



OREGON
WATERSHED
ENHANCEMENT BOARD

Hybrid Meeting
Tillamook
October 25-26, 2022



Oregon Watershed Enhancement Board
Meeting Agenda
October 25 & 26, 2022

Business Meeting:	Tuesday, 10/25 8:00 a.m.	Wednesday, 10/26 8:00 a.m.
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Tillamook Bay Community College
4301 Third St.
Tillamook, OR 97141
Directions: <https://goo.gl/maps/5HoR5MbYTff7JYzq9>

The public is welcome to listen to the virtual meeting through the following methods:

- **YouTube Streaming:** https://www.youtube.com/channel/UC0dl-TOWlt4Sp--i1KEa_OA. Please note that there may be a slight delay when streaming the meeting content.
- **Phone:**
 - **Oct 25:** Dial 1 669 900 6833, when prompted, enter ID number: 859 9466 6828 and passcode: 740251
 - **Oct 26:** Dial 1 669 900 6833, when prompted, enter ID number: 847 9091 4103 and passcode: 073891
- The board book (eBook) is available at: <https://www.oregon.gov/oweb/Documents/2022-Oct-eBook-OWEB-Board.pdf>
- For each agenda item, the time listed is approximate. Anyone interested in a particular agenda item is encouraged to give ample time and listen in to the meeting at least 30 minutes before the approximate agenda item time.

Public comment

OWEB encourages written or verbal public comment on any agenda item. All comment requests should be sent to April Mack at April.mack@OWEB.oregon.gov **no later than 4:00 p.m. Thursday, October 20.**

Written comments will be provided to the board in advance of the meeting.

Verbal comments:

- Limited to three minutes
- Will be heard in the public comment period (**Agenda Items D, F, H, and J**).
- Provide the following information:
 - Your first and last name,
 - The topic of your comment, and
 - The phone number you will use when calling the meeting. Also, note if the phone is a landline and you prefer to be scheduled for public comment early to avoid long-distance phone call charges.

Tuesday, October 25, 2022

A. Board Member Comments (8:05 a.m.)

Board representatives from state and federal agencies will provide updates 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 (9:05 a.m.)

The minutes of the July 26-27, 2022, meeting will be presented for board approval. *Action item.*

C. Directors Updates (9:10 a.m.)

Executive Director Lisa Charpilloz Hanson and staff will update the board on agency business. *Information item.*

D. General Public Comment (9:55 a.m.)

This time is reserved for the board to hear general public comments and review the written public comment submitted for the meeting. *Information item.*

E. Committee Updates (10:25 a.m.)

Representatives from board committees will provide updates on committee topics to the full board. *Information item.*

F. Spring Open Solicitation Grant Offering Board Awards (10:50 a.m.)

NOTE: Verbal public comment specific to this agenda item will be heard at approximately 1:20 p.m.

Introduction

Grant Program Manager Eric Williams and OWEB Regional Program Representatives will provide background information on the Spring 2022 Open Solicitation Grant Offering and funding recommendations.

Public Comment [approximately 1:20 p.m.]

This time is reserved for public comment on pending grant applications to be considered for funding by the board. Only comments about these specific grant applications will be accepted during this portion of the meeting. Any written comments about pending grant applications must be received by OWEB staff by the **October 20, 2022, deadline** to be provided to the board in advance of the meeting. **Verbal comments should be limited to three minutes.**

Board Consideration of Pending Open Solicitation Grant Applications

The board will consider grant applications submitted through the Spring 2022 Open Solicitation grant offering. Applications, supporting materials, and funding recommendations will be discussed and acted on by the board. *Action item.*

G. Oregon Conservation Partnership Second Year Funding Award (2:25 p.m.)

Business Operations Manager Courtney Shaff will describe the Oregon Conservation Partnership's (Partnership) accomplishments to date for the biennium and provide a funding recommendation for the remainder of the Partnership's biennial grant. *Action Item.*

Tour – 3:15 p.m.

The board and OWEB staff will conduct a field tour of the Southern Flow Corridor and Northwest Restoration Partnership Nursery. Anyone is welcome to join the tour, but please be prepared to provide your own transportation and be prepared for inclement weather.

Wednesday, October 26, 2022

H. General Public Comment (8:05 a.m.)

This time is reserved for the board to hear general public comments. *Information item.*

I. OWEB 101: Fund Sources (8:20 a.m.)

Executive Director Lisa Charpilloz Hanson, Board and Legislative Policy Coordinator Eric Hartstein, and Oregon Department of Justice Assistant Attorney General Diane Lloyd will discuss the types of funding OWEB allocates through grants, along with limitations of how the funding can be used to support different types of projects. *Information Item.*

J. Klamath River Post-Dam Removal Watershed Restoration – Contingency Funding (9:35 a.m.)

NOTE: Verbal public comment specific to this agenda item will be heard at approximately 9:50 a.m.

Introduction

Governor Brown's Natural Resources Policy Director Jason Miner and OWEB Fire and Klamath, and Drought Programs Manager Renee Davis will discuss the Klamath dam removal project and request board action to commit funding in support of watershed restoration work in Oregon following dam removal.

Public Comment [approximately 9:50 a.m.]

This time is reserved for public comment on funding by the board for post-Klamath dam removal habitat restoration. Only comments about this specific item will be accepted during this portion of the meeting. Any written comments about this agenda item must be received by OWEB staff by the **October 20, 2022, deadline** to be provided to the board in advance of the meeting. **Verbal comments should be limited to three minutes.**

Board Discussion of Klamath River Post-Dam Removal Watershed Restoration Contingency Funding

The board will discuss the request for funding in support of watershed restoration work in Oregon following the Klamath dam removal. *Action Item.*

K. Local Partner Panel (11:10 a.m.)

Business Operations Manager Courtney Shaff, North Coast Regional Program Representative Katie Duzik, and local partners will participate in a panel discussion with the board about how local groups leverage local, state, and federal funds and partnerships to build capacity and achieve local restoration and conservation goals. *Information Item.*

L. Interagency Panel on Water Issues and Initiatives (12:55 p.m.)

Deputy Director Stephanie Page, Governor Brown's Natural Resources Deputy Policy Advisor Morgan Gratz-Weiser, Water Policy Advisor and Regional Solutions Coordinator for Eastern Oregon Courtney Crowell, Oregon Department of Environmental Quality Water Quality Administrator Jennifer Wigal, Oregon Water Resources Department Deputy Director Strategy and Administration Racquel Rancier, and Oregon Department of Fish and Wildlife Habitat Division Deputy Administrator & Water Program Manager Chandra Ferrari will provide updates to the board regarding several water-related initiatives in the state. *Information Item.*

M. 2023-2025 Initial Spending Plan Discussion (2:10 p.m.)

Executive Director Lisa Charpilloz Hanson and Grant Program Manager Eric Williams will lead a board discussion on the process for building and approving the 2023-2025 Spending Plan. *Information Item.*

N. Volunteer Water Quality Monitoring Equipment Funding (2:55 p.m.)

Deputy Director Stephanie Page and Effectiveness Monitoring Coordinator Ken Fetcho will request board approval of funding for monitoring equipment that is provided for use by local groups as part of the Oregon Department of Environmental Quality's volunteer water quality monitoring program. *Action item.*

O. Other Business, Next Meeting, Adjourn (3:10)

This item is reserved for other matters that may come before the board. *Information item.*

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 when OWEB meetings convene.

Voting Rules

The OWEB Board has 18 members. Of these, 11 are voting members and 7 are ex-officio. For purposes of conducting business, OWEB's voting requirements are divided into 2 categories – general business and action on grant awards.

General Business

A general business quorum is **6 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 6 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 8 voting members** present to act on grant awards and affirmative votes of at least six voting members. In addition, regardless of the number of members present, **if 3 or more voting members** object to an award of funds, the proposal will be rejected.

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 the necessary procedures.

More Information

If you have any questions about this agenda or the Board's procedures, please call April Mack, OWEB Board Assistant, at 971-345-7001 or send an e-mail to april.mack@OWEB.oregon.gov. If special physical, language, or other accommodations are needed for this meeting, please advise April Mack as soon as possible, and at least 48 hours in advance of the meeting.

Oregon Watershed Enhancement Board Membership**Voting Members**

Barbara Boyer, *Board Co-Chair, Board of Agriculture*

Brenda McComb, *Board of Forestry*

Bruce Buckmaster, *Public*

Gary Marshall, *Public*

Greg Addington, *Environmental Quality Commission*

Jamie McLeod-Skinner, *Public*

Kelly Coates, *Public (Tribal)*

Lindsay McClary, *Public*

Liza Jane McAlister, *Board Co-Chair, Public*

Mark Labhart, *Fish and Wildlife Commission*

Meg Reeves, *Water Resources Commission*

Non-voting Members

Aaron Curtis, *U.S. Bureau of Land Management*
Chris Allen, *U.S. Fish, and Wildlife Service*
Cory Owens, *U.S. Natural Resources Conservation Service*
Dan Brown, *U.S. Environmental Protection Agency*
Dan Shively, *U.S Forest Service*
Eric Murray, *National Marine Fisheries Service*
Stephen Brandt, *Oregon State University Extension Service*

Contact Information

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Lisa.CHARPILLOZ.HANSON@OWEB.oregon.gov
OWEB Assistant to Executive Director and Board – April Mack
april.mack@OWEB.oregon.gov
971-345-7001

2023 Board Meeting Schedule

January 24 & 25 – Virtual
April 25 & 26 – Virtual
July 25 & 26 – Sisters/Hybrid
October 24 & 25 – TBD

For online access to staff reports and other OWEB publications, visit our website:
www.oregon.gov/OWEB.

The Approach We Take

We believe that every endeavor is guided by a set of commitments not just about the “why” and the “what,” but also the “how.” These are the ways we are committed to engaging in our work. This is our approach. These principles modify everything we do.

Our work is characterized by...

Involving stakeholders broadly and in partnership

- Involving the community members at all levels
- Promoting community ownership of watershed health
- Collaborating and authentically communicating
- Bringing together diverse interests
- Building and mobilizing partnerships

Using best available science supported by local knowledge

- Basing approaches on the best available science
- Advancing efficient, science driven operations
- Addressing root sources and causes
- Incorporating local knowledge, experience, and culture
- Catalyzing local energy and investment

Investing collaboratively with long-term outcomes in mind

- Aligning investments with current and potential funding partners
- Maintaining progress into the future
- Stewarding for the long term
- Taking the long view on projects and interventions

Demonstrating impact through meaningful monitoring and evaluation

- Providing evidence of watershed change
- Measuring and communicating community impact
- Increasing appropriate accountability
- Incorporating flexibility, adaptive management – when we see something that’s not working, we do something about it

Reaching and involving underrepresented populations

- Seeking to include the voice and perspectives that are not typically at the table
- Specific, targeted engagement
- Ensuring information is available and accessible to diverse audiences



OWEB Staff Culture Statement

We are dedicated to OWEB’s mission and take great pride that our programs support watershed health and empower local communities. Our work is deeply rewarding and we are passionate about what we do. Our team is nimble, adaptable, and forward-thinking, while remaining grounded in the grassroots history of watershed work in Oregon. With a strong understanding of our past, we are strategic about our future. We believe in working hard while keeping our work environment innovative, productive, and fun. We are collaborative, both with each other and with outside partners and organizations, and place great value in continually improving what we do and how we do it.

