

Summary Report: Oregon Watershed Enhancement Board Board Retreat July 25-27, 2012

Maupin, Oregon

Purpose: To have a focused conversation that leads to a clarified vision, guiding principles, and initial direction for OWEB's Long-Term Investment Strategy.

Goals:

- 1) Deepen understanding and connection to OWEB's foundational documents & history (Constitution, enabling legislation, strategic plan mission and goals, OWEB "Wall of Wonder" timeline).
- 2) Gain insights from reviewing and discussing inputs from the Listening Sessions.
- 3) Develop a clear philosophy and set of principles that can guide OWEB's Investment Strategy so that the staff, partners and the public have an initial understanding of the direction the Board wishes to go in the long-term.
- 4) Identify next steps

The retreat served as a starting conversation for the Board regarding its Long Term Investment Strategy. The Board focused on philosophy, principles and next steps and will continue to discuss the Strategy at the September Board meeting, and refine the Strategy at the October retreat.

Wednesday July 25: Getting Grounded

Board members, managers and staff gathered for dinner at the Imperial River Company in Maupin. The evening was then spent grounding the Board in OWEB's mandates, directives, Mission, and Strategic Planning goals as foundation setting for their discussions of the Long-Term Investment Strategy.

Board members present at all or part of the Retreat were Dan Thorndike, Lisa Phipps, Will Neuhauser, Trish Smith, Morgan Rider, Bob Webber, Jim Johnson, Mike Haske, Debbie Hollen, Alan Henning, Bill White, and Kim Kratz.

Executive Director's Opening Remarks

Tom Byler, Executive Director, welcomed the Board and thanked them for being here and for their dedicated commitment to serving on OWEB. He acknowledged that a lot of work has been required of the Board and staff since January given the current investment strategy process underway. He offered his hope that, by putting in the time and deep thinking now, we'll set ourselves up for good, clear decision making later around our investments. This is a critical time for conservation in Oregon and for OWEB right now with the passage of Measure 76, which he said was a privilege and a responsibility. The Board's retreat is an important juncture along the path to developing an investment strategy.

Tom set sideboards (*See Attachment A, Sideboards*) for the retreat and emphasized that this will be an iterative process with a focus on the long term strategy. Rather than looking to revise the Strategic Plan, develop a spending plan or budget proposal, Tom asked the Board to reflect on the inputs received during the spring Listening Sessions and think about an investment strategy that will support each of the other important guidance pieces guiding OWEB's work. He also clarified that the Long Term Investment Strategy will not be finalized at this retreat. Instead, he noted the timeline for getting to a final plan in June of 2013 which includes looping back for input and discussions with both the OWEB staff and public stakeholders.

Expected products for the retreat included discussion of the Board's investment philosophy, agreement on guiding principles for developing a strategy, formulating some definitions that will help communicate the intent of the strategy, and potentially looking at priority issue areas that need more focused work via staff or stakeholder work groups to help prepare for September and October Board discussions.

Participants introduced themselves. Bob Webber, the newest Board member, was welcomed and introduced himself as a representative of the Oregon Fish and Wildlife Commission and a resident of Port Orford.

From the Ground to the Air: OWEB's Elevations

50k-40k Foot Level: Tom reviewed the evolution of OWEB from a statewide mandate and directive perspective and included in that historical overview the development of OWEB's Mission and Strategic Plan goals. He noted that during an all-staff meeting held in July, prior to this retreat, staff developed a 'Wall of Wonder' depicting the timeline of OWEB's accomplishments, important milestones and other information dating back to 1986. Tom pointed to the Wall of Wonder posted at the retreat and encouraged Board members to look at the wall, ask questions about what they see and add to it from their own experiences and knowledge.

Tom's power point presentation showed the trajectory of the formation and evolution of 'cooperative conservation' for habitat restoration and protection in Oregon, and OWEB's role in that effort. His presentation is summarized in bullets below:

- In the mid-80's, people saw a need for a better approach to conservation, and early champions helped carry the idea of 'cooperative conservation'
- GWEB was formed in 1987 and at the time, received a modest budget.
- The first watershed councils were formed in 1993-1995, and were unique in structure and function because they were based on local needs.
- Many people started getting involved in restoration activities during this time, and in 1997, the Oregon Plan for Salmon and Watersheds was written.
- In 1998, Measure 66 passed which 'supercharged' GWEB in terms of funding.
- OWEB was created as a state agency in 1999.
- Over the next ten years, a LOT of people were engaged to implement a wide variety of conservation projects throughout the state.

