work.

Evidence of Progress in On-the-Ground Watershed Restoration (at a minimum a-c below; OWEB may request additional information if there are questions or concerns about whether there is progress in on-the-ground restoration)

- a. The application demonstrates the council's actions resulted in progress toward completing priority on-the-ground restoration projects.
- b. The application demonstrates the council has a clear niche related to on-the-ground restoration within the broader watershed community.
- c. The council's on-the-ground watershed restoration activities are linked to the council's action plan, strategic plan or a partnership strategic action plan.

Merit Criterion #4: Progress in Stakeholder Engagement for Watershed Restoration Purposes

The council's actions result in progress in achieving specific stakeholder engagement objectives.

Evidence of Progress in Stakeholder Engagement (at a minimum a-c below; OWEB may request additional information if there are questions or concerns about whether there is progress in stakeholder engagement)

- a. The application demonstrates the council's actions resulted in progress toward completing stakeholder engagement activities for restoration purposes.
- b. The application demonstrates the council has a clear niche related to stakeholder engagement within the broader watershed community.
- c. The council's stakeholder engagement activities are linked to the council's action plan, strategic plan, a partnership strategic action plan or other stakeholder engagement plan.

- d. The application demonstrates the council is working to engage a broad mix of geographic areas and community interests within their watershed and not taking direct or indirect actions to alienate stakeholders.

Merit Evaluation

The merit evaluation will occur in two parts. The initial review will be completed by OWEB staff. The secondary review will include both OWEB staff and external reviewers.

Initial Review

Application materials will be initially reviewed by OWEB staff, including but not limited to:

- The Capacity Programs Coordinator;
- Regional Program staff;
- The Small Grant Program Coordinator.

OWEB staff will meet to evaluate merit by considering:

- The Council Capacity Grant application;
- OWEB staff's knowledge of the council, including but not limited to the council's history of performance on project and Council Capacity Grants.

Councils will receive a summary of the initial review and any requests for additional information by April 9, 2021.

Secondary Review

All applicants will participate in the secondary review. The secondary review will include OWEB staff and external reviewers.

The secondary review will be a virtual interview with the review panel and the council coordinator/executive director and board officers.

The virtual interview will occur the week of May 3, 2021 and last 1 hour. OWEB staff will contact the council coordinator/executive director the week of April 12, 2021 to schedule the interviews.

OWEB will send the following materials to external reviewers prior to the interview:

- Council Capacity Grant application.
- Additional information and documents provided by the council at OWEB's request.
- OWEB memo summarizing the initial merit evaluation, questions and concerns, and topic areas to be covered in the interview.

Notification of OWEB Merit Evaluation and Funding Recommendation

OWEB shall prepare brief summaries of the merit evaluations for each applicant. The evaluations and staff funding recommendations will be posted in OGMS at least 2 weeks before the OWEB Board meeting in which Council Capacity Grant awards will be considered.

Chapter 6: Board Action

Funding recommendations and Board awards

Staff funding recommendations will be based

- The merit evaluation,
- Available funding, and
- Merger Funding Policy (see attachment B).

Staff funding recommendations and Board awards

1. Full base award for councils that meet all merit criteria.

Councils meeting all merit criteria shall be placed in the highest merit category and be recommended for the same level of award.

2. Reduced base funding for councils that do not meet all merit criteria.

Councils that do not meet all merit criteria shall be placed in the reduced funding merit category and recommended for the same level of award. The reduced funding base award will be 80% of the full base award. For example, if the full base award is \$100,000, the reduced base award will be \$80,000.

3. Merger Funding for 2 or more councils that have merged.

If two or more councils successfully complete a merger, they may receive merger funding in addition to the base capacity grant award. The details of this policy and implementation process can be found in attachment B.

4. Discretion to rank Do Not Fund (inadequate performance).

OWEB has the discretion to place a council in the “do not fund” merit category. Factors OWEB will consider in this placement include:

- The council does not meet all merit criteria.
- The council’s history of performance over a period of years has resulted in little or no progress toward implementation and completion of on-the-ground watershed restoration projects.
- The council’s history of performance over a period of years has resulted in little or no progress toward implementation and completion of stakeholder engagement activities.
- The council’s history of organizational performance over a period of years has shown lack of board officer leadership, weak organizational structure, and/or poor organizational management.
- The council has made little or no progress toward implementation and completion of organizational development and management activities.