2021- 2023 SPENDING PLAN FOR MEASURE 76 (LOTTERY), GENERAL FUNDS AND PCSRF FUNDS

October 2022 Board Meeting

	GRANTS	Proposed October 2022 changes	2022 Spending Plan	TOTAL Awards To-Date	October 2022 Proposed Board Awards	TOTAL Awards To- Date & Proposed Awards	Remaining Spending Plan after Awards To- Date
1	Open Solicitation:						
2	Restoration	(2,000)	33,500	15,776	7,625	23,401	10,099
3	Technical Assistance						
4	Restoration TA		5,500	1,967	1,282	3,249	2,251
5	CREP TA		1,200	1,200		1,200	-
6	Stakeholder Engagement		2,750	0,773	0,463	1,236	1,514
7	Monitoring grants		4,750	1,837	2,742	4,579	0,171
8	Land and Water Acquisition	(2,000)	8,500	3,079		3,079	5,421
9	Weed Grants		3,250	3,250		3,250	-
10	Small Grants		2,800	2,800		2,800	-
11	Quantifying Outputs and Outcomes		1,250	0,150	0,113	0,263	0,987
12	TOTAL	(4,000)	63,500	30,832	12,225	43,057	20,443
13	% of Total Core Programs		51.42%				
14	% of OWEB Spending Plan total		37.56%				
15	Focused Investments:						
16	Deschutes		1,915	1,915		1,915	-
17	Willamette Mainstem Anchor Habitat		1,400	1,400		1,400	-
18	Harney Basin Wetlands		0,100	0,100		0,100	-
19	Upper Grande Ronde		0,466	0,466		0,466	-
20	John Day Partnership		4,000	4,000		4,000	-
21	Baker Sage Grouse		2,435	2,435		2,435	-
22	Warner Aquatic Habitat		2,293	2,293		2,293	-
23	Rogue Forest Rest. Ptnrshp		2,700	2,700		2,700	-
24	Clackamas Partnership		3,082	3,082		3,082	-
25	New FIP Solicitation		13,000	12,910		12,910	0,090
26	FI Effectiveness Monitoring		1,000	0,750		0,750	0,250
27	TOTAL	0.000	32,391	32,051	0.000	32,051	0.340
28	% of Total Core Programs		26.23%				
29	% of OWEB Spending Plan total		19.16%				
30	Operating Capacity:						
31	Capacity grants (WC/SWCD)		17,021	15,121		15,121	1,900
32	Statewide org partnership support		0,450	0,225	0,225	0,450	-
33	Organizational Collaboration		0,700	0,442		0,442	0,258
34	Partnership Technical Assistance		1,500	0,797		0,797	0,703
35	TOTAL	0.000	19,671	16,585	0.225	16,810	2,861
36	% of Total Core Programs		15.93%				
37	% of OWEB Spending Plan total		11.63%				
38	Other:						
39	CREP		0,750	0,750		0,750	-
40	Governor's Priorities	(0,053)	0,947	0,947		0,947	-
41	Klamath Post Dam Removal Watershed						
42	Restoration/KRRC-Contingency	4,053	4,053	-	4,053	4,053	-
43	Strategic Implementation Areas		1,500	1,500		1,500	-
44	Gov. directed-Lower Columbia Estuary Partnership		0,330	0,330		0,330	-
45	Gov. directed-Sage Grouse Conservation Partnership		0,350	0,350		0,350	-
46	TOTAL	4,000	7,930	3,877	4,053	7,930	0.000
47	% of Total Core Programs		6.42%				
48	% of OWEB Spending Plan total		4.69%				
49	TOTAL Core Programs	0.000	123,492	83,345	16,503	99,848	23,644
50	General or Other Funds:						
51	2020 Fire Recovery & Restoration						
52	Riparian/upland rest. & water quality		10,750	10,750		10,750	-
53	Floodplain restoration & reconnection		5,000	5,000		5,000	-
54	2021 Fire Recovery & Restoration		5,000	5,000		5,000	-
55	2021 Drought Resiliency						
56	Irrigation District Grants		1,551	1,551		1,551	-
57	Irrigation District Grants - N Unit		1,906	1,906		1,906	-
58	Jefferson Co Resiliency Grants		0,852	0,852		0,852	-
59	Klamath Livestock Wells & off channel const grants		2,733	2,733		2,733	-
60	Klamath Co Resiliency Grants		0,731	0,731		0,731	-
61	Jefferson SWCD Soil Conservation Grants		3,000	3,000		3,000	-
62	Oregon Agricultural Heritage Program (OAHP)						
63	OAHP Conservation Easements*		4,315	-		-	4,315
64	OAHP Conservation Management Plans*		0,150	-		-	0,150
65	Water Acquisitions		9,596	-		-	9,596
66	TOTAL	0.000	45,584	31,523	0.000	31,523	14,061
67	% of OWEB Spending Plan total		26.96%				
68	TOTAL OWEB Spending Plan	0.000	169,076	114,868	16,503	131,371	37,705
69	Funds transferred from/to other agencies						
70	Transfer to ODFW - PCSRF		12,884	12,884		12,884	-
71	Transfer to Eugene Water & Electric Board - GF		4,000	4,000		4,000	-
72	Transfer from ODF for Forest Health Collaboratives-OF		0,500			-	0,500
73	Transfer from PSMFC - IMW - OF		0,600			-	0,600
74	Transfer from NRCS - Farm Bill technical support - FF		-			-	-
75	TOTAL	0.000	17,984	16,884	0.000	16,884	1,100
76	OWEB Spending Plan & Other Directed Funds	0.000	187,060	131,752	16,503	148,255	38,805

MINUTES ARE NOT FINAL UNTIL APPROVED BY THE BOARD

Oregon Watershed Enhancement Board (OWEB)

July 26 & 27, 2022 Board Meeting

Virtual Zoom Board Meeting

(Audio time stamps reference recording at: <https://www.youtube.com/channel/UC0dl-TOWlt4Sp--i1KEa> OA.

OWEB MEMBERS PRESENT

Addington, Greg
Boyer, Barbara
Brandt, Stephen
Brown, Dan (7/26 only)
Buckmaster, Bruce
Coates, Kelly
Curtis, Aaron
Labhart, Mark
Marshall, Gary
McAlister, Liza Jane
McClary, Lindsay
McComb, Brenda
McLeod-Skinner, Jamie
Murray, Eric
Owens, Cory
Reeves, Meg

OWEB STAFF PRESENT

Charpilloz Hanson, Lisa
Greer, Sue
Hartstein, Eric
Hatch Audrey
Hoffert, Denise
Kershner, Jessi
Mack, April
McCarthy, Jillian
Menton, Coby
Page, Stephanie
Redon, Liz
Repplinger, Linda
Shaff, Courtney
Williams, Eric

OTHER

Aguilar, Jade
Bierly, Ken
Dodson, Joe
Green, Vanessa
Hills, Bobby
Jain, Shivangi
James, Gary
Kendrick, Karsyn
Lee, Jan
Naas Cook, Lisa
Sallinger, Bob
Yanke, Jeff

The meeting was called to order at 8:06 by Co-Chair Liza Jane McAlister.

A. Board Member Comments (Audio = 12:05)

Board representatives from state and federal agencies provided updates on issues related to the natural resource agency they represent. Public and tribal board members also reported on their recent activities, shared information, and comments on a variety of watershed enhancement and community conservation-related topics. *Information item.*

B. Review and Approval of Minutes (Audio = 1:29:28)

The minutes of the April 26 & 27, 2022 virtual meeting was presented for board approval. *Action item.*

* Mark Labhart moved the board approve the minutes from the April 26 & 27, 2022 virtual meeting. Jamie McLeod-Skinner seconded the motion. The motion passed unanimously.

C. Public Comment (Audio = 1:30:35)

This time was reserved for the board to hear public general comment and review the written public comment submitted for the meeting. No public comments were made at this time. *Information item.*

D. Committee Updates (Audio = 1:30:45)

Representatives from board committees provided updates on committee topics to the full board. *Information item.*

E. 2021-2023 Focused Investment Partnership Awards (Audio = 2:04:15)

Grant Program Manager Eric Williams, Business Operations Manager Courtney Shaff, Board and Legislative Policy Coordinator Eric Hartstein, Partnership Coordinator Denise Hoffert, and Partnership Coordinator Jillian McCarthy provided background information and Grants Committee ranking on the Focused Investment Partnership (FIP) solicitation for the 2021-2023 biennium. *Action item.*

Verbal Public Comment (Audio = 2:27:22)

- Public - Ken Bierly
- Columbia River Gorge Commission – Lisa Naas Cook
- Audubon Society of Portland – Bob Sallinger

Meg Reeves moved the board bring the Harney Basin Wetlands Collaborative application above the funding line to include in the approved FIP awards. Jamie McLeod-Skinner seconded the motion. The motion failed on a roll call vote of 4-7, with Meg Reeves, Jamie McLeod-Skinner, Gary Marshall, and Brenda McComb voting yes.

Mark Labhart moved the board increase the new FIP solicitation line item in the spending plan by \$3 million, award \$12.9 million to the top five gray shaded applications listed in Attachment C, and delegate authority to the executive director to award project-level grants to these

partnerships for the 2021-2023 biennium with an award date of July 26, 2022. Lindsay McClary seconded the motion. The motion passed unanimously.

F. Spending Plan Rebalance (Audio = 4:12:23)

Grant Manager Eric Williams requested board approval to add funds to the 2021-2023 spending plan. The additions to the spending plan include funds held in reserve, recaptured grant funds, and Federal Fiscal Year 2022 Pacific Coastal Salmon Recovery Funds. *Action item.*

Barbara Boyer moved the board adopt the updated 2021-2023 Spending Plan as shown in Attachment A. Lindsay McClary seconded the motion. The motion passed unanimously.

G. Climate Resolution Listening Session Report and Initiate Rulemaking (Audio = 5:38:25)

Deputy Director Stephanie Page, Grant Program Manager Eric Williams, Board and Legislative Policy Coordinator Eric Hartstein and Water and Climate Coordinator Jessi Kershner updated the board on the climate resolution public engagement process, including providing an overview of engagement opportunities, participants, and key findings.

No verbal public comment was provided

Bruce Buckmaster moved the board authorize rulemaking necessary to fully implement the OWEB Climate Resolution. Gary Marshall seconded the motion. The motion passed unanimously.

H. Wallowa Dam Rehabilitation and Fish Passage (Audio = 6:31:004)

Executive Director Lisa Charpiloz Hanson, Nez Perce Tribe Project Leader Bobby Hills, Confederated Tribes of the Umatilla Indian Reservation Fisheries Program Manager Gary James, Wallowa Lake Irrigation District Board Member Joe Dawson, and Oregon Department of Fish and Wildlife District Fish Biologist Jeff Yanke presented to the board planned improvements to the Wallowa Lake Dam. Information item.

