



OREGON
WATERSHED
ENHANCEMENT BOARD

**Hybrid Board Meeting
Pendleton, Oregon
July 22-23, 2025**



Oregon Watershed Enhancement Board

Meeting Agenda

July 22-23, 2025

Wildhorse Resort & Casino
46510 Wildhorse Blvd
Pendleton, OR 97801

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

- ❖ [YouTube Streaming and Recording](#). There may be a slight delay when live-streaming the meeting content.
- ❖ Zoom and Phone
 - **July 22: [Tuesday Zoom Attendee Link](#)**
Phone: Dial 1 669 900 6833, ID number 847 7879 6224, and passcode 325879
 - **July 23: [Wednesday Zoom Attendee Link](#)**
Phone: Dial 1 669 900 6833, ID number 896 3376 9460, and passcode 042602

The board materials are available online at: <https://www.oregon.gov/oweb/about-us/Pages/board/2025-Jul.aspx>

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 welcomes written or verbal public comment on any agenda item. All written comments and requests to make verbal comments to the board should be submitted using [OWEB's Public Comment Form](#). The deadline for submitting written comments and requests to make verbal comments is **5:00 pm Thursday, July 17, 2025**.

Written comments will be provided to the board before the meeting. Verbal comments are limited to three minutes and will be heard in the public comment periods (Agenda Items C and H).

Please visit our website for additional information on [OWEB's board meetings](#).

Executive Session – Monday, July 21, 2025, 4:00pm

OWEB will hold an Executive Session pursuant to ORS 192.660(2)(f) to consider information or records that are exempt by law from public inspection, as well as to conduct deliberations with persons designated by the governing body to negotiate real property transactions authorized by ORS 192.660(2)(e). Only the board, representatives of the news media, and designated staff shall be allowed to attend the executive session.

Tuesday, July 22

Board Tour – 7:30 am

The board and OWEB staff will conduct a field tour of restoration and conservation efforts on Birch Creek and the Umatilla River implemented by the Confederated Tribes of the Umatilla Indian Reservation with partners, including the Blue Mountain Land Trust, the Umatilla SWCD, landowner Jim Whitney, and the Oregon Department of Fish and Wildlife. The projects are focused on restoring instream habitat and floodplain connection, along with a conservation easement permanently protecting 942 acres and 3.72 miles of the Umatilla River and Birch Creek. Anyone is welcome to join the tour. Be prepared to provide your own transportation and for inclement weather. *Information only.*

Business Meeting – 12:30 pm

A. Board Member Comments (12:35 pm)

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. Directors Updates (2:15 pm)

Executive Director Sara O'Brien and staff will update the board on agency business. *Information item.*

C. Public Comment (2:45 pm)

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

D. Water Acquisition Program Updates (3:15 pm)

Water Acquisition and Capacity Coordinator Brian Wolcott and Acquisitions and Special Programs Manager Renee Davis will review with the board feedback received about the 2024-2025 Water Acquisitions grant offering and seek board input and direction ahead of the 2025-2026 Water Acquisitions grant solicitation. Staff will also seek board input and direction ahead of initiating rulemaking. *Information item.*

E. General Board Business (3:45 pm)

This time is reserved for the board to act on routine items. Items for potential board action include the meeting minutes from April 2025, initiation of rulemaking for the Water Acquisition grant program, and Oregon Agricultural Heritage Program conservation easement time extensions. *Action item.*

F. 2025-2027 Grant Funds Spending Plan Adoption (4:05 pm)

Deputy Director Stephanie Page and Business Operations Manager/Fiscal Officer Miriam Scharer will present an overview of the 2025-2027 spending plan, funds available for board allocation, and recommended amounts to allocate to grant programs, and seek board approval. *Action Item.*

Wednesday, July 23

Business Meeting – 8:30 am

G. Committee Updates (8:35 am)

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

H. Public Comment (9:20 am)

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

I. 2025-2027 Council Capacity Grant Awards (10:00 am)

Water Acquisition and Capacity Coordinator Brian Wolcott and Monitoring and Reporting Manager Courtney Shaff will provide an overview of the 2025-2027 Council Capacity grant offering and outline staff recommendations for the grant awards. *Action item.*

J. Natural and Working Lands Funding for Open Solicitation Awards (11:15 am)

Water and Climate Coordinator Alexa Schmidt will provide an overview of the Natural & Working Lands grant offering and outline staff recommendations for the grant awards. *Action Item.*

K. Natural and Working Lands Funding for Oregon Agricultural Heritage Program Conservation Management Plan Development and Implementation Awards (11:45 am)

Oregon Agricultural Heritage Program Coordinator Taylor Larson and Water and Climate Coordinator Alexa Schmidt will provide an overview of the Conservation Management Plan grant offering and present staff recommendations for the grant awards. *Action Item.*

L. Focused Investment Partnerships – Cohort 2 Reports (1:00 pm)

Senior Policy Coordinator Eric Hartstein and Region Six Program Representative Amy Charette will introduce representatives from the John Day Basin Partnership and Baker Sage-grouse Local Implementation Team who will update the board on their FIP initiative progress. *Information Item.*

M. Co-Chair Election (1:45 pm)

OWEB Board Co-Chair Barbara Boyer's term as co-chair ends after the July 2025 board meeting. Board members will vote to elect a new co-chair for a two-year term beginning with the October 2025 meeting. *Action item.*

N. Other Business (2:15 pm)

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. Additionally, topics not listed on the agenda may be introduced 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 non-voting advisory members. For purposes of conducting business, OWEB's voting requirements are divided into 2 categories – general business and action on grant awards.

Action on General Business

For general business, a 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 Funding Decisions

Per ORS 541.900(4), special requirements apply when OWEB considers action on funding decisions such as 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. 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 necessary procedures.

More Information

If you have any questions about this agenda or the board's procedures, please contact Nicole Bettinardi, OWEB Executive Assistant and Board Liaison, at 503-428-1804 or Nicole.BETTINARDI@OWEB.oregon.gov.

If physical, auditory, language, or other accommodations are needed for this meeting, please contact Nicole Bettinardi as soon as possible, and at least 48 hours before the meeting.

Oregon Watershed Enhancement Board Membership

Voting Members

Elizabeth Agpaoa, *Board of Forestry*
Barbara Boyer, *Board Co-Chair, Board of Agriculture*
Bruce Buckmaster, *Public*
Kelly Coates, *Board Co-Chair, Public, Tribal Representative*
Russ Hoeflich, *Public*
Mark Labhart, *Fish and Wildlife Commission*
Liza Jane McAlister, *Public*
Lindsay McClary, *Public*
Jamie McLeod-Skinner, *Public*
Mark Webb, *Environmental Quality Commission*

Woody Wolfe, *Water Resources Commission*

Non-voting Members

Dan Brown, *U.S. Environmental Protection Agency*

Aaron Curtis, *U.S. Bureau of Land Management*

Jessi Kershner, *Oregon State University Extension Service*

Brian Staab, *U.S. Forest Service*

Claire Tachella, *U.S. Natural Resources Conservation Service*

Michele Zwartjes, *U.S. Fish and Wildlife Service*

VACANT, *National Marine Fisheries Service*

Contact Information

Oregon Watershed Enhancement Board

775 Summer Street NE, Suite 360

Salem, Oregon 97301-1290

Tel: 503-428-1804

Fax: 503-986-0199

www.oregon.gov/OWEB

OWEB Executive Director – Sara O’Brien

Sara.E.OBRIEN@OWEB.oregon.gov

OWEB Executive Assistant and Board Liaison – Nicole Bettinardi

Nicole.BETTINARDI@OWEB.oregon.gov

2025 Board Meeting Schedule

July 22-23 – Pendleton

Oct 28-29 – Astoria

2026 Board Meeting Schedule

January 27-28 – Virtual

April 28-29 – TBD

July 28-29 – TBD

Oct 27-28 – 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



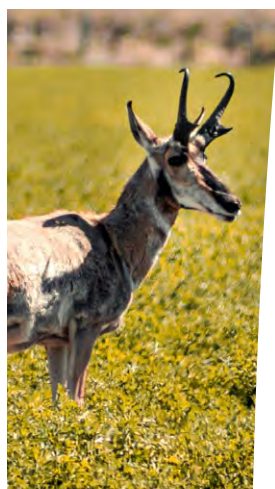
OWEB Staff Culture Statement

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.



The Oregon Watershed Enhancement Board (OWEB) provides grants to help protect and restore healthy watersheds and natural habitats that support thriving communities and strong economies.

Eligible applicants include not-for-profit organizations, Soil and Water Conservation Districts, Tribes, Watershed Councils, political subdivisions of the state that are not state agencies, schools, community colleges, Oregon State institutions of higher education, and independent not-for-profit institutions of higher education. State and federal agencies are not eligible grantees but are often partners on OWEB-funded projects. In addition to those listed below, OWEB may offer grant types based on legislative priorities.

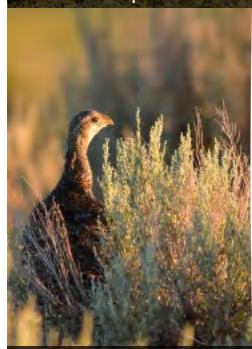


Land Acquisition

Acquisition

[Conservation Easement \(Ag Heritage\)](#)
[Drinking Water Source Protection](#)
[Land Acquisition](#)
[Water Acquisition](#)

Acquire interests in land or water from willing sellers. Acquisitions result in legally or contractually protected land or instream flow for the benefit of watersheds, habitats for native fish and wildlife, to protect drinking water, and to protect working lands.



Sage Grouse Conservation Engagement Grant

Focused Investment Partnership

[Focused Investment Partnerships](#)

Landscape-scale restoration investments that address board-identified priorities. Successful FIPs achieve clear and measurable ecological outcomes; use integrated, results-oriented approaches and are implemented by a high-performing partnership. Funds partnerships with up to \$12 million over 6 years.



Oak Woodland (FIP)

Engagement

[Engagement](#)

Communicate and engage with landowners, organizations, and the community about the need for, feasibility of, and benefits of eligible project(s) within an identified geography. Education projects are not eligible.

Monitoring

[Monitoring](#)

Monitor, gather, analyze, and share watershed data with the public. May describe current watershed conditions, establish trends about watershed conditions, or evaluate specific before-and-after effects of a project.

Partnerships & Capacity

[Operating Capacity](#)
[Organizational Collaboration](#)
[Partnership TA](#)

Support operations of SWCDs, WC, and other partnership organizations.

Restoration

[Coastal Wetlands](#)
[Invasive & Noxious Weeds \(ODA\)](#)
[Restoration](#)
[Small Grants](#)

Protect or restore watershed functions for instream, riparian, upland, and wetland or estuarine habitat.

Technical Assistance (TA)

[CREP TA](#)
[NRCS/OWEB Farm Bill TA](#)
[Technical Assistance](#)
[Technical Assistance and Conservation Management Planning \(Ag Heritage\)](#)

Develop a technical design or implementation plan for restoration, including consideration for compliance with the National Historic Preservation Act.



Coastal Wetlands Monitoring



Coho Habitat Restoration



Floodplain Restoration



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Agenda Item B

Director's Updates

Board Meeting July 22-23, 2025



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Along Rainville Road, Scott Elliott Smithson, cc

2025-2028 Strategic Plan

Quarterly Report to the Board | July 2025



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

Each quarterly report describes key accomplishments under Strategies that have been identified for each of the six Strategic Plan priorities. See the last page for the full list of Strategies, and a summary of when accomplishments were reported throughout the calendar year.



Priority 1

Build awareness of the relationship between people and watershed protection and restoration.



A [recording](#) of the Budget presentation may be found on the Oregon State Legislature website.

Strategy 1.1 OWEB executive staff met with all of the Ways and Means Natural Resource legislators during the budget session and presented OWEB 101 and key themes in the budget presentation.



Grantee panel at the April 2025 All-staff meeting.

Strategy 1.3 A panel of grantees from the Upper Willamette SWCD, Sandy River Watershed Council, Walla Walla Watershed Council, and Coos Watershed Association presented at an OWEB all-staff meeting about how they have used engagement grant projects to reach underserved communities and how the outreach led to future restoration projects.



Priority 2

Engage the diversity of Oregonians in watershed enhancement work.



OWEB Board in Independence, April 2025.

Strategy 2.1 OWEB staff discussed an action plan around filling board vacancies that includes:

- Identify upcoming public board member position vacancies.
- Discuss recruitment priorities with Governor's Office and the board.
- Collate recommendations from board and partners to be given to the Governor's Office for consideration and appointment.



[Say Hey!](#) has events quarterly.

Strategy 2.1 OWEB leadership attended **NW Equity Summit** in May and the April **Say Hey** event in Eugene. Say Hey is a networking event for diverse professionals intended to promote recruitment and retention through belonging.



Priority 3

Strengthen and leverage people and organizational capacity to achieve healthy watersheds.



Insurance Requirements with Judy Charles and Stephanie Page, Oregon Conservation Partnership [webinar](#).

Strategy 3.1 In light of federal funding challenges affecting many OWEB grantees, OWEB **formed a team of staff to review, evaluate, and recommend responses to any grantee requests for match flexibility** that go beyond the typical options.

OWEB staff have been figuring out workable solutions on emerging insurance guidance for grantees. OWEB staff participated in a webinar about insurance to help answer questions about OWEB's guidance.



2025 Watershed Management Camp.

Strategy 3.2 The Network of Oregon Watershed Councils hosted the **2025 Watershed Management Camp**. There were 61 attendees at this 3 day in-person educational event for watershed councils. OWEB staff were among the 28 presenters. The Management Camp included a site tour with the McKenzie Watershed Council of the Finn Rock post-fire restoration site.



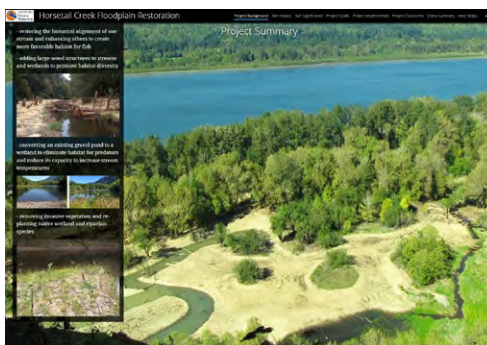
Priority 4

Advance learning about watershed restoration effectiveness through coordinated monitoring.



Monitoring in the Middle Fork John Day River.

Strategy 4.1 OWEB continues to work with the Middle Fork John Day River Intensively Monitored Watershed, a long-term, large-scale ecological research project located on the Middle Fork of the John Day River in Grant County, Oregon. This past quarter, **two journal articles have been drafted for submission** to Frontiers in Ecology and the Environment for review.



Horsetail Creek Floodplain Restoration [storymap](#).

Strategy 4.3 New projects are actively underway through OWEB's **"Telling the Restoration Story" grant offering**, which produces data-driven outreach products that quantify conservation outcomes. This quarter, new projects are being considered that would communicate restoration outcomes on the North Coast and in the Umpqua basin.

To date, 11 "Telling the Restoration Story" projects have been completed, resulting in:

- 10 published stand-alone Fact Sheets
- 9 published stand-alone Technical Reports
- 7 online StoryMaps
- 6 Videos



Priority 5

Increase connection of urban and working lands to watershed health.



OWEB staff presented information about the Conservation Management Plan grant offering at the 2024 Connect + Conference.



Reedsport Drinking Water Source Protection grant award hits the front page.

Strategy 5.2 Staff are recommending the board award funding for the development and implementation of **five OAHP conservation management plans** in July.

Natural and Working Lands Funds allocated for the 2023-2025 biennium will be awarded to Restoration, Technical Assistance, and OAHP projects in July.

Strategy 5.2 Drinking Water Source Protection grantees who have proposed to purchase lands in their drinking watersheds **will be required to develop long-term management plans**. Staff are currently working with grantees to ensure plans meet expectations and will effectively guide long-term protection of drinking water sources.



Priority 6

Take bold and innovative action toward climate resilience.

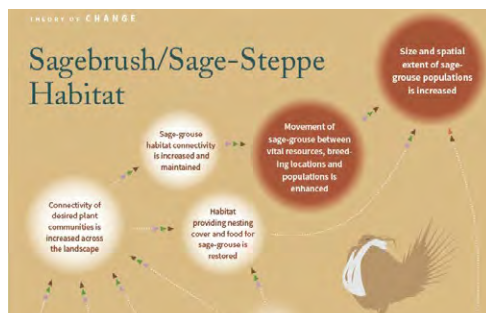


Social media post about the 2020 Post-Fire Recovery grant program.

Strategy 6.1 OWEB social media regularly highlights OWEB-funded projects that contribute to ecosystem and community resiliency. Recent social media posts include **highlights of the 2020 Post-Fire Recovery grant program**, which provided state General Funds for on-the-ground wildfire recovery restoration. Eligible actions included:

- Riparian and upland revegetation to reduce soil erosion and support reforestation and
- In-stream habitat restoration and floodplain reconnection to reduce post-wildfire flood risk and increase habitat.

Strategy 6.2 Staff engaged in the **5-Year FIP Ecological Priority update**. Staff held a series of public and tribal listening sessions and surveys to inform the update to FIP Ecological Priority Memos, associated maps and Theories of Change. Strategies to improve the health of priority habitats include floodplain reconnection, forest health, improved water quality, and other actions that promote disaster risk reduction.



Example Theory of Change diagram for Sagebrush / Sage-Steppe Habitat.

Strategies Chart

January 2025- July 2025

 accomplishments
 highlighted in quarterly update

 January
 April
 July
 October

1 Through our grantmaking, build awareness of the relationship between the people of Oregon and watershed protection and restoration

- | | | | |
|---|---|---|---|
| 1.1 Elevate the story of how protection and restoration promote healthy watersheds |  |  |  |
| 1.2 Connect people around watershed work |  |  |  |
| 1.3 Increase use of OWEB's engagement grant offering to support grantees doing community engagement |  | |  |

2 Leverage our position as an anchor funder to engage the diversity of Oregonians in watershed enhancement

- | | | | |
|---|---|---|---|
| 2.1 Enhance OWEB presence throughout Oregon |  |  |  |
| 2.2 Increase diversity and inclusion through improving access to our programs |  | | |
| 2.3 Engage organizations, entities, and communities that have not traditionally been involved in watershed restoration work |  |  |  |

3 Use our funding to strengthen and leverage people and organizational capacity to achieve healthy watersheds

- | | | | |
|---|---|---|---|
| 3.1 Support diverse funding opportunities to sustain the capacity of partners |  |  |  |
| 3.2 Expand training for partners |  |  |  |

4 Advance learning about watershed restoration effectiveness through coordinated monitoring

- | | | | |
|--|---|---|---|
| 4.1 Facilitate learning through monitoring |  |  |  |
| 4.2 Learn, share and support efforts to integrate indigenous knowledge |  | | |
| 4.3 Communicate data-driven outcomes to guide restoration investments |  |  |  |

5 Increase investment connecting urban and working lands to watershed health

- | | | | |
|--|---|---|---|
| 5.1 Promote value of multi benefit watershed projects |  |  |  |
| 5.2 Increase investment connecting of urban and working lands to watershed health |  |  |  |
| 5.3 Support and fund grantees building or expanding partnerships with urban constituencies | |  | |

6 Take bold and innovative action toward funding projects that advance climate resilience

- | | | | |
|--|---|---|---|
| 6.1 Increase support for bold and innovative grant making in service to watershed restoration and protection |  |  |  |
| 6.2 Articulate the benefits of watershed protection and restoration for climate resiliency |  |  |  |



This report provides the board updates on the legislative budgeting process and outcomes of the 2025 Legislative Session.

Background

The 2025 Legislative Session began on January 21 and adjourned on June 27, 2025. During the legislative session, bills with policy and budget implications for OWEB were considered.

The Legislative Budgeting Process

The Oregon Legislature approves budgets for state agencies on a biennial basis. First, each agency submits a requested budget. Agencies must specifically request additions to the base budget and justify the need for each addition. The requested additions to an agency's base budget are called Policy Option Packages (POPs).

The Governor then releases a recommended budget, and the Oregon Legislature approves a final budget. During the legislative session, agencies must support the Governor's Budget.

OWEB's budget bills (HB 5039 & HB 5040) were heard in the Natural Resources (NR) Subcommittee of the Joint Legislative Committee on Ways and Means on February 25-26. Day 1 was a presentation of the agency's budget by OWEB leadership, and Day 2 was reserved for public comment.

