

**Long Tom Watershed Council
Board of Directors Meeting
Thursday, April 5, 2012
751 S. Danebo Ave., Eugene, OR 97402**

Present: Beth Krisko, Max Nielsen-Pincus, Jim Pendergrass, David Ponder, Lindsay Reaves, Deborah Saunders Evans, Chad Stroda, Therese Walch (8)

Absent: Mike Brinkley, Steve Cole, Jason Hunton, Sue Kacskos, Charles Ruff, David Turner (6)

Staff: Dana Dedrick, Rob Hoshaw, Jed Kaul, Cindy Thieman

Meeting called to order at 5:38 p.m. by Chair Max Nielsen-Pincus

Business

A. Staff Transition

As outlined in the agenda background, Cindy is leaving her position as Restoration Program Director with the Council later this summer to move to Hood River around August. **Dana** mentions that she appreciates having ample notice to allow the organization to plan for the future.

Cindy notes that her husband, Jim, works in Portland three days a week and spends those nights in Portland. This was a driving factor in their decision to move to Hood River, where he would be able to spend every evening with their children. They decided Hood River was a place they both liked. Cindy will be looking for a place to work there. The timeline for leaving will be sometime in August. She's been in Eugene for 22 years now - 14 of those years at her job with the Council. Notes that she will really miss the working environment, and it's been amazing working for the watershed council and seeing the organization evolve. She will also miss the landowner connections that she has made.

Dana will start hiring process in May, and hopefully the new hire will be able to overlap somewhat with Cindy while she's still here.

Cindy will be looking for employment opportunities at other watershed councils, soil & water conservation districts, tribal groups, or other major organizations like the Bonneville Power Administration.

Dana describes the skills we're looking for in the new hire: experience with wildlife, upland habitats, plant identification, and landowner outreach, in particular. She notes that we had 3 restoration people last summer, plus a seasonal assistant, so we're coming into a heavy workload. Jed will move up to working with a lot of grant

management. Rob will diversify including assisting with some monitoring field work this summer.

B. Approve February 2012 Board of Directors Minutes – Chad for Secretary Turner

Call for any questions or comments. It was noted that the minutes captured the discussion with Dolly & Ronnel well.

Action Items Review:

- Key talking points to augment fundraising stories were sent to the Board prior to the Feb 29 Kick Off Event
- We've reached 100% Board giving.

MOTION TO APPROVE FEBRUARY 2012 BOARD OF DIRECTORS MINUTES BY J. Pendergrass, seconded by D. Saunders Evans. Approved unanimously.

C. Approve February 2012 Financial Reports – Jim for Co-Treasurers Kacskos & Brinkley

Notes that we're in a slow period for grant activity. One grant for \$30,000 came in during February, which was the second and final payment for the Amazon Initiative Pesticide Stewardship Partnership through Meyer Memorial Trust. Most expenses during Feb. were general operating costs. We had a \$2,700 profit for month. Our year-to-date net income is \$34,800. Notes that we're still in a strong cash position of about \$240,000. There are no real liabilities except regular payroll accrual.

David Ponder asks if donations from the February 29 Kick Off Event are reflected in the reports. No. The reports only reflect checks deposited as of February 29, which does not include the \$925 from the event.

Jim notes that February is a good month to look at as an indicator of the base rate of keeping the Council operating because there were few project allocations and no contracted services or materials. Points out that it keeps about \$25,000/month to keep the organization operating at a minimum.

MOTION TO APPROVE FEBRUARY 2012 FINANCIAL REPORTS by C. Stroda, seconded by B. Krisko. Approved unanimously.

D. Review first draft of FY'13 Budget – Dana

Prefaces by saying that this is a really early budget, and she had to develop the budget early because Meyer Memorial Trust asked for it. Meyer wants to allocate funds a little differently for this next funding cycle. Meyer is willing to give us an extra \$20,000 for this year only because grant funding is getting tighter for personnel and administrative costs. The reserve was kept in the draft budget, but she didn't add the \$5,000 we usually add every year. She also took out the audit

expense in favor of a less expensive review. Jim recommended this and will double-check with our CPA, who conducts our financial reviews, whether we can forgo a full audit this year and do a review. This will save us between \$5,000 and \$6,000. We have a lot of fiscal controls, and most of our receipts go to grant funders; he and Dana do not foresee a problem.