The meeting was adjourned at 3:16 by Co-Chair Liza Jane McAlister.

The meeting was called to order at 8:01 by Co-Chair Barbara Boyer.

I. DEI Discussion (Audio = 0:00:24)

Business Operations Manager Courtney Shaff introduced Shivangi Jain and Jade Aguiar of ECONorthwest, OWEB's consultant on diversity, equity, and inclusion, who then facilitated a discussion to identify and develop equity goals for the board. *Information item.*

J. Strategic Plan Update – Annual Progress Report (Audio = 1:30:05)

Business Operations Manager Courtney Shaff, Conservation Outcomes Coordinator Audrey Hatch, and Publications Specialist Linda Repplinger provided the board with an update on progress towards implementation of the 2018 strategic plan and presented a new proposed reporting format. *Information item.*

K. General Public Comment (Audio = 1:56:18)

This time was reserved for the board to hear public general comment and review the written public comment submitted for the meeting. *Information item.*

- Oregon Association of Conservation Districts – Jan Lee
- Coalition of Oregon Land Trust - Karsyn Kendrick
- Network of Oregon Watershed Councils – Vanessa Green
- Oregon Conservation and Education Assistance Network - Cynthia Warnock

L. Director and Staff Updates (Audio = 2:24:29)

Executive Director Lisa Charpilloz Hanson and staff updated the board on agency business. *Information item.*

M. Organizational Collaboration Awards (Audio = 2:55:58)

Business Operations Manager Courtney Shaff provided an overview of the 2022 Organization Collaboration grant offering and staff funding recommendations. *Action Item.*

Kelly Coates moved the board award the Organization Collaboration grants consistent with the amount recommended in Attachment A and adding in project 223-8075. Liza Jane McAlister seconded the motion. The motion passed unanimously.

N. 2023-2025 Agency Request Budget and Future Organizational Chart (Audio = 3:16:13)

Executive Director Lisa Charpilloz Hanson, and Deputy Director Stephanie Page presented the proposed 2023-2025 organizational chart and request board approval of the Policy Option Package list to be submitted with OWEB's 2023-2025 Agency Request Budget. *Action item.*

Kelly Coates moved the board approve the budget proposals included in Attachment A for inclusion in OWEB's 2023-2025 Agency Request Budget. Barbara Boyer seconded the motion. The motion passed unanimously.

O. Tide Gate Funds Delegation Request (Audio = 4:13:46)

Grant Program Manager Eric Williams requested that the board accept up to \$70,000 of state lottery funding from the Oregon Business Development Department (OBDD) and delegate

authority to the Executive Director to enter into agreements for tide gate technical studies that have a statewide benefit for tide gate project development. *Action item.*

Mark Labhart moved the board accept up to \$70,000 of state lottery funding from OBDD and delegate authority to the Executive Director to enter into agreements to implement technical studies that have a statewide benefit for tide gate project development with an award date of January 26, 2022. Bruce Buckmaster seconded the motion. The motion passed unanimously.

The meeting was adjourned at 12:51 by Co-Chair Barbara Boyer.

October 25-26, 2022, OWEB Board Meeting

Executive Director Update C-1 Strategic Plan Update

This report provides the board updates on progress implementation of the 2018 strategic plan.

Background

In June 2018, the board approved a new strategic plan. Beginning with the July 2022 board meeting, staff developed a new template to track quarterly progress on strategic plan priorities and report out to the board and stakeholders.

Attached is the latest update of actions related to the strategic plan between August 2022 and October 2022.

Staff Contact

If you have questions or need additional information, contact Courtney Shaff, Business Operations Manager, at Courtney.Shaff@oweb.oregon.gov or 971-345-7012

Attachments

A. OWEB Strategic Plan Report October 2022

OREGON Watershed Enhancement Board



2018-2028 Strategic Plan

Quarterly Report to the Board | October, 2022



Mission: To help protect and restore healthy watersheds and natural habitats that support thriving communities and strong economies.



Priority 1

Broad awareness of the relationship between people and watersheds



Photo: Oregon Lottery

The Oregon Lottery produced a **video titled [What is a Watershed](#)** that describes what a watershed is, how it affects people of all walks of life and areas of the state. The video does an excellent job of detailing the relationship of the Oregon Lottery with OWEB as one of the funding sources of OWEB grants. This video has been shared on:

- Facebook and Instagram.
- Lottery and OWEB websites.



Photo: Amber Case, cc

OWEB continued **quarterly meetings with Oregon’s agricultural stakeholder community**; Organic Coalition; and the conservation community. Each stakeholder forum provides for dialogue on topics of mutual interest, building awareness of OWEB’s role. Sharing information with representatives from these key partner organizations helps them communicate about OWEB’s role in watershed restoration, building continued collaboration with on-the-ground partners.



Priority 2

Leaders at all levels of watershed work reflect the diversity of Oregonians



Photo: NRCS

When building applications for the Post-Fire Recovery and the Drought Resilience General Fund grants (new in this biennium), OWEB specifically included **application questions about equity and tribal involvement** to encourage applicants to think about potential impacts and opportunities for multiple communities.



Photo of Partners in Diversity “Say Hey” event: OWEB

OWEB leadership continues outreach and **engagement to non-traditional partners**. Key contacts during this quarter included the Roundhouse Foundation, Ecumenical Ministries of Oregon, and agricultural and organic stakeholders. OWEB staff also attended a networking event organized by Partners in Diversity and plan to continue attending future events.



Priority 3

Community capacity and strategic partnerships achieve healthy watersheds



Photo: Marcus Kauffman, Oregon Department of Forestry

As part of the agency’s annual Key Performance Measures, OWEB tracks the percentage of funds contributed from other sources on OWEB-funded restoration projects. The latest report for FY 2022, completed in August 2022, shows that **funding from other sources remains high, at 59%**.

- Results demonstrate that project partners contributed over \$27 million in matching funds in FY 2022.
- Continued commitment from partners including Tribes, local governments, NGOs, citizen groups, landowners, federal state and local partners.



Photo: OWEB

At the 2022 CONNECT+ conference, OSU researchers previewed a **20-year evaluation on OWEB’s capacity investments in watershed councils and soil and water conservation districts**. The evaluation reviews factors that help build or reduce organizational capacity, including the role of board, staff and partners. This information helps agencies refine monitoring and tracking approaches for capacity investments, and tell the story about investment outcomes.



Priority 4

Watershed organizations have access to a diverse and stable funding portfolio

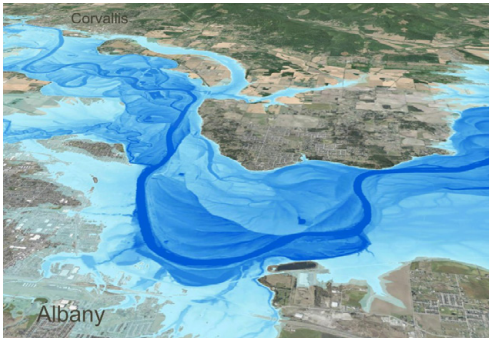


Photo: BLM

Coordination between three funding sources (OWEB grants, Willamette Bonneville Power Administration, and Meyer Memorial Grants) enables funders of varied timelines to work together and optimize impact on projects. Grantees send in one application to a single review team for access to these three funding sources. The funding sources meet to prioritize projects and collaboratively allocate money where and how it will be the most useful. The [Willamette River Anchor Habitat Restoration](#) is one example of this success.



Photo: ODF

Drought Reliance Grants complement OWEB’s traditional grant programs by providing a space for important projects which are not able to compete in Open Solicitation (OS) Grants and are too large for Small Grants (SG). Drought Relief Grants are supported by General Funds (OS and SG are supported with Lottery funding). These grants help agricultural producers:

- Reduce water use, soil erosion, and sedimentation
- Remove noxious and invasive weeds
- Provide assistance to water livestock away from rivers and streams
- Plan and implement drought-resilient practices.



Priority 5

The value of working lands is fully integrated into watershed health

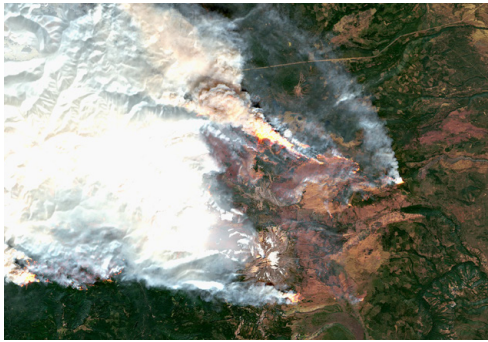


Photo: Monja Sebel, Flickr cc

Working lands were heavily impacted during both the 2020 and 2021 fire seasons. The fires resulted in loss felt environmentally, economically, and culturally.

Post-fire Recovery grants provide natural resource recovery assistance through on-the-ground implementation to private, public, and tribal lands impacted during the 2020 and 2021 fire seasons. These grants fund a variety of recovery efforts aimed at **restoring ecologic function and working lands to their pre-fire conditions**, or in some cases, improving beyond pre-fire conditions **to promote healthy watersheds**.

Drought resilience strategies on working lands also benefit watershed health. OWEB worked with local partners and stakeholders to stand up and launch several new grant offerings that support drought resiliency and watershed health.

- Jefferson Soil Conservation Grants
- Irrigation Modernization Grants
- Drought Resilience Grants
- Klamath Off-channel Livestock Watering Grants



Photo: Jefferson SWCD



Priority 6

Coordinated monitoring and shared learning to advance watershed restoration effectiveness



Photo: Marcus Kauffman, Oregon Department of Forestry

At the 2022 CONNECT+ conference, **staff presented key components of successful effectiveness monitoring efforts**, and highlighted current riparian and instream monitoring projects. Staff also provided guidance on available technical resources and lessons learned from successful monitoring programs.

- Role of monitoring coordinator and subject matter experts
- How to approach data management
- Tips for financing watershed monitoring

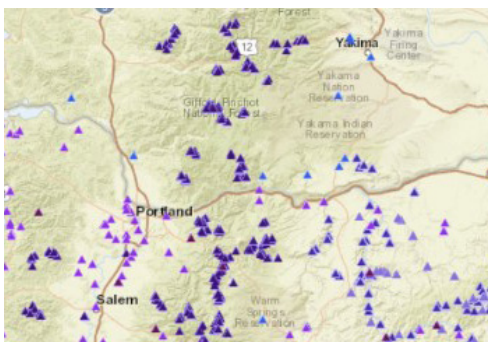


Photo: PNAMP

Through a presentation and discussion with the Pacific Northwest Aquatic Monitoring Partnership, **staff provided a summary of watershed effectiveness monitoring needs in the face of climate change**, summarizing responses from OWEB monitoring grant applicants received in the Spring 2022 grant cycle. Responses will be used to help guide the development of future informational resources.