The NR subcommittee and full Ways and Means committee conducted work sessions on the bills in June. Both legislative chambers passed the budget bills. As of the date of this report, the bills are now awaiting Governor Kotek's signature. Attachment A provides details on OWEB's budget.

Policy Legislation

In addition to the agency budget, staff tracked other legislation that may have affected OWEB.

Senate Bill 960, the Program Change Bill, impacts the Water Acquisition grant program. The bill requires a transfer of \$3 million from the Flexible Incentive Fund to the General Fund during the 2025-2027 biennium. This has reduced the amount of grant funding available for the program and is reflected in the 2025-2027 Grant Funds Spending Plan.

No other policy legislation passed during the session that will result in a high impact to the agency.

Attachments

- A. OWEB 2025-2027 Legislatively Approved Budget - Summary



2025-2027 Legislatively Adopted Budget

	2023-2025 Legislatively Adopted Budget (LAB)	2025-2027 Current Service Level (CSL)	2025-2027 Legislatively Adopted Budget (LAB)
Lottery Fund*	\$116,197,727	\$119,644,452	\$120,065,359
Federal Funds	\$56,787,165	\$36,831,423	\$61,591,577
Other Funds	\$45,819,445	\$4,050,459	\$45,526,847
General Fund	\$40,770,232	--	\$2,739,667
Total Funds	\$259,574,569	\$160,526,334	\$229,923,450
Positions	49	33	48
Full-Time Equivalent (FTE)	45.91	33.00	47.50

Policy Packages - Operations Budget

100 – Acquisition and Special Program Manager: Converts limited duration management position to a permanent position to lead all land and water acquisitions and stewardship work at OWEB. Includes associated services and supplies. \$509,001 (\$169,667 GF; \$169,667 LF; \$169,667 OF).

101 – Grant Program Staffing Capacity: Adds one new permanent grant project manager position (NRS-4). Includes associated services and supplies. \$286,813 (LF).

102 - Land Acquisition Stewardship and Compliance: Adds one new permanent position (NRS-3) to coordinate required stewardship and compliance monitoring of investments that involve permanent interests in land. Includes associated services and supplies. \$0 (Self-funded through reduction in services and supplies within LF).

104 – Communications Staffing Realignment: Reclassifies an Electronic Publishing and Design Specialist 2 to an Electronic Publishing Design Specialist 3 to better align the position classification to the agency business needs. \$21,663 (LF)

105 – Oregon Agricultural Heritage Program (OAHP) Staff Continuity: Provides continuity for 12 months for two limited duration program positions, an OAHP Coordinator (OPA-4) and OAHP Easement Specialist (NRS-4). Includes associated services and supplies. \$455,555 (Funded through previous OF appropriation).

106 - Water Acquisitions Staffing Continuity: Converts one limited duration Water Acquisitions/Capacity Grants Coordinator (OPA-4) position and one limited duration Administrative Specialist (AS-2) position to permanent positions to administer the water acquisitions grant program and other agency needs. Includes associated services and supplies. \$745,000 (Funded through previous OF appropriation).

107 – Environmental Restoration Council (ERC) Staffing Continuity: Provides continuity for one permanent Program Analyst 4 position and one limited duration Natural Resource Specialist 4 position to develop and administer activities associated with the ERC. Includes associated services and supplies. Funding recommended: \$748,356 (Funded through previous OF appropriation).

108 – ERC Staffing Capacity: Adds two permanent positions to develop and administer activities associated with the ERC, an Information Systems Specialist 4 and an Accounting Technician. Includes associated services and supplies. \$417,492 (Funded through previous OF appropriation).

109 – National Historic Preservation Act (NHPA) Compliance Staffing Continuity: Provides continuity, and makes permanent, a Cultural Resources Specialist (NRS-4) position to assure compliance with NHPA requirements associated with Pacific Coastal Salmon Recovery funding. Includes associated services and supplies. \$351,000 (FF).

110 – Federal Programs Staffing Continuity: Provides continuity for one limited duration Federal Program Specialist (NRS-4) position to administer federal funds from the Bureau of Land Management and the Natural Resources Conservation Service. Includes associated services and supplies. \$380,000 (FF).

111 - Core Information Technology Staffing Realignment: Provides funding limitation to reclassify two permanent positions to serve internal program needs and improve customer service. \$29,154 (FF).

Recommended Policy Packages - Grants Budget

200/201 - Standard Grant Program Continuity: This package allows OWEB to spend non-lottery fund grants that have been awarded and continue to be active (FF \$24 million, OF \$37 million) as carry-forward.

Legislative Fiscal Office Analyst Adjustments:

Package 801:

- **OAHP:** This package includes a one-time General Fund appropriation of \$2 million to the Agricultural Heritage Fund (becoming OF). \$1.76 million is included for program grants, and \$240,000 is for additional program administration (see Package 105). \$2 million (OF)
- **Drinking Water Source Protection Staffing Continuity:** Provides continuity for one limited duration Drinking Water Source Protection Coordinator (NRS-4) position to administer the grant program. Includes associated services and supplies. \$570,000 (GF).
- **Natural and Working Lands – Climate Resiliency Staffing Continuity:** Provides continuity for one limited duration Climate Coordinator (OPA-4) position to administer natural and working lands funds allocated to OWEB at the direction of the Oregon Climate Action Commission. Includes associated services and supplies. \$403,515 (OF).
- **Forest Health Collaborative Funding from Oregon Department of Forestry (ODF):** Reduces the transfer of \$500,000 from ODF to OWEB that had previously been included in Current Service Level on the grant side. This reduction in funding is reflected in the Grants Funds Spending Plan for the Forest Health Collaborative Grant program.

Package 810:

- **Statewide Government Service Charge Adjustments (Operations):** This package includes adjustments to Statewide Government Service Charges included in SB 5006, such as DAS price list and Attorney General charges as well as Lottery Bond service costs. (\$57,236) (LF), \$36,803 (OF).

Other Legislative Bills:

Senate Bill 960 – Program Change Bill:

- **Water Acquisition Grant Program:** This bill requires a transfer of \$3 million from the Flexible Incentive Account that funds the Water Acquisition Grant Program to the General Fund for general governmental purposes during the 2025-2027 biennium. This reduction in funding is reflected in the Grant Funds Spending Plan for the Water Acquisition Program. (\$3 million) (OF).

Fund Source Key: LF = Lottery Funds FF = Federal Funds GF = General Funds OF = Other Funds

Agency Staffing:

2025- 2027 Current Service Level	33.0 FTE (permanent positions/FTE)
2025-2027 Legislatively Adopted Budget additions	<u>14.5 FTE</u> (9 permanent FTE, 5.5 limited duration FTE)
2025-2027 Legislatively Adopted Budget total	47.5 FTE (42 permanent, 5.5 limited duration)

*includes Lottery Funds Debt Service



This report provides the board updates on upcoming OWEB rulemaking efforts.

Background

Grant programs at OWEB are guided by administrative rules. Rules cover topics, such as project eligibility, application requirements, evaluation criteria, technical review processes, and funding decisions for OWEB grant programs/types.

OWEB regularly conducts rulemaking to update existing rules and establish rules for new programs. Generally, rulemaking takes 12 months from board initiation to rule adoption. During those 12 months, OWEB staff recruit a Rulemaking Advisory Committee (RAC) through a process consistent with Oregon Administrative Procedures law (ORS 183.333) that requires the committee to be made up of entities most likely to be impacted by the rules, develop draft rule language, hold several RAC meetings to discuss rule language, and provide formal tribal and public notification to receive comments on draft rules. The schedule may be abbreviated in instances where a RAC is not involved in rulemaking.

The process begins when staff requests the board initiate rulemaking in an [OWEB rules division](#). At that time, staff will provide a high-level overview of what is intended to be accomplished with rulemaking and describe the draft schedule. For rulemaking efforts that involve a RAC, staff will provide the board, at a second board meeting, a progress update on key emerging themes of the draft rules. At a third board meeting, staff will bring a final draft set of rules for board consideration for adoption.

Rulemaking Schedule

The following table describes the tentative schedule for current and future OWEB rulemaking. It does not include rulemaking associated with the new Oregon Environmental Restoration Council established in SB 1561 (2024), but it is assumed that OWEB staff will also be involved in the development of rules for those programs in 2025. The timeframes in the table below may be adjusted due to workload.

Administrative Rules	Board Initiate Rulemaking	Board Consideration for Adoption - Proposed
Water Acquisition Grants (Division 46)	July 2025	July 2026



July 22-23, 2025, OWEB Board Meeting

Executive Director Update B-4: Klamath River Post-Dam Removal Watershed Restoration Update

This report provides the board with an update on the status of OWEB's investment in Klamath River Post-Dam Removal Watershed Restoration costs associated with work by the Klamath River Renewal Corporation (KRRC).

Background

PacifiCorp previously owned four hydroelectric dams on the Klamath River, three in California and one in Oregon (J.C. Boyle dam). PacifiCorp and the Oregon Public Utilities Commission determined that it is in the best interest of the company and its customers to stop operating the dams rather than spending substantial amounts of money on improvements needed to continue generating power. KRRC is a private, independent nonprofit organization formed by signatories of the amended Klamath Hydroelectric Settlement Agreement (KHSa). Signatories of the amended KHSa – including the States of Oregon and California, local governments, Tribal nations, PacifiCorp, irrigators, and several conservation and fishing groups – appointed KRRC to take ownership and oversee the removal of the four Klamath River dams. Funding was committed in the amount of \$450 million for removal and watershed restoration.

The Reservoir Area Management Plan submitted by KRRC to Federal Energy Regulatory Commission (FERC) describes measures for restoration, monitoring, and adaptive management of the former reservoir areas exposed following dam removal, upland sites, and high-priority tributaries, including actions specifically planned for the former reservoir area upstream of J.C. Boyle dam. The federal review process resulted in the need for the states and PacifiCorp to provide up to \$45 million in additional financial support for the project, divided equally among the three entities, to address contingencies. On October 26, 2022, the OWEB Board committed \$15 million over a period of 3-5 years for Klamath River post-dam removal watershed restoration costs incurred by KRRC.

OWEB is using both state and federal funding sources for this grant commitment. The initial grant award, made and delegated by the board in October 2022, was \$4.053 million. An additional \$8 million was committed and delegated by the board in the 2023-2025 spending plan at the July 2023 board meeting. The remaining \$2.947 million was allocated as part of the OWEB 2023-2025 spending plan rebalance at the July 2024 board meeting. In late 2022, OWEB and KRRC finalized a partnership agreement that affirms the intent of OWEB's investment in Klamath River post-dam removal watershed restoration and describes the framework, scope, tasks, and timeline for the overarching \$15 million in funding. KRRC, working with RES (KRRC's restoration contractor), submitted a grant application to OWEB on May 30, 2024. OWEB executed a grant agreement on September 30, 2024. The scope of this grant mirrors restoration actions for the J.C. Boyle area as outlined in the Reservoir Area Management Plan and minor additional requirements included in FERC's final order.

Status Update

KRRC has been reimbursed \$14.8 million of the allocated \$15 million.

Recent progress related to the broader Klamath Dam removal project:

- Restoration activities at J.C. Boyle have generally transitioned to focus on monitoring and adaptive management to ensure ongoing restoration success.

- RES crews planted over 5,500 pounds of native grass and forb seeds throughout the J.C. Boyle restoration sites in fall of last year. This planting timing was chosen to align with natural seed disbursements from native vegetation. The seeds have been germinating and growing as temperatures increase and snow melts. Twenty-seven species of grasses and forbs were seeded, including, but not limited to the following: *Achillea millefolium* (Yarrow), *Bromus carinatus* (California brome), *Deschampsia cespitosa* (Tufted hairgrass), *Drymocallis glandulosa* (Sticky cinquefoil), *Elymus elymoides* (Bottlebrush squirreltail), *Eriophyllum lanatum* (Common woolly sunflower), *Leymus cinereus* (Basin wildrye), and *Penstemon roezlii* (Roezl's penstemon).
- In addition, RES crews planted over 12,200 trees and shrubs in the J.C. Boyle area this spring following the snowmelt. RES continues to monitor the establishment of these plantings. The 14 tree and shrub species planted are:
 - *Ceanothus cuneatus* (Buckbrush),
 - *Cercocarpus betuloides* (Mountain mahogany),
 - *Crataegus douglasii* (Oregon black hawthorn),
 - *Ericameria bloomeri* (Bloomer's goldenbush),
 - *Lonicera involucrata* (Twinberry),
 - *Philadelphus lewisii* (Mock orange),
 - *Prunus virginiana* (Common chokecherry),
 - *Purshia tridentata* (Antelope bitterbrush),
 - *Rosa woodsii* (Wood's rose),
 - *Rubus ursinus* (Dewberry),
 - *Spirea douglasii* (Rose spirea),
 - *Symphoricarpos albus* (Common snowberry),
 - *Calocedrus decurrens* (Incense cedar), and
 - *Pseudotsuga menziesii* (Douglas-fir)
- The focus at J.C. Boyle this spring has been on monitoring these plantings, as well as monitoring and treating Invasive Exotic Vegetation (IEV) throughout the restoration sites. RES will continue to monitor the key restoration sites (i.e., reservoir footprint, previous power canal and scour hole areas, Spencer Creek connection area) to evaluate if additional seedings, plantings, IEV treatments, or construction activities may be required.
- Looking forward, RES will begin irrigation of upland revegetation sites later this summer or fall. Irrigation of these sites above the floodplain will support erosion control and general restoration.

Quarterly reports will be provided to the board at each meeting.



Executive Director Update B-5: 2024 Immediate Wildfire Response Technical Assistance (TA) Program Update

This report provides the board updates on the 2024 Immediate Wildfire Response TA Program.

Background

The 2024 wildfire season impacted approximately 1.9 million acres throughout 21 counties in Oregon. Of this, approximately 721,000 acres are on private, state, local, and tribal lands. The post-fire impacts are widespread and pose great risk to the health of Oregon watersheds. In October 2024, the OWEB Board approved up to \$2 million in funding to support technical assistance grants to address needs in the 2024 wildfire areas. Since the board's approval of funding, OWEB staff developed the application and program materials, including a [program webpage](#) and [program guidance](#) to provide information to prospective applicants. The offering opened on December 18, 2024 and closed on May 29, 2025. The end date for the grants is January 31, 2027.

These non-competitive grants are supported by state lottery dollars and support technical assistance and engagement activities including post-fire recovery assessments, cultural resource assessments, and landowner and partner engagement. Funding prioritizes non-federal lands and requires grantees to work in coordination with other local partners. A sliding scale of funding was available based on the number of non-federal acres impacted with a single funding allocation per fire area. Given the geographic scale of the 2024 wildfires, applicants could apply for more than one fire in a single application but must have demonstrated coordination with appropriate partners, including Tribes and non-traditional partners operating within the wildfire areas.

Status Update

As of June 2025, six applications have been submitted and reviewed. Four applications have been recommended for funding based on the streamlined review process developed by staff. Two applications have been returned to the applicants for requested revisions by OWEB staff following review.

Of the \$2 million originally approved for these grants, nearly \$1.18 million has been awarded to Crook SWCD, Harney County Watershed Council, Monument SWCD, and Owyhee Watershed Council for technical assistance in 15 fire areas:

- 0502 PR Durgan Fire
- Battle Mountain Complex
- Bonita Road Fire
- Courtrock Fire
- Cow Valley Fire
- Crazy Creek Fire
- Durkee Fire
- Falls Fire
- Fossil Complex
- Lone Rock Fire
- Porcupine Fire
- Rail Ridge Fire
- Shoe Fly Fire
- Telephone Fire
- Wiley Flat Fire

Following revision and resubmission of the remaining two applications, it is anticipated an additional two fire areas will be awarded funding. If all six applications are awarded, \$1.27 million will be allocated to implement resource assessment and engagement activities in a total of 17

wildfire areas. Table 1 shows the status of each submitted application. All awarded grants are expected to be in executed grant agreements by July 31, 2025.

Table 1. Status of 2024 Immediate Wildfire Response Applications

Applicant	Maximum Award by Fire Area			Total OWEB Ask	Status
	\$50,000 per fire area	\$100,000 per fire area	\$200,000 per fire area		
Crook SWCD	0502 PR Durgan Fire			\$75,616	Awarded
	Crazy Creek Fire				
	Wiley Flat Fire				
Harney County WC	Falls Fire			\$149,600	Awarded
	Porcupine Fire				
	Telephone Fire				
Monument SWCD	Fossil Complex	Battle Mountain Complex	Lone Rock Fire	\$599,725	Awarded
	Courtrock Fire	Rail Ridge Fire			
		Shoe Fly Fire			
Owyhee WC	Bonita Road Fire	Cow Valley Fire	Durkee Fire	\$350,000	Awarded
Row River Fire Response	Cottage Grove Complex			\$47,285	In revision by applicant
Wasco SWCD	Larch Creek Fire			\$50,000	In revision by applicant



July 22-23, 2025, OWEB Board Meeting

Executive Director Update B-6: Interim Measure 11, Klamath Water Quality Improvements Grant Program Update

This report provides the board with an update on the status of OWEB's investment in the Interim Measure 11, Klamath Water Quality Improvements Grant Program.

Background

Interim Measure 11 (IM11) from the Amended Klamath Hydroelectric Settlement Agreement (KHSA), includes funding to address water quality improvements in the Klamath River via restoration and conservation actions in the Klamath Basin in Oregon. The emphasis of IM11 is nutrient reduction projects. PacifiCorp, in consultation with the Interim Measures Implementation Committee, developed a list of project categories to be implemented to fulfill the objective of IM11. PacifiCorp provided funding of up to \$6,433,500 million for design/engineering and implementation of projects. This funding is administered by OWEB through the Klamath Water Quality Improvements Grant Program.

A Steering Committee, facilitated by the Oregon Department of Environmental Quality (ODEQ), was established to assist OWEB with the program implementation. OWEB is the Fiscal Agent and will award IM11 funds for projects approved by the Steering Committee until the funds are exhausted.

The Steering Committee is comprised of members from the following organizations: Oregon Water Resources Department, ODEQ, Oregon Department of Agriculture, Oregon Department of Fish and Wildlife, National Oceanic Atmospheric Administration, US Fish and Wildlife Service, US Bureau of Reclamation (vacant), Yurok Tribe, Karuk Tribe, Klamath Tribes, California Department of Fish and Wildlife, California North Coast Regional Water Quality Control Board, and Aquatic Ecosciences.

Eligible applicants include tribes, watershed councils, soil and water conservation districts, not-for-profit institutions, schools, Oregon institutions of higher education, independent not-for-profit institutions of higher education, or political subdivisions of Oregon that are not a state agency. A state agency or federal agency may partner with one of the eligible entities.

Status Update

The program has held two grant solicitations. Four projects totaling \$1,480,362 million have been funded, with \$4,953,138 million remaining. Collectively the projects will take diverse approaches to address water quality issues and reduce nutrient inputs into the Klamath River. The following projects have been funded.

Grantee	Project Name	Funding Amount	Description	Status
Rusted Gate Farm	Fringe Wetland Restoration and Water Quality Improvement on Ball Bay Grazing Pasture	\$724,093	Improve water quality in Upper Klamath Lake for anadromous fish and critically endangered Lost River and	Open Grant Agreement

			Shortnose suckers.	
Trout Unlimited	Klamath Basin Headwaters Low-Tech Process-Based Restoration	\$556,226	Restore resilient and self-sustaining instream and riparian habitats in 10 miles of stream in the Sprague Basin.	Pending Grant Agreement
Sustainable Northwest	Duncan Family Ranch Sprague River Riparian Plantings	\$38,056	Restore native riparian vegetation along 1.5 miles and 7.5 acres of the mainstem Sprague River to increase shade and filter pollutants.	Pending Grant Agreement
Sustainable Northwest	Ish Tish Creek Ranch Riparian Restoration and Grazing Management	\$161,987	Provide off-channel water sources and grazing management for cattle to improve water quality and protect instream restoration work along 3 miles of Ish Tish Creek.	Pending Grant Agreement

Timing of the next funding cycle is under discussion by the Steering Committee and is expected to launch in late 2025 or early 2026.



