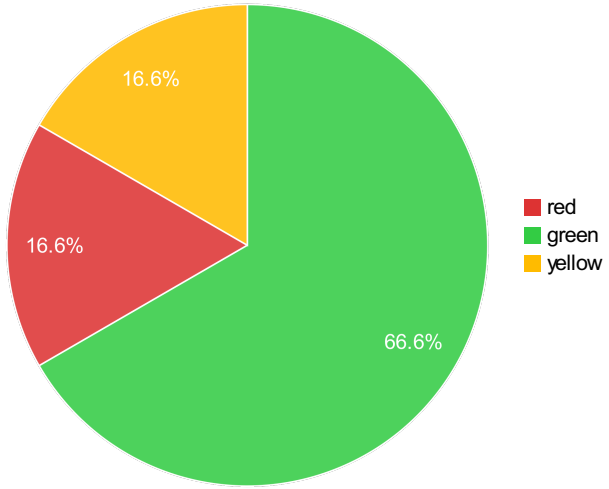
Watershed Enhancement Board

Annual Performance Progress Report

Reporting Year 2018

Published: 9/27/2018 3:22:07 PM

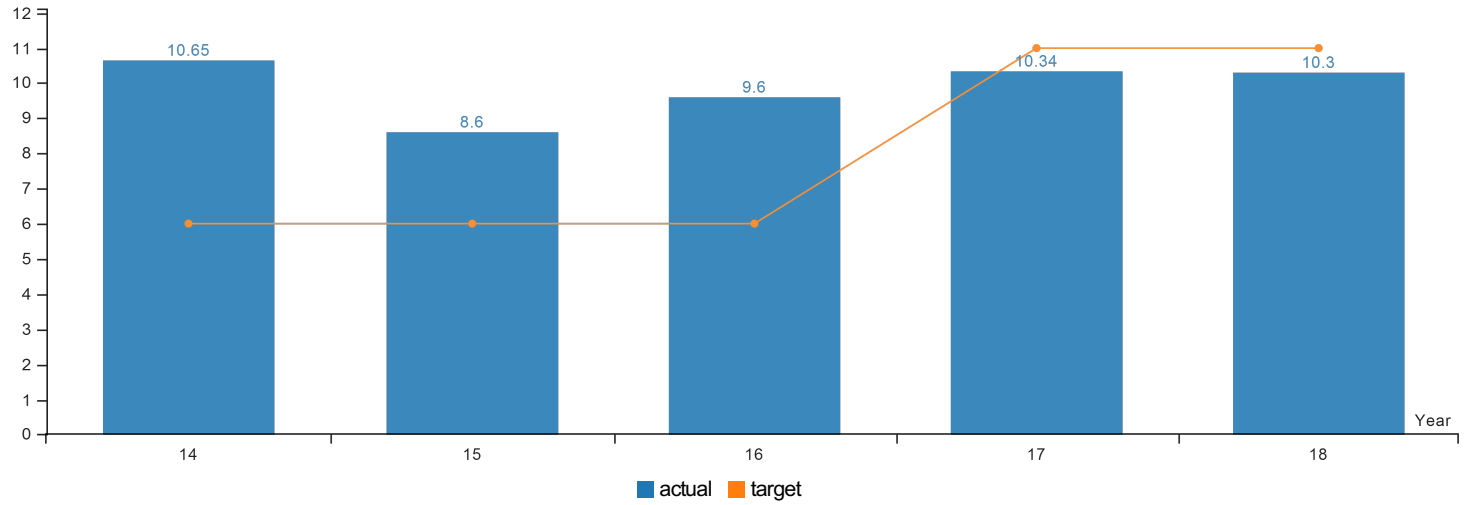
KPM #	Approved Key Performance Measures (KPMs)
1	OPERATIONS - The percentage of total funding used in agency operations.
2	FUNDING FROM OTHER SOURCES - The percent of funds contributed from other sources on OWEB funded restoration projects.
3	GRANT-MAKING ACROSS OREGON - Percent of Oregon's 76 sub-basins (defined as 8-digit hydrologic unit code areas) within which Oregonians benefit from OWEB's grant programs.
4	TIMELINESS OF GRANT-MAKING - The percent of open solicitation grant agreements executed within one month after Board award.
5	FISH POPULATIONS - The percentage of monitored native fish species that exhibit increasing or stable levels of abundance.
6	WATERSHED COUNCIL GOVERNANCE - Percent of OWEB funded watershed councils that demonstrate effective organizational governance and management using OWEB merit criteria.
7	PAYMENTS - The percentage of complete grant payment requests paid within 24 days.
8	STREAMSIDE HABITAT - The number of riparian stream miles restored or enhanced as a result of OWEB funded grants.
9	UPLAND HABITAT - Acres of upland habitat restored or enhanced as a result of OWEB funded grants.
10	NATIVE SPECIES HABITAT AND WATER QUALITY - Percent of restoration, acquisition or technical assistance funding invested to address habitat for threatened, endangered or species of concern, or water-quality concerns identified on 303(d) listed streams.
11	NATIVE FISH HABITAT QUANTITY - Miles of fish habitat opened as a result of completed fish passage projects funded through OWEB grants.
12	CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.



Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -5% to -15%	= Target > -15%
Summary Stats:	66.67%	16.67%	16.67%

KPM #1	OPERATIONS - The percentage of total funding used in agency operations.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = negative result*



Report Year	2014	2015	2016	2017	2018
Percentage of funding used in operations					
Actual	10.65	8.60	9.60	10.34	10.30
Target	6	6	6	11	11

How Are We Doing

In FY 2018, the percentage of total funding used in agency operations remained very similar to 2017 (10.34%). The methodology used for both years calculates the percentage of operations costs to total costs (total costs = operations plus grants).

Because OWEB is largely a 'pass-through' grant agency, it is most appropriate to compare operational cost ratios with private foundations and charitable organizations. For comparison, OWEB obtained data from the Foundation Center (www.foundationcenter.org) on the average operations cost for private foundations with 19-129 employees (n = 29) in their database. The average operations cost for these foundations was 21.7%, where operation cost was calculated as 1 - (total giving/total expenditures). This comparison suggests that OWEB's administrative costs are below average for comparable entities in the U.S. The target of 11% has been set quite low to ensure the majority of funds reach local watersheds.