- In 2010, OWEB developed a Strategic Plan that set goals and reflected OWEB’s triple bottom line Mission – which had also been GWEB’s mission.
- The Strategic Plan served to educate the public about OWEB’s work which was especially important given the approaching sunset date of 2014 per Measure 66.
- Measure 76 passed in 2010 and created a permanent funding horizon for OWEB. As the Board noted at last year’s retreat, this ‘game changer’ prompted a need for OWEB to develop a Long Term Investment Strategy.
- Under Measure 76, funds distribution now includes an additional purpose (‘involve people’) and has different distribution parameters for funding through the Operating Fund (35%) and Grant Fund (65%) including:
 - OWEB can no longer fund other state agencies via Grant Funds. Most of the Operating Fund goes to ‘Agency Operations’, and much of this does not actually go to OWEB but other agencies.
 - A new parameter under the Grant Fund is ‘Assessment, planning, design, TA, monitoring, outreach necessary for projects’, essentially giving OWEB more flexibility to provide grants funds for these items.
 - Funding for watershed councils and SWCDs shifted over to the Grant Fund pot as a result of legislative action on OWEB’s budget. Also, the intent of Measure 76 is to clarify that K-12 education funding is not from the Grant Fund.
 - OWEB now signs off on ODA State Weed Board grants as they now flow through OWEB’s Grant Fund – OWEB is working closely with the ODA Weed Board with regards to administration.

Tom said the challenge and exciting opportunity for this Board will be to find a navigation space between state mandates and being responsive to stakeholders.

Board Member Question: What is the long term investment strategy’s relationship to the Strategic Plan? Tom response: We need to keep the strategic plan in mind as we discuss the investment strategy – over time, our investment strategy should be a ‘refresh’ of actions and strategies that underlie our strategic planning goals. Right now, the strategic plan is very broad, and the investment strategy will refine and put a finer point on the goals in the plan.

30k Foot Level: Facilitator Donna Silverberg reminded the board that discussions about the investment strategy were started during the Board’s July 2011 retreat. The Listening Sessions furthered the dialogue with stakeholders as a lead in to the board’s focus for this retreat. Donna shared a draft Investment Strategy ‘Table of Contents’ (attached to this report) as the proposed outline for the investment strategy. She said that, at this retreat, the Board will be looking at: Investment Philosophy; Principles to Guide Investment Decisions; and, if time allows, begin to articulate portfolio components.

She reminded the Board of the Listening Session process and pointed to *Attachment B Report on OWEB’s Long-Term Investment Strategy Listening Sessions, May-June 2012, Executive Summary* in their packets that reflected the process used and overarching themes heard from participants in all six Listening Sessions, webinar and on-line survey. This important stakeholder feedback will serve as an additional foundational reference for the Board’s use during their deliberations around the investment strategy. She noted

that in all six sessions, participants' ideas and values reflected those of OWEB's triple bottom line priorities for ecological, social/community and economic benefits coming from OWEB's investments. At this retreat, Board members will consider what they heard from the Listening Sessions that excited, surprised and/or raised concerns for them and identify which areas they think will need additional attention. (See Day 2 discussion below.)

20k Foot-Ground Level: Based on their review of the Listening Session Executive Summary, staff shared initial thoughts for the Board to consider when developing guiding principles for a Long Term Investment Strategy. A handout was provided that captured the following consensus comments of advice from staff:

- Thank the Board for their dedication and commitment
- Respect OWEB's successful history and build on it
- Take advantage of existing plans/priorities
- Set high-level principles and priorities – Leave implementation to staff
- Start with outcomes the Board wants to see from its investments, and be realistic
- Prioritize and define our 'niche' and don't create unnecessary duplication where other resources exist
- Involve staff – they have knowledge and diverse opinions
- Take staffing levels in to consideration
- Meaningful metrics are important and should be applied to all investments
- If you are taking time to do this, Board and staff should apply the Strategy and revisit it at intervals to ensure it continues to make sense and be flexible to changing conditions
- Make sure priorities are clearly articulated so new board members and stakeholders can understand
- Be flexible to changing ecological priorities

The Board discussed this advice with the staff who presented it. Board members emphasized the need to remember OWEB's history and the amazing body of work that has been accomplished to date, and also to remember staff as key 'stakeholders' in this process. The Board thanked staff for sharing their ideas and being thoughtful in their presentation of those ideas. The Board acknowledged staff for their professionalism and expertise, and were asked to continue to share their knowledge with the Board so it can make the best decisions possible.