OREGON
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Public Comment **for Agenda Items C and H**

Board Meeting July 22-23, 2025

Submitted written public comment will be published in a supplemental document after the board meeting and posted on OWEB's website: <https://www.oregon.gov/oweb/about-us/Pages/board/2025-Jul.aspx>



OREGON
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Agenda Item D

Water Acquisition Program

Updates

Board Meeting July 22-23, 2025



Oregon

Tina Kotek, Governor



OREGON
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775 Summer Street NE, Suite 360
Salem OR 97301-1290
www.oregon.gov/oweb
(503) 986-0178

Agenda Item D supports OWEB's Strategic Plan priority #6: Take bold and innovative action toward funding projects that advance climate resilience.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Renee Davis, Acquisitions and Special Programs Manager
Brian Wolcott, Water Acquisitions and Capacity Coordinator
SUBJECT: Agenda Item D – Water Acquisition Program Updates
July 22-23, 2025, Board Meeting

I. Introduction

The OWEB Water Acquisition grant program implements a key component of Oregon Revised Statute 541.956 by “Acquiring from willing owners, interests in land or water that will protect or restore native fish or wildlife habitats.” This staff report outlines three areas for which program updates will be discussed and input requested from the board.

II. Background

During the 2022 Legislative session, targeted funding was appropriated for water acquisition grants and grant administration as part of a drought resilience package. Following this investment, a separate line item, “Water Acquisitions,” was added to the board’s spending plan; this line item is supported by the 2022 allocation. A separate long-standing “Land and Water Acquisition” line item, supported by Lottery funds, is also included in the spending plan. Due to the fund source (i.e., Other Funds) and legislative intent of the 2022 allocation, OWEB is prioritizing spending of the “Water Acquisitions” line item for water acquisition grant awards. Agenda Item F, 2025-27 Spending Plan, will include an update about this funding.

Since the new investment in 2022, OWEB has offered three solicitations for water acquisition grant applications, with the most recent board awards in April 2025. The Oregon Administrative Rules (OARs) for the water acquisition grant program was last updated in 2020, thus triggering the 5-year rule review requirement.

III. Feedback from 2024-2025 Grant Offering

The board’s discussion and deliberation at the April 2025 board meeting prompted brainstorming among OWEB staff about approaches for providing key information to the board following the technical review process. In addition, staff received feedback from local partner organizations, reviewers, and entities that were involved in the 2022 legislative discussions about the drought resilience investments. At the July board meeting, staff will outline these ideas and feedback and invite thoughts from the board for

improvements before future grant award deliberations, including a planned off-grant-cycle panel discussion with project developers and technical experts about considerations that go into scoping, developing, valuing/appraising, and implementing water acquisition projects.

IV. Preparation for 2025-2026 Grant Solicitation

Later this summer, OWEB will launch its next water acquisition grant solicitation. To ensure we are positioning applicants to best address areas of interest of the board, staff will invite input about potential additions to solicitation materials. Example topics that may be of interest to the board, based on discussion during the April 2025 meeting, include the following: economic vs. environmental value of water; the relative importance of instream flow in a particular location; connections with state, tribal, and federal streamflow restoration priorities and targets; and additional information about irrigation efficiency projects that utilize Oregon's Allocation of Conserved Water program.

V. Board Guidance in Advance of Rulemaking

As noted previously in this staff report, water acquisition grant administrative rules (Division 46 of OWEB's rulesets) are at the 5-year rule review milestone. At the July board meeting, staff will request the board approve initiation of rulemaking (see Agenda Item E, General Board Business).

At the October 2024 meeting, Executive Director O'Brien discussed a model for the board's role and engagement in rulemaking. Prior to rulemaking, the board will have an opportunity to provide guidance on strategic direction to staff and a Rules Advisory Committee (RAC) as they embark on rulemaking or rule revisions. This guidance on strategic direction should be grounded in the program purpose to increase instream flows to address the conservation needs of habitats and species and to improve water quality and connections to the agency's strategic plan and other board-adopted policies. It might include board member reflections on a program's strategic accomplishments and gaps, challenges and concerns identified by partners through public comment, specific connections to partner agency priorities and actions, recommendations for additional research or outreach, etc.

At the July board meeting, staff request input and guidance from the board regarding strategic direction before convening a RAC for the water acquisition grant program rules.

VI. Recommendation

This is an information item only.



OREGON
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Agenda Item E

General Board Business

Board Meeting July 22-23, 2025

MINUTES ARE NOT FINAL UNTIL APPROVED BY THE BOARD

Oregon Watershed Enhancement Board (OWEB)

April 22-23, 2025, Board Meeting

Hybrid Board Meeting

Recording at: https://www.youtube.com/channel/UC0dl-TOWlt4Sp--i1KEa_OA

OWEB MEMBERS PRESENT

Agpaoa, Elizabeth
Allen, Chris
Boyer, Barbara
Brown, Dan
Buckmaster, Bruce
Coates, Kelly
Curtis, Aaron
Hoeflich, Russ
Kershner, Jessi
Labhart, Mark
McAlister, Liza Jane
McClary, Lindsay
McLeod-Skinner, Jamie
Murray, Eric
Staab, Brian
Tachella, Claire
Webb, Mark
Wolfe, Woody

OWEB STAFF PRESENT

Bettinardi, Nicole
Charette, Amy
Ciannella, Greg
Davis, Renee
Duzik, Katie
Fetcho, Ken
Forney, Miriam
Grenbemer, Mark
Hartstein, Eric
McCarthy, Jillian
Menton, Coby
O'Brien, Sara
Page, Stephanie
Redon, Liz
Repplinger, Linda
Scharer, Miriam
Schmidt, Alexa
Shaff, Courtney
Squires, Audrey
Williams, Eric
Wolcott, Brian

OTHERS

Berning, Kurt
Bright, Cindy
Buttafuoco, Joe
Cloud, Aubrey
Cymore, Julie
Day, Emily
Gannon, Chris
Gaskill, Tom
Hayduk, Evan
Kemple, Megan
Kendrick, Karsyn
Kreiner, Andrea
Lutz, Haley
McAdams, Nellie
Moll, Joe
Newton, Cassi
Porter, Kevin
Preeg Riggsby, Terri
Purpura, Holly
Richardson, Shannon
Roe, Cory
Rohner, Whitney
Schulman, Neil
Youngblood, Scott

Tuesday, April 22

The meeting was called to order at 8:30 a.m. by Barbara Boyer: [Recording](#)

A. Board Member Comments ([Timestamp = 00:1:49](#))

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 commented on various watershed enhancement and community conservation-related topics. *Information item.*

B. General Public Comment ([Timestamp = 01:28:57](#))

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

All written public comments can be viewed on the [meeting page of our website](#). The following people provided verbal comments:

- Andrea Kreiner, Oregon Association of Conservation Districts
- Terri Preeg Riggsby, Network of Oregon Watershed Councils
- Joe Buttafuoco, Coalition of Oregon Land Trusts
- Megan Kemple, Oregon Climate and Agriculture Network
- Whitney Rohner, Baker County SWCD
- Cory Roe, Baker County SWCD

C. Directors Updates (Timestamp = 01:45:10)

Executive Director Sara O'Brien and staff updated the board on agency business. *Information item.*

D. General Board Business (Timestamp = 02:04:26)

This time was reserved for the board to act on routine items. Items for board action included the meeting minutes from January 2025, Oregon Agricultural Heritage Program conservation easement time extensions, and awarding effectiveness monitoring funds from the Quantifying Outputs and Outcomes line item of the spending plan. *Action item.*

Motion #1. Lindsay McClary moved the board approve the minutes from the January 28-29, 2025, board meeting. Motion seconded by Mark Webb. Liz Agpaoa, Barbara Boyer, Bruce Buckmaster, Kelly Coates, Russ Hoeflich, Mark Labhart, Liza Jane McAlister, Lindsay McClary, Jamie McLeod-Skinner, Mark Webb, and Woody Wolfe voted in favor. Motion passed.

Motion #2. Russ Hoeflich moved the board extend the grant deadline to March 31, 2026, for the Aspen Valley Ranch – Rim Tract (Grant No. 223-7106-22616) and Pitchfork T (Grant No. 223-7105-22611) with all other conditions and requirements remaining unchanged. Motion seconded by Mark Webb. Liz Agpaoa, Barbara Boyer, Bruce Buckmaster, Kelly Coates, Russ Hoeflich, Mark Labhart, Liza Jane McAlister, Lindsay McClary, Jamie McLeod-Skinner, Mark Webb, and Woody Wolfe voted in favor. Motion passed.

Motion #3. Mark Labhart moved the board award up to \$300,000 for effectiveness monitoring of large-scale floodplain restoration efforts in Meadow Creek with funds from the Quantifying Conservation Outputs and Outcomes line item of the OWEB spending plan, and delegate to the Executive Director the authority to distribute the funds through a grant agreement with an award date of April 22, 2025. Motion seconded by Mark Webb. Liz Agpaoa, Barbara Boyer, Bruce Buckmaster, Kelly Coates, Russ Hoeflich, Mark Labhart, Liza Jane McAlister, Lindsay McClary, Jamie McLeod-Skinner, Mark Webb, and Woody Wolfe voted in favor. Motion passed.

E. Grantee Panel Presentation – Luckiamute Confluence ([Timestamp = 2:40:36](#))

Scott Youngblood from Oregon Parks and Recreation, Aubrey Cloud from Luckiamute Watershed Council, and Emily Day from Greenbelt Land Trust presented on past and planned restoration at the Luckiamute State Natural Area and Luckiamute Confluence. This partnership has been collaborating for more than 15 years to create one of the largest forested floodplain networks along the Willamette River. *Information item.*

F. Fall 2024 Open Solicitation Grant Offering Board Awards ([Timestamp = 4:31:03](#))

Restoration Grant Program Manager Eric Williams and Regional Program Representatives reviewed the Fall 2024 Open Solicitation grant offering and funding recommendations.

Action Item.

All written public comments can be viewed on the [meeting page of our website](#). The following people provided verbal comments:

- Cindy K. Bright, Douglas SWCD
- Nellie McAdams, Oregon Agricultural Trust
- Kurt Berning, Pudding River Watershed Council
- Chris Gannon, Crooked River Watershed Council
- Cassi Newton, Wheeler SWCD
- Julie Cymore, Trout Unlimited

Mark Labhart moved the board adjust the Open Solicitation amounts to move \$859,018 from Technical Assistance for Cultural Resources to Technical Assistance (\$845,119) and Engagement (\$13,899) in the 2023-2025 Spending Plan included in the agenda section of the board book and award funding of the staff-recommended projects listed in Attachment D with an award date of April 22, 2025. Motion seconded by Liz Agpaoa. Liz Agpaoa, Barbara Boyer, Bruce Buckmaster, Kelly Coates, Russ Hoeflich, Mark Labhart, Liza Jane McAlister, Lindsay McClary, Jamie McLeod-Skinner, Mark Webb, and Woody Wolfe voted in favor. Motion passed.

G. Fall 2024 Water Acquisitions Grant Offering Board Awards ([Timestamp = 6:29:30](#))

Water Acquisition and Capacity Coordinator Brian Wolcott and Acquisitions and Special Programs Manager Renee Davis provided an overview of the Fall 2024 Water Acquisition grant offering process and presented staff recommendations for grant awards. *Action Item.*

There were no written or verbal comments submitted for this agenda item.

Jamie McLeod-Skinner moved the board award funding for water acquisition grants as specified in Table 1, with project-specific funding conditions described in Attachment A, with an award date of April 22, 2025. Motion seconded by Liz Agpaoa. Liz Agpaoa, Barbara Boyer, Kelly Coates, Russ Hoeflich, Liza Jane McAlister, Lindsay McClary, Jamie McLeod-Skinner, Mark Webb, and Woody Wolfe voted in favor. Bruce Buckmaster and Mark Labhart abstained. Motion passed.

H. Land Acquisitions – Willamette Confluence Project ([Timestamp = 7:56:25](#))

Land Acquisitions Coordinator Miriam Forney, Acquisitions and Special Programs Manager Renee Davis, and Joe Moll of McKenzie River Trust updated the board on the Willamette

Confluence Preserve project and requested the board approve a partial release of the conservation easement. *Possible Action Item.*

The board directed staff to gather additional information and revisit this topic at the July board meeting.

The meeting was adjourned at 5:22 p.m. by co-chair Barbara Boyer.

Wednesday, April 23

The meeting was called to order at 8:30 a.m. by Barbara Boyer: [Recording](#)

I. General Public Comment ([Timestamp = 0:00:44](#))

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

All written public comments can be viewed on the [meeting page of our website](#). The following people provided verbal comments:

- Holly Purpura, Marys River Watershed Council
- Shannon Richardson, South Santiam Watershed Council
- Karsyn Kendrick, Coalition of Land Trusts
- Kevin Porter, Polk SWCD
- Haley Lutz, Coos Watershed Association
- Evan Hayduk, MidCoast Watershed Council
- Neil Schulman, North Clackamas Watershed Council
- Tom Gaskill, Greater Oregon City Watershed Council

J. 2025-2027 Grant Funds Spending Plan Overview ([Timestamp = 00:33:20](#)) and ([Timestamp = 02:35:50](#))

Deputy Director Stephanie Page and Business Operations Manager/Fiscal Officer Miriam Scharer presented an overview of the spending plan which included estimated funds available for board allocation for the 2025-2027 biennium and proposed amounts to allocate to grant programs, and sought board feedback. *Information Item.*

K. 2025-2027 Spending Plan – Governor’s Priorities Proposal ([Timestamp = 02:12:43](#))

Governor Kotek’s Natural Resources Senior Policy Advisor Geoff Huntington provided an overview of proposed plans for the Governor’s Priorities spending plan line item, for both funds remaining in the 2023-2025 spending plan and for the 2025-2027 biennium and sought board feedback. *Information Item.*

L. Committee Updates ([Timestamp = 02:46:05](#))

Executive Director Sara O’Brien provided updates on committee topics to the full board. *Information item.*

M. Drinking Water Source Protection Grant Offering Board Awards ([Timestamp = 04:30:44](#))

Drinking Water Source Protection Specialist Audrey Squires and Acquisitions and Special Programs Manager Renee Davis provided an overview of the Drinking Water Source Protection grant offering process and presented staff recommendations for grant awards. *Action Item.*

There were no written or verbal comments submitted for this agenda item.

Bruce Buckmaster moved the board award Drinking Water Source Protection grants in the amount of \$5,000,000, contingent upon a successful Lottery Revenue Bond sale, with an award date of April 23, 2025, as shown in Attachment A, with the standard required conditions detailed in Attachment D. Motion seconded by Jamie McLeod-Skinner. Barbara Boyer, Bruce Buckmaster, Kelly Coates, Russ Hoeflich, Mark Labhart, Lindsay McClary, Jamie McLeod-Skinner, Mark Webb, and Woody Wolfe voted in favor. Liz Agpaoa and Liza Jane McAlister were absent. Motion passed.

N. Natural and Working Lands Program Preview ([Timestamp = 02:59:32](#))

Water and Climate Coordinator Alexa Schmidt provided an overview of the Natural & Working Lands program in preparation for board action and grant awards at the July meeting. *Information Item.*

O. Other Business ([Timestamp = 05:27:14](#))

This item was reserved for other matters that came before the board. *Information Item.*

The meeting was adjourned at 2:07 p.m. by co-chair Barbara Boyer.



This report seeks board authorization to initiate rulemaking for Water Acquisition Grants (Division 46).

Background

OWEB's Water Acquisition grant program provides funding to acquire from willing sellers interests in water to maintain or restore streamflows for the benefit of watersheds and habitat for native fish or wildlife. The board last reviewed and adopted revisions to the Water Acquisition grant program in 2020, and following a five-year rule review, staff have identified areas in the rules for refinement and are also requesting board input on the strategic direction of the program, including rulemaking (see Agenda Item D, Water Acquisition Program Updates).

Proposed Rulemaking Process

If authorized by the board, staff propose to revise the Water Acquisition Grants rules in accordance with the draft schedule below.

Approximate Date	Rulemaking Action
July 2025	OWEB Board Authorization for Rulemaking
August-September 2025	Draft Rule Concepts/Language Developed
October 2025-March 2026	Rulemaking Advisory Committee Meetings to Vet Draft Rules and Provide Feedback*
January 2026	Rulemaking Progress Report to OWEB Board*
May 1, 2026	Draft Rules/Notice Filed with Secretary of State, agency mailing list, legislators, and posted to OWEB website
May 1 – May 31, 2026	Tribal and Public Comment Period (including virtual hearing) *
June 2026	Review Tribal and Public Comments, Provide Response, and Consider Revisions to Draft Rules
July 2026	Board Adoption of Rules

*Opportunity for public comment

Staff Recommendation

Staff recommend the board authorize rulemaking for Water Acquisition Grants in Division 46.

Attachments

Division 46-Water Acquisition Grants Administrative Rules.

DIVISION 46 - WATER ACQUISITION GRANTS

695-046-0010

Purpose

In accordance with Section 4b of Article XV of the Oregon Constitution and ORS 541.956, OWEB may consider grant applications that propose to acquire from willing sellers interests in water that result in Legally or Contractually Protected Instream Flow to maintain or restore streamflows for the benefit of watersheds and habitats for native fish or wildlife. This division supplements the OWEB Grant Program rules under OAR 695-005 and provides specific requirements for the OWEB water acquisition grant program. In the event of any conflict between these requirements and requirements identified in OAR 695-005, the water acquisition grant requirements in this division will take precedence. OWEB does not itself hold an interest in water rights in grants authorized under these rules, but rather allocates funding for Water Acquisition Projects to other entities, which may result in the State of Oregon or other entities holding the interest in water rights.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

OWEB 2-2005, f. & cert. ef. 2-1-05

695-046-0020

Definitions

(1) "Conserved Water" means that amount of water that results from conservation measures, measured as the difference between:

(a) The smaller of the amount stated on the water right or the maximum amount of water that can be diverted using the existing facilities; and

(b) The amount of water needed after implementation of conservation measures to meet the beneficial use under the water right certificate.

(2) "Conserved Water Project" means a project that conserves water pursuant to Oregon's Conserved Water Act, ORS 537.455 to 537.500.

(3) "Contractually Protected Instream Flow" means the amount of water secured through a Water Use Agreement.

(4) "Delegated to the Director" means the grant funds that the Board has authorized to the Director to award and enter into appropriate agreements.

(5) "Instream Lease" means the conversion of all or a portion of an existing water use subject to transfer to an instream water right for a specified time-period as authorized by ORS 537.348(2).

(6) "Legally Protected Instream Flow" means the amount of water secured through Instream Leases, Split-Season Use Instream Leases, Time-limited Instream Transfers, Conserved Water Projects, Permanent Instream Transfers, or other mechanisms administered by Oregon Water Resources Department..

(7) "Permanent Instream Transfer" means the permanent conversion of all or a portion of an existing water use subject to transfer to an instream water right as authorized by ORS 537.348(1).

(8) "Split-Season Use Instream Lease" means an Instream Lease in which the water right can be

exercised in the same season defined by the water right in the same calendar year for both the existing purpose of the water right and for an instream purpose, provided that the water is not used for the existing purpose during the period in which water is to be protected instream as authorized under ORS 537.348(3).

(9) "Technical Review Teams" means a team of designated personnel with regional knowledge and interdisciplinary expertise drawn from agencies represented on the Board and other entities organized to evaluate water acquisition grant applications.

(10) "Time-limited Instream Transfer" means an instream transfer authorized under ORS 537.348(1) that is not permanent and under which the water right will revert back to its original use:

(a) Without further action by the Oregon Water Resources Department at the end of the period of time specified in the final order approving the instream transfer; or

(b) On a determination by the Department that other conditions, specified in the final order approving the instream transfer, for termination have been met.

(11) "Water Acquisition Project" means a voluntary transaction that results in a Legally or Contractually Protected Instream Flow.

(12) "Water Use Agreement" means a contractual agreement between a water right holder and an eligible grant applicant to conserve water or curtail the beneficial use of water under a water right subject to transfer during specified periods or under specified conditions to achieve Contractually Protected Instream Flow, such as forbearance agreements, minimum flow agreements, and other private agreements between a water right holder and an eligible grant applicant.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

OWEB 2-2005, f. & cert. ef. 2-1-05

695-046-0035

Eligibility

(1) The Board will only consider Water Acquisition Projects involving legal water rights not subject to forfeiture that will result in Legally or Contractually Protected Instream Flows to address:

(a) The identified conservation needs of habitats and species as determined by the Oregon Department of Fish and Wildlife and in consideration of needs identified by other federal or tribal fish and wildlife agencies; or

(b) Improving water quality in a water-quality-limited area, as defined in OAR 340-041-0002(70) and determined by the Oregon Department of Environmental Quality.