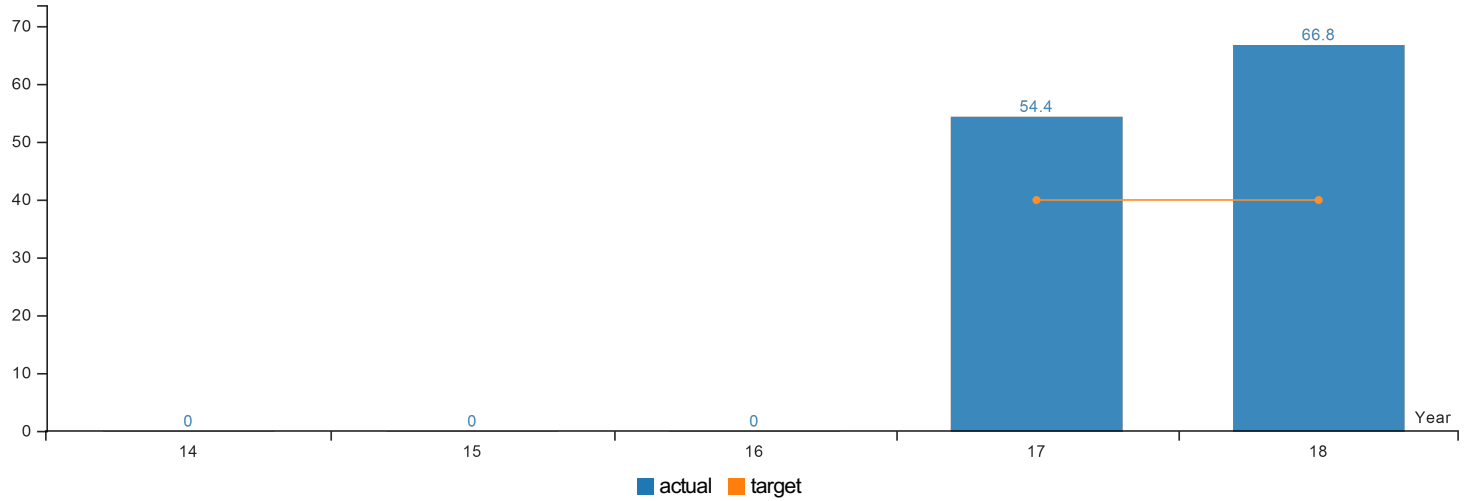
Factors Affecting Results

During the 2017 Legislative session, OWEB's calculation for this KPM was revised to include direct-cost positions in agency operations costs. These positions were previously excluded, resulting in a lower percentage for this calculation. In 2018, the agency worked with DAS and the Legislative Fiscal Office to correct the methodology to the following equation: the percentage of operations costs to total costs (total costs = operations plus grants). Subsequent to this correct, values for 2017 and 2018 were calculated using this method.

Since 2012, agency overhead and staffing levels have remained relatively flat. The largest driver of the increase during that period was the removal of other agency payments as a result of Measure 76. The agency's primary revenue comes from Measure 76 lottery funds, with additional funding from salmon license plate dollars, the federal Pacific Coastal Salmon Recovery Fund, the Pacific States Marine Fisheries Commission, the U.S. Fish and Wildlife Service, and other sources.

KPM #2	FUNDING FROM OTHER SOURCES - The percent of funds contributed from other sources on OWEB funded restoration projects.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2014	2015	2016	2017	2018
Percent of funds					
Actual	No Data	No Data	No Data	54.40%	66.80%
Target	TBD	TBD	TBD	40%	40%

How Are We Doing

This KPM was first reported in 2017, with a value of 54.4% of funds contributed from other sources towards OWEB restoration projects. In 2018, OWEB again exceeded the target for this KPM.

Information to calculate this KPM is provided from the Oregon Watershed Restoration Inventory (OWRI).

Within the past year, for projects reported to OWRI, OWEB contributed $10,982,451 (33%) to restoration projects, while project partners contributed $22,120,863 (66.8%). OWEB understands the importance of project partners (including funding partners), and requires a minimum of 25% match for entities applying for OWEB funds.

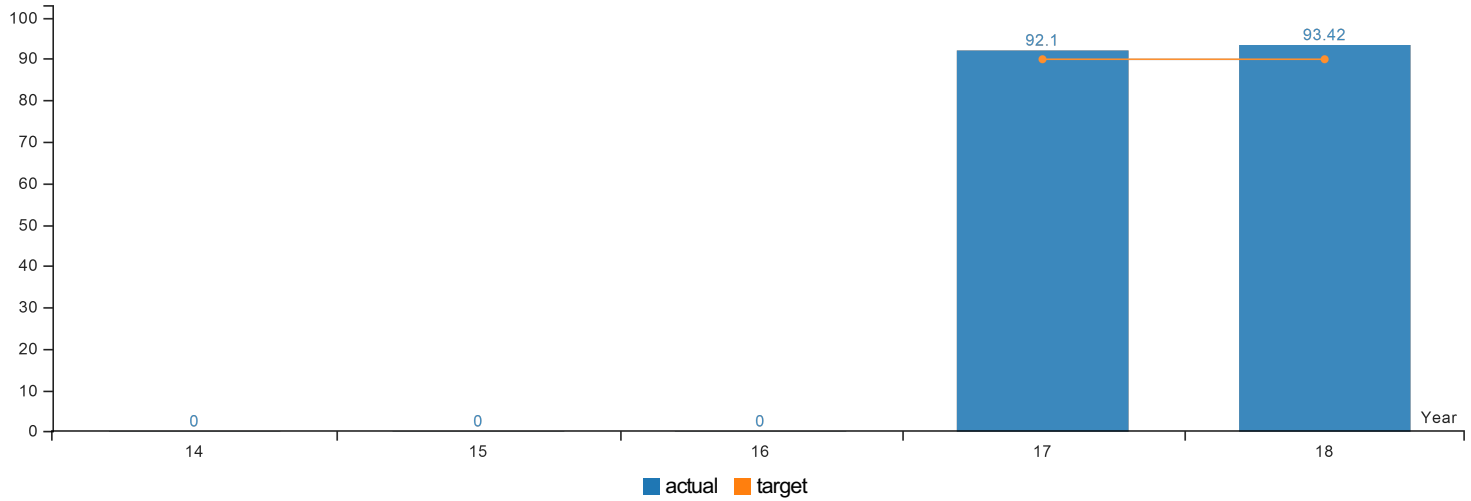
Factors Affecting Results

Through its grantees and via joint funding agreements, OWEB partners with a variety of organizations for collaborative investments in restoration projects. These partners include federal, state and local governments, Tribes, non-governmental organizations, citizen groups, landowners, and local businesses. A diverse portfolio of funders supports on-the-ground implementation of restoration projects, which address a variety of priority actions—ranging from sage-grouse habitat conservation to instream improvements to fish habitat.

