

May 14, 2009

**TO:** Oregon Watershed Enhancement Board

**FROM:** Lauri Aunan, Grant Program Manager

**SUBJECT: Agenda Item G: Awards to Support Implementation of Memoranda of Understanding  
June 2-3, 2009 OWEB Board Meeting**

## **I. Introduction**

This report provides an update on the Memorandum of Understanding (MOU) between the Alsea Watershed Council and MidCoast Watersheds Council, and the MOU between the Salmon Drift Creek Watershed Council and MidCoast council. This report also recommends funding for the Alsea and Salmon Drift councils, to help them implement those MOUs for the 2009-2011 biennium.

## **II. Background**

The MidCoast Watersheds Council (MidCoast) was formed in 1994. The MidCoast began to act as an umbrella council in 1996 when they hired a coordinator and began to help the local basin planning teams form. These local groups included the Yaquina, Siletz, Salmon Drift, and Yachats Basin Planning Teams. The Salmon Drift Creek Watershed Council (Salmon Drift) began organizing as a council in 2001 and was awarded its first water quality monitoring grant from OWEB in 2002. In 2004, the Salmon Drift split from the MidCoast due to differences in opinions. During that period the MidCoast continued to provide minimum funding to the Salmon Drift for their coordinator. The two councils mended their differences, developed a Memorandum of Understanding (MOU), and have been working cooperatively together since 2006. The MOU includes guidelines on how the two councils will work cooperatively on projects within the geographic area of mutual interest that will further their organizations' missions and goals.

The Alsea Watershed Council (Alsea) began with an informational and organizational meeting in December of 1997. It joined the MidCoast organization in 1998. The OWEB council support awards to the MidCoast for the 1999-2001, 2001-2003, 2003-2005, and 2005-2007 biennia included funding to support basin planning team staff for the Alsea.

The Alsea separated from the MidCoast in June of 2005; however, they continued to receive \$375/month from the MidCoast through the remainder of the 2005-2007 biennium.

The Alsea adopted bylaws in December of 2006 and received its non-profit status in May of 2007. In 2008, the Alsea received watershed council recognition from Benton, Lane, and Lincoln counties as "the" watershed council serving the Alsea watershed. The MidCoast is recognized by the same counties, and Tillamook County, as serving the mid-coast area, which includes the Alsea watershed.

In 2008, the Alsea requested approval from the OWEB Board to submit a council support application separate from the MidCoast application. In its request, the Alsea described the reasons for its split with the MidCoast as a basic philosophical difference. In September 2008, the Board denied this request. Under OWEB's rules, because the MidCoast is also locally recognized for the same geographic area and has received council support funds, the Alsea does not serve a unique geographic area and is currently ineligible to apply independently. At the same time, at the September 2008 meeting, several Board members indicated an interest in what OWEB could do to help improve the working relationship and communication between the MidCoast and Alsea. The conflicts and differences in opinions were a source of tension that was interfering with the ability to focus on restoration projects.

In an effort to help improve communications and working relationships between the Alsea and MidCoast, OWEB funded a mediation. The mediation resulted in a Memorandum of Understanding (MOU) between the two councils (OWEB is not a party to the MOU). The MOU includes guidelines on how the two councils will communicate, work together, and strive to "work cooperatively on projects within the geographic area of mutual interest that will further their organizations' missions and goals."

Based on discussions with OWEB staff during the mediation, the MOU was written in anticipation of a joint council support grant to both organizations. At the time, OWEB thought that a joint council support application was a path forward as part of helping to improve working relationships. However, when OWEB tried to make the joint application work in the council support process under our rules, it didn't work. OWEB admits that the joint application idea was a mistake. At the same time, the MidCoast, Alsea, and Salmon Drift councils relied on OWEB's directions and advice in developing a joint council support application. OWEB does not want to penalize the councils for following our directions, and wants to follow through on our commitment to provide resources to carry out the MOUs.

### **III. Staff Recommendations**

Staff recommend one-time only funding for the Alsea and Salmon Drift to implement the MOUs to support improved communication, coordination, and working relationships in the watershed. Funding for the awards is proposed from federal recovery planning funds, and will not affect the separate watershed council support award funding. These awards are not watershed council support grant awards, and under OWEB's rules, any council that is or has been part of the MidCoast umbrella structure would need prior Board approval in order to submit a separate council support grant application for the 2011-2013 biennium.

#### **A. Alsea Award**

- Amount of award: \$18,700 for 2009-2011. This amount includes 10 percent for fiscal administration.
- Conditions of award: Funds are to be used to help carry out the intent and activities contemplated in the MOU and help develop the capacity of the Alsea council. Specifically, the grant will provide funding for Alsea council representatives to travel to, attend and support Alsea council meetings, and travel to and attend MidCoast council meetings and MidCoast Tech Team meetings. In year 2, the grant contemplates the Alsea working with the MidCoast to develop a joint action plan for the Alsea watershed. Funds will also be provided to support the Alsea to develop and

submit grant applications and conduct an OWEB self-evaluation to assess organizational needs.

- Funds are to be paid out quarterly based on receipts and a record of the activities over the quarter. Funding is based on activities; if activities for which the grant is provided did not occur, payment can be withheld.

**B. Salmon Drift Award**

- Amount of award: \$7,700 for 2009-2011. This amount includes 10 percent for fiscal administration. Together with the \$10,000 that will be passed through to the Salmon Drift under the council support award for the MidCoast, as noted in the staff report for agenda item F, the total funding received by Salmon Drift will be \$17,700.
- Conditions of award: Funds are to be used to help carry out the intent and activities contemplated in the MOU. Specifically, the grant will provide funding for a Salmon Drift council representative to meet with the MidCoast at least once a year to discuss projects of mutual interest, provide regular updates to the MidCoast on planned activities within the area of mutual interest, and coordinate on activities of mutual interest.
- Funds are to be paid out quarterly based on receipts and a record of the activities over the quarter. Funding based on activities; if activities for which the grant is provided did not occur, payment can be withheld.

This is a unique situation, and it is OWEB's final commitment to help rebuild trust and coordination in an important watershed.

Staff recommend the Board award \$18,700 of recovery planning funds to the Alsea Watershed Council and \$7,700 of recovery planning funds to the Salmon Drift Creek Watershed Council with the conditions described in III.A. and III.B. of this report.