(2) The Board will also only consider projects that include written notice to irrigation districts where the proposed Water Acquisition Project is within the boundary of an irrigation district.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, adopt filed 04/27/2020, effective 05/01/2020

695-046-0185**Use of Grant Funds**

Water acquisition grant funds may be applied toward reasonable costs, as determined by OWEB, related to the implementation of Water Acquisition Projects, including:

- (1) The purchase price and the purchase option fees associated with acquisition of an interest in water.
- (2) The monetary interest on bridge loans needed to secure the interest in water prior to when funding will be available for distribution through the program.
- (3) The staff costs incurred as part of acquiring the interest in water.
- (4) The cost of outreach activities necessary for the funded Water Acquisition Project.
- (5) The cost of due diligence activities, including appraisal or valuation of the interest to be acquired, title report, assessment of the timing and extent of water use and regulation associated with the interest in water, and other customary due diligence activities.
- (6) The closing fees related to the acquisition of an interest in water.
- (7) The cost of monitoring the Water Acquisition Project to certify that the water interest is being used and managed consistent with Section 4b, Article XV of the Oregon Constitution.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

695-046-0190**Matching Contributions**

(1) All applicants shall demonstrate at least 25% of the Water Acquisition Project cost is being sought as match, with the grant applicant required to provide matching funds and efforts necessary to complete the purchase. The following costs and activities will qualify as match:

- (a) All costs listed under OAR 695-046-0185, including in-kind contributions of those costs.
 - (b) Funding commitments made by others as a result of grant applicant efforts (including funding to be secured from other funders as part of a Board-prescribed process conducted in cooperation with other funders).
 - (c) Any donated portion of the interest in water.
- (2) OWEB funds shall not qualify as matching contributions.
- (3) The Director retains the discretion to determine whether matching costs are reasonable and will be recognized as qualifying matching costs.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

695-046-0195**Coordinating and Partnering with Other Funders**

In accordance with Section 4b of Article XV of the Oregon Constitution, OWEB may consider grant applications in partnership with other funders for the purposes of creating operational efficiencies and

coordinating investments in projects designed to result in Legally or Contractually Protected Instream Flow and to do one or both of the following:

- (1) Address the conservation needs of habitats and species as determined by the Oregon Department of Fish and Wildlife and in consideration of needs identified by other federal, or tribal fish and wildlife agencies; or
- (2) Improve water quality in a water-quality-limited area as defined in OAR 340-041-0002(70) and determined by the Oregon Department of Environmental Quality.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

695-046-0196

Evaluation Criteria

Water acquisition grant applications will be evaluated on the extent to which the application describes:

(1) The significance of the projected ecological outcomes, including how the proposed Water Acquisition Project:

- (a) Achieves or helps to achieve any professionally accepted flow target during the period of use;
- (b) Addresses limiting factors identified in professionally accepted conservation plans for habitat conservation needs or water quality;
- (c) Provides benefits to impacted species and life stages;
- (d) Monitors and tracks project impacts over time, as appropriate for the transaction type and duration;
- (e) Monitors project compliance, as appropriate for the transaction type and duration; and
- (f) Contributes to climate change adaptation.

(2) The alignment of proposed costs with the work necessary to accomplish the objectives described in the application, including:

- (a) The ownership, use, validity, and reliability of the water right;
- (b) How the proposed cost of the Legally or Contractually Protected Instream Flow is consistent with local or regional market conditions; and
- (c) How the term of the proposed Water Acquisition Project is appropriate to meet the habitat, species, or water quality needs.

(3) How the proposed activities are part of a strategic effort or long term vision for restoring instream flows in the watershed, including how the proposed Water Acquisition Project:

- (a) Complements other habitat conservation actions and needs;
- (b) Will lead to future expansion of instream flow restoration; and
- (c) Addresses Oregon Department of Fish and Wildlife, or other federal or tribal fish and wildlife agency priorities for aquatic habitat, Oregon Department of Agriculture or Oregon Department of Forestry priorities for water quality, or Oregon Department of Environmental Quality water quality management or implementation plans, if established.

(4) The capacity and qualifications of the applicant, including staff or consultants to be retained, to accomplish the proposed Water Acquisition Project activities described in the application and to sustain the projected ecological outcomes over the project term.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, adopt filed 04/27/2020, effective 05/01/2020

695-046-0200

Application Evaluation Process

(1) For water acquisition applications seeking grant funds that require the Board to make a funding decision:

(a) A Technical Review Team will be convened to review water acquisition grant applications.

(b) Prior to the Technical Review Team meeting, the Technical Review Team shall evaluate each application based on the information provided and the evaluation criteria as described in OAR 695-046-0196.

(c) At the Technical Review Team meeting, the Technical Review Team shall:

(A) Review and evaluate each project individually based on how well the proposed project meets the criteria as described in OAR 695-046-0196.

(B) Recommend the project as:

(i) Do fund;

(ii) Do fund with conditions:

(iii) Do not fund; or

(iv) Defer to staff or the Board with an explanation, if there is a policy issue or budget issue that needs to be addressed by the Board prior to a funding decision; and

(C) Rank order all projects recommended for funding based on how well the project meets the criteria established in OAR 695-046-0196.

(d) The project description, summary evaluation, and funding recommendation for all projects, and the rank order of projects recommended for funding shall be forwarded from the Technical Review Team to Board staff for their consideration. This information will be provided to all applicants and to the Board.

(2) For water acquisition grant applications seeking grant funds that have been Delegated to the Director;

(a) A Technical Review Team will be convened to review grant applications.

(b) The Technical Review Team shall review and evaluate each project based on how well the proposed project meets the criteria in OAR 695-046-0196 and provide feedback and recommendations to OWEB staff.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

695-046-0201**Staff Funding Recommendation Process**

(1) For water acquisition grant applications seeking grant funds that require the Board to make a funding decision:

(a) Staff shall review the recommendations from each Technical Review Team and make a statewide funding recommendation to the Board based on available resources for the grant offering and type. The recommendation shall include any conditions placed on individual projects and may include proposed budget adjustments. The staff recommendation, as represented in the staff report to the Board, shall be made available to applicants and members of the Technical Review Teams at least two weeks before the Board meeting where funding decisions are to be made.

(b) Applicants may provide written or oral comment to the Board on the staff recommendation prior to the Board decision.

(2) For grant applications seeking grant funds that have been Delegated to the Director, staff shall review the recommendations from each Technical Review Team and make a funding recommendation to the Director based on available resources for the grant offering and type. The recommendation shall include any conditions placed on individual projects and may include proposed budget adjustments. The staff recommendation shall be made available to the applicants.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.890-541.969

History:

OWEB 2-2020, adopt filed 04/27/2020, effective 05/01/2020

695-046-0202**Funding Decision**

(1) For water acquisition grant applications seeking grant funds that require the Board to make a funding decision:

(a) After considering recommendations from staff, and any community impacts from the proposed Water Acquisition Project, the Board may fund a project in whole or in part.

(b) Projects not funded may be resubmitted during future application submission periods.

(2) For water acquisition grant applications seeking grant funds that have been Delegated to the Director:

(a) After considering recommendations from staff, and any community impacts from the proposed Water Acquisition Project, the Director may fund a project in whole or in part.

(b) Projects not funded may be resubmitted during future application submission periods.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.890-541.969

History:

OWEB 2-2020, adopt filed 04/27/2020, effective 05/01/2020

695-046-0205**Public Involvement**

The public shall be provided with opportunities to comment on grant applications for Water Acquisition Projects being considered by the Board. OWEB will provide written notice through its website of the Board's intent to consider water acquisition grant applications. The Board will accept:

- (1) Comments made at public hearings, as described in ORS 271.735, held on grant applications seeking funding for Permanent Instream Transfers;
- (2) Written comments received at least 14 days before the Board meeting at which the application is to be considered by the Board; and
- (3) Oral comments made at the Board meeting at which the grant application is considered.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

695-046-0210

Board Approval and Delegation of Authority

The Board shall conditionally approve grants with funding conditions made available to the public. The Director is delegated the responsibility of ensuring that funding conditions required by the Board are fully satisfied by the grant applicant.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

695-046-0215

Director's Funding Approval and Distribution of Funds

(1) The Director may approve the distribution of grant funds when:

- (a) The funding conditions, if any, imposed by the Board are met to the full satisfaction of the Director;
- (b) The legal and financial terms of the proposed Water Acquisition Project transaction are approved by the Director;
- (c) A grant agreement is executed by the Director and the grant applicant; (d) The Director has reconciled conditionally approved funding with actual Water Acquisition Project costs; and
- (d) The grant applicant has satisfied the match requirements under 695-046-0190.

(2) For grants established under these rules, the Director is authorized to reimburse the grant applicant for allowable costs identified in OAR 695-046-0185 and to recognize matching contributions under OAR 695-046-0190 that were incurred no earlier than 18 months before the applicable grant application deadline.

(3) Notwithstanding OAR 695-046-0215(1)(a), funds may be distributed prior to Water Acquisition Project transaction closing for due diligence activities specified in OAR 695-046-0185(5) and included in the application budget.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

695-046-0220

Compliance and Enforcement

(1) The ongoing use of the water interests acquired with OWEB water acquisition grant funds shall be consistent with the purposes specified in section 4b Article XV of the Oregon Constitution. If significant compliance issues cannot be resolved to the full satisfaction of the Director, the Director, after informing the Board and providing reasonable written notice to the recipient of the grant, may in his or her discretion initiate any and all legal remedies available to OWEB, including recovery of the OWEB grant funds that were used to purchase the water interest, and reasonable interest and penalties at the option of the Director.

(2) OWEB, its grantees, contractors and cooperating agencies must be provided sufficient legal access to property to which the water interest acquired with OWEB funds is appurtenant, for the purpose of monitoring to certify that the water interest is being used and managed consistent with Section 4b, Article XV of the Oregon Constitution.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

695-046-0225

Subsequent Conveyances

A water interest acquired with OWEB grant funds shall not be conveyed to another party unless the conveyance is approved by the Board and may not be conveyed for the purpose of consumptive uses.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13

695-046-0230

Waiver and Periodic Review of Rules

The Director may waive the requirements of Division 46 for individual grant applications, not including mandatory constitutional or statutory requirements, when doing so is reasonably calculated to result in more efficient or effective implementation of the Board's water acquisition grant program. Any waiver must be in writing and included in the grant file to which the waiver applies. The administrative rules for water acquisition grants shall be periodically reviewed by the Board and revised as necessary and appropriate.

Statutory/Other Authority: ORS 541.906

Statutes/Other Implemented: ORS 541.932(9)

History:

OWEB 2-2020, amend filed 04/27/2020, effective 05/01/2020

OWEB 2-2013, f. & cert. ef. 6-19-13



July 22-23, 2025 OWEB Board Meeting

General Board Business E-3: Oregon Agricultural Heritage Program Conservation Easement Grant Extension

This report provides the board updates on the progress and timeline extension needs for two Oregon Agricultural Heritage Program (OAHP) Conservation Easement Grants awarded in 2023.

Background

Every OAHP grant is conditioned on the grantee completing required due diligence items to the satisfaction of OWEB and the match-funding partner before the release of funds for the conservation easement transaction. Consistent with past practice across OWEB transaction programs, staff is presenting a recommendation to the board for approval before granting the grantee's extension request.

Both Seeley Farm Phase 1 and Wahl Ranch Conservation Easement were awarded grants in 2023 and required, per the administrative rules in effect at that time, to complete their transactions within 18 months of their board award. At the June 2024 Oregon Agricultural Heritage Commission (OAHC) meeting, staff presented the commission with a recommendation to extend all 2023 OAHP conservation easement grant awards by nine months to help with coordinated review and timelines with federal match partners. The commission agreed and forwarded it on to the OWEB Board, which approved the commission's recommendation. This action extended the date for closing for both Wahl Ranch Conservation Easement and Seeley Farms Phase 1 to July 28, 2025. For the reasons explained below, both grantees have requested additional closing extensions. The OAHC recommended proceeding with the staff recommendation to extend the project deadlines for both grants at its June 2025 meeting.

OAHP Conservation Easement Grant Extension Requests

Seeley Farm Phase 1 (Grant No. 223-7100-22521) was awarded to Oregon Agricultural Trust (OAT) to be used for the purchase of a working lands conservation easement on approximately 385 acres of high-value farmland in Columbia County.

OAT has completed or initiated a significant portion of their due diligence required by OWEB and the Natural Resources Conservation Service (NRCS), the primary match source for both grants. Progress includes resolving title matters, initiation of survey work to develop boundary descriptions, negotiation of the conservation easement deed, preparation of the baseline documentation report, and completion of an appraisal, which has been received for review by OWEB. OAT anticipates outstanding items will be completed by the end of June.

OAT requests that OWEB extend its closing deadline, anticipating that additional time will be needed to coordinate and accommodate OWEB and NRCS approval timelines with OWEB's approval requirements on due diligence items. OAT requested the OWEB funds in Grant No. 223-7100-22521 be extended to October 31, 2025.

Wahl Ranch (Grant No. 223-7104-22600) was awarded to Wild Rivers Land Trust (WRLT) to be used for the purchase of a working lands conservation easement on approximately 775 acres of important soil resources and fish and wildlife habitat on the southern Oregon Coast in Curry County.

WRLT has completed all required due diligence tasks for the project. This includes the negotiation and completion of a final easement deed; resolution of title matters; survey work to establish legal descriptions for the easement area; the completion, submission, and approval of an appraisal

report to substantiate the purchase price for the easement; the finalization of a baseline documentation report for the easement; a Phase 1 Environmental Site Assessment; and other standard due diligence items required by OWEB. WRLT has opened escrow and has received approval to close the project through a WRLT Board resolution.

WRLT has also submitted all required project documents to their NRCS acquisition branch grant manager, who submitted the documents into NRCS Internal Controls protocol prior to leaving the agency at the end of April 2025. WRLT requested the OWEB funds in Grant No. 223-7104-22600 be extended to September 30, 2025, to accommodate the Internal Controls review process that has been delayed due to NRCS staffing shortages. To provide additional buffer, OWEB staff propose providing an additional month for this extension.

Staff Recommendation

Staff recommend the OWEB Board extend the grant deadline to October 31, 2025 for Seeley Farm Phase 1 (Grant No. 223-7100-22521) and to October 31, 2025 for Wahl Ranch (223-7104-22600).



OREGON
WATERSHED
ENHANCEMENT BOARD

Agenda Item F

2025-2027 Spending Plan

Board Meeting July 22-23, 2025



Oregon

Tina Kotek, Governor



OREGON
WATERSHED
ENHANCEMENT BOARD

775 Summer Street NE, Suite 360
Salem OR 97301-1290
www.oregon.gov/oweb
(503) 986-0178

Agenda Item F supports all of OWEB's Strategic Plan priorities

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Sara O'Brien, Executive Director
SUBJECT: Agenda Item E – 2025-2027 Spending Plan
July 22-23, 2025, Board Meeting

I. Introduction

The OWEB Board is responsible to adopt a biennial grant funds spending plan, which guides the agency's grantmaking for the biennium and supports state, federal, and local natural resource priorities. This is a unique responsibility that is consistent with direction in the Oregon Constitution and statute for Measure 76 lottery grant funds.

This report provides the 2025-27 Spending Plan for board review and approval based on feedback from the April board meeting, the May 2025 lottery revenue forecast, and other available uncommitted funds.

II. Background

After the Oregon Legislature approves OWEB's biennial budget, the board considers and approves a spending plan to allocate grant funding. Available funding for the board to allocate in the grant funds spending plan includes Measure 76 Lottery, federal, salmon license plate revenues, and other funds. The bulk of funding for OWEB's spending plan is from Measure 76 and the federal Pacific Coastal Salmon Recovery Fund (PCSRF), which OWEB applies for annually.

III. 2025-2027 Funding Outlook and Available Funds

Based on currently available information, including the May 2025 lottery revenue forecast, staff estimate that the total lottery and federal funds available for board-allocated programs will be approximately \$144.6 million for the 2025-2027 biennium. Staff recommend a holdback of 9.2% or \$13.3 million.

Summary of grant funds available for allocation:

Available estimated grant funds	\$144.6 million
Recommended holdback (9.2%)-see section IV of this report	<u>(\$ 13.3 million)</u>
Available funds for board allocated grant programs (over the 2-year plan)	\$131.3 million

IV. Unallocated Holdback

The holdback is the amount staff recommend not to allocate to grant programs in the grant funds spending plan from anticipated and estimated grant funds. As the available funds to allocate to the grant funds spending plan are based on estimates of lottery revenues for the biennium and other federal awards, the holdback does not represent cash on hand and is not held in a reserve account.

The recommended 9.2% holdback in the 2025-2027 grant funds spending plan will continue to help mitigate anticipated reductions in federal funding availability and reduce impacts of the change in timing of the PCSRF awards. It will also help smooth fluctuations in grant programs.

V. Pacific Coastal Salmon Recovery Funds

Since 2000, approximately one-third of OWEB's funding has been provided through the competitive PCSRF grant process, which is offered by NOAA Fisheries. Oregon has received more than \$342 million from PCSRF, which includes \$17.45 million of Bipartisan Infrastructure Law/Infrastructure Investment and Jobs Act funding, for salmon and steelhead recovery efforts in that time. On an annual basis, OWEB applies for PCSRF funding on behalf of the State of Oregon. Oregon provides the required 33% match through a combination of lottery funding, salmon license plate revenues, and funding from Oregon Department of Fish and Wildlife (ODFW).

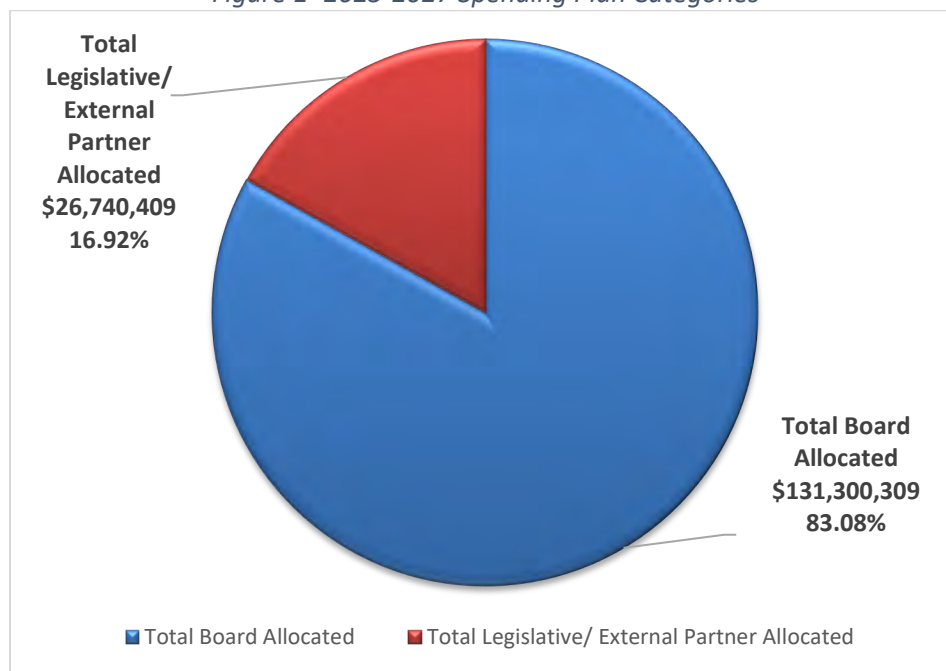
OWEB has received preliminary notification regarding the state's award for Fiscal Year 2025, but this will not be finalized for several months. The recommended 2025-2027 spending plan assumes \$12 million in PCSRF funds for grants between Fiscal Years 2025 and 2026, but this may change.

VI. Spending Plan Content

The recommended 2025-2027 grant funds spending plan includes grant programs within the purview of the Board to allocate (Board Allocated Funding) and grant programs that are legislatively and partner directed funds that cannot be reallocated to other programs (Legislative/External Partner Allocated Funding). For both Board-Allocated and Legislative/External Partner Allocated funding, the grant funds spending plan categorizes the programs into eight major grant types.