Data for this KPM were reported by OWEB grantees to OWRI. Using information from OWRI is the most reliable and accurate means to report this information because it reflects project costs and associated funders after projects are complete (rather than estimates and predictions of costs and funders at the time the project is proposed).

KPM #3	GRANT-MAKING ACROSS OREGON - Percent of Oregon's 76 sub-basins (defined as 8-digit hydrologic unit code areas) within which Oregonians benefit from OWEB's grant programs.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2014	2015	2016	2017	2018
Percent of Oregon sub-basins					
Actual	No Data	No Data	No Data	92.10%	93.42%
Target	TBD	TBD	TBD	90%	90%

How Are We Doing

This KPM was reported for the first time in 2017. At that time, for the 2015-17 biennium, OWEB grants were awarded in 92.1% of the states' sub-basins. Results calculated in 2018 indicate a slight increase in the percentage of the states' sub-basins with grants awarded from OWEB.

OWEB's mission is to protect and restore healthy watersheds that support thriving communities and strong economies. This KPM assesses how grants achieving OWEB's mission are distributed throughout the state. By looking at grant-making across Oregon, OWEB can determine if some areas of Oregon less frequently receive grant awards and, as needed, explore reasons for this.

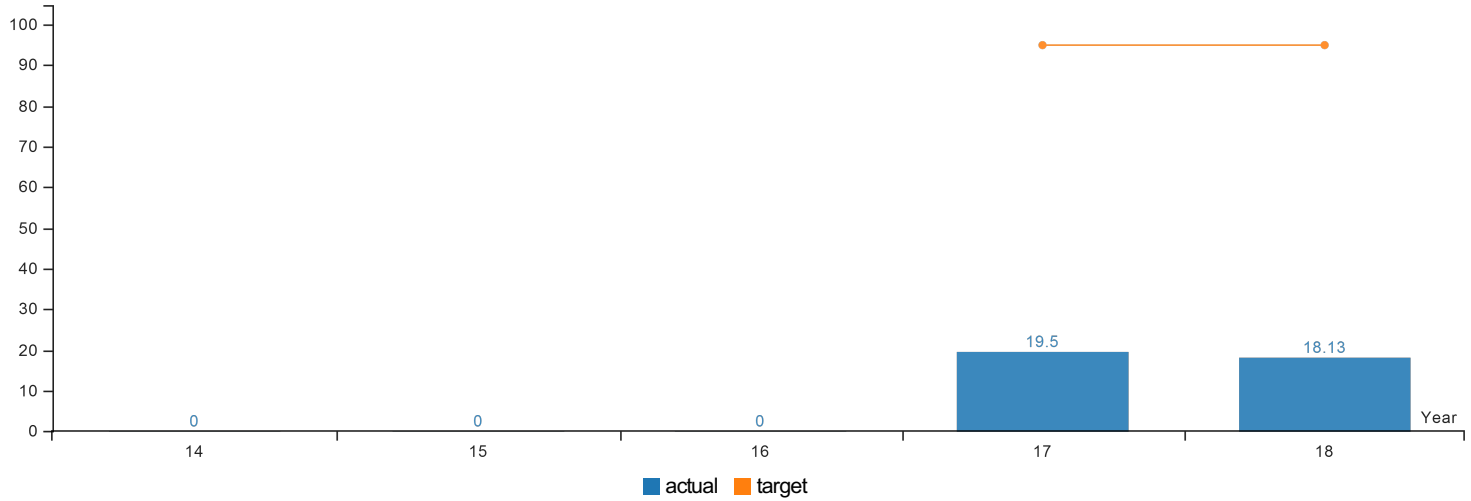
This KPM is calculated as the percent of Oregon sub-basins with at least 50% of their land area contained with the boundary of the State of Oregon that receive at least one OWEB grant within a biennium. Sub-basin is a terminology used by the U.S. Geological Survey as part of its categorization of hydrologic units. A sub-basin is equivalent to an 8-digit hydrologic unit code (HUC). There are 76 sub-basins within Oregon that have at least 50% of their land area contained with the State of Oregon boundary.

Factors Affecting Results

OWEB offers nearly 20 grant programs, including Open Solicitation; Focused Investment Partnerships; several specific and specialized programs, such as Conservation Reserve Enhancement Program Technical Assistance grants; and Small Grants, among others.

KPM #4	TIMELINESS OF GRANT-MAKING - The percent of open solicitation grant agreements executed within one month after Board award.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2014	2015	2016	2017	2018
Percent of open solicitation grants awarded within 1 month					
Actual	No Data	No Data	No Data	19.50%	18.13%
Target	TBD	TBD	TBD	95%	95%

How Are We Doing

OWEB strives for accuracy and efficiency in all aspects of the grant-making process. In 2018, OWEB awarded and opened 160 Open Solicitation grants, with 29 of these having grant agreements that were executed within one month of Board award.

In 2017, the first year of reporting for this new KPM, OWEB's results was 19.5%, which is also well below the 95% target. The low values are attributed to workflow for grant agreements. A grant agreement is not considered 'executed' until a final draft has been sent to and signed by a grantee, then returned to OWEB for final signature. Based on a random sample of these awards, example issues that delayed execution of grant agreements ranged from: the need for grantees to revise grant application budgets to correct errors prior to development of a grant agreement; the requirement under OWEB's administrative rules for grantees to resolve outstanding final reports for other, open grants prior to being issued a new grant agreement; turnaround time required for Oregon Department of Justice to review grant agreements for awards greater than $150,000; and delays in signing by the grantee after OWEB sends the grant agreement.

