

Letter of Interest

Place-Based Integrated Water Resources Planning Grant

Submitted by:

The Rogue Basin Partnership

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Project Location: Six priority watersheds and corridors in the Rogue Basin where flow is a key limiting factor as identified in the Rogue Restoration Action Plan. These priority areas include Elk Creek-Big Butte, Little Butte, Ashland-Bear Creek, Evans Creek, Applegate, and the Upper Illinois.

Project Partners: See Attachment A for list of Rogue Basin Partnership Members and Partners.

Executive Summary: The Rogue Basin Partnership (RBP) Place-Based Planning effort would develop a consistent process of outreach and engagement in each priority watershed and corridor of the Rogue Restoration Action Plan where water resources management is a limiting factor. The priority areas will be lumped into six units: Elk Creek-Big Butte, Little Butte, Ashland-Bear Creek, Evans, Applegate, and the Upper Illinois. As part of this planning process, project partners would host community forums in each of the six priority areas for stakeholders to share their information, concerns, and offer potential solutions to water resource issues. The outcome of this place-based planning effort would be a summary plan of the integrated water resources analysis, prioritization of actions, and the list of specific implementation strategies in the priority areas. As a long-term goal, RBP will eventually expand outreach beyond the priority areas in order to encourage a broader planning field that includes key stakeholders whose jurisdictions reside outside of our priority areas. Ultimately, RBP will leverage the tools developed through this planning process to apply these implementation strategies across the entire Rogue Basin.

b. Description of the Convener

There are many organizations and individuals with an interest in managing our water and other natural resources- often with different perspectives. Here in the Rogue Basin, we realize projects, activities, and decisions often transcend watershed boundaries and individual needs. As our watershed councils, advocacy groups, resource agencies, agricultural districts, and water purveyors have grown and matured, a consensus formed that the Rogue Basin as a whole would benefit from the presence of a backbone organization to unite us in our restoration efforts and attract greater capacity and resources through coordinated efforts. The Rogue Basin Partnership (RBP) serves as our backbone entity and will be the convener of ongoing place-based planning for water resources in the Rogue Basin. The list of RBP members and active participants is shown in Attachment A; the diversity of these partners demonstrates the depth and breadth of expertise available to support this effort.

RBP is an open, inclusive convening body for the Rogue Basin, designed to facilitate collective success through coordinated implementation of conservation and restoration actions. RBP has a plan and structure in place to help manage our natural resources, and has a proven track record of successfully facilitating nonpartisan, balanced discussions of our Basin's needs, especially around water. Most recently, our comprehensive Rogue Restoration Action Plan (Plan, 2015) assessed and prioritized basin-wide natural resource limiting factors, existing conditions, and projected climate impacts and resiliency. The Plan articulates priority actions to effectively manage our natural resources for the benefit of local communities, the economy and native species. It also identifies the roles of the partners, estimated costs and timelines for actions, many of which partners have already begun implementing. Convening a place-based planning effort to identify and refine the water management strategies in our targeted priority watersheds and corridors where flow is a limiting factor is consistent with the Plan's implementation and a natural extension of the work already completed by RBP. Collaboration with OWRD will accelerate the refinement planning and implementation of our program at the local level.

RBP provides an inclusive, transparent forum for stakeholders and the public. To serve the needs of the Basin, RBP worked with an organizational consultant (LaPiana Consulting) to develop the organizational structure necessary to serve as a backbone organization. Through this process, RBP members developed formal governance for staffing, operations, decision-making, and committee and board composition on a regional scale. The Bylaws and Articles of Incorporation were also restated to be commensurate with the mission of the organization. While RBP coordinates and facilitates, it relies heavily on the technical expertise and community relationships of the partner entities to implement the work. This business model facilitates strong collaboration and trust across stakeholder groups, and leverages resources and technical skills that are already housed within the partners.

RBP supports natural resource management across the entire Rogue Basin, but due to funding and time limitations, we propose that this place-based water resources planning effort be limited to six priority watersheds/corridors areas where flow is a key limiting factor. These priority areas are identified in the Rogue Restoration Action Plan on Map 28 (attached) and include Elk Creek-Big Butte, Little Butte, Ashland-Bear Creek, Evans, Applegate, and Upper Illinois (see Map 1, attached).

c. Integration, Partnerships & Stakeholder Engagement

RBP member and participating organizations bring a variety of expertise in natural resource management from agriculture, forestry, and urban sectors, as well as technical skills and community relationships that are essential to designing an Integrated Water Resource Management Strategy. Specific technical skills include municipal water planning and management, agricultural water management and irrigation efficiency, water rights analysis and instream flow transfer expertise, ecologic needs assessment, aquatic biology, and GIS analysis. Our partners work for nonprofit organizations (land trusts, watershed councils, advocacy organizations), government entities, tribes, special service districts, (SWCDs, Rogue Valley Council of Governments), and private businesses throughout the Rogue Basin. Signed support letters from participating entities are attached.