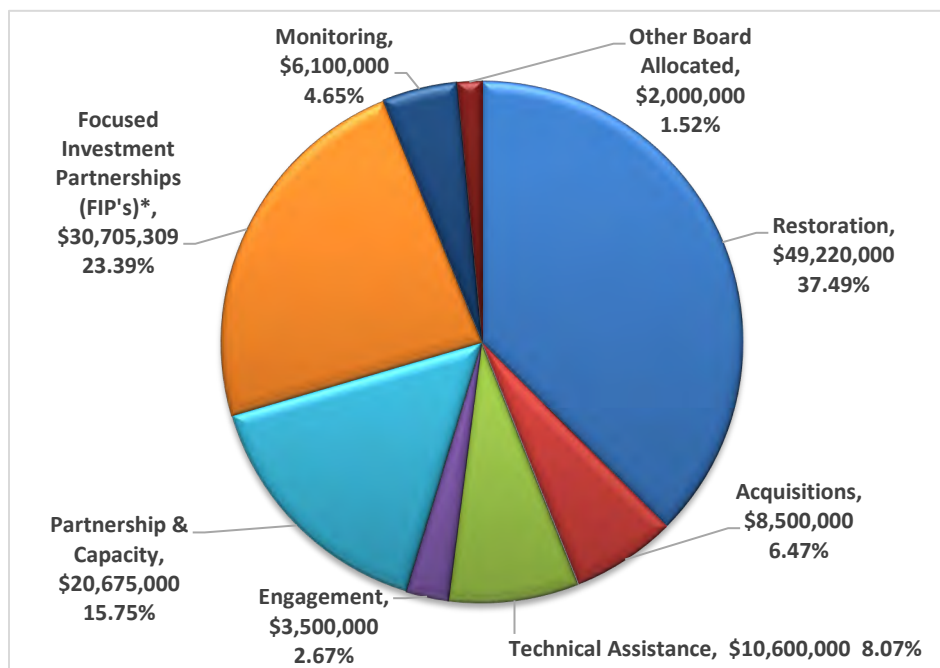
Categories and proportions are shown in Figure 1, below.

Figure 1- 2025-2027 Spending Plan Categories



The pie chart in Figure 2, below, shows the grant programs and proportions within the Board Allocated Funding section of the recommended 2025-2027 grant funds spending plan.

Figure 2 – 2025-2027 Grant Programs within Board Allocated Funds



*This program may include a variety of grant types (e.g. Restoration, Engagement, Technical Assistance, and Acquisition, etc.)

VII. Recommended Spending Plan Changes and Grant Program Policies

The recommended spending plan, associated policies and delegation of authority are outlined in Attachments A-D:

- Attachment A is the recommended spending plan.
- Attachment B summarizes changes since April based on the May revenue forecast and other factors.
- Attachment C outlines recommended policies that apply to various programs within the spending plan.
- Attachment D outlines any specific recommendations to delegate authority for distribution of certain funding to the Executive Director.

VIII. Recommendation

Staff recommend the board approve:

- The spending plan line items in the “Recommended 2025-2027” column of Attachment A: Recommended OWEB 2025-2027 Spending Plan.
- Receipt of up to \$5 million in funds from the Bureau of Land Management in the “Legislative/Other Partner Allocated” section of the spending plan.
- Attachments C and D regarding spending plan policy decisions and delegation of authority for the spending plan.

The “July 2026 Anticipated Additions” column of the spending plan will not be approved until July 2026 to adjust for changes in available funds.

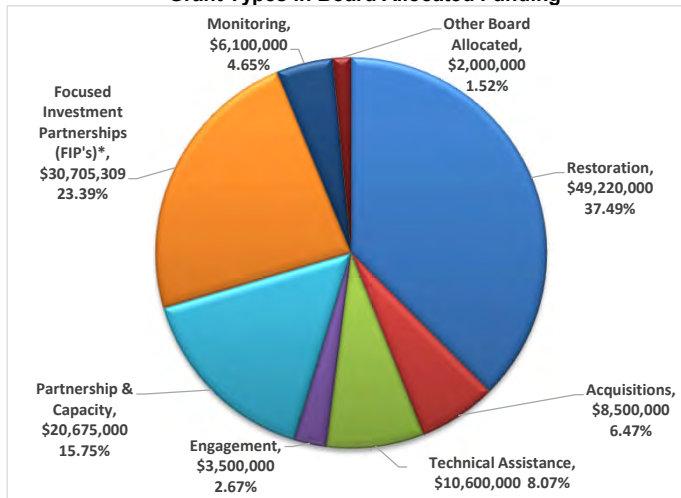
IX. Attachments

- A. Recommended 2025-2027 Grant Funds Spending Plan
- B. Summary of Changes Recommended from April 2025 Spending Plan Draft
- C. Recommended 2025-2027 Spending Plan Policies
- D. Recommended 2025-2027 Spending Plan Delegation of Authority

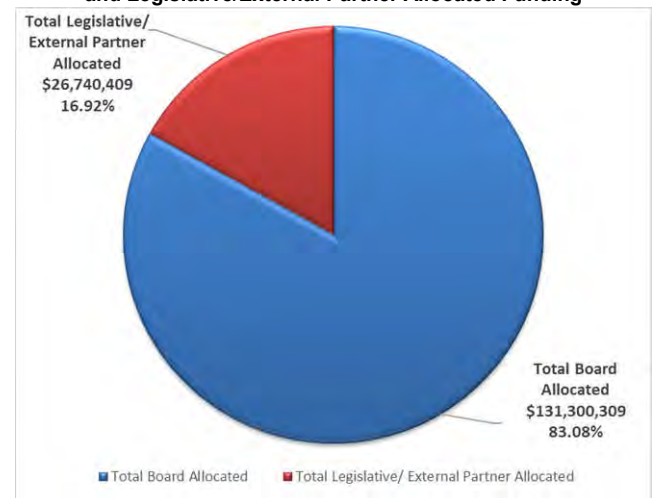
OWEB 2025-2027 GRANT FUNDS SPENDING PLAN

July 2025 Board Meeting

**2025-2027 Grant Funds Spending Plan -
Grant Types in Board Allocated Funding**



**2025-2027 Grant Funds Spending Plan - Board Allocated Funding
and Legislative/External Partner Allocated Funding**



	GRANT PROGRAMS	Grant Award Mechanism	Fund Source	July 2025 Spending Plan	July 2026 Anticipated Additions	2025-2027 Spending Plan
Board Allocated Funding						
1	Restoration					
2	Open Solicitation	Board Awarded	Lottery/ Federal/Other	37,380,000	2,500,000	39,880,000
3	Weed Grants	Delegated Award	Lottery	3,500,000		3,500,000
4	Small Grants	Delegated Award	Lottery	4,760,000		4,760,000
5	Lower Columbia Estuary Partnership	Delegated Award	Lottery	330,000		330,000
6	Conservation Reserve Enhancement Prog (CREP)-Cost Share	Delegated Award	Lottery	750,000		750,000
7	Total Restoration			\$ 46,720,000	\$ 2,500,000	\$ 49,220,000
8	Acquisitions					
9	Land and Water Acquisition	Board Awarded	Lottery	6,500,000	2,000,000	8,500,000
10	Total Acquisitions			\$ 6,500,000	\$ 2,000,000	\$ 8,500,000
11	Technical Assistance					
12	Open Solicitation	Board Awarded	Lottery/Federal	7,500,000	500,000	8,000,000
13	Conservation Reserve Enhancement Program (CREP) TA ⁽²⁾	Board Awarded	Lottery/Federal	1,600,000		1,600,000
14	Tribal Project Development	Delegated Award	Lottery/Federal	1,000,000		1,000,000
15	Total Technical Assistance			\$ 10,100,000	\$ 500,000	\$ 10,600,000
16	Engagement					
17	Open Solicitation	Board Awarded	Lottery	2,000,000		2,000,000
18	Strategic Implementation Areas ⁽¹⁾	Delegated Award	Lottery	1,500,000		1,500,000
19	Total Engagement			\$ 3,500,000	\$ -	\$ 3,500,000
20	Partnership & Capacity					
21	Capacity grants - Watershed Councils (WC)	Board Awarded	Lottery	9,900,000		9,900,000
22	Capacity grants - Soil & Water Conservation Districts (SWCD)	Delegated Award	Lottery	8,700,000		8,700,000
23	Statewide Organizational Conservation Partnership Support	Board Awarded	Lottery	525,000		525,000
24	Partnership Technical Assistance	Board Awarded	Lottery	1,200,000		1,200,000
25	Sage Grouse Conservation Partnership	Delegated Award	Lottery	350,000		350,000
26	Total Partnership & Capacity			\$ 20,675,000	\$ -	\$ 20,675,000
27	Focused Investment Partnerships (FIP) ⁽¹⁾ :					
28	Cohort 3 - 3rd Biennium					
29	Klamath Siskiyou Oak Network	Delegated Award	Lottery	2,959,837		2,959,837
30	East Cascades Oak & Fire Partnership	Delegated Award	Lottery	2,177,000		2,177,000
31	Siuslaw Coho Partnership	Delegated Award	Lottery/Federal	4,000,000		4,000,000
32	Coos Basin Coho Partnership	Delegated Award	Lottery/Federal	3,747,408		3,747,408
33	Oregon Central Coast Estuary Collaborative	Delegated Award	Lottery/Federal	2,390,250		2,390,250
34	Cohort 4 - 2nd Biennium					
35	Hood River Basin Partnership	Delegated Award	Lottery/Federal	3,503,414		3,503,414
36	Klamath Lake Forest Health Partnership	Delegated Award	Lottery	4,000,000		4,000,000
37	Oregon Sage-Grouse Partnership	Delegated Award	Lottery	4,000,000		4,000,000
38	Harney Basin Wetlands Collaborative	Delegated Award	Lottery	3,927,400		3,927,400
39	Total FIP's			\$ 30,705,309	\$ -	\$ 30,705,309

	GRANT PROGRAMS	Grant Award Mechanism	Fund Source	July 2025 Spending Plan	July 2026 Anticipated Additions	2025-2027 Spending Plan
40	Monitoring					
41	Open Solicitation	Board Awarded	Lottery	5,000,000		5,000,000
42	Quantifying Conservation Outputs and Outcomes	Board Awarded	Lottery	600,000		600,000
43	FIP Effectiveness Monitoring	Delegated Award	Lottery	500,000		500,000
44	Total Monitoring			\$ 6,100,000	\$ -	\$ 6,100,000
45	Other Board Allocated					
46	Governor's Priorities	Delegated Award	Lottery	2,000,000		2,000,000
47	Total Other			\$ 2,000,000	\$ -	\$ 2,000,000
48	TOTAL BOARD ALLOCATED			\$ 126,300,309	\$ 5,000,000	\$ 131,300,309
49	Percent (%) of OWEB Grant Funds Spending Plan total			82.53%	100.00%	83.08%
50	Board Approved Unallocated Funds			% of available funds 9.2%		13,325,337
Legislative/External Partner Allocated Funding						
51	Restoration					
52	Bureau of Land Management-Good Neighbor Authority ⁽¹⁾	Delegated Award	Federal Funds	5,000,000		5,000,000
53	Upper Klamath Water Quality Improvements-PacifiCorp IM11	Delegated Award	Other Funds	5,709,407		5,709,407
54	Watershed Natural Climate Solutions Fund* ⁽³⁾	Board Award	Other Funds	1,497,476		1,497,476
55	Total Restoration			\$ 12,206,883	\$ -	\$ 12,206,883
56	Acquisitions					
57	Water Acquisition - Flexible Incentive Account	Board Award	Other Funds	5,000,000		5,000,000
58	Oregon Agricultural Heritage Program (OAHP)	Board Award	Other Funds	1,760,000		1,760,000
59	Oregon Agricultural Heritage Program (OAHP) - Watershed Natural Climate Solutions Fund ⁽³⁾	Board Award	Other Funds	752,524		752,524
60	Total Acquisitions			\$ 7,512,524	\$ -	\$ 7,512,524
61	Partnership & Capacity					
62	Forest Health Collaborative-Oregon Department of Forestry	Board Award	Other Funds	350,000	-	350,000
63	Total Partnership & Capacity			\$ 350,000	\$ -	\$ 350,000
64	Other Legislative/External Partner Allocated					
65	Oregon Dept of Fish & Wildlife (ODFW)-PCSRF(Federal Funds)	Delegated Award	Federal Funds	6,671,002	-	6,671,002
66	Total Other			\$ 6,671,002	\$ -	\$ 6,671,002
67	TOTAL LEGISLATIVE/EXTERNAL PARTNER ALLOCATED			\$ 26,740,409	\$ -	\$ 26,740,409
68	Percent (%) of OWEB Grant Funds Spending Plan total			17.47%	0.00%	16.92%
TOTAL OWEB 2025-2027 Grant Funds Spending Plan				\$ 153,040,718	\$ 5,000,000	\$ 158,040,718

⁽¹⁾ This program may include a variety of grant types (e.g. Restoration, Engagement, Technical Assistance, and Acquisition, etc.)

⁽²⁾ This includes any NRCS CREP TA funds that may be awarded to OWEB

⁽³⁾ These funds total \$2.25M from the 2023-2025 OCAC allocation to OWEB

Summary of Changes Recommended from Draft 2025-2027 Spending Plan Presented in April 2025

Small Grants	Decrease of \$40,000	Small adjustment to reflect exact allocation formula for each small grant team rather than rounded amount included in April proposal
Water Acquisitions	Decrease of \$3,000,000	Reflects decrease to the fund balance in the Flexible Incentives Account through SB 960 (2025)
Watershed Natural Climate Solutions Fund	Decrease of \$2,524	Reflects adjustment in allocation of \$2.25 million between OAHP-Watershed Natural Climate Solutions Fund (previously \$750,000) and the Watershed Natural Climate Solutions Fund (previously \$1.5million)
Oregon Ag Heritage Program	Increase of \$1,760,000	Reflects allocation in OWEB's budget bill (HB 5039) for OAHP grants
Oregon Ag Heritage Program – Watershed Natural Climate Solutions Fund	Increase of \$2,524	Reflects adjustment in allocation of \$2.25 million between OAHP-Watershed Natural Climate Solutions Fund (previously \$750,000) and the Watershed Natural Climate Solutions Fund (previously \$1.5million)
BLM-Good Neighbor Authority	Increase of \$5,000,000	Grant funding for restoration and technical assistance selected by BLM and managed by OWEB.
Forest Collaboratives	Increase of \$350,000	Oregon Department of Forestry did not receive new funding for Forest Collaboratives in its 2025-2027 Legislatively Adopted Budget. However, ODF has another source of funding that they would like OWEB to administer for Forest Collaborative Grants combined with some existing remaining funds for a total of \$350,000 Forest Collaborative grant funding.
ODFW	Decrease of \$328,998 in July 2025; removed \$6M for July 2026 - TBD	Small adjustment to reflect exact amount included in preliminary funding award notification. FFY 2026 PCSRF award remains unknown and thus the July 2026 anticipated amount was removed from plan.
Total	Decrease of \$2,258,998	

2025-2027 Spending Plan Recommended Policies

Spending Plan Line Item	2025-2027 Policy	Background
Board Allocated Funding		
Restoration		
Weed Grants	Unexpended funds remain in the program for future granting.	Continues current policy for this program administered in partnership with the Oregon Department of Agriculture (ODA).
Small Grants	• The total amount available for each team for the biennium is \$170,000. There are three elements to this policy: ○ Each small grant team coordinating organization is eligible for one \$20,000 team grant for the biennium. ○ A total of \$150,000 is available to each small grant team to recommend to OWEB for project grants. ▪ The board-adopted cap for the 2025-2027 biennium per project grant is \$20,000. • Unexpended project grant funds up to \$500,000 will be available for granting in the next biennium. ○ Any small grant teams who have 95% of the available project grant funds allocated in the first year of the biennium are eligible for a portion of the unexpended funds from the previous biennium.	• The OWEB board adopted updated small grant program rules in October 2024. • The small grant program now includes two types of grants to reflect the updated rules. There is a <u>team grant</u> that supports teams in engaging with potential grant applicants in their communities. And there is a <u>project grant</u> that supports on-the-ground restoration projects. • Using established reallocation methodology, unexpended project grant funds from 2025-2027 will be redistributed to qualified small grant teams in 2028. • The total amount in project grant funding available to each team and the per-project grant amount reflect rising costs. The previous project cap was \$15,000 and the total amount available to each team was \$100,000.
Technical Assistance		
Technical Assistance	• Match requirement is 5% • No per-grant cap	• A 5% match rate reflects the statutory need to require some level of match while keeping the program as accessible as possible. • Lack of cap recognizes the complexity and cost of planning, designing, engineering, and permitting large-scale restoration projects.

Engagement		
Engagement	• Match requirement is 5% • No per-grant cap	• A 5% match rate reflects the statutory need to require some level of match while keeping the program as accessible as possible. • Lack of cap recognizes the needs/cost for large-scale community engagement to develop or implement restoration projects.
Focused Investments		
Focused Investments	Unexpended funds remain in the FIP holding account until completion of the FIP.	• Continues board policy adopted for 2023-2025. • Per agency policy: ○ If it is expected that FIP partnerships will not have all funding obligated in grant agreements at the end of their final board-awarded biennium, the Executive Director may extend the holding account for an additional biennium in consultation with the Executive Team during a review of active holding accounts prior to April 1 of each odd-numbered year. ○ One further biennium could be approved but no more than a total of two additional biennia would be approved for extension.
Monitoring		
Monitoring	• Match requirement is 5% • No per-grant cap	• A 5% match rate reflects the statutory need to require some level of match while keeping the program as accessible as possible.

2025-2027 Spending Plan Recommended Delegation of Authority

This table lists staff recommendations for board delegation of authority to the Executive Director to enter into grant agreements for the spending plan line items listed below. Amounts are as identified on spending plan. The award dates listed below are the earliest funds are available and a project may begin; actual project start dates will depend on the grant offering.

An award date of July 1 reflects either a grant that runs for the full biennium once the project is approved for funding, or a grant program where applications and award decisions may be made on a rolling basis at any time during the entire biennium. An award date of July 22, 2025 reflects grant programs where individual grant project award decisions are made after the board's adoption of the spending plan. July 22, 2025 is the date that the Board approves the 2025-2027 Grant Funds Spending Plan and related attachments.

Spending Plan Line Item	Award Date	Award/Description
Board Allocated Funding		
Restoration		
Weed Grants	July 22, 2025	Delegates authority to the Executive Director. OWEB administers these funds on behalf of the Oregon Department of Agriculture (ODA) and the Oregon State Weed Board. ODA staff complete a grant application review process and present recommendations to the Oregon State Weed Board. OWEB and ODA staff then jointly administer the awarded grants.
Small Grants – team engagement and project grants	July 1, 2025 (Team grants) July 22, 2025 (Project grants)	Delegates authority to the Executive Director to make grant award decisions for team coordination grants and small grant project grants. This delegation increases timeliness of program implementation. Funds are made available to small grant team coordinating organizations (\$20,000 for each coordinator of the 28 teams) for the full biennium, and for small grant projects (\$150,000 per team plus additional funding based on reallocation process) so they can quickly recommend OWEB funding for small grant projects. Once OWEB receives a small grant project recommendation from a local team, OWEB reviews the recommended small grant project for consistency with program guidelines and the Restoration Grants Manager approves the award via signing the grant agreement.
Lower Columbia Estuary Partnership	July 1, 2025	Delegates authority to the OWEB Executive Director to award the 2025-2027 restoration grant to the Lower Columbia Estuary Partnership. This is a full biennium grant.

