

August 21, 2009

## **MEMORANDUM**

**TO:** Oregon Watershed Enhancement Board

**FROM:** Lauri Aunan, Grant Program Manager  
Sue Greer, Mid-Columbia Regional Program Representative

**SUBJECT: Agenda Item L: OWEB Grant Award Recommendations  
Region 6, Mid-Columbia  
September 15-16, 2009 OWEB Board Meeting**

### **I. Introduction**

This staff report describes the Mid-Columbia Regional Review Team recommendations and staff recommendations for funding. This is the first grant cycle in which Region 6 was fully implemented, with a new review team comprised of some members who had previously served on the Region 4 and Region 5 teams, and some members new to OWEB review teams.

### **II. Background and Summary**

Applicants submitted 21 applications for a total request of \$2.9 million. The Mid-Columbia Regional Review Team (RRT) recommended 15 applications for approximately \$1.1 million. Staff recommend funding 13 applications for a total award of \$999,820: \$987,106 for Restoration and \$12,714 for Technical Assistance. No Acquisition application was submitted in Region 6.

### **III. Regional Review Team Recommendations**

The Mid-Columbia Regional Review Team (RRT) met in John Day on June 15 and 16, 2009, to review the applications received in this grant cycle. All applications were reviewed for technical merit and given a “do fund” or “no fund” recommendation. The RRT then prioritized the applications recommended for funding.

The RRT recommended budget changes for six applications and special conditions for seven applications. Staff concur with these recommendations. Staff also recommend additional budget reductions and conditions. Significant budget changes and conditions are summarized below.

The RRT recommended increasing the budget for 210-6014, Upper Kayser Fish Ladder. The project would provide fish passage past a multi-level diversion on Rock Creek. Rock Creek is one of the most important basin steelhead spawning and rearing tributaries in the Lower John Day River system. Several barriers have already been corrected, and the SWCD and watershed council have identified this project as the first of the next four diversion fixes to allow all-life stages of steelhead passage on Rock Creek. The application did not mention a water measuring device and the team felt that the inclusion of a water measuring device should be a condition of

funding. The recommended budget is increased by \$2,000 for purchase and installation of the measuring device.

As in Regions 4 and 5, the Region 6 RRT is recommending special conditions for juniper control projects (such as 210-6017, Lonerock Basin Juniper Project), requiring final project reports to include plans for how the landowners and grantees will address long-term juniper management, with a goal of sustaining the benefits of juniper control over time.

Reviewers struggled with portions of application 210-6010, Cable Creek Ranch Water Development. The project seeks to decrease grazing impacts to riparian areas of Butter and adjacent Corley creeks by developing off-stream watering based on wells to be drilled. The application requested OWEB funding of the well drilling, which generated much discussion among the RRT. The RRT was concerned about what would occur if OWEB funds a well that turns out to be dry. The RRT felt that the inherent risk of well drilling should be carried by the landowner and recommended this project for funding at a reduced level (the landowner to pay for well drilling) and the condition that if a well hole comes up dry, that portion of the project would not be funded with OWEB dollars.

Staff believe it is important for OWEB to be consistent in recommendations for irrigation efficiency projects. As in Regions 4 and 5, staff recommend a special condition for 210-6018, Cole-Engle Fish Passage and Irrigation Improvement Project that the final project completion report must discuss opportunities and barriers, if any, to permanent conservation of saved water instream.

Three of the Restoration projects (210-6001, 210-6017 and 210-6003) contain significant requests for non-capital funding for aspects of the projects that cannot legally be funded with Measure 66 capital, totaling \$25,014 between the three applications. Due to the limited availability of non-capital funds, staff recommend reducing the non-capital funding for these projects by \$13,904, for a total of \$11,110.

For the one Technical Assistance application recommended by the RRT, 210-6019 Fox Creek Assessment, the recommended budget is reduced nearly in half due to a grant award from the Belle Vista Foundation following submittal of the OWEB application.

#### **IV. Staff Recommendations**

##### **A. Capital Applications**

- *Restoration.* Staff recommend funding 12 of the 14 RRT- recommended Restoration applications, with the budget reductions and conditions summarized in Section III of this report and as shown on Attachment A.