Factors Affecting Results

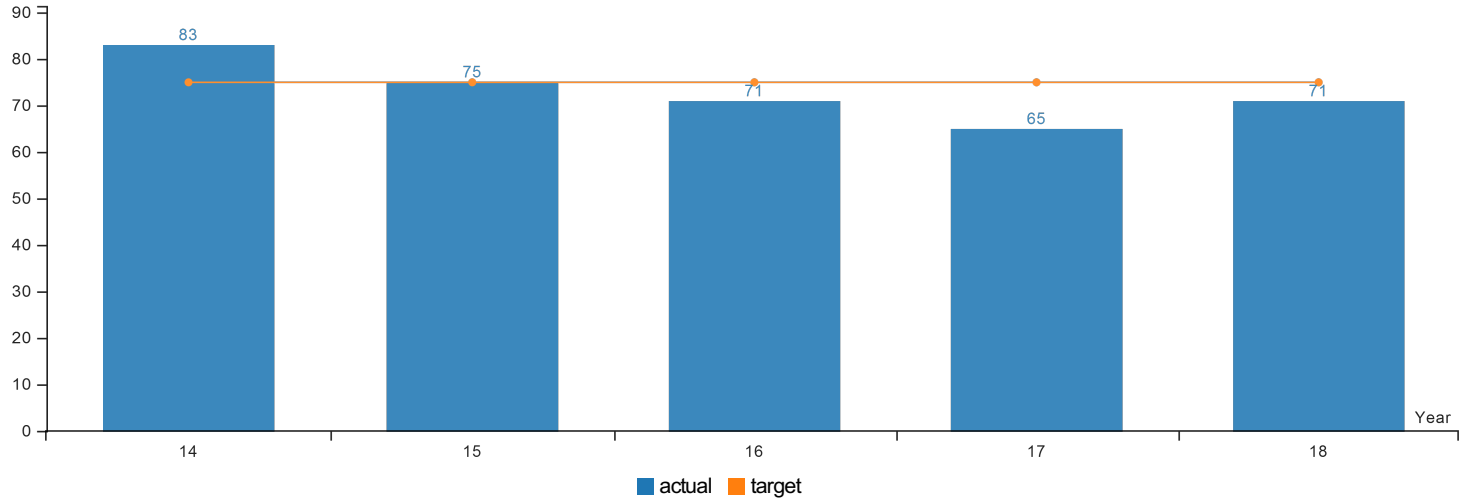
OWEB began tracking this measure for the first time in 2017. As noted above, several factors can influence the time period for executing grant agreements. Additionally, the timeframe of 31 days since award time also includes weekends and holidays, which may result in an inaccurate representation and variability from month to month.

OWEB staff are working with the Department of Justice to streamline the review process for grants that are more standard in nature while still exceeding the $150,000 limit for reviews. In addition, staff have improved systems designed to help grantees know when they have outstanding reports, with the goal of reducing time delays based on outstanding grantee reports. OWEB has begun implementing methods for consistently tracking the time required for individual steps in the grant agreement workflow in greater detail. This more detailed information will enable OWEB to identify

specific steps during which delays are common, and explore opportunities for improvements. Because this KPM is influenced by both staff and grantee timelines, the agency recognizes this KPM will likely not reach 100%, but tracking this information has helped the agency identify critical bottleneck areas that need process improvements.

KPM #5	FISH POPULATIONS - The percentage of monitored native fish species that exhibit increasing or stable levels of abundance.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2014	2015	2016	2017	2018
Percentage of native fish species that are increasing or stable					
Actual	83%	75%	71%	65%	71%
Target	75%	75%	75%	75%	75%

How Are We Doing

Fish biologists from the Oregon Department of Fish and Wildlife (ODFW) determined that the percentage of monitored native fish species exhibiting increasing or stable levels of abundance has remained relatively stable over the last five years (2013 – 74%, 2014 – 83%, 2015 – 75%, 2016 – 71%, and 2017 – 65%), with a slight increase in FY17-18 (71%), the most recent reporting period. The species included in this assessment have varied through time in response to fluctuations in monitoring resources and priorities. Twenty-one native fish species that were assessed in either the 2005 Native Fish Status Report or in the 1995 Biennial Report on the Status of Wild Fish in Oregon were monitored in FY 2018. For some species, such as salmon, steelhead, and native trout, the species designation can include several Species Management Units (SMUs). Of the species monitored in FY 2017-18, results show 15 species with stable or increasing abundance: chum salmon, coho salmon, spring Chinook salmon, fall Chinook salmon, winter steelhead, summer steelhead, coastal cutthroat trout, bull trout, white sturgeon, Miller Lake lamprey, Warner sucker, Foskett speckled dace, sockeye salmon, Borax Lake chub, and Oregon chub. Pacific lamprey have shown declines relative to historical abundance, and current trends are uncertain. Spawning stock biomass of eulachon declined in 2017 relative to recent years, and some salmon and steelhead populations had low returns over the past several years in response to poor ocean conditions and successive years of drought. Continued monitoring will help to discern whether recent low spawner returns recover with improving environmental conditions.

Factors Affecting Results

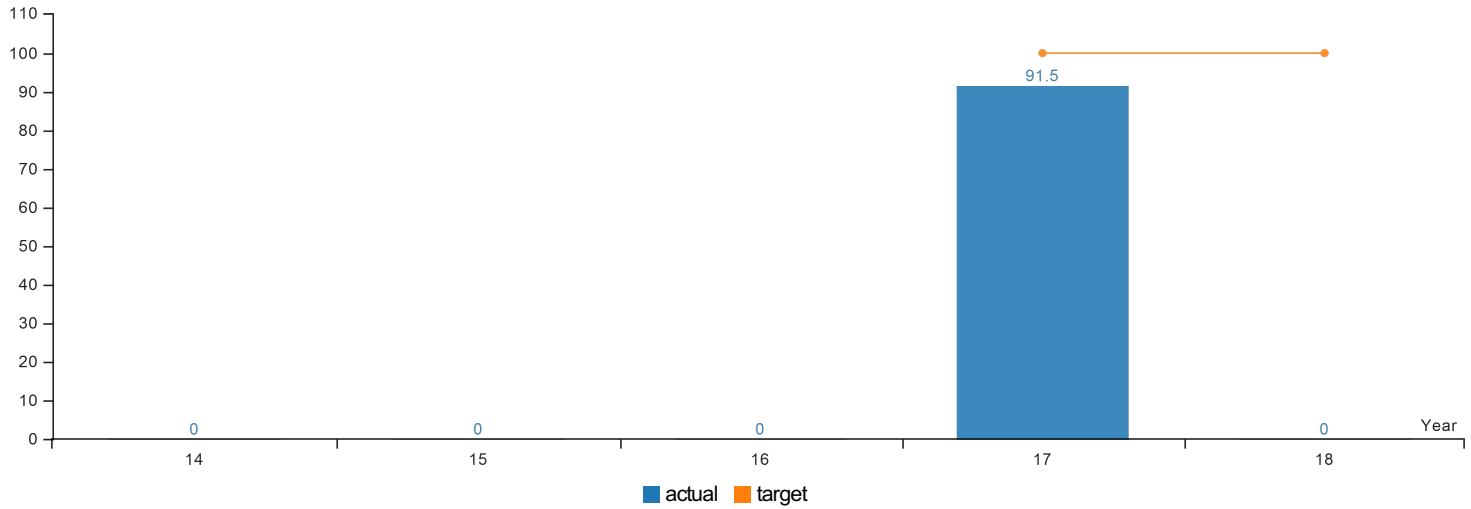
OWEB's ability to report on this measure is dependent upon ODFW. FY 2017-18 monitoring included species that have not been intensively monitored on a longer term or regular basis (e.g., pit sculpin, Umpqua chub), so it is not possible to evaluate trends. Abundance of several salmon and steelhead SMUs has remained lower relative to some previous high-abundance years, likely as a response to poor conditions for ocean survival. Continued monitoring in the coming years will identify whether these declines are temporary or if they indicate a longer term, decreasing trend.