Chapter 7: Use of Funds

Council Capacity Grants help fund staff, contractors and other costs of watershed councils. All eligible costs described within OWEB’s Budget Categories Definitions and Policy document are eligible under Council Capacity Grants. If a council chooses to use council capacity grants funds for any aspect of a restoration project, it is the grantees responsibility to ensure they secure and provide to OWEB the

appropriate landowner agreements, land use forms and/or permits in advance of implementing on-the-ground work.

Outreach Activities

Measure 76 and ORS 541.956 authorize OWEB to make grants available for outreach activities that are necessary for carrying out eligible restoration and acquisition projects that protect or restore native fish or wildlife habitat or that protect or restore natural watershed or ecosystem functions in order to improve water quality or stream flows. To qualify as necessary for restoration or acquisition, the project must be tied to a specific geography, address clearly articulated habitat or watershed or ecosystem function goals for that geography, and identify a clear path toward achieving the restoration or acquisition measurable outcomes within a reasonable and specific timeframe. PROJECTS WHOSE PRIMARY PURPOSE ARE EDUCATION ARE NOT ELIGIBLE.

Chapter 8: Grant Agreement Conditions

Grant agreement conditions for all Council Capacity Grants

Send all watershed council meeting announcements to the OWEB Project Manager.

Upload the Summary Chart generated at completion of the assessment with the Council Capacity grant project completion report.

Submit a progress report to OWEB by June 30, 2022. The progress report must include:

- Documentation that the council submitted an annual report to all local government entities that designated the council. Documentation can include a meeting agenda if the report was presented in person or a copy of a sent email if the report was submitted electronically.
- The annual report that was submitted.

All councils that are placed in the reduced funding merit category will be required to submit a progress report every six months.

Other Conditions

Grant agreements may include additional conditions to support increased communication between OWEB Project Managers and the grantees when appropriate. Possible conditions include:

- Regular progress reports linked to requests for funds.
- Annual meetings between OWEB staff and the council staff and board officers to discuss progress.

Oregon Watershed Councils

North Coast Watershed Association

- *a. Ecola Creek WC
- *b. Nicolai-Wickiup WC
- *c. Skipanon WC
- *d. Youngs Bay WC

- e. Columbia Slough WC
- f. Greater Oregon City WC
- g. Johnson Creek WC
- *h. Lake Oswego WC
- *i. N. Clackamas Urban WC
- *j. Tryon Creek WC

Salem Keizer Area Watershed Councils

- *k. Claggett Creek WC
- †The North Santiam Watershed Council is also locally recognized in the Mill Creek and Pringle watersheds.

- *l. Spring Valley WC
- *m. Rickreall WC
- *n. Glenn-Gibson WC

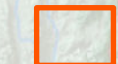
**The MidCoast Watersheds Council is also locally recognized in the Alsea Basin and Salmon Drift.

Wasco County Watershed Councils

- *Bakeoven WC
- *Fifteenmile WC
- *Mosier WC
- *The Dalles WC
- *White River WC

* Indicates locally recognized watershed councils that have never received their own individual Council Support Grant and are not eligible for a Council Capacity Grant.

For Purposes of OAR 695-040-0030(2)(a) Geographic Eligibility Criteria: Boundaries of Councils which received a Watershed Council Support Grant Before July 1, 2013.



Area with no watershed council



South Coast Watershed Council

- *Floras Cr./New River WC
- *Elk/Sixes River WC
- *Port Orford WC
- *Euchre Creek WC
- *Hunter Cr./Pistol River WC
- *Chetco River WC
- *Winchuck River WC



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Updated by Paula Willis August 2017 using ESRI ArcMap 10.3.1 Oregon Lambert Projection, NAD 83 SRID 2992

Sources: Esri, DeLorme, NAVTEQ, USGS, NRCAN, METI, IPC, TomTom

Guidance for Merger Funding

Background

In 2013 the Board awarded its first Organizational Collaboration grants, one of which supported the merger of four watershed councils in the Rogue Basin. At the same time, the Board recognized the real costs associated with post-merger life and created the merger implementation grant offering. These grant funds can be used for strategic planning, board and staff development, and other real costs of merging multiple organizations. The goal of both the Organizational Collaboration and the Merger Implementation grant programs is to build capacity and support strategic collaborations in order to build resilient, sustainable, local organizations that achieve ecological outcomes and engage local communities.

Mergers in general are not common, and OWEB is in a unique situation as an agency which funds both mergers and ongoing operating costs of organizations. In addition, the agency believes that more organizations may consider merging in the future, and OWEB wants to support organizations in that process.