A draft staff history of OWEB and pre-OWEB was provided as an additional resource to the Board and provided more insight in to OWEB's history. Board members commented that the history was very informative and well worth reading.

Thursday July 26: Processing

Board Chair Dan Thorndike welcomed everyone to start the day off. Donna Silverberg shared a set of Meeting Protocols; the Using Consensus Tool which will be utilized at various points during the conversation to help gauge the level of agreement of a group

and help determine whether more discussion on a topic is needed; and reviewed the agenda.

Greg Sieglitz showed the Board a slide of OWEB's Investment Tracking Tool which highlights every project funded through the regular grant process since 1999. Grant type, project name, funding amount, start and end year, recipient, and project status are included on this site, which can be accessed by anyone via OWEB's website. Greg suggested that the site provides a visual of the amount of funding and project type in various geographic areas across the state.

Greg also shared a graph of OWEB's restoration and monitoring grant awards from 1997-2012, categorized by type. He noted that this provides one way to look at OWEB's current investment strategy. Riparian restoration, fish passage, and in-stream restoration (e.g. placing logs, boulders, reconnecting channels) have been the primary focus to date. Greg also noted that upland improvement has been a growing area over the last 5-6 years. He noted that the graph did not capture amounts spent on acquisitions or funding for watershed councils and districts.

Lessons Learned from the Listening Sessions

Donna gave an overview of the Listening Session process. Six sessions were held in different cities in May and early June. The sessions provided participants to engage orally and in writing, and a lot of inputs were generated (more than 1500). Each session began with a priorities indicator exercise, asking participants to share their priorities regarding OWEB's triple bottom line. Visuals from that exercise were displayed for the Board which showed that in all of the sessions, participants indicated ecological outcomes as the most important priority, and that economic and social/community benefits are also very important.

The facilitation team analyzed the inputs to identify theme areas. These themes are listed in priority order in the Executive Summary report with the most comments received in a theme area listed first, etc. The report breaks out overall communication (reported on at the June Board meeting as one large category) in to more specific areas such as outreach/advocacy and education & public awareness. Finally, the comments about OWEB as an important 'conduit' for collaboration were folded in to the Collaboration theme area. Board members can access the raw inputs, a one page summary from each session, and the results of the participant process evaluation on OWEB's web page dedicated to this process. (A hard copy was also available for Board members to review at the retreat.) Donna noted that the evaluations indicate 95% of those attending felt strongly that their input was heard and acknowledged during the listening sessions.

Board members were given a handout with three questions asking them to reflect on the inputs they heard and read from the Listening Sessions. The bullets below summarize their reflections:

- 1) What did you hear at the Listening Sessions or see in the summary report that is new or exciting?
 - Broad support for OWEB and what OWEB has done

- Documenting our efforts is important not just for us but for our stakeholders and the legislature
 - The increased importance of monitoring as a means of seeing, hearing and telling results is a new theme we would not have heard ten years ago
- Outreach and awareness is an important role for OWEB
- Desire of stakeholders to share information – with each other and with a broader audience
 - and their view that OWEB should serve as a facilitator of that sharing both as a conduit for outreach and awareness and for creating networking opportunities
- Innovation/creative projects are supported—it’s good to see people are open to new approaches
- Encouragement for OWEB to take a big picture view at the landscape level—and using a whole systems approach
- Affirmation from so many about the value of special investment partnerships
- Surprised by the really high expectations people have for OWEB
- The new cradle to grave grant ideas as a possible efficiency for all

2) Did you hear or see any red flags? What are they? Why?

- That many people saw a need for OWEB to simplify its grant processes
 - Heard a question about the underlying authority for OWEB’s triple bottom line (environment, economy and social/community) ; however, all are important to achieve ecological improvement
- Navigating the things stakeholders want plus having a budget to support/satisfy all they want us to do—concerned about too high of expectations
- That people felt the “east side story” isn’t being told to west side. Concerned about where that could lead us if we don’t manage that well.
- Concerned about the misperception that OWEB does not fund uplands
- ‘Stay the same, but be bigger/additive’ aspect-concerned about managing realistic expectations
- Heard angst from watershed councils about how investments in SIPS impacts grant funds
- People didn’t know the breadth of OWEB’s involvement in many areas—suggests that we are missing a communication mark for some of our stakeholders
- Challenge of developing partners and partnerships—the time and effort needed
- Acquisitions – east/west side split and lack of voice; “Tepid” response to acquisition was a surprise
- Communication is critical—including a need for clearly communicating in plain language
- Need to clarify that OWEB is looking at the whole watershed

3) What did you hear at the Listening Sessions or see in the summary report that is most important for the Board to respond to or take other action on?