Conservation Reserve Enhancement Program (CREP) Cost-Share	July 1, 2025	Delegates authority to the OWEB Executive Director to award cost-share funds to landowners who participate in this joint state-federal collaborative program. CREP contracts are directly with landowners and can arrive at any time in the biennium, so this delegation allows funding awards to be made at the time they are needed throughout the entire biennium. CREP contracts are fully reviewed by the Farm Service Agency and plans approved by NRCS.
Technical Assistance		
Tribal Project Development	July 22, 2025	Delegates authority to the OWEB Executive Director to award Tribal Project Development Grants. OWEB accepts applications on a rolling basis with each federally recognized Tribe headquartered in Oregon and the Nez Perce Tribe eligible to apply for one award per biennium. Delegation allows award decisions to be made immediately after technical review of each application.
Engagement		
Strategic Implementation Areas	July 22, 2025	Delegates authority to the OWEB Executive Director to award Strategic Implementation Area grants. This delegation enables OWEB to continue support of engagement, technical assistance, restoration, and monitoring projects in Strategic Implementation Areas, which are watersheds identified for focused water quality improvement work by the Oregon Department of Agriculture.
Partnership & Capacity		
Capacity grants – Soil & Water Conservation Districts	July 1, 2025	Delegates authority to the Executive Director to award SWCD capacity grants. This allows for a one-time distribution of funds for the biennium, based on process developed by ODA for implementation of local area plans under the state's agriculture water quality program, including focused implementation in identified areas. These grants are for the full biennium.
Statewide Organization Partnership Grant	July 1, 2025	Delegates authority to the Executive Director for continued support of the Oregon Conservation Partnership. This is a full biennium grant.
Sage Grouse Conservation Partnership	July 22, 2025	Delegates authority to the Executive Director for continued support of the Sage Grouse Conservation Partnership.
Focused Investment Partnerships		
Focused Investment Partnership grants (excluding new partnership selection)	July 1, 2025	Delegates authority to the Executive Director to award grants to FIP partnerships. This allows staff to work with grantees on agreed-to timelines, reviewing and making grant award decisions as applications come in and go

		through technical review. Project application cycles and award decisions can occur at any time throughout the biennium.
Monitoring		
FIP Effectiveness Monitoring	July 22, 2025	Delegates authority to the Executive Director for continued support of FIP effectiveness monitoring.
Other Board Allocated		
Governor's Priorities	July 22, 2025	Delegates authority to the Executive Director to award grants to address priority needs identified by the Governor. Staff will work with the Governor's Natural Resources Office to present additional information during the 2025-2027 biennium about potential grants that may be awarded under this spending plan line item.
Legislative/External Partner Allocated Funding		
Restoration		
Bureau of Land Management -Good Neighbor Authority	July 22, 2025	Delegates authority to the Executive Director to award grants identified and evaluated by BLM that support aquatic restoration and technical assistance across the state. BLM has initiated a continuation of the funding previously established with OWEB as a new agreement. Agreements may be recommended at any time throughout the biennium.
Upper Klamath Water Quality Improvement - PacifiCorp IM11	July 1, 2025	Delegates authority to the Executive Director to award grants through the appropriate agreements. PacifiCorp IM11 funds were first received and delegated to the Executive Director in October 2023.
Other Legislative/External Partner Allocated		
ODFW	July 1, 2025	Delegates authority to the Executive Based on the grant submitted by the State of Oregon through OWEB, ODFW receives a specific funding distribution for the biennium from the approved PCSRF grant via pass-through by OWEB.



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Agenda Item G

Committee Updates

Board Meeting July 22-23, 2025



Committee Members

Dan Brown (co-chair), Bruce Buckmaster, Kelly Coates, Russ Hoeflich (co-chair), and Mark Webb

Meeting Summary

The Acquisitions, Restoration, and Emerging Topics (ARE) committee met on June 5, 2025.

The committee: 1) heard an overview of the Measure (M) 76 land acquisition grant program modernization process; 2) engaged in dialogue with a M66/76 panel about historical context of the ballot measures; 3) received a land acquisition grant program 101/201 primer about the program's structure; 4) discussed a foundational questions memo that frames some philosophical and cultural issues to be explored by the committee and board; and 5) heard updates about the land acquisition modernization workplan and timeline for various workstreams within that plan. Public comment was provided by Joe Buttafuoco of the Coalition of Oregon Land Trusts (COLT); and Jessica McDonald, Greenbelt Land Trust.

Overview of M76 Land Acquisition Grant Program Modernization and M66/76 Panel

Renee Davis, Acquisitions and Special Programs Manager, provided an overview of the impetus behind the M76 modernization process, then Sara O'Brien, Executive Director, introduced the M66/76 panel. Panel members included Josh Alpert (previously with Trust for Public Lands), Nan Evans (previously with The Nature Conservancy), Catherine Macdonald (The Nature Conservancy), Bruce Taylor (previously with Defenders of Wildlife), and Richard Whitman (previously with Oregon Department of Justice). Each panelist described their role with the ballot measures and provided historical context on several topics. These topics include: the intent and "big idea" behind the measures, the importance of coalitions to the successful passage of the measures, changes from M66 to M76, and the latitude intended in the measures to provide flexibility and create opportunity for adaptive management in the future. They also underscored the importance of balancing risks and benefits within the portfolio of activities support with Constitutionally dedicated funding.

Land Acquisition Grant Program Primer and Foundational Questions Memo

Renee Davis reviewed portions of the Land Acquisitions 101 presentation provided to the board at its July 2024 meeting, then transitioned into an Acquisitions 201 discussion. This portion of the presentation discussed issues and concerns previously over the course of the program's existence, outlined where refinements had been made to address issues, and described remaining concerns. These concerns were affirmed during multiple listening sessions with the land trust community and via past processes that engaged Tribes (e.g., OWEB's Tribal assessment). From there, the staff described key questions included in the foundational questions memo: Conservation easements as the instrument and form of title restriction used in the Land Acquisition grant program; Significance of habitat and expectations for restoration of properties acquired with OWEB funding; Balancing other uses (e.g., recreation, working lands, cultural uses) with habitat conservation; and Risk tolerance and management. Each of these topics will receive a deep-dive focus in upcoming ARE committee meetings. In preparation for those discussion, committee members provided feedback to staff about context, information, voices, and perspectives from which they would benefit during these deep dives.

Land Acquisition Modernization Workplan and Upcoming Meetings

Staff briefly outlined the components of the workplan, including 1) board committee work to inform board discussions and deliberation on philosophical and cultural issues; 2) a workstream focused on Tribal sovereignty considerations; 3) a minor streamlining process to scope near-term refinements to the land acquisition solicitation materials in advance of a 2025 grant cycle; and 4) a future workstream—informed by direction from the board—that may include rulemaking. The September ARE committee will focus on Conservation Easements as the Protective Instrument for OWEB land acquisitions, and the December meeting will focus on Significant Habitat and Restoration/Future Conditions Requirements for funded projects. In January 2026, the board will hear initial learnings and recommendations from the ARE committee.

To Be Presented at the Board Meeting By:

Dan Brown and Russ Hoeflich



Committee Members

Liz Agpaoa, Barbara Boyer, Aaron Curtis, Lindsay McClary (co-chair), and Woody Wolfe (co-chair)

Meeting Summary

The Partnerships and Capacity Committee met on June 3, 2025.

The committee reviewed and discussed (1) Operating Capacity grant staff recommendations; and (2) feedback on FIP Ecological Priorities from listening sessions, partner meetings, and a survey. Public comment was provided by Roy Iwai of Sandy River Watershed Council, Neil Schulman of North Clackamas Watersheds Council, and Alexis Baron Castro of Tryon Creek Watershed Council.

Operating Capacity Grant Staff Recommendations

Courtney Shaff, Monitoring and Reporting Manager and Brian Wolcott, Water Acquisition and Capacity Grant Program Coordinator, previewed recommendations for council capacity grant awards for the upcoming July meeting. The committee identified some questions and areas to expand on at the July Board meeting that would help the board deliberate on council capacity awards and make a funding decision in July.

FIP Ecological Priorities

Eric Hartstein, Policy Coordinator, Denise Hoffert, Partnerships Coordinator, and Eric Williams, Restoration Grants Manager summarized the process for and results from public feedback on whether and how to update the board-identified ecological priorities for the FIP program. Provided a status update on public engagement informing the board's five-year determination of FIP ecological priorities. Themes emerging from the public feedback are presented in Attachment A and include combining the Coho priority with Aquatic Habitat for Native Fish Species priority. There was broad public consensus for making adjustments to the Dry-type Forest, Oak Woodland and Prairie, and Sagebrush/Sage-Steppe priorities. The Committee recommended that staff pursue the consensus changes to the FIP Ecological Priorities as described in Attachment A. Staff will return to the September Committee meeting with draft edits to FIP priorities, including updated maps, which will be considered by the Board in October and January.

Upcoming Agenda Items

In addition to FIP ecological priorities, the September committee meeting will include a preview of CREP Technical Assistance award recommendations the board will consider in October and a report on OWEB's DEI plan.

To Be Presented at the Board Meeting By

Lindsay McClary and Woody Wolfe

Attachments

Attachment A – FIP Ecological Priority Consensus Recommendations for Changes

Tribal & Public Engagement

- **Online Survey: 98 Responses**
- **One Tribal Listening Session**
- **Four Public Listening Sessions**
- **One-on-One/Group Discussions**
- **Email/Written Feedback**

1

Survey Questions

1. After reviewing the existing OWEB Board FIP Ecological Priorities, select all you would recommend to the OWEB Board to keep.
2. Are there any ecological priorities you would retire? If yes, list and briefly describe.
3. Are there any ecological priorities you would combine? If yes, list and briefly describe.
4. Are there any ecological priorities that you would revise? If yes, list and briefly describe.

2

Survey Questions

5. Are there new ecological priorities you propose to be added?

- What is the habitat type that you propose to become a new FIP ecological priority
- Why is the habitat type that you propose ecologically significant to the state?
- What is the geographic location?
- What existing recovery or conservation plans point to this as a priority?
- Do partnerships exist to support this priority work?

6. Is there anything else you want OWEB staff and Board to know as we review & potentially revise the existing OWEB FIP Ecological Priorities?

7. Select what best represents your role in participating with this survey



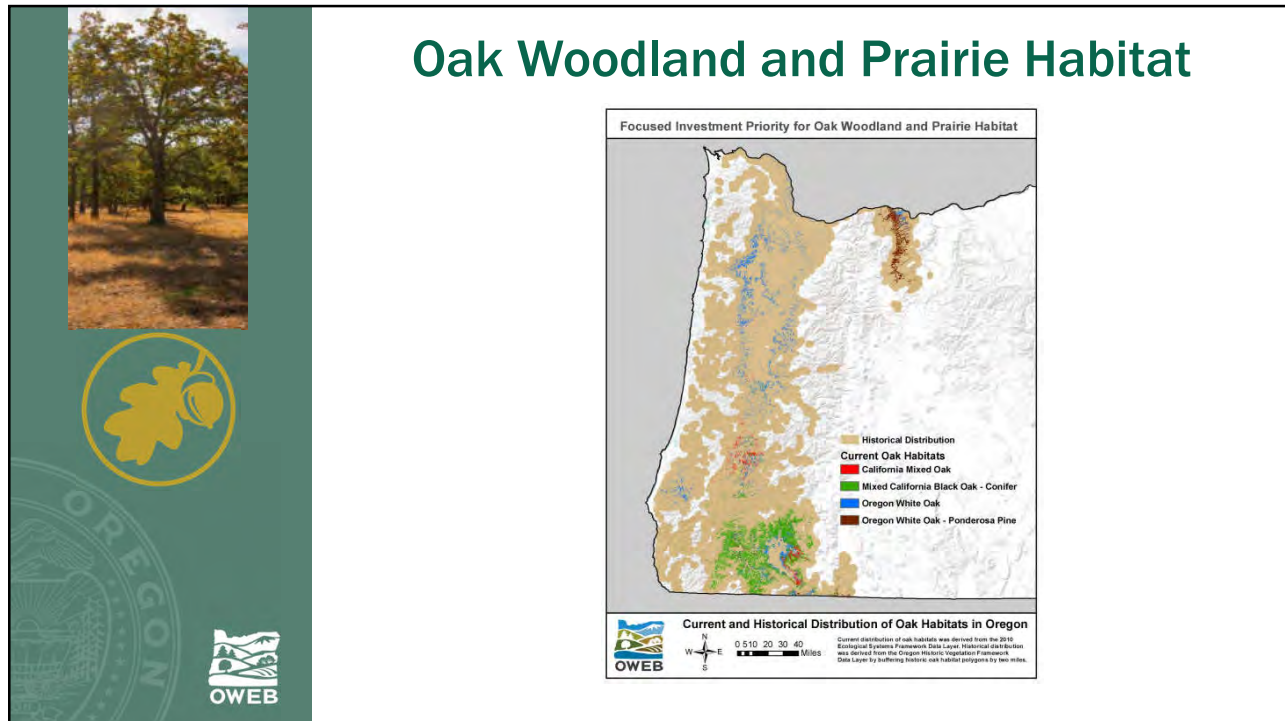
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General Feedback

- Consensus that existing FIP ecological priorities have value and should either be maintained in current form or merged with a different ecological priority.
- Most felt existing priorities should not be retired.
- A few comments advocate for retiring some priorities, with others suggesting a narrower geographic focus across the priorities.
- Some comments noted that it would be beneficial to see how conservation /restoration progress has occurred across the priorities, particularly Sagebrush/Sage-Steppe habitat, before further investments are made.
- Highlight habitat connectivity across all ecological priorities.
- Climate change *
- Expanded coastal habitats *
- Focus on areas experiencing extreme water stress. *



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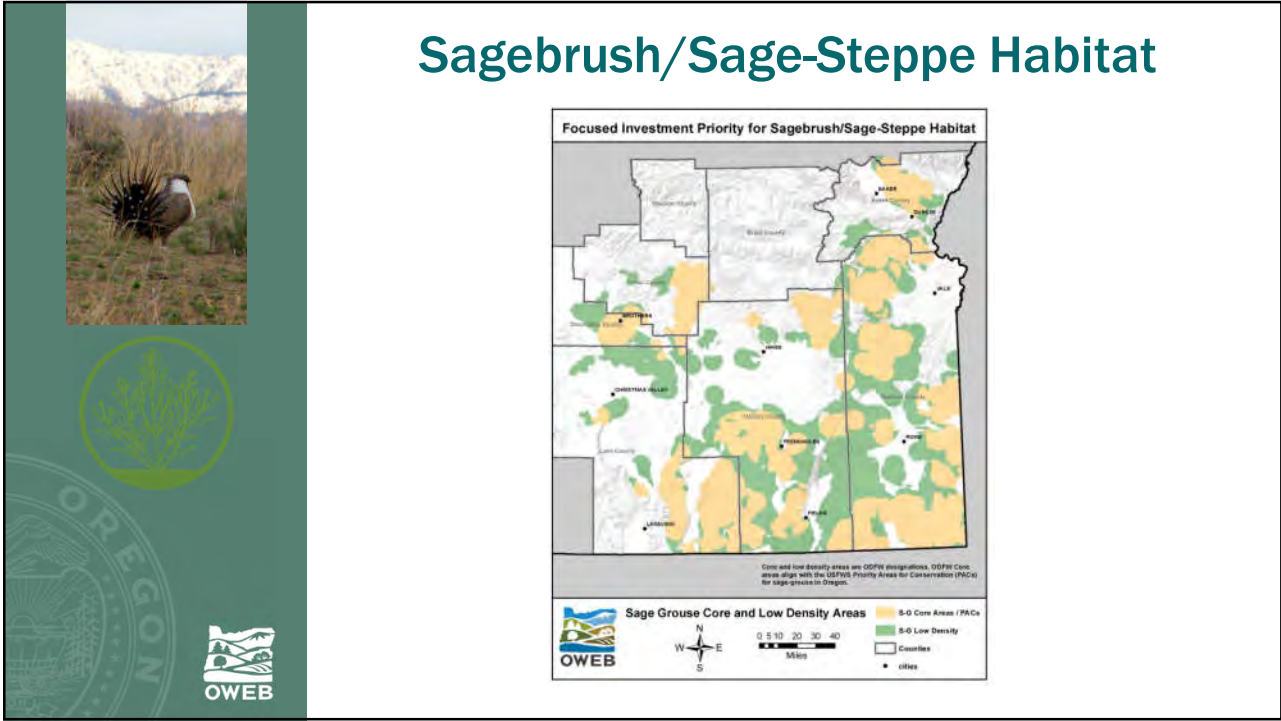


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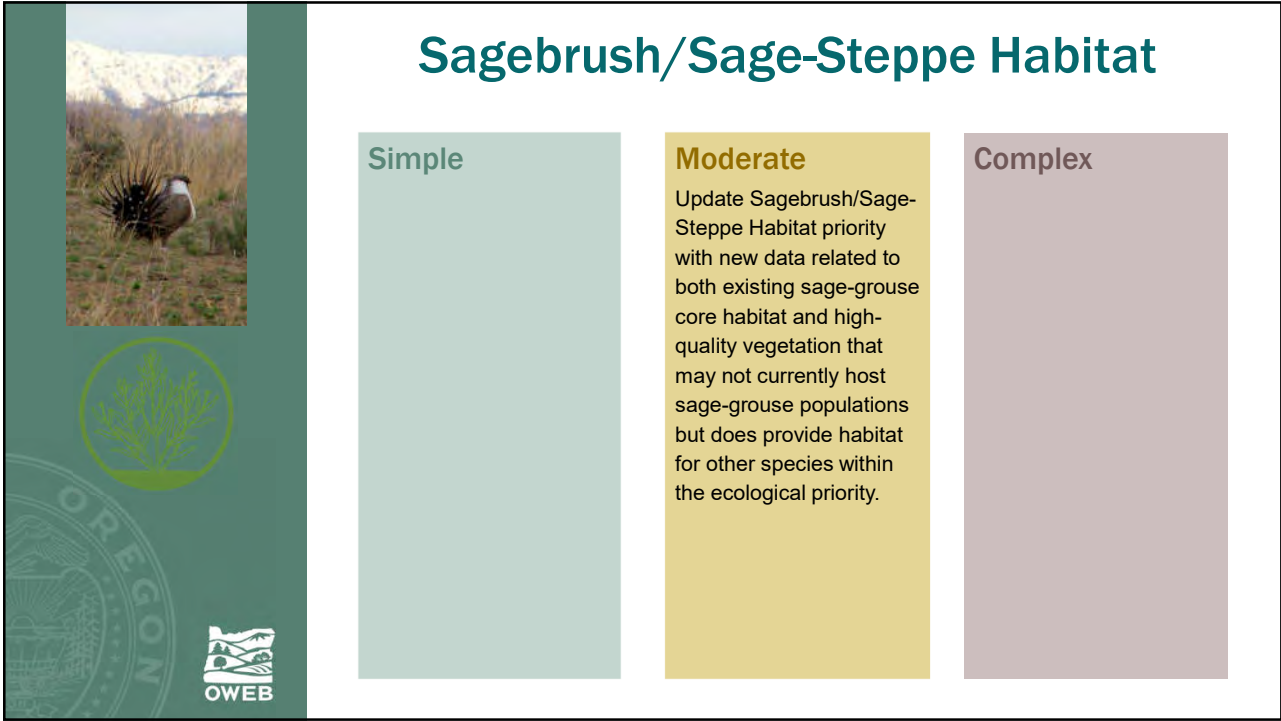
Oak Woodland and Prairie Habitat