OWEB will continue to work with ODFW to refine the capability to report on this measure through assessment and monitoring efforts. Conservation and recovery plans are a priority for ODFW, and

these plans identify monitoring priorities needed to track the long-term status and trends for Endangered Species Act-listed and native fish species. ODFW maintains the Salmon Recovery Tracker to report on progress made towards achieving the measureable criteria identified in the State of Oregon's fish conservation and recovery plans. These criteria focus on fish abundance, productivity, diversity, and spatial structure, as well as the condition of habitat. Sufficient funding for sustained monitoring is necessary to enable reporting on this KPM.

KPM #6	WATERSHED COUNCIL GOVERNANCE - Percent of OWEB funded watershed councils that demonstrate effective organizational governance and management using OWEB merit criteria.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



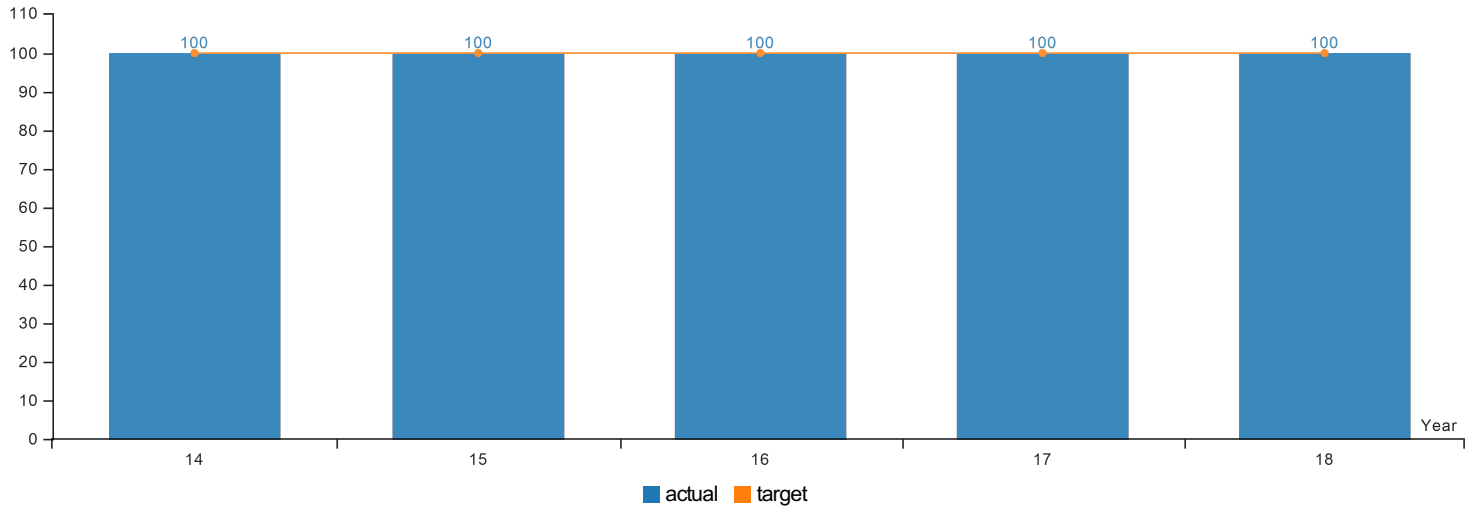
Report Year	2014	2015	2016	2017	2018
Percent of watershed councils that meet merit criteria					
Actual	No Data	No Data	No Data	91.50%	No Data
Target	TBD	TBD	TBD	100%	100%

How Are We Doing

Factors Affecting Results

KPM #7	PAYMENTS - The percentage of complete grant payment requests paid within 24 days.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2014	2015	2016	2017	2018
Percentage of grant payments paid within 30 days (24 days starting in FY 2012)					
Actual	100%	100%	100%	100%	100%
Target	100%	100%	100%	100%	100%

How Are We Doing

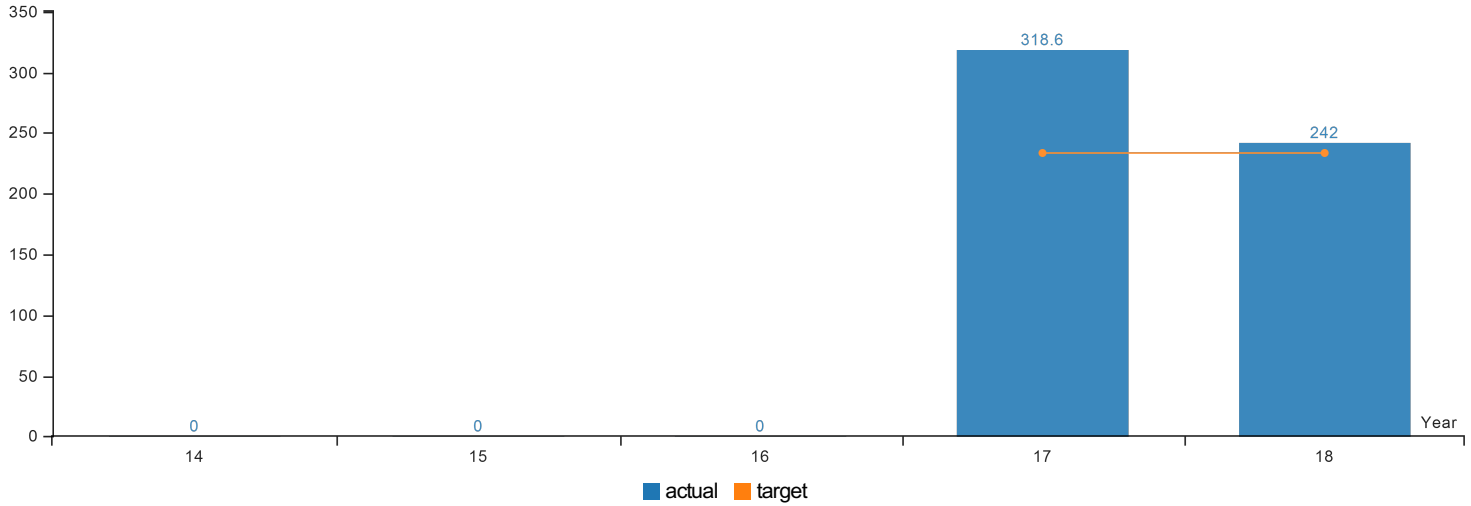
The operation and management of a competitive grant program is a major component of OWEB's business activities. The timely processing of grant payments benefits OWEB and its partners by providing the necessary resources to implement watershed enhancement work in an expeditious manner. The target is ambitious, but OWEB believes it is necessary to be prompt with payment requests and strives for excellence. Many grantees depend on the timely disbursement of these resources to support operation and management obligations. During FY 2018, OWEB met the 100% target of complete grant payment requests paid within 24 days. OWEB met its target during each of the last 12 fiscal years.