Dana also notes that the budget draft includes Council Support match pledges, and these pledges are pretty reliable. We don't run the risk of losing more than a couple thousand dollars from match pledges. The budget also assumes that we reach our fundraising campaign goal. She notes that we normally only include solid numbers, but she felt confident in including the pledges and future campaign donations.

Our subtotal fund balance after expenses is about negative \$10,000. The approximately \$6,000 in post-implementation funds will move up to an expense in the budget, bringing our hole to about negative \$16,000. The post-implementation funds are prepaid and we're obligated to do it. If we can save the \$6,000 on not having to do a full audit, that will bring the number back down to about \$10,000. Notes that even if 25% of grant applications are successful, we'll get about \$9,000 in personnel dollars. This draft also doesn't take into account the contingencies (such as office space).

Jim likes the format of the draft budget from a board perspective because it shows all the different grants that we work with. Typically, the Board sees numbers at a gross income level. This way is helpful because they can see how it's all broken out. Jim and Dana will be discussing the budget in the next couple weeks. He recommends a review instead of an audit. While it's prudent to do an audit periodically, there is no regulatory reason to have an audit in 2012. Our reviews have always come back clean. The last audit was in 2007 through Cascade Pacific RC&D. We may get to a point that a grantor would require an audit if we receive \$500,000 or more funding at the federal level, but we're not at that level. Doesn't feel that forgoing an audit would elevate the risk in our operation.

Therese asks which grants are from OWEB in the draft budget. **Dana** – all the grant numbers that look similar with the six digits divided by a hyphen are from OWEB. She'll look into adding grantor notes in the budget so the Board can see those.

Therese asks if the City of Eugene's contribution is incorporated under Council Support match. (Dana says Yes). She also notes that it's amazing to see how many grants it takes to do the work that we do, and she also thinks about all the associated administrative costs and reporting that accompanies those grants.

Beth asks if there is a difference between campaign contributions and Council Support pledges. **Dana** explains that Council Support pledges are support from

local stakeholders she receives when applying for the Council Support grant proposal. Now that we also have an individual fundraising campaign, there may be some opportunities to consider how to represent those donations.

Max notes that you're required to show a minimum of 25% match for Council Support, but if you have secured more than that, you only have to show the 25%.

Dana notes that she may consider adding a line to the budget for business pledges, a line for "other entity pledges," and another for "individual pledges." This could help show revenue diversity and see what methods are contributing.

Jim points out the lines below the subtotal fund balance near the bottom of page 2. These are the contingencies, or the potential costs if we lost our office space. Explains that the post implementation monitoring funds sometimes include funds for post-grant monitoring. We're spending some of that this year money this year, but we're also adding more – it's a constant cycle of spending & adding funding as grants close.

Max summarizes that if all of the contingencies happened and everything else in the budget held as is, we would end up needing to take \$40,000 from our reserves. Jim thinks of it as a "\$40,000 hole and a \$100,000 savings account."

Dana notes that funders are often not going to invest in an organization if there is not a reserve on the balance sheet.

Deborah asks if the list of projects has the potential to change much. **Dana** – probably not. One application was submitted recently and a few others are scheduled to be submitted. The budget will come to the Board for approval in May. We usually approve the budget in June, but she feels we likely can do it sooner.

Dana notes that in the future, operations and capital pieces will be separated out because we know they balance out. **Jim** adds that the risk factor in capital budget is if a project goes ends up costing more than you took in through grant funding.

Dana adds that we need to have a note of what capital liability is and have another contingency that recognizes the potential for capital overrun.

Jim feels confident that by May we'll be close to breaking even on the budget even if we factor in the office space contingency.