Merger Funding Approach

Pre-merger funding

Continue to provide Organizational Collaboration grants. Applicants requesting merger funding must include direct and clear measures of success for the merger process. The final project completion report must report on direct measures of success and methods for evaluating the new organization's post-merger progress toward integration.

Post-Merger Funding

Individual councils apply for a council capacity grant each biennium. If a group of councils is interested in merging they can apply for an organizational collaboration grant to help cover the costs of the merger process. The descriptions of funding options below are what two or more merged councils can apply for after the merger process is complete. The funding amount available is different when two, three, or four or more councils merge. The funding available reduces between the first biennium after the merger and the second biennium, reducing again in the third biennium. The explanation and proposed amounts are below. All council capacity grant award amounts are from the 2017-2019 biennium and are examples. Actual award amounts would be calculated on actual council capacity award amounts.

Four or more watershed councils

When developing the numbers below, staff took into consideration what four or more watershed councils would be eligible to receive if they had not merged. For example, in 2017-2019, that would be at least \$473,300 for a biennium.

In biennium 1 and 2 after the merger, in addition to their council capacity grant, the council could apply for merger implementation funding. Merger implementation funding in biennium 1 would be \$236,850, which is the council capacity grant award, \$118,425 x 2. In biennium 2 merger implementation funding would be \$207,243, which is the council capacity grant award, \$118,425 x 1.75. Beginning in biennium 3, and in all future biennia, the merged council would be eligible to receive additional merger funding of \$177,637, \$118,425x1.5.

Table 1 shows the distribution of funding across three biennia for a new organization where four or more watershed councils merged.

Table 1

	Council Capacity	Merger Funding	Total
Biennium 0 (pre-merger, four councils)	\$473,300	\$0	\$473,300
Biennium 1	\$118,425	\$236,850 (\$118,425x2)	\$355,275
Biennium 2	\$118,425	\$207,243 (\$118,425x1.75)	\$306,425
Biennium 3 and in all future biennia	\$118,425	\$177,637 (\$118,425x1.5)	\$296,062

Three watershed councils merge

When developing the numbers below, staff took into consideration what three watershed councils would be eligible to receive if they had not merged, in 2017-2019, that would be \$355,275 for the biennium.

In biennium 1 and 2 post merger, in addition to their council capacity grant, the council could apply for merger implementation funding. Merger implementation funding in biennium 1 would be \$207,243, which is the council capacity grant award, \$118,425x1.75. In biennium 2 merger implementation funding would be \$177,637, which is the council capacity grant award, \$118,425x1.5. Beginning in biennium 3, and in all future biennia, the merged council would be eligible to receive additional merger funding of \$148,031, \$118,425x1.25.

Table 2 shows the distribution of funding across three biennia for a new organization where three watershed councils merged.

Table 2

	Council Capacity	Merger Funding	Total
Biennium 0 (pre-merger)	\$355,275	\$0	\$355,275
Biennium 1	\$118,425	\$207,243 (\$118,425x1.75)	\$325,668
Biennium 2	\$118,425	\$177,637 (\$118,425x1.5)	\$296,062
Biennium 3 and in all future biennia	\$118,425	\$148,031 (\$118,425x1.25)	\$266,456

Two watershed councils merge

When developing the numbers below, staff took into consideration what two watershed councils would be eligible to receive if they had not merged, in 2017-2019 that would be \$236,850 for the biennium.

In biennium 1 and 2 post merger, the council could apply for merger implementation funding in addition to their council capacity grant. Merger implementation funding in biennium 1 would be \$88,818, which is the council capacity grant award, 118,425 x .75. In biennium 2 merger implementation funding would be \$59,212, which is the council capacity grant award, \$118,425 x .5. Beginning in biennium 3, and in all future biennia, the merged council would be eligible to receive additional merger funding of .25x the base award (\$118,425x.25=\$29,606).

Table 3 shows the distribution of funding across three biennia for a new organization where two watershed councils merged.

Table 3

	Council Capacity	Merger Funding	Total
Biennium 0 (per-merger)	\$236,850	\$0	236,850
Biennium 1	\$118,425	\$88,818 (118,425x .75)	\$207,243
Biennium 2	\$118,425	\$59,212 (\$118,425x .5)	\$177,637
Biennium 3 and in all future biennia	\$118,425	\$29,606 (\$118,425x .25)	\$148,031