Factors Affecting Results

OWEB is statutorily required to make payments within a 45-day period, and continues to meet and well exceed this statutory requirement as noted in the KPM results. The review of payments, effective staffing levels matched to workload, and strategic investments in new techniques and technology to improve efficiency enables OWEB to meet this target.

KPM #8	STREAMSIDE HABITAT - The number of riparian stream miles restored or enhanced as a result of OWEB funded grants.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2014	2015	2016	2017	2018
Riparian Plant Communities					
Actual	No Data	No Data	No Data	318.60	242
Target	TBD	TBD	TBD	233.70	233.70

How Are We Doing

Investment in streamside habitats are a priority for OWEB because they provide benefits to Oregon's native fish and wildlife, as well as our water quality. OWEB is slightly above the target in this second year of reporting on this KPM.

Factors Affecting Results

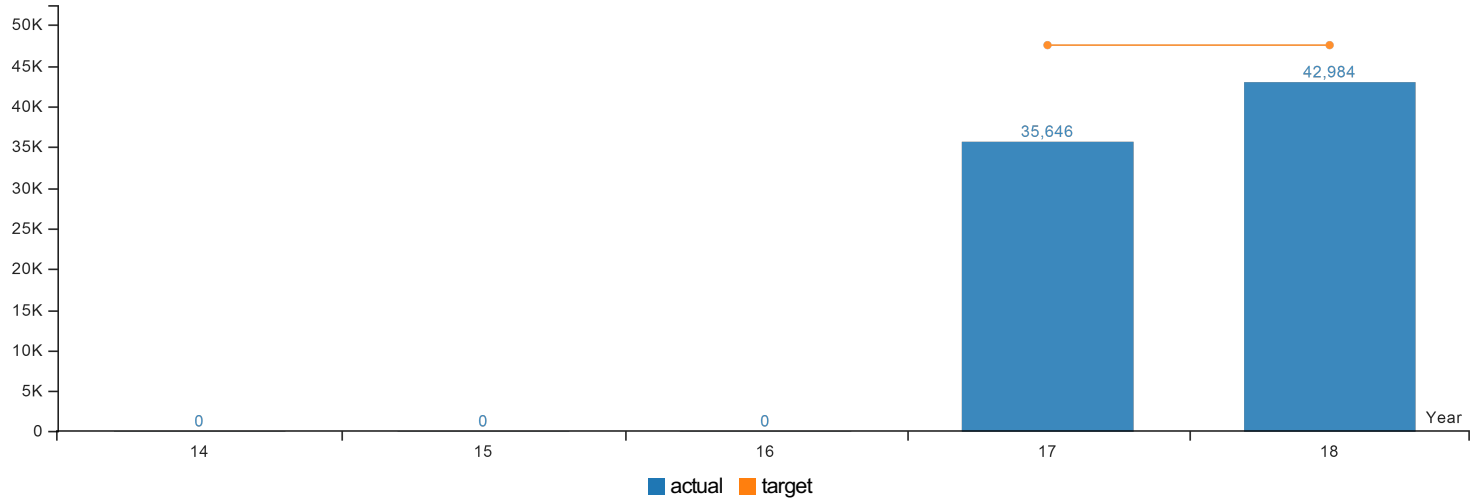
This KPM was approved by the Legislature in 2017 to more accurately measure OWEB accomplishments by using OWEB-funded projects only. The proposed target for this measure was a rolling average of miles of riparian area treated by OWEB funded grants over the previous 10 years, as reported to the Oregon Watershed Restoration Inventory. Currently, the target for this measure is set as the 10-year average of OWEB-funded riparian projects from 2005-2014.

There is some variability in the number of riparian miles restored from year to year. From 2008 to 2017, the total riparian stream miles improved each year in Oregon ranged from 97 to 457 miles, demonstrating the variability associated with this KPM based on the number and size of riparian restoration projects being completed in any single year. Moreover, the years 2007 (included in the 2017 analysis, but not in the current 2018 analysis) and 2008 were both significantly higher than other years in the miles of streamside habitat restored by OWEB funded projects.

There is some lag time for reporting that results in data availability being delayed by one year. For this reason, previous years' data may be revised upward as projects are completed and reported to OWRI.

KPM #9	UPLAND HABITAT - Acres of upland habitat restored or enhanced as a result of OWEB funded grants.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2014	2015	2016	2017	2018
Upland Habitat Restored					
Actual	No Data	No Data	No Data	35,646	42,984
Target	TBD	TBD	TBD	47,560	47,560

How Are We Doing

This KPM recognizes the significant contributions of OWEB funded projects to upland restoration throughout Oregon. The measure indicates progress towards improving upland habitat conditions for the benefit of native species and, in some cases, water quality. The information for this KPM is from OWEB funded projects tracked in OWEB's Oregon Watershed Restoration inventory (OWRI).

2017 was the first year OWEB reported on this KPM, and the agency has been below target both years.