David P asks if we should consider adding more expenses for printing and postage. **Dana** believes she put more money in for postage already but will consider that. **Jim** adds that there is also some money in the budget for supplies like a laptop.

Max asks if we feel like we're going to meet the budget for fiscal year 2012. **Dana** - we will have the budget vs. actual report for the Board to review next month. Explains that project managers review where expenses were billed. Cindy actually found that we've been double billed before, so that's one reason why it's beneficial to go back through our receipts.

E. Funding challenges & opportunities this year – Dana

Reiterates the issues surrounding fiscal and personnel funding. Notes that we're circulating a memo to other councils and land trusts across the state as recognition of their costs. Max could help us describe why we need to pay for project management and what it actually costs.

Elaborates on the \$150 million Bonneville Power Administration land acquisition funding outlined in the agenda background. She's not sure exactly how things will develop yet, but OWEB has pledged to provide restoration funds for acquired lands. OWEB feels that the conservation investment into public land is a good investment and potentially more so than private land. For instance, from their perspective the restored property could transition ownership to someone who takes care of it differently, or the landowner could shift to a different land use that changes how the property is managed. This shift in funding to acquisition lands could potentially have a significant impact on the amount of funding left for watershed councils.

LTWC is working with local land trusts to see if we can partner with them on restoration (such as we have on Trey Hagen's in Ferguson Creek). Land Trusts are acquiring more land, and they could need more staff. There may be an opportunity to work on this collaboratively, as watershed councils have experienced staff to offer for partnerships. Notes that we have worked with McKenzie River Trust in this way. Dana will also talk to OWEB to check on these funds as OWEB is not supposed to fund mitigation, and that's what these BPA dollars are from.

David P wonders if there's an opportunity to think differently about our strategy. If more money is going to land trusts, could we develop a land trust strategy to position us to be eligible for that funding?

Dana has thought about that, but there are two land trusts in our watershed that are already doing a good job, and land acquisition is a very different type of undertaking. Ecosystem marketplace credits for shade may be a good strategy. Jed is trained in credit verification; we get paid a fee for service for him to verify those credits. Other funding avenues through the U.S. Fish & Wildlife Service and others will also be explored.

Therese asks if this type of discussion would be productive at a Board meeting.
Dana – yes, it would be helpful to brainstorm a few ideas.

Deborah feels that there is an incentive for land trusts to work with us. Doesn't know if the best solution is for land trusts to keep growing into larger organizations. Feels it would be a tragedy to lose the expertise of watershed councils. There are real incentives for land trusts to work with us.

Max notes that every land trust is different. Some are trying to take on restoration aspects more than others. Great partnerships examples exist between land trusts and watershed councils.

David P asks about the nature of our relationships with land trusts.

Dana – we have a good relationship with McKenzie River Trust. They appreciate our level of sophistication and we're cooperative at a staff level. We did a collaborative grant on invasives and floodplain outreach. Their service area is much broader than just our watershed. We're forming a new relationship with Greenbelt Land Trust, and they are already seeing us as one of the councils they're interested in working with. Adds that landowners would have to see the benefit of working with two organizations for the partnership to be effective. In the past, conservation meant wilderness. Under the Oregon Plan, there were opportunities to integrate stewardship on the landscape. Feels that if we go back to buying all the lands for restoration we're left with the question of how we're going to define conservation today.

Deborah feels that we can't buy all the land that's important for conservation. A lot of important pieces are in private ownership & will stay in private ownership – can't get the long term protection that we want without working with private landowners.

Dana agrees and adds that there are valid arguments for buying lands too, but the question is how to have an appropriate balance between working with landowners on private lands and acquiring lands protection.

Max notes that the Willamette Valley is on pace to double its population by 2-4 million by 2050. There is a level of uncertainty to what will happen in the future and what direction conservation will go.

Jim feels that there are opportunities for restoration with a cooperative partnership between land trusts and watershed councils. There's a good partnership between LTWC and MRT, and now there is an even greater opportunity to increase that.