Priority 7

Bold and innovative actions to achieve health in Oregon's watersheds



Photo of Wallowa County fire and smoke by Sam Beebe, Flickr cc

Staff continue to review responses to informational questions on climate impacts; these questions were added to several OWEB grant types in 2021-22. Responses indicate specific areas where more information would be helpful at a regional or project scale. Results will be used to further inform and develop technical resources on climate to be provided to potential applicants and partners.



Photo: Tualatin SWCD

OWEB continued development and roll-out of the Oregon Agricultural Heritage Program. This quarter, solicitations opened for Conservation Management Plan Grants and Conservation Covenant and Easement Grants. **Staff provided an overview at the CONNECT+ conference, noting the role of Oregon's working lands in providing carbon sequestration to help mitigate climate impacts.** In the Fall 2022, recruitment continues for a Natural Resources representative to the OAHP Commission. Early next year, three new Commissioners will begin serving.



Strategies Chart

highlighted in update

July October January May

1 Broad awareness of the relationship between people and watersheds

- 1.1 Develop and implement broad awareness campaigns and highlight personal stories to tell the economic, restoration, and community successes of watershed investments.
- 1.2 Increase involvement of non-traditional partners in strategic watershed approaches.

2 Leaders at all levels of watershed work reflect the diversity of Oregonians

- 2.1 Listen, learn and gather information about diverse populations.
- 2.2 Create new opportunities to expand the conservation table.
- 2.3 Develop funding strategies with a lens toward diversity, equity and inclusion (DEI)

3 Community capacity and strategic partnerships achieve healthy watersheds

- 3.1 Evaluate and identify lessons learned from OWEB's past capacity funding.
- 3.2 Champion best approaches to build organizational, community and partnership capacity.
- 3.3 Accelerate state/federal agency participation in partnerships.

4 Watershed organizations have access to a diverse and stable funding portfolio

- 4.1 Increase coordination of public restoration investments and develop funding vision.
- 4.2 Align common investment areas with private foundations.
- 4.3 Explore creative funding opportunities and partnerships with the private sector.
- 4.4 Partner to design strategies for complex conservation issues that can only be solved by seeking new and creative funding sources.

5 The value of working lands is fully integrated into watershed health

- 5.1 Implement the Oregon Agricultural Heritage Program.
- 5.2 Strengthen engagement with a broad base of working landowners.
- 5.3 Enhance the work of partners to increase working lands projects on farm, ranch and forestlands.
- 5.4 Support technical assistance to work with owners/managers of working lands.
- 5.5 Develop engagement strategies for owners and managers of working lands who may not currently work with local organizations.

6 Coordinated monitoring and shared learning to advance watershed restoration effectiveness

- 6.1 Broadly communicate restoration outcomes and impacts.
- 6.2 Invest in monitoring over the long term.
- 6.3 Develop guidance and technical support for monitoring.
- 6.4 Increase communication between and among scientists and practitioners.
- 6.5 Define monitoring priorities.
- 6.6 Develop and promote a monitoring framework.

7 Bold and innovative actions to achieve health in Oregon's watersheds

- 7.1 Invest in landscape restoration over the long term.
- 7.2 Develop investment approaches in conservation that support healthy communities and strong economics.
- 7.3 Foster experimentation that aligns with OWEB's mission.

This report provides the board an update about the status of OWEB's Oregon Agricultural Heritage Program (OAHP).

Background

During 2022 legislative session, OWEB received \$5 million of General Funds to launch the Oregon Agricultural Heritage Program (OAHP) to increase the economic viability of Oregon's agricultural operations, reduce the fragmentation of working lands, and enhance fish or wildlife habitat, water quality and other natural resources. The appropriation included an allocation of \$535,447 for operations costs, including 2.5 FTE to administer the program. The Oregon Agricultural Heritage Commission (OAHC) met April 19th to develop a spending plan for the remainder of the funds that included over \$4.3 million to secure working land conservation easements and \$150,000 to support the development of Conservation Management Plans. Solicitations for both grant programs opened on August 16th and will close on October 31st, 2022.

Staff and Commission

The OAHC consists of 12 members representing a wide variety of working land expertise. The OAHC has been in place since 2017 and has served a vital role in drafting program rules as well as helping to structure the staffing and grant offerings. Due to expiring terms and retirements, several commission seats will need to be filled at the January 2023 OWEB Board meeting, including one seat recommended by the Oregon Board of Agriculture, one recommended by the Oregon Fish and Wildlife Commission, and one appointed directly by the OWEB Board. Staff have recruited applicants and will present those to the board in January.

In June, OWEB hired Taylor Larson as Coordinator for OAHP, and in July Nicole Bettinardi was hired as the Grants Support Specialist (0.5FTE). In August, Robin Meacher was hired as the OAHP Conservation Easement Specialist. These 2.5 positions represent a "full staffing" level for the program.

Working Land Conservation Easements and Conservation Management Plans

For the 2022 OAHP Working Land Conservation Easement Grant Program, the OAHC has allocated over \$4.3 million to fund the purchase of working land conservation easements on farms and ranches across the state. These grants preserve and protect the continued use of a working land for agricultural purposes, as well as maintain or enhance fish or wildlife habitat, water quality, or other natural resource values on the land.

The OAHC also plans to invest \$150,000 to support the development of Conservation Management Plans (CMPs). The purpose of a CMP is to develop and implement conservation measures or other protections for maintaining or enhancing fish or wildlife habitat, water quality, or other natural resource values in a manner consistent with the social and economic interests and abilities of the agricultural landowner or operator. The plan may include provisions for addressing particular priorities related to natural resource values, including but not limited to soil, water, plants, animals, energy, and human need considerations. CMP grants fund the development, implementation, and monitoring of CMPs entered into by agricultural landowners or operators and CMP holders to manage working land in a manner that contributes to the purpose of OAHP.

Staff have worked with the OAHC to develop applications and associated guidance documents for both grant offerings and are now working with applicants across the state as they develop proposals for the October 31, 2022 solicitation deadline. The OAHC will then rank the proposals in March and submit their slate of recommended projects to the OWEB Board for funding consideration at the April 25-26, 2023, OWEB Board meeting.

Staff Contact

If you have questions or need additional information, contact Taylor Larson, Oregon Agricultural Heritage Program Coordinator, at taylor.larson@oweb.oregon.gov or 971-701-3248.

This report provides the board an update about OWEB's IT systems, workload, and resource needs.

Background

OWEB fulfills information technology (IT) needs with a combination of in-house staff and a shared services agreement with the Oregon Water Resources Department (OWRD). This report provides background on OWEB's IT systems, summarizes recent improvements, and highlights workload and resource needs going forward.

OWEB's in-house software development staff have built and maintain several systems that are critical to core work. Online systems have almost eliminated the need for paper grant applications and facilitate efficient communication between OWEB staff, applicants, technical review teams, and grantees. These systems also facilitate efficient reporting of watershed improvements and effective data management.

OWEB IT staff continuously receive and respond to feedback from grantees and staff to improve existing systems and build additional features to improve customer service.

OWEB's Existing IT Systems

OWEB's existing in-house IT systems include:

- OWEB Online Grant Application – allows applicants to develop and submit grant applications.
- Application Review Module – allows OWEB staff to create and edit grant applications, manage grant offerings and cycles, manage user feedback, and create grant agreements; and allows technical review team members to evaluate applications.
- OWEB Grant Management System (OGMS) and [OWEB Grant Management Online](#) – these systems allow OWEB staff and grantees to view grant status, submit and approve progress and completion reports, and submit a variety of queries for grant-related statistics.
- [Oregon Watershed Restoration Inventory](#) – allows grantees and other restoration practitioners to enter information about projects and allows any interested party to view and query these data.

OWRD provides OWEB computer and information services including file sharing, database hosting, web hosting, source control hosting, desktop and network support, IT security consultation and support, and database hosting services.

Recent Improvements to OWEB's In-House Systems

OWEB is fortunate to have a team of two expert software developer staff. Within the past year, IT staff have adopted a system for tracking progress on features, bugs, and software iteration using an industry standard software product. This system allows IT staff to prioritize work and facilitates good communication with OWEB leadership and staff on workload and status.

Key improvements to OWEB's in-house systems since the July 27-28, 2021, board meeting include the following.

- Oregon Agricultural Heritage Program, drought, and post-wildfire recovery grant applications and grant agreements have been built out and added into the system.

- Ongoing refinements have been made to OWEB's existing online systems. These refinements include improvements to the template generator that eliminates the need for manual data entry and significant re-working of the underlying code for the budget page.
- Launching of a new grantee dashboard that allows grantees to see all OWEB grants, request time extensions, process final reports, and filter grants by status. Staff are building additional functionality that will be published over time.

IT staff are currently working on a streamlined online payment request process that includes payment request submission by grantees, review by project managers and fiscal staff, and preparation for payment.

OWEB's Future IT Needs and Workload

OWEB's future IT workload is affected by several factors, including legacy impacts of the COVID-19 public health emergency, industry and agency best practices for documenting IT systems, current and prospective grantee feedback, and various state IT requirements and initiatives.

During the COVID-19 public health emergency, one of OWEB's two IT positions was held vacant. OWEB was able to fill the vacant position in 2021 and the team of two IT staff are working through a backlog of work that accumulated while the position was held vacant.

For succession planning purposes, OWEB needs to document the rationale and programming structure for its in-house databases in accordance with industry best practices. This will be a significant task that will take several years to complete.

As a requirement of the 2023-2025 Agency Request Budget (ARB) process, OWEB developed an IT strategic plan describing existing system, the agency's IT prioritization process, and future needs. OWEB is also required to develop a data governance plan and submit data to the state Chief Information Officer as part of the state's Open Data initiative.

In 2021, the state transitioned to Microsoft 365 to facilitate state enterprise-level collaboration and coordination. OWEB has been working with OWRD to make the best use of this new system, particularly as it relates to file management. Migrating the agency's electronic documents and files to a new file storage platform will require thoughtful planning and time investment among agency staff.

OWEB anticipates additional IT needs and submitted a Policy Option Package (POP) as part of the 2023-2025 ARB. The POP requested one IT staff position to focus on business analysis for new IT projects. Business analysis is an important first step in IT project development that helps ensure the final IT product is designed to meet business needs and processes. The package also includes a request for an IT staff position to provide technical assistance to current and future OWEB grantees. This is in response to existing and prospective grantee feedback that additional training and support is needed in the use of OWEB's in-house grant application and management systems.

Staff Contact

If you have questions or need additional information, contact Stephanie Page, Deputy Director, at stephanie.page@oweb.oregon.gov or 971-345-7004.

This report provides the board an update about the status of OWEB's Post-Fire Recovery and Drought Relief grant programs.

Background

During 2021 and 2022 Legislative sessions, OWEB received General Fund support for post-fire recovery grant-making. Allocations included \$19.75 million in grant funding to address impacts of the 2020 wildfire season, and \$5 million in grant funding to address impacts of the 2021 wildfire season (in addition to program administration funding to OWEB). During the 2nd Special Session in December of 2021, OWEB received \$11.627 million in General Funds to support drought relief grants and grant program administration.