Factors Affecting Results

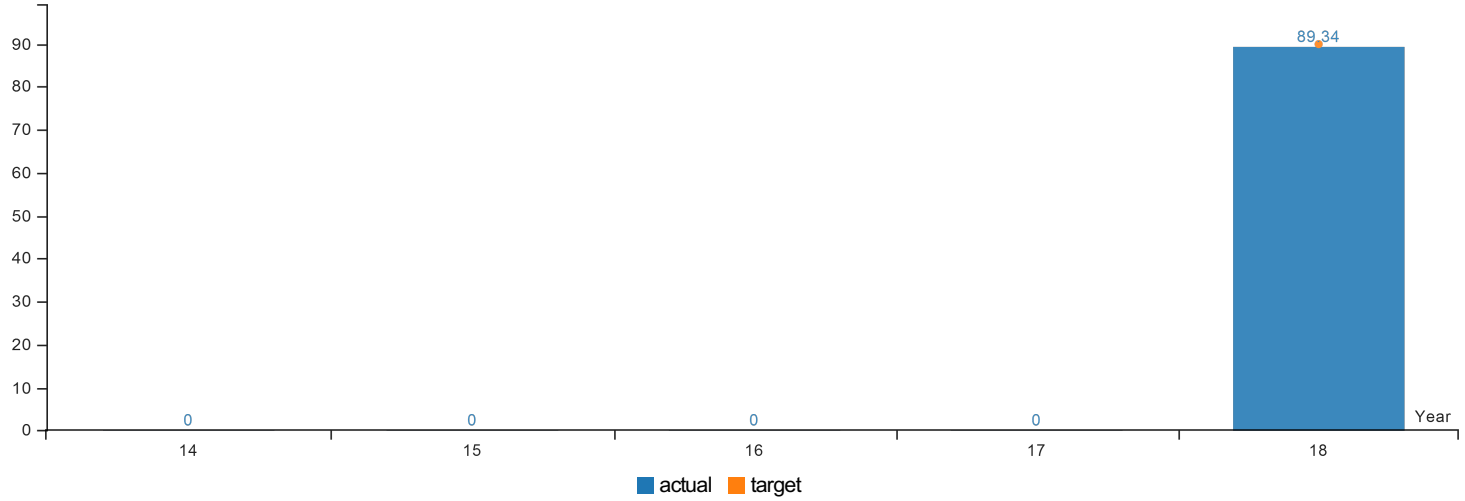
This KPM was approved by the Legislature in 2017 to more accurately measure OWEB accomplishments by using OWEB-funded projects only. The proposed target for this measure was a rolling average of upland acres restored by OWEB funded grants over the previous 10 years, as reported to OWRI. Currently, the target for this measure is set as the 10-year average of OWEB-funded upland projects from 2005-2014.There is a high degree of variability in the number of upland acres restored from year to year. In the past 10 years, the number of upland acres restored or enhanced has ranged from a low of 20,864 acres in 2016 to a high of 95,927 acres in 2010. This variability is based on the number and size of upland restoration projects being completed in any single year. In addition, guidance about how to measure upland acres 'restored or enhanced' has improved, likely resulting in more accurate reporting that could reduce the acres reported. OWEB will continue to track this measure and assess trends through time.

Upland projects with only fencing, grazing management and off-channel livestock watering activities were omitted to reduce outlier values; some fencing or grazing management acres may be represented.

There is some lag time for reporting that results in data availability being delayed by one year. For this reason, previous years' data may be revised upward as projects are completed and reported to OWRI.

KPM #10	NATIVE SPECIES HABITAT AND WATER QUALITY - Percent of restoration, acquisition or technical assistance funding invested to address habitat for threatened, endangered or species of concern, or water-quality concerns identified on 303(d) listed streams.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2014	2015	2016	2017	2018
Investments to address T&E species, species of concern; or concerns identified on 303(d) listed streams					
Actual	No Data	No Data	No Data	No Data	89.34%
Target	TBD	TBD	TBD	TBD	90%

How Are We Doing

This is the first year that data was available to report on this KPM, and results are exceedingly close to reaching the target level. Results allow OWEB to track all projects that address habitat for threatened, endangered, or species of concern, as well as water quality concerns identified on 303(d) listed streams over time.

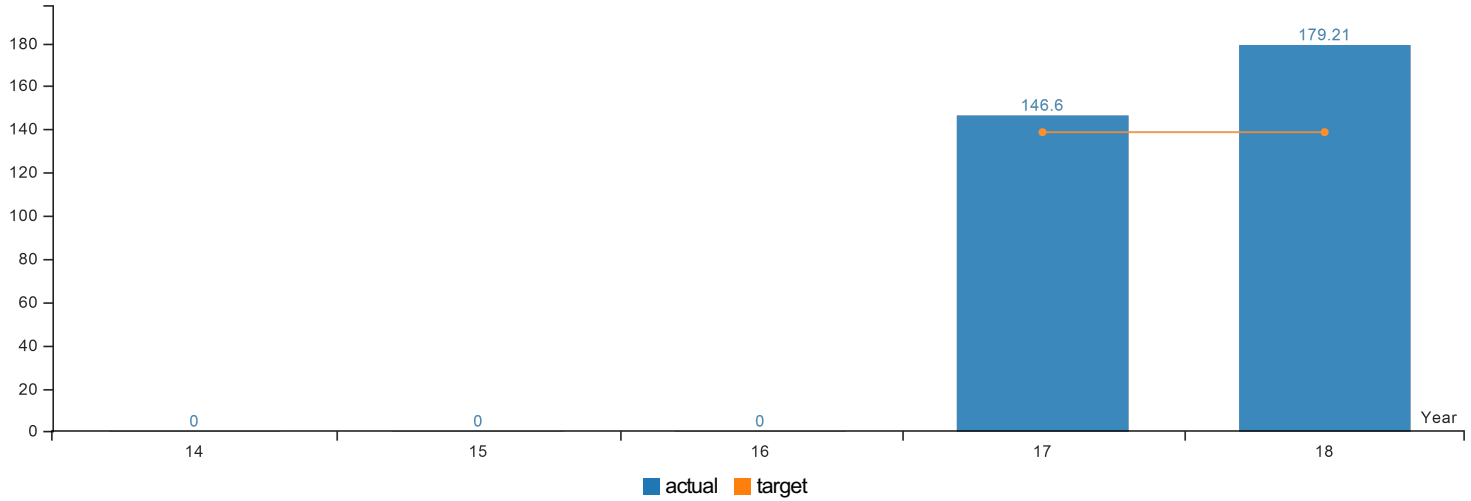
Factors Affecting Results

To track this KPM, OWEB added a question to the agency's online application system for restoration, technical assistance, and acquisition grants. Applicants' responses provided the information analyzed for this KPM. Only approved and funded grants, identified by their grant agreement execution date, were included in the analysis.

Tracking progress on this new KPM will help better understand the factors affecting results. Currently, OWEB staff are working to include all grant types in the analysis and to explore the rationale for grants that do not indicate they are addressing priority habitat and/or water quality concerns.