Simple Consider dropping "Woodland" from the title: Oak and Prairie Habitat. Emphasize that wet prairie is an eligible focus within priority. Include assisted migration Oak and Prairie Habitat.	Moderate Expand upon the importance of both prescribed and cultural burning and foods. Include capacity for implementing prescribed and cultural burning as a higher priority limiting factor than community acceptance.	Complex
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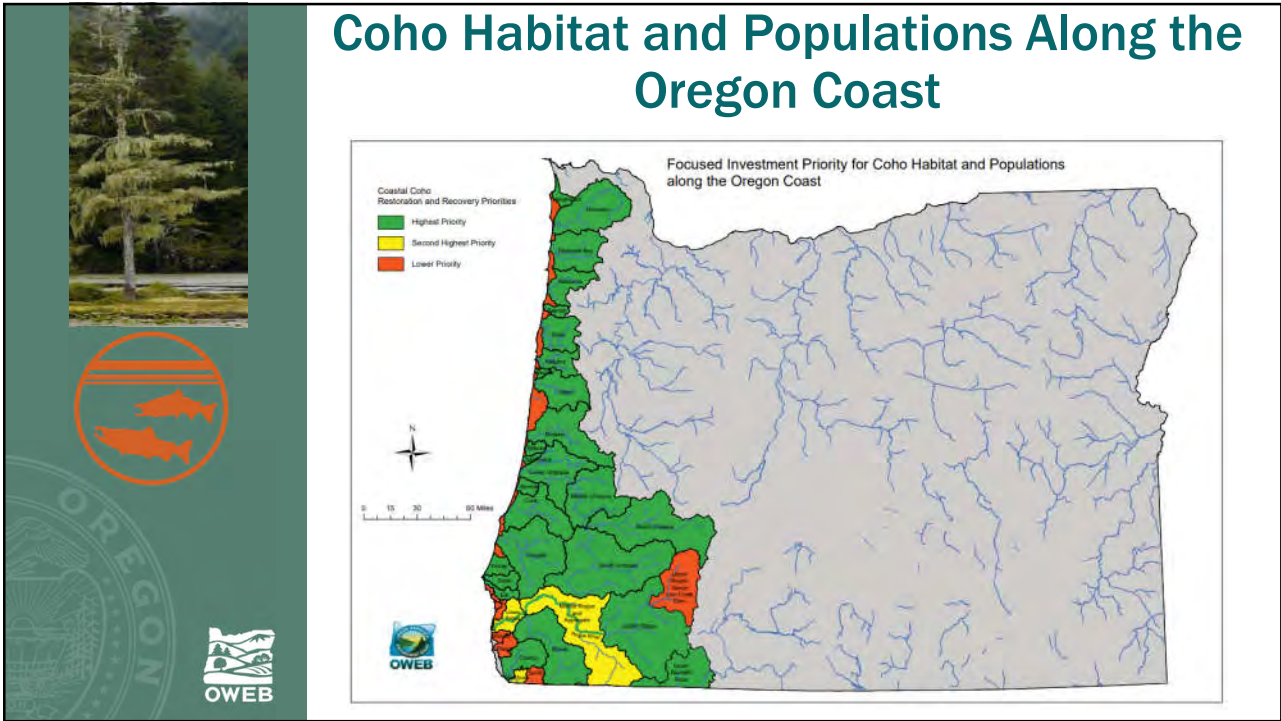
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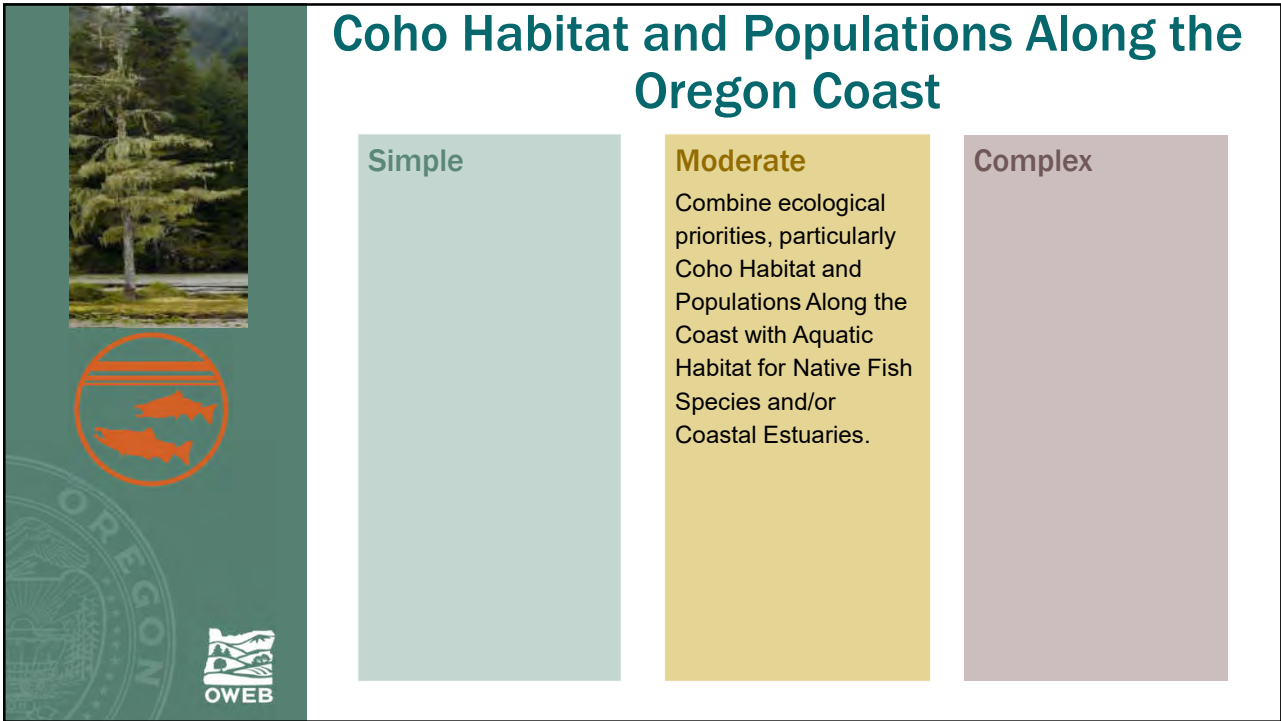
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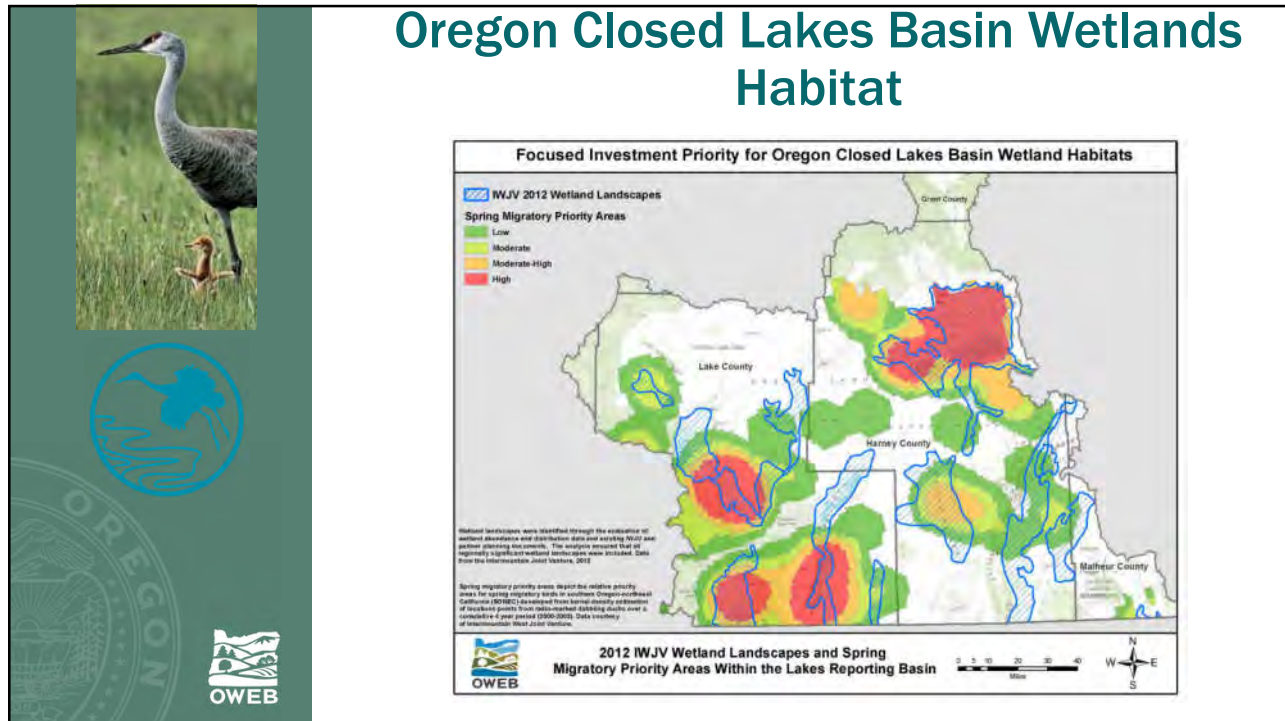
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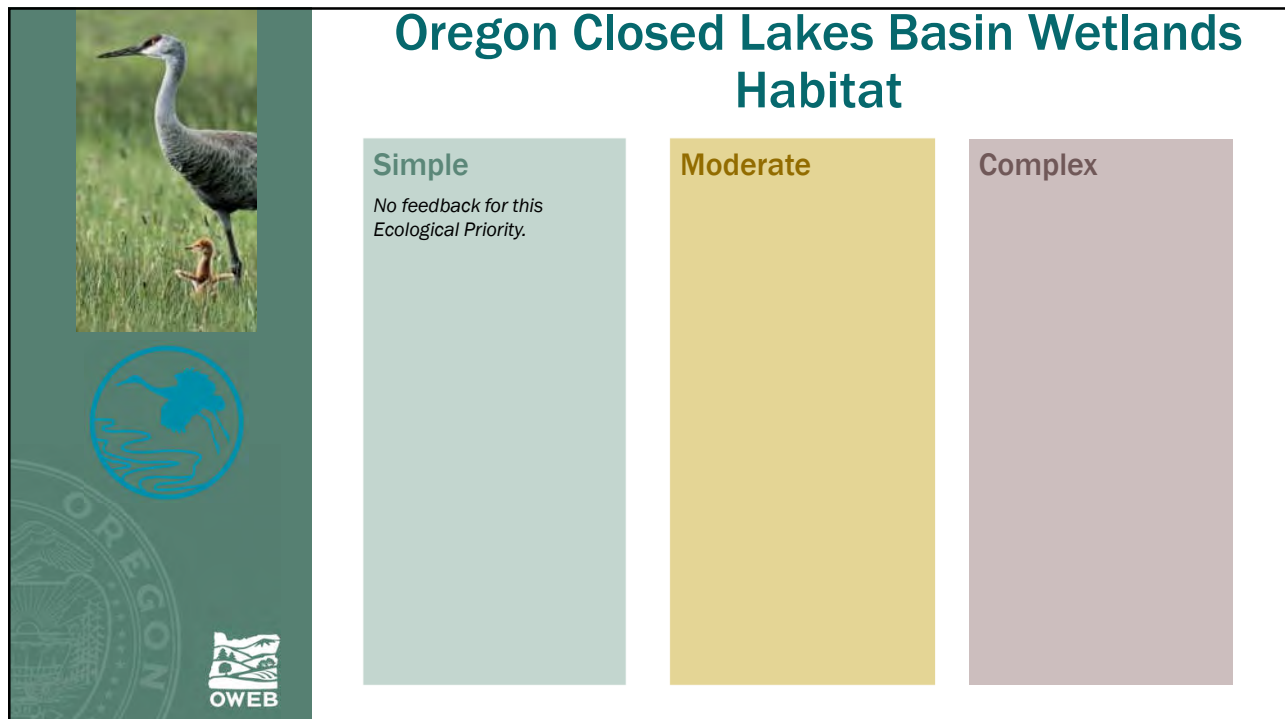
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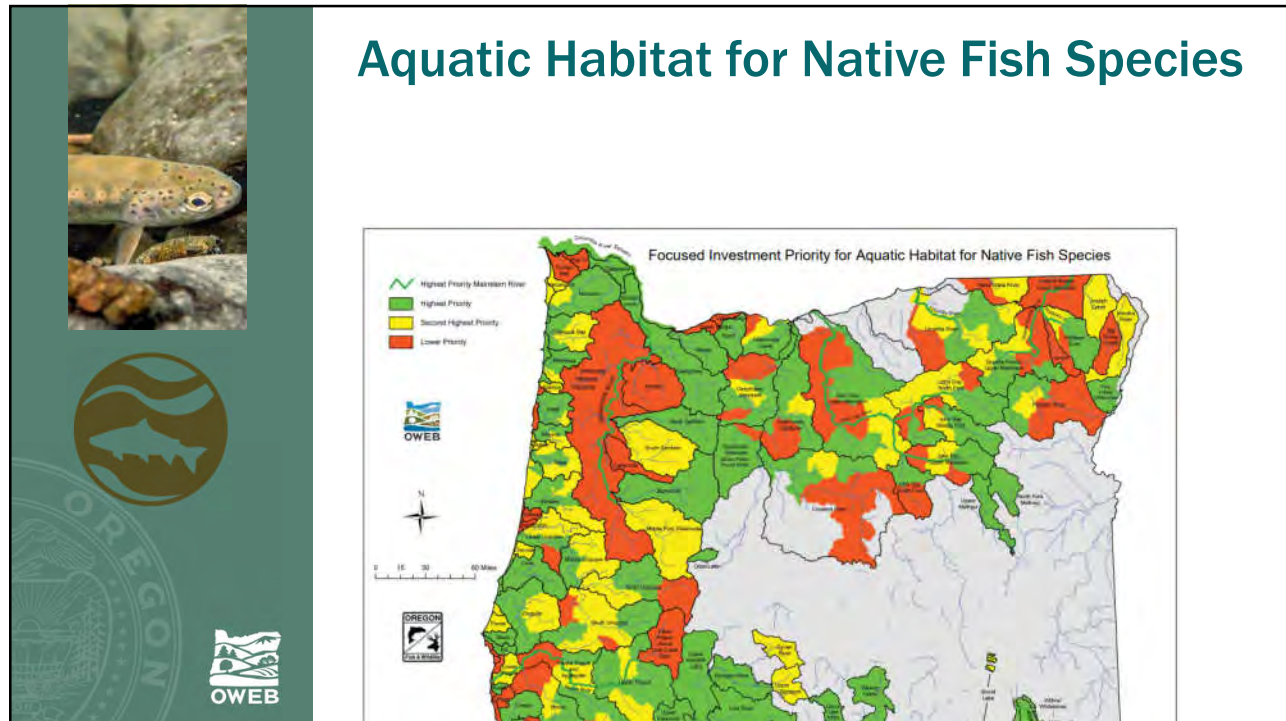
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Aquatic Habitat for Native Fish Species

Simple	Moderate	Complex
Highlight importance of cold water refugia and riparian habitats within aquatic habitat priority.	There are advocates for combining ecological priorities, particularly Coho Habitat and Populations Along the Coast with Aquatic Habitat for Native Fish Species and/or Coastal Estuaries.	Broaden the Aquatic Habitat for Native Fish Species to include other native aquatic species (particularly Oregon Spotted Frog, but other species of note include Western Pond Turtle and various freshwater mussels). Reprioritize certain watersheds as "high priority" in the existing Aquatic Habitat for Native Fish Species. *

OWEB

14





Coastal Estuaries in Oregon



17



Coastal Estuaries in Oregon

Simple

Moderate

Complex

There are advocates for combining ecological priorities, particularly Coho Habitat and Populations Along the Coast with Aquatic Habitat for Native Fish Species and/or Coastal Estuaries.

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Committee Members

Mark Labhart, Brian Staab, Liza Jane McAlister, Jamie McLeod-Skinner, Claire Tachella (co-chair), and Jessi Kershner (co-chair)

Meeting Summary

Tracking and Communicating Results, Mission, and Values committee met on June 11, 2025.

Courtney Shaff, Monitoring and Reporting Manager, Audrey Hatch, Conservation Outcomes Coordinator, and Ken Fetcho, Effectiveness Monitoring Coordinator provided the committee a Monitoring 101 presentation. The committee discussed how all of the monitoring grant programs supported by OWEB support monitoring at different scales and support broader priorities across Oregon, at the local, state, federal and tribal level. There was no public comment.

Upcoming Committee Agenda Items

At the next committee meeting OWEB staff will provide an over of OWEB's data collecting and reporting efforts, including an overview of the different methods and tools OWEB uses to communicate results and outcomes.

To Be Presented at the Board Meeting By:

Jessi Kershner



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Agenda Item I

2025-2027 Council Capacity

Grant Offering Board Awards

Board Meeting July 22-23, 2025



Oregon

Tina Kotek, Governor



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775 Summer Street NE, Suite 360
Salem OR 97301-1290
www.oregon.gov/oweb
(503) 986-0178

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

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Courtney Shaff, Monitoring and Reporting Program Manager
Brian Wolcott, Water Acquisitions and Capacity Coordinator
SUBJECT: Agenda Item I – 2025-2027 Council Capacity Grant Awards
[July 22-23, 2025, Board Meeting](#)

I. Introduction

This staff report provides an overview of the 2025-2027 Council capacity grant cycle process and outlines staff recommendations for grant awards. Staff recommend funding 55 watershed councils for \$9,899,792. Fifty-four are recommended for full funding, one is recommended for reduced funding, and one is not recommended for funding. Evaluations can be found in the Evaluations Document.

II. Background

Council capacity grants are within the Operating Capacity category of the board's spending plan and help support the operating costs of effective watershed councils. OWEB has provided council capacity grants for more than 20 years. Watershed councils are located throughout the state (Attachment A). OWEB does not create or oversee councils; they are locally designated watershed restoration organizations, but OWEB may provide grants to councils in support of those actions described in Measure 76.

Council capacity grants are awarded biennially and support technical assistance and engagement with local communities around voluntary restoration projects to protect and restore native fish or wildlife habitats and watershed functions to improve water quality or stream flows. The Board adopted administrative rules and guidance for council capacity grants in 2014. These grants are intended to help support the operating capacity of effective watershed councils. The council capacity grant process includes an eligibility determination and initial and secondary merit reviews.

III. Merit Review

Merit criteria evaluate watershed councils for performance and progress, including how they address challenges.

Initial Merit Review.

OWEB staff completed the initial review of all fifty-six councils that applied for funding. Staff reviewed application materials and considered their knowledge of each council's performance history over the last two years, progress towards meeting the merit criteria, and the council's ability to meet reporting and fiscal requirements of OWEB grants when making the initial merit determination. Five watershed councils did not meet all merit criteria and were referred to the secondary review and interview process.

Secondary Review and Interview

The secondary review panel consisted of OWEB staff and external reviewers with expertise in watershed council operations. Reviewers considered: 1) application materials and supplemental materials provided by the council; 2) reviewers' knowledge of the council; 3) OWEB staff input; and 4) an interview with council staff and board officers.

IV. Staff Funding Recommendation

Staff funding recommendations are based on the results of the initial and secondary reviews and available funding.

Full Funding.

Staff recommend full funding for 54 councils that meet all merit criteria. The evaluations for councils recommended for full funding are provided in the Grant Application Evaluation document, beginning on page 2. In addition, staff recommend one council receives continued merger funding on top of the base award as approved in previous biennia.

Reduced Funding.

Staff recommend one council, Sandy River WC, receive reduced funding because they met some but not all the merit criteria. The evaluation describes the rationale for the staff funding recommendation and is provided in the Grant Application Evaluation document, pages 63-64 (application # 226-065).

Do Not Fund.

Staff recommend Do Not Fund for one council, Umatilla Basin WC. The evaluation describes the rationale for the staff recommendation and is provided in the Evaluations Document, pages 50-51 (application # 226-053). It is important to note that the Do Not Fund recommendation is not permanent, and the council, or a newly formed council replacing the current council, may submit a council capacity grant application in future cycles.

V. Recommendation

Staff recommend the board award council capacity grants as described in Attachment B with an award date of July 1, 2025.