Post-Fire Recovery Grants

Following is a status update for each of the 2020 post-fire recovery allocations:

- \$10.75 million for riparian and upland replanting: Three grant cycles have been completed. More than \$2.2 million in six grants have been awarded or are pending. These grants address priority post-fire recovery needs in five 2020 fire areas: Beachie Creek, Riverside, Echo Mountain, White River, and Brattain. Nearly \$3 million in additional grant requests from three fire areas—South Obenchain, Lionshead, and Holiday Farm—currently are under review. A fourth grant cycle will open in fall 2022.
- \$5 million for floodplain restoration and reconnection: Three grant cycles have been completed. Just over \$2 million in three grants have been awarded or are pending. These grants address priority post-fire recovery needs in three 2020 fire areas: Almeda, Beachie Creek, and Indian Creek. Nearly \$3 million in additional grant requests from two fire areas—Beachie Creek and Holiday Farm—currently are under review. A fourth grant cycle may open in fall 2022, depending on available funding.
- \$4 million for restoration and targeted land acquisition to Eugene Water and Electric Board (EWEB): OWEB staff are working with EWEB and local partners such as McKenzie Watershed Council and McKenzie River Trust (MRT), for post-fire restoration and acquisition grant applications, respectively, in the Holiday Farm fire area. One restoration grant cycle has been completed and a \$3 million grant awarded. EWEB and MRT currently are scoping land acquisition projects to reduce post-fire impacts to riparian and floodplain areas.

For the 2021 post-fire recovery funding, staff developed the grant offering for this funding and a grant cycle opened on September 1, 2022. Eligible activities will include soil stabilization and erosion control through activities such as replanting and reseeding of burned areas, detection and treatment for invasive species, culvert repair or replacement, and restoration activities such as instream structures to help slow run-off and capture sediment. Eligible fire areas will include Bootleg, Cougar Peak, Elbow Creek, Fox Complex, and Skyline Ridge, among others. The grant application deadline is October 20. At the October board meeting, staff will update the board about the number and total funding request of applications received. Subsequent grant cycles may occur, based on the outcome of the Fall 2022 grant cycle.

Drought Relief Grants

General funds provided to OWEB support six categories of drought relief funding. These categories, the total grant funding allocated to each program, and status updates about the programs follow. Unless specified otherwise below, following the close of a grant cycle,

technical review of applications will occur, and award decisions made within approximately 4-6 weeks of the application deadline.

- \$3,000,000 in grant funding to the Jefferson County Soil and Water Conservation District (SWCD) to support stewardship practices on irrigated land that is at high risk for erosion and soil degradation, and to limit proliferation of noxious and invasive weeds – OWEB staff created a grant offering for this funding, and a grant agreement was executed in early July. In early September, nearly \$3 million in payments had been made to the SWCD for reimbursements to approximately 80 local producers for soil conservation work. Jefferson SWCD will submit required status reports to OWEB in the coming months.
- \$2,733,500 to support grants for livestock watering wells and construction of off-channel water facilities in Klamath County – The first grant cycle was open May 31–June 30, 2022. Two grant applications were received, and technical review was completed, resulting in two grant awards totaling just over \$1 million. A second grant cycle closed September 1. One grant application requesting approximately \$630,000 currently is under review. A third grant cycle will open in early November 2022 and close in late December 2022.
- \$1,906,325 for matching grant funding to North Unit Irrigation District (NUID) for investments in irrigation modernization projects within the NUID boundary in Jefferson County – OWEB and NUID staff have been in regular communication about potential uses of the grant funding to assist with match funding needs for priority projects. NUID currently is revising its draft watershed plan as part of the federal PL 83-566 funding program with the USDA Natural Resources Conservation Service, for which state funding serves as match. Based on collaborative planning with NUID, OWEB created a September 2022 grant offering for this funding, and NUID submitted a grant application, which now is undergoing technical review.
- \$1,550,752 to irrigation districts for matching grants to support statewide investments in irrigation modernization (IM) projects – OWEB staff conducted extensive outreach to better understand match funding needs for irrigation modernization projects around the state that are shovel ready. OWEB ran a grant cycle for this Statewide IM program from August 1 to September 29, 2022. Four grant applications were submitted. Three applications, requesting \$1,473,447, were determined to be eligible. These grant applications now are undergoing technical review.
- \$852,073 to support drought resiliency projects in Jefferson County – OWEB staff conducted extensive outreach with local partners in Jefferson County to better understand needs and opportunities for use of this drought resilience funding. OWEB ran a targeted offering for this funding—titled Drought Resiliency Technical Assistance Projects in Jefferson County—during September 2022. Three grant applications, requesting \$883,337, were received, and now are undergoing technical review. In addition to the targeted grant offering, OWEB is working with Central Oregon Intergovernmental Council to develop an interagency agreement (IAA) to support coordination and technical support activities for the Deschutes Basin Water Collaborative.
- \$730,750 to support drought resiliency projects in Klamath County – OWEB staff have conducted extensive outreach with local partners in Klamath County to better understand needs and opportunities for use of this drought resilience funding. OWEB opened two grant offerings for Drought Resiliency Projects in Klamath County on September 1: one will focus on Technical Assistance and Stakeholder Engagement, and a second will focus on on-the-ground drought resilience actions. The offerings will close on October 17, 2022. At the October board meeting, staff will update the board about the number and total funding request of applications received.

Staff Contact

If you have questions or need additional information, contact Renee Davis, Fire, Klamath, and Drought Programs Manager, at renee.davis@oweb.oregon.gov or 971-345-7231.

October 25 & 26 2022 OWEB Board Meeting

Agenda Item D

Written Public Comment Placeholder

October 25-26, 2022, OWEB Board Meeting

Diversity, Equity, and Inclusion (DEI) and Environmental Justice Committee Update

Committee Members

Kelly Coates and Dan Shively (co-chairs), Bruce Buckmaster, Liza Jane McAlister, Chris Allen

Meeting Summary

The DEI and Environmental Justice Committee met on September 7, 2022. At the meeting, OWEB staff updated the committee on its efforts to reach out to non-traditional partners. Staff have committed to engaging with three new non-traditional partners each quarter. In addition, OWEB Executive Director Lisa Charpilloz Hanson is working to hold government to government outreach meetings with all Oregon's federally recognized tribes plus the Nez Perce Tribe before the end of her first year.

During the last quarter OWEB staff have met with the following organizations:

- Organic Growers Coalition
- Ecumenical Ministries of Oregon
- Oregon Conservation and Recreation Advisory Committee
- Partners in Diversity, SayHey networking event
- Conservation Stakeholders
- Agriculture Groups

Jade Aguilar and Shivangi Jain, ECONorthwest, updated the committee on their work on OWEB's Equity Statement. The committee members discussed the draft and the importance of the equity statement. The committee recommended to staff to slow down the process and have the committee discuss again in December before deciding when it should go in front of the full board. The committee also recommended staff rewrite the equity statement into the format of the board Climate Resolution. Staff will work on this and bring a new document to the committee at the next meeting.

The committee discussed written comments submitted by Shaun Robertson regarding the Phipps Meadow acquisition in Grant County.

To Be Presented at the October 2022 Board Meeting by:

Kelly Coates

Staff Contact

Courtney Shaff, Business Operations Manager
courtney.shaff@oweb.oregon.gov or 971-345-7012

October 25-26, 2022, OWEB Board Meeting

Water and Climate Committee Update

Committee Members

Bruce Buckmaster and Jamie McLeod-Skinner (Co-Chairs), Dan Brown, Stephen Brandt, Kelly Coates, Gary Marshall, Lindsay McClary, Brenda McComb, Eric Murray, Corey Owens, Meg Reeves, Dan Shively

Meeting Summary

The Water and Climate Committee met on September 15, 2022. Bruce Buckmaster and Taylor Larson, OWEB Oregon Agricultural Heritage Program coordinator, briefed the committee on a tour that they attended at the Imperial Stock Ranch in Maupin, Oregon. The focus of the tour was soil health and carbon sequestration opportunities on working lands, and how voluntary carbon markets can provide income to support land stewardship. Committee members agreed to continue discussions and policy development regarding OWEB programs and voluntary carbon markets. Future committee topics will include a review of the carbon market terminology, and a case study related to one of OWEB's land acquisition grants.

Board and Legislative Policy Coordinator Eric Hartstein updated the committee on the rulemaking process to implement the climate resolution. Climate evaluation criteria are currently being considered to be built into the Division 5 administrative rules. Staff will put together a rules advisory committee that includes applicants, grantees, review team members, and non-traditional partners. Climate criteria will be addressed separately for the Oregon Agricultural Heritage Program because the program has its own separate sets of rules.

Committee members discussed cross-cutting topics from other board committees. The Diversity, Equity, and Inclusion committee reviewed a draft OWEB equity statement at its last meeting and will continue discussing and refining the statement. The Grants committee discussed potential improvements to the Focused Investment Partnership grant program.

Executive Director Lisa Charpilloz Hanson updated the committee on the implementation of drought and post-wildfire recovery programs legislatively allocated during the 2021-2023 biennium. OWEB has offered at least one grant cycle for all programs except for water acquisitions, which is working through a procurement issue. Discussions are ongoing regarding future additional investments in drought resiliency programs. Local partner capacity affects the pace of program implementation and spending, particularly in the case of post-wildfire recovery grants.

One public comment was received and sent to committee members prior to the meeting. Staff contacted the commenter prior to the committee meeting to get a better understanding of the commenter's request and recommendations.

To Be Presented at the October 2022 Board Meeting by:

Bruce Buckmaster and Jamie McLeod-Skinner

Staff Contact

Stephanie Page, Deputy Director
Stephanie.Page@oweb.oregon.gov or 971-345-7004

Committee Members

Barbara Boyer and Dan Brown (co-chairs), Lindsay McClary, Mark Labhart

Meeting Summary

The Grants Committee met on September 1, 2022. At the meeting, the committee heard updates on the upcoming October Open Solicitation awards and the recently opened solicitation for Oregon Agricultural Heritage Program Conservation Easement and Conservation Management Plan grants. The remainder of the meeting focused on the recent Focused Investment Partnership (FIP) awards and the next FIP solicitation along with public comment.

A kick-off meeting was held August 31 with representatives of the five partnerships who received FIP awards at the July board meeting. The partnerships are ready to begin work, and OWEB staff walked through the steps needed to begin awarding project-level grants, including execution of a Partnership Agreement, and establishing technical review teams for each FIP.

Staff reviewed the results of a FIP applicant survey, which included responses from 10 of the 11 FIP applicants. Generally, applicants noted that the application process was cumbersome, particularly for those partnerships who did not receive awards. Many respondents expressed preference for a two-step application process. Respondents also felt that there was a lack of transparency in the expert review panel, and too large of a volume of material for the Grants Committee to evaluate. Additionally, respondents felt that the board did not have sufficient understanding of the review process leading up to the award.