##### **B. Non-Capital Applications**

- *Technical Assistance.* Staff recommend funding the one RRT-recommended Technical Assistance application, with the budget reduction summarized in Section III of this report.

Attachment A shows the applications, funding amounts, conditions (if any), and priority rankings recommended for funding to OWEB staff by the RRT. The table also indicates, by means of shaded entries, the OWEB staff recommendations to the Board. For some applications, the amount shown in the table is the staff or RRT funding recommendation rather than the amount requested in the application.

Attachment B shows those applications not recommended for funding at this time by the RRT and OWEB staff.

Staff recommend the Board approve the staff funding recommendation as contained in Attachment A to this report.

Attachments

- A. Applications Recommended for Funding
- B. Applications Not Recommended for Funding

**Region 6 - Mid Columbia**  
**Technical Assistance Projects Recommended for Funding by the RRT**  
**April 20, 2009 Grant Cycle**

Staff Recommendations to the Board are Highlighted in Gray			
Project #	Project Name	Total Amount	Priority
210-6019	Fox Creek Assessment*	12,714	1
<b>Total Technical Assistance Projects Recommended for Funding to Staff by RRT</b>		<b>\$12,714</b>	
<b>Total Technical Assistance Projects Recommended for Funding by Staff to Board</b>		<b>\$12,714</b>	

\* Listed Amount Reflects Recommended Reduction

**Region 6 - Mid Columbia**  
**Restoration Projects Recommended for Funding by the RRT**  
**April 20, 2009 Grant Cycle**

Staff Recommendations to the Board are Highlighted in Gray					
Project #	Project Name	Capital Funds	Non-Capital Funds	Total Amount	Priority
210-6001	Upper John Day River Restoration Program*	225,342	3,200	228,542	1
210-6018	Cole-Engle Fish Passage and Irrigation Improvement Project^	84,838		84,838	2
210-6014	Upper Kayser Fish Ladder**^	79,056		79,056	3
210-6017	Lonerock Basin Juniper Project*^	106,682	2,400	109,082	4
210-6015	Little Beech Creek Wastershed Restoration*^	76,560		76,560	5
210-6004	Grass Valley Canyon Watershed Sediment Control	94,603		94,603	6
210-6000	IZ Ranch Watershed Restoration Project	81,988		81,988	7
210-6007	Snively Grazing Management Project	46,338		46,338	8
210-6003	Crown Ranch Stockwater Development^	27,039	5,510	32,549	9
210-6010	Cable Creek Ranch Water Developments*^	49,197		49,197	10
210-6016	Esau Canyon Sediment Control	22,928		22,928	11
210-6012	Fruitvale Water Management	81,425		81,425	12
210-6013	Bologna Creek Restoration*^	27,995		27,995	13
210-6008	Clean Water Neighborhood B4 Irrigation Line Conversion	31,431		31,431	14
<b>Total Restoration Projects Recommended for Funding to Staff by RRT</b>		<b>\$1,035,422</b>	<b>\$25,014</b>	<b>\$1,060,436</b>	
<b>Total Restoration Projects Recommended for Funding by Staff to Board</b>		<b>\$975,996</b>	<b>\$11,110</b>	<b>\$987,106</b>	

\* Listed Amount Reflects Recommended Reduction \*\*Listed Amount Reflects Recommended Increase ^Fund with Conditions

**Region 6 - Mid Columbia**  
**Restoration Projects NOT Recommended for Funding by the RRT**  
**April 20, 2009 Grant Cycle**

<b>Project #</b>	<b>Project name</b>	<b>Total Amount Requested</b>
210-6002	Black Mountain Lane Restoration	171,083
210-6005	Murtha Ranch Habitat Restoration	447,000
210-6006	Joliff Barrier and Stream Restoration Project	183,881
210-6009	Clean Water Neighborhood (CWN) Feed Canal Project	96,908
210-6011	Walla Walla Basin Aquifer Replenishment and Stream Restoration Program Phase I	824,400
210-6020	Rudio Upland Water Developments	51,500