Max feels there's a need for balance. There are councils in Oregon that have only focused on easement and acquisition properties, but he doesn't feel our strategy will shift to that.

Cindy notes that the DEQ described an area for improvement in the Willamette Valley at a recent conference. Only two farmers (Gary Horning & Tom Hunton) were in attendance. Doesn't feel that many people are planning on buying up farmland to put under conservation easements. Feels there needs to be an effective watershed council to work with landowners on active working land. Adds that few other entities, if any, do fish passage projects. Our soil & water conservation district doesn't. The Council has managed to enroll landowners in federal programs they probably otherwise wouldn't have enrolled in. Emphasizes the importance of the working landscape. Cites grassed waterways as another example of a project that wouldn't likely happen without watershed councils. It's an example of watershed councils working with farmers to steward their land.

Dana Many of these farmers want to stay on their farm and keep working – there are opportunities to weave conservation in.

Chad agrees that the majority of farmers want to continue working on their land. Some don't have a next generation to take over the operation, so he's not sure what will happen with those families. But for the most part, everyone wants the best for their land.

Max notes the diversification of doing floodplain restoration at Horning's. They can also get income through the conservation easement to moderate cost.

Dana thought that a business plan could come out of this, and likes the idea of bringing this back to the Board for a future discussion & brainstorming session.

F. Committee Reports

Resource Development – Deborah

Our fundraising campaign has brought in \$10,482 for this fiscal year, including about \$3,000 from the annual meeting and over \$7,000 so far in fundraising. We received donations at the Kick Off Event and afterwards. The next RDC meeting is April 19. Most committee members have assignments for contacts and potential donors. April 19 is the deadline to approach those donors. Phase 2 assignments will go out to RDC members after that. The current focus is on donors who can potentially give more and weren't able to attend the event. The next round of asks is going to include letters and pledge cards being sent to the general supporter. Notes that we're not even halfway through the list of prospects at this point. There are only about 2 ½ months left in the campaign. She feels really good about reaching our

campaign goal. Thanks the Board for attending the event and for their enthusiasm and interaction with guests.

Jim thought it was interesting to acquire so many donations at the Kick Off Event even though we didn't expect to get any at the event. **Deborah** adds that we didn't actually want to pressure people to give at the event. The downside is that if they gave at the event, we can't go directly to them and ask for more money. **David P** feels that by already giving, these people have already said "yes" to donating. We can always go back to them and ask for more at a later time. **Dana** notes that it was just lucky that we even had the pledge cards at the event because we weren't planning on making an appeal at the event.

Deborah –There may be a more informal event at the end of the campaign. For instance, maybe a Board tour with appetizers at Dave Turner's place. Adds that the campaign has been a big learning experience for everyone. We've learned some great lessons to apply to next year.

Several comments that RDC is doing a great job!

Deborah – not too soon to think about joining RDC for next year!

G. Paperwork moment – Secretary Turner

Break & turn in volunteer hours forms.

Program Topics

H. Debrief March 27 Public Meeting & Tour – All

Max recapped the March 27 event - a tour of the Horning's property followed by a slideshow and discussion at Monroe. The focus was on conservation and farming along large rivers.

Dana extended a huge thanks to Chad for welcoming farmers. The turnout, especially from farmers, was impressive. Notes that Nicole at McKenzie River Trust sent a list of names for outreach. Notable attendees include Ron & Wallace Detering, the Smyths, and Bill Chambers from Stahlbush. She heard the Hornings did an amazing job on the tour.

Max spoke with Stan Gregory afterwards who noted that there are never usually any farmers in the room when he presents, so it was great that we got so many farmers to attend. Bill Chambers seemed to have an "aha moment" with one of the presenters (it had to do with the winter waters coming through the gravel bars and slowly being let out over time to cool that area of the river).