The committee expressed interest in 1) holding a “FIP 101” meeting prior to the next application evaluation cycle; 2) elimination of the confusing language seeking an average of \$2 million per biennium among the applications and just keeping the \$4 million maximum per application; 3) receiving a summary of the survey responses; and 4) holding an additional committee meeting around the time of the October board meeting to discuss options for application process changes, including a two-stage application review.

The committee heard four public comments from members of FIP applicant partnerships focused on the FIP application process and expressed appreciation for the opportunity to respond to the applicant survey.

To Be Presented at the October 2022 Board Meeting by:

Dan Brown and Barbara Boyer

Staff Contact

Eric Williams, Grant Program Manager
eric.williams@oweb.oregon.gov or 971-345-7014

October 25 & 26 2022 OWEB Board Meeting

Item F

Spring Open Solicitation Grant Board Awards

Refer to Supplemental Attachment



Agenda Item G supports OWEB's Strategic Plan priority #3: Community capacity and strategic partnerships achieve healthy watersheds.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Courtney Shaff, Business Operations Manager
SUBJECT: Agenda Item G – Oregon Conservation Partnership – Second Year of Funding
October 25-26, 2022, Board Meeting

I. Introduction

This staff report describes the Oregon's Conservation Partnership's (Partnership) accomplishments to date for the biennium and provides a funding recommendation for the remainder of the Partnership's biennial grant.

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 organizations collaborate to deliver technical support, member services, program development, training, and outreach to their stakeholders.

For the 2021-2023 biennium, the total recommended award by staff was \$425,000. At the July 2021 meeting, the board awarded \$225,000, with the requirement that the staff provide an update to the board prior to awarding the Partnership the remaining \$200,000 of funding. At the July 2022 meeting, the board added an additional \$25,000 to the spending plan for this item. The staff update at the October meeting will include this increased amount of funding for a total request of \$225,000 to the Partnership.

III. Accomplishments

The Partnership has been working to increase communication and coordination among the organizations with meetings of the executive directors and the boards. The Partnership has also been working to increase the delivery of services to stakeholders and staff will provide an overview of accomplishments at the board meeting. Highlights include:

- Delivery of in-person and virtual CONNECT conference in Seaside.
- Distribution of the annual State of the Lands report.
- Worked collaboratively with stakeholders to execute an earned media strategy featuring 21 distinct earned media stories between January and June 2022.

- Held monthly 'Third Thursday' training webinars for watershed councils, soil and water conservation districts, and land trusts staff.

The Partnership has many additional activities planned for the biennium, including monthly webinars, and continued media efforts.

IV. Recommendation

Staff recommend the board award an additional \$225,000 to the Partnership in grant #222-8006-19999.



Agenda Item I supports all of OWEB's Strategic Plan priorities.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Lisa Charpilloz Hanson, Executive Director
Eric Hartstein, Board and Legislative Policy Coordinator
SUBJECT: Agenda Item I – OWEB 101-Fund Sources
October 25-26, 2022, Board Meeting

I. Introduction

At the October board meeting, staff will be joined by Oregon Department of Justice Assistant Attorney General Diane Lloyd to discuss the types of funding OWEB allocates through grants and any requirements or limitations on the types of projects that can be supported with these funds.

II. Background

OWEB distributes state and federal funds through grant agreements. Traditionally, the sources of these funds were primarily the Oregon lottery (lottery funds), Salmon License Plates, (other funds), and Pacific Coastal Salmon Recovery Fund (PCSRF)(federal funds). These funds were focused on watershed restoration and conservation activities. In recent years, OWEB funding has broadened to include Oregon General Funds that support grant programs with a different emphasis from Oregon Lottery or PCSRF funding.

III. Oregon Lottery- Ballot Measure 76 Funds

In 2010, Oregonians passed Ballot Measure 76 which constitutionally dedicates 15% of Oregon lottery proceeds to parks, beaches, wildlife habitat, and watershed protection. Of the 15% of Oregon lottery proceeds, half is committed to watershed protection and restoration. These funds are then directed to the Watershed Conservation Operating Fund (35%) and Watershed Conservation Grant Fund (65%). The Oregon Constitution requires the split change to 30% operating and 70% grants when the funding surpasses 150% of the 2009-2011 funding. It is anticipated that lottery revenues will surpass that figure this biennium. Staff are working with DAS and LFO to determine impact.

The Watershed Conservation Operating Fund supports state agencies, including OWEB, in implementing Measure 76 and is allocated in the biennial legislative budgeting process. The Watershed Conservation Grant Fund is administered by OWEB and allocated according to the board's biennial spending plan. Historically, Measure 76 lottery funding has been approximately 2/3 of OWEB's budgeted funds.

The Watershed Conservation Grant Fund can only support projects consistent with Section 4b of Article XV of the Oregon Constitution, and Oregon Revised Statute 541.956, which stipulates that the fund may only be used for:

(1) Acquiring from willing owners' interests in land or water that will protect or restore native fish or wildlife habitats. The interests may include, but need not be limited to, fee interests, conservation easements or leases.

(2) Projects to protect or restore native fish habitat or wildlife habitat.

(3) Projects to protect or restore natural watershed or ecosystem functions to improve water quality or stream flows.

(4) Resource assessment, planning, design and engineering, technical assistance, monitoring and outreach activities necessary for carrying out subsections (1) to (3) of this section.

IV. Federal Funds

The primary source of federal funds distributed by OWEB is PCSRF. These funds are congressionally appropriated to NOAA Fisheries and awarded as grants to pacific coast states. In Oregon, OWEB is the designated state agency that applies for the PCSRF funds. The funds support OWEB operations and grants, and since 2000 have accounted for approximately 1/3 of the agency's budget. PCSRF also provide funding for the Oregon Department of Fish and Wildlife. To be eligible for PCSRF funding, a project must provide benefit to salmon and/or steelhead listed under the federal Endangered Species Act.

In addition to PCSRF, OWEB has successfully competed for federal funds from the U.S. Fish and Wildlife Service, Environmental Protection Agency, the Bureau of Land Management, and the Natural Resources Conservation Service. Limitations on activities that these funds can support are specified by the individual funding source.

V. Salmon License Plates

OWEB receives half of the revenues from the sale of salmon license plates. Salmon license plate revenues to OWEB have averaged approximately \$500,000 per biennium. These funds are restricted under ORS 805.256 for grants that protect or restore native salmon habitat or restore natural watershed or ecosystem functions by removing artificial obstructions to native salmon migration. Salmon license plate funds are generally distributed to eligible Open Solicitation restoration projects when funding is made available.

VI. General Funds

In the 2021-2023 biennium, the legislature has provided General Funds to OWEB to support the Oregon Agricultural Heritage Program (OAHP), water acquisitions as well as post-wildfire recovery efforts and drought relief issues. These funds may be used for OWEB operations and grants as specified in the legislation that allocated the funding to the agency. Activities that the grant funds may support are also limited by specific legislation that assigned the funding, and in the case of OAHP, the statutes that guide the program.

VII. Recommendation

This is an information item only.



Agenda Item J supports OWEB's Strategic Plan priority #3: Community capacity and strategic partnerships achieve healthy watersheds, Strategic Plan priority #4: Watershed organizations have access to a diverse and stable funding portfolio, and Strategic Plan priority 7: Bold and innovative actions to achieve health in Oregon's watersheds.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Jason Miner, Natural Resources Policy Director, Office of the Governor
Renee Davis, OWEB Fire, Klamath, and Drought Programs Manager
SUBJECT: Agenda Item J – Klamath River Post-Dam Removal Watershed Restoration –
Contingency Funding
October 25-26, 2022, Board Meeting

I. Introduction

The Governor's Office requests the board commit up to \$15 million over 3 to 5 years in support of Klamath River post-dam removal watershed restoration. Removal of the four PacifiCorp dams along the Klamath River in Oregon and California that block fish passage has been a priority of multiple governors in both states for over a decade. After extensive work by the Klamath River Renewal Corporation (KRRC) and its contractors (in coordination with states, tribes, federal agencies, irrigators, conservation groups, and many others), there is now a clear path to completing dam removal in 2024. Following dam removal, watershed restoration will occur in areas directly adjacent to the former reservoirs and priority tributaries.

This staff report prepares the board for a presentation by Policy Director Miner about the dam removal project and a request for board action to commit funding in support of watershed restoration work in Oregon following dam removal. Multiple funding sources administered by OWEB could be utilized for this commitment. The board's biennial spending plan for 2021-2023 would be updated to reflect this commitment, and future spending plans would need to include this commitment until post-dam removal watershed restoration is complete.

II. Background

PacifiCorp owns and operates four hydro-electric dams on the Klamath River, three in California and one in Oregon (J.C. Boyle dam). PacifiCorp determined that it is in the best interest of the company and its customers to stop operating the dams rather than spending substantial amounts on improvements needed if they were to continue generating power. PacifiCorp agreed to transfer ownership of the dams to KRRC, which in turn has contracted with Kiewit, an experienced large-project construction firm, to remove the dams and restore the river to a free-

flowing condition. Funding for removal and watershed restoration is being provided by California taxpayers (\$250 million in bond proceeds) and PacifiCorp customers in both states (\$200 million, already collected).

Oregon Department of Environmental Quality (DEQ) and the California Water Resources Control Board have approved water quality certifications for dam removal. The project also requires Clean Water Act Section 404 permitting from the U.S. Army Corps. As of the writing of this staff report, these reviews are nearly complete, and permits are anticipated this fall.

The Federal Energy Regulatory Commission (FERC) is responsible for the principal federal regulatory review of the project. FERC has completed the required federal environmental and cultural review processes. On August 26, 2022, FERC released a Final Environmental Impact Statement (FEIS), and recommended approval of the proposed license surrender, decommissioning, and removal of the four Klamath River dams. A final License Surrender Order is anticipated in October of 2022, which enables commencement of pre-dam removal activities (e.g., drawdown) as well as initial restoration work to occur in 2023.

As KRRC implements the dam removal, former reservoir areas will become exposed and require restoration and stabilization of bare sediment deposits for long-term water quality, long-term ecological benefits, and restoration of natural river functions and processes. KRRC's submission to FERC includes a [reservoir area management plan](#) that describes proposed measures for restoration, monitoring, and adaptive management of the Reservoir Areas and High Priority Tributaries as well as fish passage monitoring within the Reservoir Area Management Plan Fish Passage Monitoring Area. The plan includes general restoration, monitoring, and adaptive management actions that will be implemented at all former reservoir areas, and describes actions specifically planned for the former reservoir area upstream of J.C. Boyle dam, the section of the project located in Oregon.

During the FERC review, a question was raised about whether existing contingencies and risk tools provide a high enough level of certainty that the work will be completed on time and within budget. In response to this concern, the states and PacifiCorp agreed to provide up to \$45 million in additional financial support for the project, divided equally among the three partners. The \$45 million is equal to 10% of the project budget, which already includes separate contingencies, contractual guarantees, insurance, and performance bonding.