This group worked together for three years to successfully complete the Rogue Restoration Action Plan, which outlines the vision/goals/objectives, priority areas, and targeted actions for restoring the ecological, social and economic fabric of the entire Rogue Basin (<http://www.roguepartners.org/rogue-restoration-action-plan/>). The Plan integrates several previous planning efforts and incorporates the latest projections of climate change implications on water resources, terrestrial habitats and species, and is now in the implementation phase, after being approved by the 15 RBP member organizations. The place-based planning will help RBP conduct the planned outreach needed to generate a refined list of specific projects (to build out Tables 8-9 of the Plan) for water resources management in the Rogue Basin. RBP will focus on each priority area identified in the Plan, while relying on other interested entities to deliver the program in other areas of the Basin based on their own priorities. This work will be implemented through an open and transparent outreach process described in Attachment B.

RBP members also keep in close contact with and monitor the ongoing eleven-year old Water for Irrigation, Streams and the Economy (WISE) Project. WISE is focused on one priority area of the Rogue (Little Butte and Bear Creeks) and has engaged the local irrigation districts, Medford Water Commission, the City of Medford and Jackson County, and the Bureau of Reclamation. The efforts of WISE to advance more efficient water management in those watersheds compliments the recommendations in the Rogue Restoration Action Plan and will be integrated into the place-based discussions.

RBP will coordinate communications and outreach trainings in 2016 to support a consistent message delivery. They will then work with local partners to engage each community within these focal areas, to further identify specific projects that are relevant to the local limiting factors, conditions and community interests. RBP will ensure there is balanced representation of water interests throughout the planning process, to help facilitate buy-in and cooperation in project implementation. More details are provided in the summary outreach strategy and work plan in Attachment B and Table 2.

d. Statement of Need

Water resources are critical to the health of the Rogue Basin, ecologically as well as socially and economically. The Basin is located in a transitional area of four unique climate zones including: California Mediterranean to the south, Oregon High desert to the east, Northern Temperate to the north, and Pacific Maritime to the west along the coast (ODEQ, 2011). With snowpack from the Cascades and Klamath-Siskiyou Mountains, providing

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much of the critical groundwater recharge and spring runoff, the region is at high risk of decreasing water availability with the shift in climate. The existing water quality challenges, especially temperature, bacteria and nutrients, are exacerbated with the declining summer flows which are projected to be impacted significantly by climate change by 2040. The native salmonids and other aquatic species that occupy the Basin are impacted by changes in the flow regimes and water temperatures that are becoming increasingly lethal. Much of the population of the Basin resides in the inland Rogue Valley of Jackson County, where both surface and groundwater is expected to become increasingly scarce over time. Please see pages 9-13 and Maps 2-9 of the Action Plan for greater detail on water resources conditions.

Like most basins throughout the west, Rogue Basin water is over appropriated. It has 6,898 approved surface water rights with 170 rights pre-dating statehood (ODEQ, 2011), consuming 4,202 cfs (OWRD, 2013). Instream water rights exist for approximately 273 miles of streams and the River, but have low priority dates. There are 5 major publicly owned reservoirs in the Rogue Basin that provide combinations of regulating flow, flood control, irrigation, and water supply, and 22 public water systems (ODEQ 2012) in addition to thousands of smaller impoundments. The Rogue also currently receives water from the Klamath Basin, who will eventually call for it back as water becomes increasingly scarce. There are another 251 public systems (ODEQ, 2011) relying on groundwater; which is of increasing concern due to the rapid decline of the water table and/or groundwater quality in many locations. The levels of surface to groundwater interaction are poorly understood, but both are critical water supply, instream flows, and wetlands in the Rogue.

Water availability impacts water quality and species habitats. Temperature and fine sediment have been identified as pollutants of concern throughout the Basin (ODEQ, 2012). Flow and temperature are the greatest limiting factors for Rogue surface waters and are predicted to be in both acute and lethal ranges for salmonids in the summer months in the coming decades (Isaak, 2014). Harmful algae bloom advisories are on the rise, and could impact public health. And our overly dense, fire-suppressed forests are drawing water, decreasing soil moisture, and increasing the risk of uncharacteristically large wildfires. Water impacts it all, and must be managed in a more integrated manner.