Chad notes that as a farmer and all the agriculture meetings he goes to, he wishes they would make presentations of that nature. He didn't expect to be that excited about the presentation; felt it was impressive and understandable. The whole message was positive and appreciated that there wasn't a focus on telling farmers what they were not doing. He also felt it wasn't overly academic.

Lindsay mentioned that a similar presentation model exists at the watershed symposium. The presentations went quickly because you had four or five speakers on one topic and it was exciting. Because it moved quickly, it kept your interest.

Cindy felt that one of the aha moments was when Stan was talking about how the cooling happens. Having that type of information shared with people who live along the Willamette was important.

Jim thought it was nice to have some first time participants.

Chad notes that Gary & Steve run a very efficient operation and they don't step into anything without thinking about it from all angles. They don't make bad business decisions, so the conservation easement must be a good program if they're doing it. There's a respect for Deer Haven Farm.

Cindy mentioned that while the Hornings don't mind the conservation benefits, the easement was primarily a business decision.

Lindsay gained a lot from the tour and public meeting; it gave her an idea of a holistic watershed concept.

I. **Technical Team Summit Findings** – *Dana & Cindy*

The Technical Team Summit was on February 10, and it was an event that had been in discussion for a couple of years. Dana and Cindy brainstormed for about a year on what exactly they wanted to accomplish at a summit. In the recent past, a lot of Technical Team meetings were grant focused. The team would review grant applications and provide feedback. They might also review the development of the conservation strategy and our overall monitoring approaches when applicable. This is the first time we've taken time to give them the full suite of where we've come from in 14 years of involvement from a scientific perspective. Points out that we're proposing to add new Tech Team members that will be voted on as a motion.

Noted that we wanted the team to feel completely comfortable with the full scope of restoration over our history. People definitely got that out of it. There were several "wow" comments – as in they didn't remember or realize the full scope of the Council's work. Towards the end of the meeting we asked them on their thoughts on three key areas: the importance of the Long Tom River in the Willamette Basin, to comment on our strategic work focus, and identify opportunities to secure priority funding. Dana and Cindy feel that we met all objectives.

(Board is asked to review key findings provided in background)

Deborah asks if we feel more focused in the sense of connections that we make and where opportunities are in terms of our strengths & weaknesses. **Cindy** feels there is a greater awareness of that. **Deborah** – it sounds exciting to hear the recognition and support was there.

Cindy (on the priority of the Long Tom in the Willamette Basin). The Long Tom River is a large tributary and has significant effects on water quality in the Willamette. It also represents a significant amount of habitat within the Willamette, especially for upland areas and wetlands. Feels it's worth reiterating the remaining quality of upland & wetland habitats here is some of the best in the Willamette Basin. There are real opportunities for conservation of upland and wetland areas. The population pressure coming in the next 20 to 40 years is astounding. With the quality of life that Eugene, it will probably attract a good portion of that growth. In the Lower Long Tom, we'd like to open up fish passage for juvenile spring Chinook. A number of people have likened the Lower Long Tom, Marys, and other west side tributaries as being productive as far as feeding and providing winter habitat for juvenile fish. Dana's latest saying is that the Long Tom is the "bread basket or the "pantry to the McKenzie River's bedroom for fish." This is something she got from two of the fish biologists on the tech team that highlights the LT's importance.

Ed Alverson felt that there are a higher proportion of landowners who were interested in restoration projects here. **Dana** feels this may reflect the difference for how we work. There is land along the mainstem that we've supported, such as the area east of Junction City. There may even be interest to work with landowners on the other side of the mainstem. There would be the common benefit of helping fish populations we care about – it matters to the same residents and people who own land here. Dana asks the Board to let her know if they have questions about including work on the mainstem in the Council's portfolio.

Max – the Willamette mainstem is one of a handful of places that are not covered by a watershed council, which he finds amazing due to its critical importance. Seems like it would be a good opportunity to work there. **Jim** agrees that we could be the right ones to make a difference.

Deborah feels it's important work, especially if that area is not covered. Asks if there would be any conflict with the organization's Charter. **Dana** – it's worth checking; however, she feels it's easy to make the argument for common habitat.