In March 2021, previous directors from DEQ (Richard Whitman) and OWEB (Meta Loftsgaarden) discussed with the board the potential for OWEB to provide funding for Oregon's portion of the required funding, up to \$15 million. At that meeting, the board affirmed that Klamath River post-dam removal watershed restoration is an appropriate use of OWEB funding.

The full reservoir area management plan document includes a level of detail consistent with restoration grant applications that are typically submitted to OWEB for funding. Plans specifically related to reservoir area restoration upstream of J.C. Boyle dam are included on pages 23-24 and pages 70-75 of the reservoir area management plan.



III. OWEB Commitment and Funding Request

As initiation of Klamath dam removal will commence three to four years beyond when originally anticipated, the potential need for contingency funding has been confirmed. This need for contingency funding is due to a combination of factors, including the time delay, supply chain and labor market issues, and additional requirements in the FERC FEIS and order that may increase project costs. Oregon's estimated contribution is \$3-15 million between now and 2025, with the potential for funding as late as 2027.

Governor Brown's natural resources staff have been working with agencies to identify funding options. OWEB has been identified as a funder with constitutional and statutory authority to fund categories of projects consistent with the post-dam removal watershed and habitat restoration. Restoration work supported by OWEB following dam removal would benefit wildlife, including native migratory fish and other aquatic species.

The Governor's Office requests the OWEB board make available up to \$15 million over 3-5 years for Klamath River post-dam removal watershed restoration. The Governor recognizes that this is an extraordinary request. This request reflects the unique, long-term environmental benefits of Klamath River dam removal and watershed restoration.

The board's commitment of OWEB grant funds would provide assurance that all three parties—the states of Oregon and California and PacifiCorp—are committed to post-dam removal restoration. This investment would complement additional funding directed to the Klamath Basin by the federal government and other funders for broader restoration and conservation work throughout the basin. While it is recognized that funding is dependent on resources available in a given biennium, this commitment of funding by the board would provide certainty.

OWEB is recognized for its administration of watershed restoration investments through its grant-making processes. If the board approves the requested actions, the Governor's Office expects OWEB will utilize rigorous vetting, review, and grant administration processes to ensure that this investment supports watershed restoration planning, design, and implementation that align with the agreed upon intent of this commitment. OWEB funding allocated for this purpose would be reviewed through standard agency granting processes to ensure that funding complies with constitutional, statutory, and regulatory requirements. If approved, the funds committed by OWEB would be spent only for the Oregon portion of the post-dam removal restoration contingency needs.

In the event that OWEB's existing funding sources are insufficient to cover the funds needed up to \$15 million, an additional funding option identified is a loan of funds from the Clean Water State Revolving Loan Fund administered by DEQ to OWEB. This source of funds is identified as a back-up source of funds that could also be used for riparian restoration. DEQ has conveyed to

OWEB that, if necessary, these funds are available. These funds could serve as a bridge loan until OWEB's existing sources were available.

IV. Requested Action by the OWEB Board

- 1) The OWEB Board commit up to \$15 million over 3-5 years for grant funding for Klamath River Post-Dam Removal Watershed Restoration.
- 2) The OWEB Board amend its current spending plan (page 9 of the October board meeting eBook) to reallocate funding to include \$4.053 million for post-dam removal restoration contingency costs in the current biennium (2021-2023).
- 3) The OWEB Board award an initial amount of \$4.053 million from the Klamath Post Dam Removal Watershed Restoration line item in the board's 2021-2023 amended spending plan to support post-dam removal restoration contingency costs incurred by the Klamath River Renewal Corporation, and delegate to the Executive Director the authority to distribute the funds through appropriate agreements with an award date of October 26, 2022.
- 4) The OWEB Board include the remainder of the \$15 million in funding, or \$10.947 million, in future spending plans.
- 5) If existing funding sources are not sufficient, the OWEB Board authorizes OWEB staff to apply for a loan of funds from the Clean Water State Revolving Fund for post-dam removal restoration activities.



Kate Brown, Governor



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Agenda Item K supports OWEB's Strategic Plan priority #3: Community capacity and strategic partnerships achieve healthy watersheds.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Courtney Shaff, Business Operations Manager
SUBJECT: Agenda Item K – Local Partner Panel
October 25-26, 2022, Board Meeting

I. Background

At the October board meeting, local partners will participate in a panel discussion with the board about how they leverage local, state, and federal funds and partnerships to build capacity and achieve local restoration and conservation goals.

II. The Panelists

Business Operations Manager Courtney Shaff and North Coast Regional Program Representative Katie Duzik will facilitate a panel discussion with the following participants:

- Sarah Zwissler, Trout Unlimited Salmon Superhighway Coordinator
- Guy Sievert, Nestucca-Neskowin-Sand Lake Watershed Council Board Member
- Zac Mallon, Lower Nehalem Watershed Council Coordinator

The panelists will provide a summary of their local organizations and how they utilize OWEB funds along with local, state, and federal partnerships to achieve local restoration and conservation goals.

III. Recommendation

This is an information item only.



Agenda Item L supports all of OWEB's Strategic Plan priorities.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Stephanie Page, Deputy Director
SUBJECT: Agenda Item L – Interagency Panel on Water Issues and Initiatives
October 25-26, 2022, Board Meeting

I. Introduction

At the October board meeting, representatives from the Governor's Natural Resource Office (GNRO) and state natural resources agencies will provide updates to the board regarding several water-related initiatives in the state. These initiatives connect to the Oregon 100-Year Water Vision and Integrated Water Resources Strategy (IWRS).

As a funder of projects that support the Water Vision and the IWRS, OWEB is engaging in these initiatives and keeping track of how they may impact future priorities for watershed investments. OWEB is also often a collaborator in local partner and stakeholder engagement efforts due to our relationship with watershed conservation and restoration practitioners.

II. Background

Oregon's IWRS, first developed in 2012 and updated in 2017, identifies specific needs to better understand and manage water in Oregon. Oregon's 100-Year Water Vision furthers the goals of the IWRS and calls for investments in infrastructure and ecosystems that support clean water, resilient communities, and vibrant local economies. OWEB participated in the IWRS interagency advisory team and was extensively involved in developing the 100-Year Water Vision.

In 2021, the Oregon Legislature and Governor Kate Brown made historic investments in Oregon's water resources by passing a \$538 million water package. The funding includes a massive investment in drinking water, wastewater, and groundwater infrastructure projects across the state. The funding also invests in fish and wildlife habitat, water quality, natural infrastructure, and the resiliency of natural systems.

III. Current Situation

GNRO and agency representatives will update the board on several state investments and initiatives to implement the 100-Year Water Vision and the IWRS. OWEB staff have been engaged in these initiatives in several ways and anticipate that the information generated from some of the initiatives will be useful in future prioritization of areas for grant investments.

Oregon Water Resources Department (OWRD):

The OWRD leads development of the IWRS. The IWRS provides an overarching framework for understanding and managing water in Oregon. OWRD is currently putting together a progress report that identifies actions that water-related agencies have taken to implement the IWRS. Once complete, OWRD will begin leading the process of updating the IWRS to reflect new and emerging water-related priorities for the state.

House Bill 5006 (2021) directed OWRD and Oregon Consensus to establish a state-supported regional water management and planning work group. The group's charge is to examine regional water planning and management opportunities that build upon the 100-Year Water Vision and support the goals of the IWRS.

Based on a request from all nine federally recognized tribes in Oregon and funding from the legislature, the Governor asked OWRD to convene a Tribal/state agency task force on water. The task force was initiated in June, with state agencies sharing their responsibilities related to water and each tribe sharing their perspectives on water, and opportunities and challenges interacting with state agencies. Task force recommendations will be presented at the Legislative Commission on Indian Services annual summit in November 2022.

The Water Resources Commission directed OWRD to develop a groundwater allocation policy that is more protective of groundwater resources and senior water right holders. OWRD is currently exploring a process that prevents issuance of groundwater permits without making a positive finding of water availability.

Oregon Department of Environmental Quality (DEQ):

Oregon DEQ is responsible for developing clean water plans called Total Maximum Daily Loads (TMDL). DEQ continues to work on TMDL development for impaired waterbodies across the state. OWEB and DEQ will be meeting later this fall to stay coordinated on TMDL priorities and connections between these priorities and OWEB grant programs.

HB 5006 (2021) provided funding to DEQ to begin initial scoping and design of a database framework of water and infrastructure data. DEQ has engaged contractors for the scoping effort, convened both interagency steering and technical committees, and will be conducting stakeholder and tribal engagement this fall. OWEB staff are participating on the two committees and assisting with stakeholder engagement.

Oregon Department of Fish and Wildlife (ODFW):

House Bill 5009 (2021) established the Habitat Division within ODFW and moved the Water Quality and Quantity Program under the new division. ODFW leadership have been working closely with OWEB to coordinate on new drought resiliency programs legislatively allocated to both agencies. The agencies are exploring ways to fund complementary projects and to harmonize grant administration processes as much as possible.

ODFW has been working to identify priority areas of the state for aquatic habitat protection and restoration to support salmon recovery and other fish and wildlife needs. OWEB's water acquisition grant program will be an important source of funding for these future needs.

IV. Recommendation

This is an information item only.



Agenda Item M supports all of OWEB's Strategic Plan priorities.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Lisa Charpilloz-Hanson, Executive Director
Eric Williams, Grant Program Manager
SUBJECT: Agenda Item M – Overview of 2023-2025 Spending Plan Development Process
October 25-26, 2022, Board Meeting

I. Introduction

Staff will discuss the process for building and approving the 2023-2025 OWEB Spending Plan and initiate a conversation with the board about the tie between the spending plan and OWEB's 2018 strategic plan.

II. Background

After the Oregon Legislature provides 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 Lottery Funds, Federal Funds, Other Funds and General Funds. The bulk of OWEB's grant funding is from Measure 76 Lottery Funds and the Pacific Coastal Salmon Recovery Fund (PCSRF), Federal Funds. The Oregon Legislature routinely allocates PCSRF funding based on estimated federal grant awards over two years.

At its July 2021 meeting, the board adopted a 2021-2023 Spending Plan totaling \$124.9 million, excluding funds transferred to or from other agencies. In January 2022, \$10.8 million in General Funds appropriated for drought recovery were added to the spending plan; in April 2022, \$19.1 million on General Fund appropriations for wildfire recovery, Oregon Agricultural Heritage, and water acquisitions were added to the spending plan. In July 2022, the board revised the spending plan to allocate additional funds available from PCSRF, reserve, and recapture of unexpended grant funds to increase line items in the open solicitation, focused investment, and operating capacity categories. The revised July 2022 spending plan totaled \$169 million (see updated Spending Plan at the front of the board book).

III. Spending Plan Timeline

The 2023-2025 Spending Plan will be approved by the board in July 2023. In preparation for that approval, the following steps will occur:

- In October 2022, the board will discuss the overall timeline for the spending plan development process, and the connection between the spending plan, Long-Term

Investment Strategy and the 2018 Strategic Plan, including an initial review of percent targets from previous board spending plans (Attachment B).