Projects to conserve and deliver water more efficiently in the Basin have been in the works for more than a decade (see Table 1, attached). Ashland has an aggressive water conservation program. Irrigation districts, Medford Water Commission, BOR, and others have invested in water management planning in Little Butte and Bear Creeks, as documented in the WISE Preliminary Feasibility Study (HDR, 2009). Projects and strategies to improve efficiency of delivery and water use are underway, but will take decades to fund and complete in that priority area alone. Additional approaches and strategies will be needed to support the whole of the Rogue in managing its water resources. The place-based planning effort can help partners identify and refine cost effective approaches, that more of the community can contribute to and participate in. The process has already begun with basin-wide public forums and technical sharing summits on drought and water conservation organized by partners the last two years.

For additional information, the Literature Cited section of the Action Plan is attached, which contains links to reports that are relevant to our place-based effort (Attachment C).

e. Proposed Approach

The Rogue Restoration Action Plan assessed the 3.3 million acre Rogue Basin and identified priority watersheds and corridors, to support a network of interconnected natural resources to help maintain system resiliency in the face of climate change. Several of the priority areas have water flow as a critical limiting factor in meeting the needs of the community (agriculture, municipal, tribal, ecological). This place-based planning effort would assist RBP and partners in identifying and refining the specific projects needed in these priority areas, lumped together as Elk Creek-Big Butte, Little Butte, Ashland-Bear Creek, Evans, Applegate, and the Upper Illinois for this document. Directing this planning and outreach effort to these corridors of highest value and need is consistent with our intended approach and will help rapidly advance the work needed to deliver projects on the ground.

Table 2 summarizes the key steps, timeline, budget, and processes that RBP intends to undertake in order to complete the Place Based Planning effort and meet the principles of the Integrated Water Resources Strategy.

Planning Step 1: Build a Collaborative & Integrated Process

RBP will leverage its already broad group of stakeholders and partner with OWRD to identify additional outreach and collaboration needs to assure an integrated and transparent planning process. Detailed contact lists of stakeholders and specific outreach and communication strategies will be identified for each of the priority areas, and for the Basin as a whole. This collaborative process will include a review of the proposed planning areas and priorities by new stakeholders to ensure that the effort is properly scoped.

Planning Step 2: Characterize Water Resources, Water Quality, & Ecological Issues

The Rogue Restoration Action Plan has completed this task already with the inclusion of a very broad and diverse stakeholder group. RBP will rely heavily on this existing document, but will seek input from OWRD and additional stakeholders that will be identified during Planning Step 1 to further refine the Action Plan as necessary. The parties have intended that the Action Plan be a “living document” that is updated and revised from time to time to support adaptive management and new information. The collaborative process that was developed already to complete this Action Plan is one of the most important strengths of this proposal and partnership, and its existence makes it possible to accomplish this broad Place Based Planning effort in the 2-3 year timeline required under the grant.

Planning Step 3: Quantify Existing and Future Needs/Demands

RBP’s supporting technical partners will use the current vs. projected climate impacted 2040 and 2080 flow estimates from the Streamflow Metric dataset, water rights analysis (anticipated to be completed as part of an active Flow Restoration and Feasibility Analysis), the WISE analysis in Little Butte/Bear creek and other relevant information (groundwater, land use, etc.), to evaluate current and future water needs for all sectors (economic, social, and ecological). This information will provide stakeholders with specific information about the timing and magnitude of water shortages now and under projected future scenarios. This information will be disseminated broadly for additional stakeholder input and refinement.

Planning Step 4: Develop Integrated Solutions for Meeting Long-Term Water Needs

RBP will work collaboratively with partners to develop a suite of solutions that are specific to each of the priority areas to address long-term water needs. These solutions will leverage existing work and will consider

all of the potential opportunities, including but not limited to: increasing efficiency and conservation, expanding built and natural storage, identifying new and reclaimed sources of water, protecting water instream, increasing groundwater recharge, utilizing instream micro-storage benefits of beaver dams, among others. RBP is interested in monitoring the success/failure of the various strategies through partnership with state and federal agencies, tribes, and NGOs. Support from OWRD staff to evaluate the feasibility of proposed solutions, and additional match funding for specific studies may be required to implement some solutions.