KPM #11	NATIVE FISH HABITAT QUANTITY - Miles of fish habitat opened as a result of completed fish passage projects funded through OWEB grants.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2014	2015	2016	2017	2018
SALMON HABITAT QUANTITY					
Actual	No Data	No Data	No Data	146.60	179.21
Target	TBD	TBD	TBD	138.80	138.80

How Are We Doing

This KPM measures progress made associated with OWEB's investments toward removing barriers to fish passage in rivers and streams throughout Oregon. The information for this KPM is from OWEB funded projects tracked in OWEB's Oregon Watershed Restoration inventory (OWRI).

In 2018, the second year of reporting on this new KPM, OWEB was above the target.

Factors Affecting Results

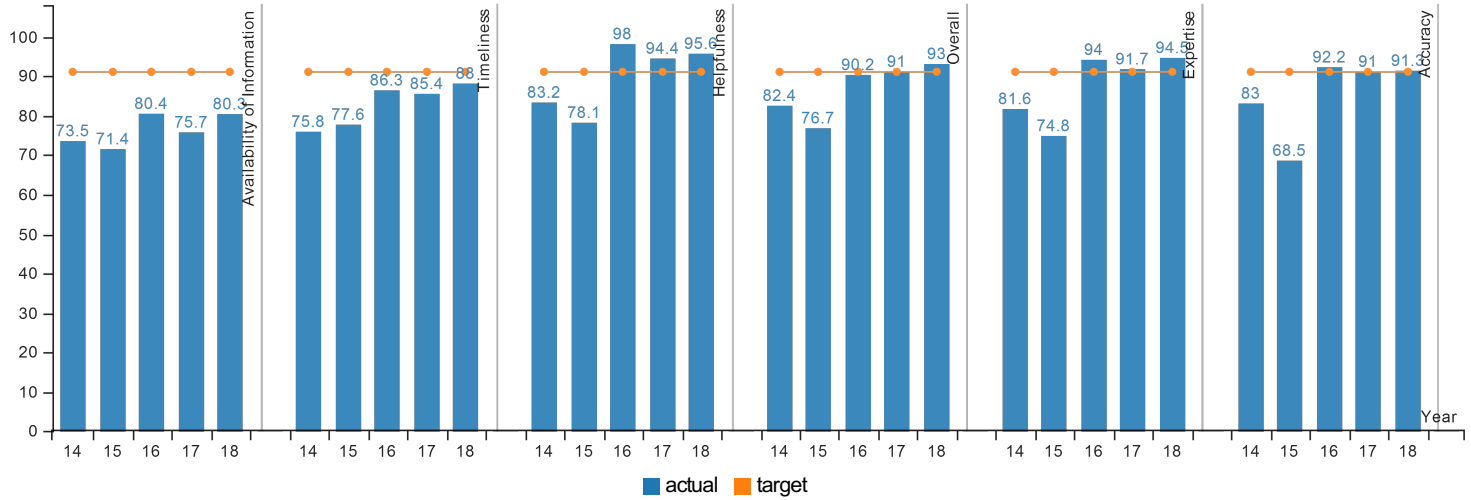
This KPM was approved by the Legislature in 2017 to more accurately measure OWEB accomplishments by focusing on reporting OWEB-funded projects. The proposed target for this measure was a rolling average of miles opened/improved by OWEB funded grants over the previous 10 years, as reported to OWRI. Currently, the target for this measure is set as the 10-year average of fish passage projects from 2005-2014.

There is substantial variability from year to year in this metric. The number of stream miles made available ranged annually from 145 to 672 between 2008 and 2017, with a few unique, large projects contributing to high numbers for 2010 and 2011.

The yearly numbers of salmon habitat opened up or improved have generally been decreasing since 2010. This trend likely is due to the fact that restoration efforts early in the history of the Oregon Plan for Salmon and Watersheds may have focused on fish-passage projects that were less complicated and simpler to implement. As restoration efforts have matured, more complicated and expensive projects are beginning to be implemented, which take more planning time.

There is some lag time for reporting that results in data availability being delayed by one year. For this reason, previous years' data may be revised upward as projects are completed and reported to OWRI.

KPM #12	CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.
	Data Collection Period: Jul 01 - Jun 30



Report Year	2014	2015	2016	2017	2018
Availability of Information					
Actual	73.50%	71.40%	80.40%	75.70%	80.30%
Target	91%	91%	91%	91%	91%
Timeliness					
Actual	75.80%	77.60%	86.30%	85.40%	88%
Target	91%	91%	91%	91%	91%
Helpfulness					
Actual	83.20%	78.10%	98%	94.40%	95.60%
Target	91%	91%	91%	91%	91%
Overall					
Actual	82.40%	76.70%	90.20%	91%	93%
Target	91%	91%	91%	91%	91%
Expertise					
Actual	81.60%	74.80%	94%	91.70%	94.50%
Target	91%	91%	91%	91%	91%
Accuracy					
Actual	83%	68.50%	92.20%	91%	91.30%
Target	91%	91%	91%	91%	91%

How Are We Doing

OWEB strives for excellent customer service in all areas for its applicants and grantees. In 2018, OWEB exceeded the target for overall quality of service, with 93% of respondents rating OWEB in the excellent and good categories. Compared with 2017 values, OWEB improved in all categories surveyed: timeliness, accuracy, helpfulness, employee expertise, and availability of information. Similar to 2017, OWEB was below the target for availability of information (80.3%) and timeliness (88%) for 2018.

Many respondents referred to the OWEB website when scoring 'Availability of Information.' While OWEB's website was completely re-designed with a new format launching in the summer of 2018, many customers surveyed may not have interacted with the new website. Therefore, comments from some respondents reflected challenges they experienced when navigating the older website. The new website is organized in a "task-oriented" fashion, designed to facilitate the most common tasks that potential applicants and grantees visit the site to complete. Over time, the new website should increase access to information for OWEB applicants and grantees.

OWEB's rating on 'timeliness' increased to 88% (from 85.4 % in 2017), but still did not meet the 91% target. Several written comments indicated recognition of high staff workloads and a desire for faster response times from the grant review process. OWEB will be considering this feedback and exploring potential improvements to address these issues.

Factors Affecting Results

The methodology to survey grantees that had applied for a grant within the last year remained unchanged. However, OWEB's overall number of respondents (183) has increased in recent years, up from 148 respondents in 2017 and 52 respondents in 2016. The increased responses over the past two years reflect OWEB's ability to track and store up-to-date customer email addresses through the agency's online grant application system.

OWEB continues to receive many positive responses from customers about the online grant application system and about the online grant management system. The agency continues to solicit feedback from users and identify necessary improvements to meet their needs.