- In January 2023, based on initial conversations in October, the board will provide an indication of the percentages it would like to include for Open Solicitation, Focused Investments, Operating Capacity, and Other grant categories.
- In April 2023, staff will present on each of the grant types within each category (e.g., restoration, FIP effectiveness monitoring, etc.) and propose an investment amount for each grant type based on the overall percentages indicated by the board in January. At that time, the board will provide feedback on the funding amounts for each grant type.
- In July 2023, staff will present the 2023-2025 Spending Plan as a slate of final recommendations for the board's approval. The board will also consider the latest revenue forecast, the use of additional funds for the spending plan from PCSRF, legislatively allocated funds, and any recapture from the previous spending plan. Ultimately, in July 2023, the board will approve next biennium's spending plan.

IV. Connection to Strategic Plan and Long-Term Investment Strategy

The board is currently operating under both the Long-Term Investment Strategy (approved in 2013, provided as Attachment C) and the 2018 Strategic Plan (summary provided at the front of the board book). These continue to guide the process of developing the spending plan. In addition, the board has generally operated in a 'no surprises' approach with grantees, seeking to keep shifts in the spending plan gradual to ensure that grantees have time to respond to any changes the board proposes to make in funding categories.

V. Recommendation

This is a discussion item only.

Attachments

A. 2021-2023 Spending Plan

B. Previous Spending Plan Percentages Based on Long Term Investment Strategy

C. Long Term Investment Strategy

Previous Spending Plan Percentages for Core Programs*

Category	2015-2017	2017-2019	2019-2021	2021-2023
Open Solicitation	62.69%	61.65%	55.28%	54.66%
Focused Investments	17.15%	19.14%	26.05%	26.23%
Operating Capacity**	18.11%	16.09%	15.38%	15.93%
Other	2.06%	3.13%	3.29%	2.32%

**Note: the spending plan percentages are taken from the board meeting at which the board approved each of the spending plans (July of each even year) and are the 'Year 2' numbers for each approved plan. Core Programs exclude general fund line items.*

***Note: while the operating capacity percent has gone down each biennium, the amount for capacity has gone up using a cost-of-living allowance calculation in all three biennia. The lower percentage is because Lottery revenues increased more than the cost-of-living calculation in those biennia.*



OWEB Strategic Direction 2019

Mission: To help protect and restore healthy watersheds and natural habitats that support thriving communities and strong economies.

Strategic Plan

With extensive input from our stakeholders, OWEB has designed a strategic plan to provide direction for the agency and its investments over the next 10 years.

PRIORITY 1. Broad awareness of the relationship between people and watersheds

- Develop and implement broad awareness campaigns and highlight personal stories to tell the economic, restoration, and community successes of watershed investments
- Increase involvement of non-traditional partners in strategic watershed approaches

PRIORITY 2. Leaders at all levels of watershed work reflect the diversity of Oregonians

- Listen, learn, and gather information about diverse populations
- Create new opportunities to expand the conservation table
- Develop funding strategies with a lens toward diversity, equity, and inclusion

PRIORITY 3. Community capacity and strategic partnerships achieve healthy watersheds

- Evaluate and identify lessons learned from OWEB's past capacity funding
- Champion best approaches to build organizational, community, and partnership capacity
- Continue to catalyze and increase state/federal agency participation in strategic partnerships

PRIORITY 4. Watershed organizations have access to a diverse and stable funding portfolio

- Increase coordination of public restoration investments and develop funding vision
- Seek alignment of common investment areas with private foundations
- Explore creative funding opportunities/partnerships with the private sector
- Partner to design strategies for complex conservation issues that can only be solved by seeking new and creative funding sources

PRIORITY 5. The value of working lands is fully integrated into watershed health

- Implement the Oregon Agricultural Heritage Program
- Strengthen engagement with a broad base of landowners
- Enhance the work of partners to increase working lands projects on farms, ranches, and forestlands
- Support technical assistance to work with owners/managers of working lands
- Develop engagement strategies for owners/managers of working lands who may not currently work with local organizations

PRIORITY 6. Coordinated monitoring and shared learning to advance watershed restoration effectiveness

- Broadly communicate restoration outcomes and impacts
- Invest in monitoring over the long term
- Develop guidance and technical support for monitoring
- Increase communication between and among scientists and practitioners
- Define monitoring priorities
- Develop and promote a monitoring framework

PRIORITY 7. Bold and innovative actions to achieve health in Oregon's watersheds

- Invest in landscape restoration over the long-term
- Develop investment approaches in conservation that support healthy communities and strong economies
- Foster experimentation that aligns with OWEB's mission



Long-Term Investment Strategy

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.



Agenda Item N supports OWEB's Strategic Plan priority #6: Coordinated monitoring and shared learning to advance watershed restoration effectiveness.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Stephanie Page, Deputy Director
Ken Fetcho, Effectiveness Monitoring Coordinator
SUBJECT: Agenda Item N– Volunteer Water-Quality Monitoring Equipment Funding
October 25-26, 2022, Board Meeting

I. Introduction

Staff will request funding to support equipment purchases for the State of Oregon's Volunteer Water Quality Monitoring Program. This equipment would be loaned out to local groups conducting monitoring, many of which receive monitoring grants from OWEB.

II. Background

Volunteer water quality monitoring is an important part of the state's collaborative efforts to understand watershed health and support watershed enhancements. Across Oregon, a variety of local partners conduct volunteer monitoring in their communities. They receive voluntary technical assistance, loaned equipment, and in some cases, grant funding to conduct this important work.

The Oregon Department of Environmental Quality (DEQ) Volunteer Monitoring Program provides technical assistance and training in monitoring design, the equipment uses, data management, and analysis. Volunteer groups participating in the program—many of which are OWEB grantees—are eligible to receive high-quality monitoring equipment on loan.

OWEB relies on these services to ensure high-quality study designs, monitoring practices, appropriate tools, and sound data management are embedded within monitoring grants funded by the board. To ensure adequate resources are available to local groups, the board has provided periodic funding for water quality monitoring equipment to be made available via the Volunteer Water Quality Monitoring Program.

This equipment enables local groups to expand the state's water quality monitoring network, informing both local watershed and larger state-level needs, such as tracking for the Total Maximum Daily Load program. More than 100 groups have participated in this program to date, gathering monitoring data from over 1,000 locations around the state.

OWEB's current and ongoing water quality monitoring grantees help inform the understanding related to the impacts of climate change. These grants provide data to understand what the environmental conditions are from year to year. Some of these grantees continue to monitor water quality over several years in coordination with state and federal agencies. These long-term data help establish trends related to streamflow and water temperature, which have a direct link to climate impacts through time. Partners use these data to further interpret other data such as fish population trends to prioritize and evaluate restoration actions.

The last time the board provided funding to DEQ was in 2018. Since that time equipment has reached its shelf-life and additional equipment is needed to meet the program's ongoing needs related to water quality monitoring.

III. Funding Request

Funding is requested to maintain this equipment-loan service that DEQ provides to local organizations including OWEB monitoring grantees. Up to \$113,000 is available in federal Pacific Coastal Salmon Recovery dollars that are eligible to be used for this purpose.

Funds will be used to replace aging equipment, which will improve data-collection methods and data quality and expand monitoring capability to address critical water quality data needs. Additional detail about the equipment to be purchased will be provided at the board meeting.

IV. Recommendation

Staff recommends the board award up to \$113,000 from the Quantifying Outputs and Outcomes line item in the 2021-2023 spending plan in support of new and replacement equipment for the Volunteer Water Quality Monitoring Program, and delegate to the Executive Director the authority to distribute the funds through appropriate agreements with an award date of October 26, 2022.

Attachments

A. DEQ Equipment Funding Additional Detail

Volunteer Water-Quality Monitoring Program Equipment Needs

ADDITIONAL DETAIL

The state's Volunteer Monitoring Program, housed within the Oregon Department of Environmental Quality (DEQ), provides support for water quality monitoring, including technical assistance and training in monitoring design, equipment uses, data management, and analysis. Volunteer groups participating in the program—many of which are OWEB grantees—are eligible to receive high-quality monitoring equipment on loan.

As community-based monitoring efforts throughout Oregon evolve and expand, the demand for support in the form of monitoring equipment grows. The current inventory of monitoring equipment that the DEQ volunteer program maintains requires constant upkeep and regular replacement. In addition, the program looks to changing trends in monitoring and attempts to provide equipment that will meet demand. To maintain a sufficient inventory of equipment that meets the wide variety of monitoring goals of different organizations, the DEQ is requesting funds totaling approximately \$113,000. Information for types of needed equipment is provided below.

Continuous temperature data loggers continue to be in demand by organizations prioritizing and tracking watershed restoration programs. In addition, many organizations aim to monitor temperature over several years to better establish an understanding of trends through time. These data help to better record and respond to the ongoing impacts of climate change on Oregon waters.

Temperature data loggers generally have a 5-year lifespan due to battery limitations and mechanical breakdown of the logger body. The funding for several dozen loggers would replace expired units previously purchased by the DEQ volunteer program as well as expand inventory to meet a growing demand.

Continuous water level data logger usage is increasing amongst organizations. Water level loggers are used to monitor river or stream depths by use of a pressure transducer and assist in creating continuous estimates for discharge without the resource intensive installation of permanent gaging stations. As the impacts of climate change on precipitation patterns throughout Oregon become better understood, water quantity data in conjunction with various water quality parameters of interest can provide better knowledge of current conditions. The funding for water level loggers would enhance the DEQ volunteer program inventory and help support organizations that are looking to include this parameter into their upcoming monitoring efforts.

Continuous dissolved oxygen data loggers allow for unattended continuous monitoring of this diurnal parameter. Groups continue to implement monitoring for dissolved oxygen to better

characterize DO conditions identified as a possible concern through prior grab sampling. To satisfy expected demand, funding is requested for approximately two dozen loggers.

Water quality meters measure basic water quality parameters of temperature, conductivity, salinity, dissolved oxygen, turbidity, and pH. The DEQ continues to expand its ability to provide multi-parameter meters to groups for better efficiency in conducting high quality monitoring, as well as offering single parameter equipment when more appropriate. The funding for multi-parameter and single parameter equipment will allow the continued support for groups monitoring these common parameters of interest.

In addition, the DEQ's inventory of accurate, NIST certifiable thermometers is aging. These thermometers are efficient tools for field auditing continuous loggers. Replacement units are needed to maintain support for groups conducting these various types of temperature monitoring. Portable barometric pressure units are also important for conducting field audits for dissolved oxygen and water level loggers.

Replacement sensors, probes and standards are important purchases to maintain a functioning and reliable inventory of monitoring equipment. Water quality meters require replacement probes and sensors that expire over time through normal wear and tear or are damaged during use. Funding is requested for upkeep purchases such as water quality multi-parameter probes, dissolved oxygen data logger sensor caps, and turbidimeter sample vials and accurate field standards. These purchases will maintain operation of primary equipment that is already within the DEQ volunteer program inventory, some of which is currently on loan with partner groups.