Planning Step 5: Plan Adoption & Implementation

RBP plans to rely on the protocols developed in Planning Step 1 to assure that the final plan is formally adopted by the key stakeholders and enjoys the broad support necessary for implementation. The specific projects in the focal areas will be incorporated into the Rogue Restoration Action Plan and fundraising and implementation of the actions will occur over time by the various responsible partners.

f. Anticipated Results

Managing our water challenges in the Rogue is a long-term proposition that will require all sectors and stakeholders working together to find reasonable solutions that will support our communities, ecosystems and economy. RBP has refined its focal areas of work, based on sound scientific analysis and inclusive stakeholder participation, as part of the Rogue Restoration Action Plan process. Now the partners must move forward with formulating specific viable projects in each focal area with landowners and management entities, and build upon other current efforts to manage our water more effectively and efficiently. The place based planning effort with OWRD will help RBP accelerate its project refinement and implementation strategy, and provide OWRD with an integrated water resources plan in the Rogue within two years. The ultimate result of this plan will be the conservation of water in key areas throughout the Rogue Basin for the long-term future.

While it is important that the Place Based Planning effort not be preempted, there is already a substantial amount of work occurring in the Rogue Basin to address water security that demonstrates the community's ability to develop and implement innovative and effective solutions including but not limited to:

- JSWCD and RBP are involved in pilot studies of various on-farm efficiency strategies from sprinkler irrigation systems to organic matter augmentation to increase water retention,
- Watershed councils actively identify opportunities to improve the efficiency of water delivery and restore riparian form and function and complete projects to achieve these goals,
- Trout Unlimited is assessing opportunities for private water transactions using instream leasing, transfer, and allocation of conserved water in critical drainages,
- The WISE project has developed a very sophisticated plan for improving efficiency and conservation amongst the largest agricultural water users in the Basin, and
- Municipal water managers are achieving great success with reducing water use within the city boundaries, and can particularly highlight accomplishments by the City of Ashland that far exceed the savings in many other municipal areas relative to the cost of that savings.

We anticipate the continued engagement of our communities throughout the Rogue Basin, and specifically in our areas of interest, through the place based planning process will help us to initiate meaningful projects that

improve our collective water resources management around the Basin for the benefit of all. The trust building that is fostered through repeated dialogue and engagement will be critical for the implementation of all types of projects identified in our Action Plan and those refined through this place-based effort in focal watersheds. The collective impact of thoughtful and consistent engagement with landowners and stakeholders cannot be overstated.

g. Request for Department Resources

RBP requests \$175,000 of funding from OWRD to support this planning effort, as well as technical support. An additional \$81,856 of match will be provided in order to complete this scope of work.

More specifically, OWRD funding will be used to:

- Host stakeholder and outreach meetings in the priority subwatersheds (meeting notification ads, meeting space, staff and partner capacity)
- Complete additional GIS studies and analysis to fully integrate the 2040 and 2080 climate models into the water availability forecasts, and integrate additional data sets that may be needed including groundwater studies, urban and municipal growth, reservoir storage potential, and others as determined into the existing Rogue Restoration Action Plan, and to develop a specific water resources plan.
- Prepare and complete stakeholder surveys to gather information and input at multiple points in the planning process
- Integrate the outcomes of the Place Based Planning activities into the existing Rogue Restoration Action Plan to assure a process, plan, and timelines for implementation of the strategies by the partnership.
- OWRD will assist in sharing what RBP is doing with other basins in the State, and vice versa, for all to stay better informed with water conservation progress.

OWRD staff and technical and information assistance is requested to:

- Have the Department serve as a co-convenor which should help to gather the complete group of stakeholders and further assure transparency in the process, as well as allow OWRD staff to learn and develop best practices during this pilot phase of the Place Based Planning program
- Provide and help interpret monitoring data (stream gage, groundwater, etc.) as needed
- Provide technical evaluations of water rights and their reliability under current and future water availability scenarios
- Provide coordination between RBP and the Commission to assure that the final plan complies with the Integrated Water Resource Planning Strategy

Match funding will be used to:

- Complete initial feasibility studies of flow restoration potential and priority (specifically evaluating opportunities to lease and transfer water rights instream, complete allocation of conserved water projects, and voluntary water rotation agreements). A portion of these funds is secured and a portion is pending in a current OWEB grant application.

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- Develop communications and outreach materials
- Conduct community outreach and gather stakeholder input
- Provide technical support from natural resource managers, especially state and federal agency staff
- Engage the expertise of other key partners throughout the process including watershed councils, tribes, municipal water purveyors, agricultural water users (private and districts), etc.

A complete work plan, budget table, and summary of match funding is provided in Tables 2 and 3.