VI. Attachments

- A. Map of Locally Recognized Watershed Councils
- B. Staff Funding Recommendations

Updated December 2022

Updated by Troy Wirth, January 2015 using ESRI ArcMap 10.2.2 Oregon Lambert Projection, NAD 83 SRID 2992

OWEB STAFF FUNDING RECOMMENDATION
2025-2027 COUNCIL CAPACITY GRANTS

Staff Recommended Funding Level	Part of Secondary Review	App#	Watershed Council	23-25 Award	25-27 Staff Funding Recommendation
Full Funding		226-001	North Coast WS Assn	\$166,142	\$175,840
Full Funding		226-003	MidCoast WC	\$ 166,142	\$175,840
Full Funding		226-004	Upper Nehalem WC	\$166,142	\$175,840
Full Funding		226-005	Nestucca-Neskowin Watersheds Council	\$166,142	\$175,840
Full Funding		226-006	Siuslaw WC	\$166,142	\$175,840
Full Funding		226-007	Tillamook Bay Watershed Council	\$166,142	\$175,840
Full Funding		226-008	Applegate Partnership & WC	\$166,142	\$175,840
Full Funding		226-010	Coos Watershed Association	\$166,142	\$175,840
Full Funding	Y	226-011	Coquille Watershed Association	\$166,142	\$175,840
Full Funding		226-012	Illinois Valley WC	\$166,142	\$175,840
Full Funding		226-014	Lower Rogue WC	\$166,142	\$175,840
Full Funding		226-016	South Coast WC	\$166,142	\$175,840
Full Funding		226-017	Tenmile Lakes Partnership	\$166,142	\$175,840
Full Funding		226-018	Partnership for the Umpqua Rivers	\$166,142	\$175,840
Full Funding		226-019	Rogue River WC	\$415,355	\$439,600
Full Funding		226-022	Calapooia WC	\$166,142	\$175,840
Full Funding		226-023	Clackamas River Basin Council	\$166,142	\$175,840
Full Funding		226-024	Coast Fork Willamette WC	\$166,142	\$175,840
Full Funding		226-025	Columbia Slough WC	\$166,142	\$175,840
Full Funding		226-026	Johnson Creek WC	\$166,142	\$175,840
Full Funding		226-027	Long Tom WC	\$166,142	\$175,840
Full Funding		226-028	Marys River WC	\$166,142	\$175,840
Full Funding		226-029	Middle Fork Willamette WC	\$166,142	\$175,840
Full Funding		226-030	North Santiam Watershed Council	\$166,142	\$175,840
Full Funding		226-031	Pudding River WC	\$166,142	\$175,840
Full Funding		226-035	Scappoose Bay WC	\$166,142	\$175,840
Full Funding		226-036	South Santiam WC	\$166,142	\$175,840
Full Funding		226-037	Tualatin River WC	\$166,142	\$175,840
Full Funding		226-038	McKenzie WC	\$166,142	\$175,840
Full Funding		226-039	Greater Yamhill Watershed Council	\$166,142	\$175,840
Full Funding		226-040	Klamath Watershed Partnership	\$166,142	\$175,840
Full Funding		226-041	Crooked River WC	\$166,142	\$175,840
Full Funding		226-042	Gilliam East John Day WC	\$166,142	\$175,840
Full Funding		226-043	Hood River Working Group	\$166,142	\$175,840
Full Funding	Y	226-044	Middle Deschutes WC	\$166,142	\$175,840
Full Funding		226-045	Lake County Umbrella Watershed Council	\$166,142	\$175,840
Full Funding	Y	226-046	Sherman County Area WC	\$0	\$175,840
Full Funding		226-047	Upper Deschutes WC	\$166,142	\$175,840
Full Funding		226-048	Wasco Area WC	\$166,142	\$175,840
Full Funding		226-049	Grande Ronde Model WS Program	\$166,142	\$175,840
Full Funding		226-050	Harney Watershed Council	\$166,142	\$175,840
Full Funding		226-051	Malheur WC	\$166,142	\$175,840
Full Funding		226-052	North Fork John Day WC	\$166,142	\$175,840
Full Funding		226-054	Walla Walla Basin WC	\$166,142	\$175,840
Full Funding		226-055	Mid John Day-Bridge Creek WC	\$166,142	\$175,840
Full Funding		226-056	Owyhee WC	\$166,142	\$175,840
Full Funding		226-057	Powder Basin WC	\$166,142	\$175,840
Full Funding		226-058	Luckiamute WC	\$166,142	\$175,840
Full Funding		226-059	Greater Oregon City WC	\$166,142	\$175,840
Full Funding		226-060	Smith River WC	\$166,142	\$175,840
Full Funding		226-061	Lower Nehalem WC	\$166,142	\$175,840
Full Funding		226-062	Necanicum WC	\$166,142	\$175,840
Full Funding		226-063	Upper South Fork John Day Watershed Council	\$166,142	\$175,840
Full Funding		226-064	Molalla River Watch Inc	\$166,142	\$175,840
Reduced Funding	Y	226-065	Sandy River WC	\$0	\$140,672
Do Not Fund	Y	226-053	Umatilla Basin WC	\$66,457	\$0
Total			Staff Recommended Amount	\$9,054,739	\$9,899,792



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Agenda Item J

**Natural and Working Lands
Funding for Open
Solicitation**

Grant Offering Board Awards

Board Meeting July 22-23, 2025



Oregon

Tina Kotek, Governor



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Agenda Item J supports OWEB's Strategic Plan priority #2: Engage the diversity of Oregonians in watershed enhancement work; and Priority #5: Increase connection of urban and working lands to watershed health.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Alexa Schmidt, Water and Climate Coordinator
Stephanie Page, Deputy Director
SUBJECT: Agenda Item J – Natural and Working Lands Funding for Open Solicitation Awards
July 22-23, 2025, Board Meeting

I. Introduction

This staff report provides an overview of the Spring 2025 Natural and Working Lands Open Solicitation grant offering and summarizes the technical review team's funding recommendation for the Board's consideration.

II. Background

In early 2024, the Oregon Climate Action Commission awarded \$2.25 million to OWEB to incentivize natural climate solutions through the Natural and Working Lands (NWL) fund. Of this funding, \$1.5 million was allocated for Open Solicitation grants and \$750,000 for Oregon Agricultural Heritage Program (OAHP) for the development and implementation of Conservation Management Plans.

The \$2.25 million that OWEB received is part of a larger \$10 million fund that was established by House Bill 3409 to provide incentives and technical assistance to help landowners, Tribes, land managers, and environmental justice communities adopt practices that support natural climate solutions. OWEB serves as the fiscal agent for the NWL fund, and the Oregon Climate Action Commission allocates and oversees the use of the funds.

Prior to launching the Open Solicitation and OAHP grant solicitations, OWEB committed to doing outreach and engagement with a focus on engaging Tribes and environmental justice communities. From September-December 2024, OWEB staff conducted a public engagement process, including a survey, listening sessions, and one-on-one conversations to inform the grant offerings.

III. 2025 Application Review Process

The grant solicitations for NWL funds for both Open Solicitation and OAHP Conservation Management Plans closed on April 1, 2025. Twenty-two applications were submitted for the Open Solicitation offering, with a total ask of \$5.3 million. OWEB convened a new technical review team and provided guidance on how to evaluate projects according to the legislative intent around supporting natural climate solutions and community co-benefits, as well as OWEB's other existing criteria for restoration and technical assistance applications. Due to the number of applications received, this review team was divided into two groups, with each group reviewing 11 applications. Each application was assigned a lead reviewer who presented a summary of the proposal and along with a secondary reviewer, initiated discussion about the project's strengths and concerns.

The review teams made "fund/do not fund" recommendations based on the evaluation criteria; the Institute for Natural Resources report, *Foundational Elements to Advance the Oregon Global Warming Commission's Natural and Working Lands Proposal*; and the legislative intent. Each group then rank ordered the projects that were recommended for funding, and the funding line was drawn by taking the top projects from each group, accounting for diversity in geography, project type, and applicant type. The review team discussion of each project is summarized by staff in the supplemental and the funding recommendation is shown in Attachment A.

IV. Recommendation

Staff recommend the OWEB Board award funding to six applications shown in Attachment A, including five Restoration projects and one Technical Assistance project. Cumulatively, these projects total \$1,497,476, with \$2,524 being transferred to support the recommendations from the OAHP application review process.

V. Attachments

A. NWL Open Solicitation Application Ranking and Funding Recommendation

The following table shows the two Technical Review Team's ranking of the recommended Natural and Working Lands grant applications, with the recommended funding line drawn across the running total for the two groups.

Natural and Working Lands TRT Group 1					
Rank	App #	Application Name	Applicant	OWEB Ask	Running Total Request
1	226-0104-24349	Black Oregon Land Trust	Community-Led Riparian Restoration and Education in Corbett, Oregon	\$158,553	\$158,553
2	226-0117-24336	Institute for Applied Ecology	Tribal Priority Plant Materials for Climate Resiliency in Oak Understory Habitat	\$441,716	\$600,269
3	226-0102-24345	Clackamas River Basin Council	Gersh Property Restoration and Forest Stewardship	\$282,398	\$882,687
Natural and Working Lands TRT Group 1 Funding Line (applications below this line are not recommended for funding)					
4	226-0107-24315	North Clackamas Urban Watershed Council	Kellogg Creek Riparian Revegetation & Tree Cover in Equity Focus Area	\$292,644	
5	226-0122-24343	Wheeler SWCD	Mellow The Yellow Starthistle While Conquering Annual Grasses	\$86,505	
Natural and Working Lands TRT Group 2					
1	226-0118-24337	The Understory Initiative	Collaborative Oak Meadow Restoration Training and Seed Banking for Community Climate Resilience	\$221,167	\$1,103,834
2	226-0111-24327	Klamath Watershed Partnership	Copperfield Wildfire Reforestation	\$198,802	\$1,302,636
3	226-0101-24344	Deschutes River Conservancy	Strategy and Design Development to Support Cover-Cropping Incentivization in Jefferson County	\$199,685 (reduced to \$194,840)*	\$1,497,476
Natural and Working Lands TRT Group 2 Funding Line (applications below this line are not recommended for funding)					
4	226-0105-24350	Jackson SWCD	Antelope Creek RM 4.3 Riparian Restoration Project	\$127,297	
5	226-0103-24346	Discover Your Forest	IVFROG Soil-Building Test and Acceleration Plan	\$54,900	
6	226-0120-24339	Marys River Watershed Council	Witham Hill Oak Habitat Project Development	\$78,456	
7	226-0115-24333	Clackamas SWCD	Clackamas SWCD EAB	\$79,063	

*The applicant has agreed to reduce their application by \$4,845-- this total accounts for transferring \$2,524 to OAHP and a \$2,321 overage between the full ask and available funds.



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Agenda Item K

Natural and Working Lands Funding for OAHP

**Conservation Management Plan
Development and Implementation**

Grant Offering Board Awards

Board Meeting July 22-23, 2025



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Agenda Item K supports OWEB's Strategic Plan priority # 5: Increase investment connecting urban and working lands to watershed health

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Taylor Larson, Oregon Agricultural Heritage Program Coordinator
Renee Davis, Acquisitions and Special Programs Manager
SUBJECT: Agenda Item K – Natural and Working Land Funding for Oregon Agricultural Heritage Program Conservation Management Plan Development and Implementation
[July 22-23, 2025, Board Meeting](#)

I. Introduction

This staff report provides an overview of the 2025 Oregon Agricultural Heritage Program (OAHP) Conservation Management Plan grant solicitation and outlines the Oregon Agricultural Heritage Commission's funding recommendation for the Board's consideration.

II. Background

The Oregon Climate Action Commission directed OWEB to use \$750,000 from the Natural and Working Lands (NWL) Fund to support OAHP grants for the development and implementation of Conservation Management Plans (CMPs) that provide carbon sequestration and greenhouse gas emissions reduction and climate resilience benefits via a payment-for-climate-smart-practices approach. The Climate Action Commission also indicated OWEB could invest more than \$750,000 in OAHP grant programs if there was demand and money was available from the NWL funds allocated to OWEB to support Open Solicitation grants.

The Oregon Agricultural Heritage Commission consists of 12 members appointed by the board representing a diverse set of agricultural and conservation expertise. The commission is charged with providing the board with funding recommendations for OAHP grant offerings based on the availability of funding from the Oregon Agricultural Heritage Fund and other fund sources provided to the program.

III. 2025 Application Solicitation and Review Process

The CMP grant solicitation opened in February 2025 and closed on April 1, 2025. Eight grant applications were received, requesting a total of \$955,084. The grant applications were reviewed in accordance with administrative rules for the program, adopted in 2024. Per OAHP's statute and rules, staff's role in the application review is to facilitate a process

where applications are evaluated and ranked by a technical review team with expertise relevant to the evaluation criteria for the grant offering. The review team does not make “fund/do not fund” recommendation on submitted applications based on merits of the proposed projects relative to the evaluative criteria. Rather, the review team’s ranking signals their expert opinion on alignment of proposed projects with program intent. Staff present the OAHC with the application ranking from the review team and the evaluations, along with a funding recommendation. The OAHC, per statute, then reviews and considers these rankings and recommendations in the development of the commission’s recommendation to the OWEB Board.

The review team met to discuss and rank the eight applications. The review team discussion of each project was summarized by staff and is presented, along with the ranking, in the evaluation document. The review team generally found that all projects were "qualified" in terms of meeting basic OAHP CMP program requirements and thresholds. Those applications that ranked the highest were considered to have provided a clear connection between the proposed conservation actions and the long-term viability of the land for agriculture.

On June 10th, 2025, the OAHC met to consider the review team ranking and evaluations of the projects and ultimately make a funding recommendation to the OWEB board. The OAHC funding recommendation is shown in Attachment A. Staff recommended shifting \$2,524 from the Watershed Natural Climate Solutions Fund and the OAHP Watershed Natural Climate Solutions Fund and this redistribution is included in the 2025-2027 Grant Funds Spending Plan, Item F, Attachment A, note 3.

IV. Recommendation

Staff recommend the OWEB Board approve the funding recommendation of the OAHC and award funding to five OAHP Conservation Management Plan grant applications, in the amount of \$752,524, in ranked order up to the available funding line as detailed in Attachment A.

V. Attachments

- A. OAHP Conservation Management Plan 2025 Application Ranking and OAHC Funding Recommendation



Oregon Agricultural Heritage Program

July 23, 2025 OWEB Board Meeting



Tina Kotek, Governor

The following table shows the Technical Review Team ranking of each OAHP Conservation Management Plan grant application and the Oregon Agricultural Heritage's recommended funding line. The table shows the amount requested for each project, and in the far-right hand column, the total amount of grant funds that would be cumulatively committed for each project above the OAHC recommended funding line.

Rank	App #	Application Name	Applicant	OWEB Ask	Running Total Request
1	226-7204-24335	Deck Family Farm Conservation Management Plan	Long Tom Watershed Council	\$98,983	\$98,983
2	226-7203-24331	Horseshoe Bar Conservation Management Plan	Sustainable Northwest	\$185,386	\$284,369
3	226-7202-24328	Creswell Oaks Conservation Management Plan and Implementation Phase One	Coast Fork Willamette Watershed Council	\$200,000	\$484,369
4 (tie)	226-7205-24342	Garden Creek Ranch CMP	Deschutes Land Trust	\$134,428	\$618,797
4 (tie)	226-7207-24352	Henderson Flats OAHP Conservation Management Plan	Jefferson County Soil and Water Conservation District	\$133,727	\$752,524
Oregon Agricultural Heritage Commission Recommended Funding Line (applications below this line are not recommended for funding)					
6	226-7201-24326	Branch Road Farm Conservation Management Plan Implementation Phase One	Coast Fork Willamette Watershed Council	\$49,519	
7	226-7206-24347	Rio Robles Habitat Sanctuary	South Santiam Watershed Council	\$30,416	
8	226-7200-24325	Rogue Regenerative/Soda Spring	Rogue Regenerative	\$122,625	



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Agenda Item L

Focused Investment Partnership

Cohort 2 Reports

Board Meeting July 22-23, 2025



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Tina Kotek, Governor



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Agenda Item L supports OWEB's Strategic Plan priority # 3: Use our funding to strengthen and leverage capacity of people and organizations to achieve healthy watersheds.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Denise Hoffert, Partnerships Coordinator
Eric Hartstein, Senior Policy Coordinator
SUBJECT: Agenda Item L – Focused Investment Partnership (FIP) Cohort 2 Reporting
[July 22-23, 2025, Board Meeting](#)

I. Introduction

At the July board meeting, representatives from the John Day Basin Partnership and the Baker Sage-grouse Local Implementation Team will update the board on progress with their FIP initiatives.

II. Background

In January 2019, the board selected five partnerships for FIP funding beginning in the 2019-2021 biennium. These partnerships comprise OWEB's second cohort of FIP initiatives and include the John Day Basin Partnership and the Baker Sage-grouse Local Implementation Team. The first Progress Tracking Reports (PTRs) from the second FIP cohort were provided to the board at the March 2021 meeting, with the second PTR and a supporting presentation by partners in January 2023. The third PTR for the second cohort of FIP partnerships was provided to the board in January 2025.

The second cohort of FIP partnerships are now on the verge of completing their initiatives, and will be presenting to the board in July 2025, and at other upcoming meetings.

III. July Board Meeting Presentations

In 2019, the board selected the John Day Basin Partnership for a \$12 million FIP initiative to protect and restore anadromous fish habitat in priority watersheds within the basin. The board also selected the Baker Sage-grouse Local Implementation Team for a \$6.1 million FIP initiative to increase the quantity and quality of sage-grouse habitat in NE Oregon. At the July meeting, representatives from both partnerships will present progress to the board on their FIP initiatives.

The most recent progress tracking reports can be found on OWEB's website: [John Day Basin Partnership](#) and [Baker Sage-grouse Local Implementation Team](#).

IV. Recommendation

This is an information item only.



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Agenda Item M

Co-Chair Election

Board Meeting July 22-23, 2025



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Tina Kotek, Governor



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Salem OR 97301-1290
www.oregon.gov/oweb
(503) 986-0178

MEMORANDUM

TO: Oregon Watershed Enhancement Board
CC: Geoff Huntington, Governor Kotek's Natural Resources Senior Policy Advisor
FROM: Sara O'Brien, Executive Director
SUBJECT: Agenda Item M – OWEB Board Co-Chair Election
July 22-23, 2025, Board Meeting

As the OWEB Board prepares to elect its next new co-chair, I wanted to share a preview of the work ahead of this agency and its board in the 2025-2027 biennium and some considerations I propose the board keep in mind in its decision process.

I. The Work Ahead

During the course of the next co-chair's tenure, our work together will include:

- Complex and impactful rulemaking on our water acquisitions and capacity programs,
- Review and update of FIP ecological priorities and their implementation in the next FIP solicitation cycle,
- Significant program changes and potential rulemaking in our land acquisitions program, and
- Continued work on reviewing and streamlining grant program administration processes, as outlined in the Governor's Intent Letter shared at our October 2024 meeting.

At his virtual visit to the October meeting, Geoff Huntington, the Governor's Senior Natural Resource Policy Advisor, emphasized the Governor's direction to take a "back to basics" approach, focusing our efforts on simplifying and strengthening our grant programs, processes, and core business functions. I believe the board's new committee structure, committee work, and approach to the 25-27 spending plan have all helped us move together in that direction.

Our work together on these priorities will involve significant input from grantees and other partners, and our board meetings will be an important venue for our staff to share complex information and policy and program design options with the public audience, and to hear back how this work can best support our mission and partners. OWEB staff will have a heavy operational lift to convene interested partners and draft and implement the resulting

changes, and it is important that we have two co-chairs that are connected with our partners and prepared to work directly with OWEB to connect the staff's operational role with the board's guidance and policy role.

As the board nominates and elects its next co-chair, the staff and I request that you consider including the following criteria in your decision:

Collaborative leadership style: The OWEB Board's greatest strength is its collaborative culture, both in the relationship among members and its engagement with staff, partners, and the executive branch and other branches and levels of government. Continuing to protect and foster this important and unique culture will be critical to helping OWEB navigate the challenging program improvements ahead of us. With such a large and engaged board, one of the most important contributions our co-chairs can make is to help find a good balance between hearing input from the full diversity of board voices, with the need to keep meetings to a manageable length.

Familiarity with OWEB partners and programs, and a commitment to our role as a watershed health grantmaker: As we consider potentially significant changes to OWEB's program structure and rules, we will lean heavily on co-chairs, both during and in between board meetings, to help anchor our work in our Constitutional and legislative mandates and the needs and contributions of our grantees and other partners. A strong working understanding of our full diversity of programs and partnerships – and a willingness to learn more – will be an important strength in our co-chairs.

Thanks for your consideration, and I look forward to partnering with our new co-chair team on the collaborative work ahead!

II. Attachments

A. Board Co-Chair Election Process



July 22-23, 2025, OWEB Board Meeting
Board Co-Chair Election Process

Background

OWEB's statute requires election of a chair from among the voting board members. The policy of the OWEB board is to implement the statute by electing co-chairs among the voting members ORS 541.900 (3). This procedure follows voting and quorum rules.

At the October 2023 board meeting, the board discussed and adopted guidance to inform this election process.

Board Co-Chairs Election Language

Each co-chair may serve a maximum of 2, 2-year terms. To ensure continuity of board leadership and transfer of information from outgoing, experienced co-chairs, the board co-chairs will serve staggered two-year terms that are offset from each other by 1 year.

The tribal representative is strongly encouraged to serve as a co-chair. No more than one co-chair may be a representative from a state board or commission.

An election for one of the 2-year co-chair terms will take place each July. Staff will remind the board of the upcoming election annually at the April board meeting. If the co-chair whose seat is up for election wishes to pursue re-election, the co-chair who is not up for re-election will conduct the elections process. The co-chair overseeing the elections process will accept nominations from the floor, encouraging any interested voting members to participate.

A newly elected co-chair will begin their co-chair responsibilities at the end of the board meeting when they are elected

Process

The co-chair whose position is not up for election will open the floor for nominations. With each nomination, the board will determine if the nominee is eligible and willing to serve as co-chair. After the nominations are closed and the discussions have ended, the board will then vote for a new co-chair. The newly elected co-chair's term will begin at the start of the next meeting.