Chad asks what the roadblocks are that prevent LTWC from working there. **Dana** – nothing really. Some councils were probably thinking that they could barely handle their existing service area without adding more.

Jim wonders why the mainstem Willamette was not included at the outlet of delineating watershed boundaries. **Cindy** – at first, the idea was to make councils

even smaller than they are. The Willamette is just such a huge river to cover. **Dana** – there was no discussion of the Willamette during organization of boundaries. Focus on smaller watersheds and communities.

Jim feels that we could make the case for working along the Willamette.

Cindy notes that there are no other watershed councils or comparable group that works in that area. We have a relationship with MRT. Ecologically, we've been aware for a number of years that we need to find a way address it.

Jed adds that that portion of the mainstem has the greatest impacts on the fish community (as described by Stan Gregory & Dave Hulse).

Chad asks if there will be enough financial support to encompass that the Willamette in addition to everything else we do.

Dana feels that we would just phase the work in and incorporate it into our overall work plan.

Max notes that we've already encompassed it in our service area; it's only a question if we find a project, how much priority to give it.

Cindy (to answer Chad's question) - there are actually dedicated funds for work on the Willamette, such as OWEB money through the Special Investment Partnership that's been set aside.

David P asks if doing that mean that high priority projects at the Willamette take the place of other projects in the watershed. Do we have to address political issues such as water rights. **Dana** – we wouldn't want to get involved with the larger political issues. The priority issue is one that helps us balance our portfolio and keep talented staff because they get to work on a big river too.

Max - the Willamette SIP funding has had trouble spending its money.

Cindy notes that we hope to get one or two grants funded during each OWEB round. Conservatively, two grants each year are not enough to keep two restoration staff, remain viable in the watershed, maintain responsibilities for portfolio projects, and keep up relationships with landowners.

Deborah feels that this seems consistent with what Dana was saying earlier about thinking creatively for other funding sources we could go after.

Beth adds that it would have the potential to change the annual fundraising campaign somewhat too.

(Passed around new Technical Team profile and member list)

Therese asks if Trevor Taylor is not on the list. **Dana:** No. He likely has other commitments, though he would be a big asset if he decided to join the team. He does get invited depending on the subject.

MOTION TO APPROVE NEW TECHNICAL TEAM MEMBERS BY C. Stroda, seconded by J. Pendergrass. Approved unanimously.

J. **Project Slideshow** – *Jed*

Jed provided a slideshow on winter tree planting across the watershed. Key questions/discussions:

David P asks if we feel there are too many high priority areas for restoration. **Dana** – grantors want to be able to see that the area you're working on is a priority. We rank those areas to a greater detail for our own use.

Cindy – the map shows that some areas aren't quite as important due to stream temperature, lack of fish use, etc. Bear, Ferguson, and Coyote Creeks are prioritized in terms of riparian restoration.

We planted 70,500 plants in 2012. The most commonly planted was snowberry at 15,000 plants. We also planted lots of ash, rose, vine maple, red flowering currant, and also a few oaks.

K. **Website & Logo update** – *Rob*

Rob updated the Board on the website progress (in background). We've hired a website consultant, Jack Wheeler, to produce the layout and design and create the new site templates in WordPress. Anticipated launch date is in June. The purpose of the website is to get people involved with the organization and inspire them to support us. We also want people to understand the full breadth and scope of the work we do and why it's important.

Board members had an opportunity to review and comment on draft logo concepts as well as website color and font schemes before the meeting. Invites the Board members to vote on their favorite logo concept before they leave.

Reports & Announcements

L. **Staff Reports** – see background.

M. **Board Member Reports** – Liaison reports, Community connections made, watershed observations, announcements.

N. **Action Items Summary** -

Meeting adjourned at 7:48 p.m. by Chair Max Nielsen-Pincus

Notes prepared by Rob Hoshaw, reviewed by Dana and Dave, and submitted by Dave Turner.