- We need to define and describe criteria for ‘high watershed value’
- Identify and set priorities/criteria
- Build flexibility in to the investment strategy
- Tie priorities to outcomes

- Find, support and define roles for partners to see integration
- Clarify social/community, ecological and economic benefits
- Clarify limits of discretion

Staff had also filled in the questionnaire at their all-staff meeting, and noted for the board any differences from or additions to what they heard the Board say:

Question 1)

- Enhancing overall accountability
- OWEB as convener/networker for collaboration and data
- Expanding small grant program – more funds or other activities?
- Setting statewide priorities
- Excited people

Question 2)

- High expectations – high workloads, impacts of paperwork for all
- Local capacity funding – how will it benefit all?
- Funding not just for special interest groups
- Balance needs/priorities for education
- Support for creative projects, but cautious
- Clear guidelines for emergencies
- Misperceptions about the Regional Review Teams

[note: staff addressed Question 3) in their initial advice to the board (see above)]

Board Members' Initial Take Away Messages That May Need Further Actions:

Board members identified their own “take away messages” from the Listening Sessions that inform their thinking about the Long-Term Investment Strategy. This list is not a “Board consensus” list but reflects individual Board member thoughts.

Investment Strategy Considerations

- Continue our emphasis on “statewide”
- We need to do a deeper dive into acquisition
 - Philosophically and Specificity
- Monitoring and Reporting – What to report? What to monitor to report?
 - Outcomes/results
 - Effectiveness
 - Sharing/story
- Outreach and educating the public – What’s our strategy?
- Define funding strategies based on priorities which are clear
- Innovative/creative – yes, but for what? Define/clarify
- Clearly describe “high value watershed” and criteria
- Build in flexibility and ability to be nimble
- Tie priorities to outcomes

- Define and support roles for partners to show importance of integration (as opposed to supporting an us/them outlook)
- Clarify social/community; economic and ecological importance and meanings

Clarify messages about:

- Acquisitions
- OWEB’s triple bottom line of environment, economy and social/community are all important to achieving ecological improvement, which is the underlying authority for OWEB
- The limits of OWEB’s discretion (as a means of managing expectations)
- The important role each partner plays in the “whole” watershed approach

Possible Operational Actions

- Simplify processes for partners and staff
- Help councils/districts work together through grant incentives; this is also true for counties
- Clarify funding priorities so we can get at accountability issues

Starting to Think for the Long-Term—Our Investment Philosophy

Assumptions: Board members spent time discussing ideas for an investment philosophy, aided by a set of straw proposal ideas developed by the Executive Committee, management team and staff from which the Board could further their ideas. At the outset of the discussion the Board reviewed draft assumptions to set a basis for the investment philosophy, which the Board members discussed and refined. A refined version will be shared in September.

What is OWEB Seeking to Achieve with its Investments? Board members worked in small groups to develop an investment philosophy statement and then as a large group discussed the ideas generated. Because a number of Board members were not present for this discussion, this topic will be revisited at a future meeting.

A Look into the Future: Principles to Guide OWEB Investments

The Board discussed draft guiding principles developed by the Executive Committee, management team and staff. Discussions were broad ranging and the Board members present agreed to revisit the policy related principles when more Board members are included in the discussion. [See below for process related principles that the Board were in favor of using while developing the investment strategy]

Friday July 27: Set-Up for September

Opening Reflections

Tom Byler welcomed everyone back and offered his perception that the Board was in agreement on some ideas they discussed yesterday, but that these ideas needed to be clarified and articulated today. Donna and Tom suggested a revised agenda for the day

that included re-capping progress made so far, reviewing and testing the Board's comfort level with products, determining follow up issues for Board discussion, reviewing the process principles, and identifying next steps for September's Board meeting.

They shared a reflection of what they heard were the Board's ideas thus far about the investment portfolio. It articulated a basic construct or framework for the investment strategy. Because several Board members were not in attendance, it was decided that this framework will be shared at the September Board meeting and further refined at the October retreat.

Consensus: Of board members present, consensus was reached on the conceptual framework laid out today, with the caveat that there are more questions and details that will need to be laid out.

Process Principles: Board members reviewed the straw proposal of process-related principles and offered refinements. The refined list of process-related principles is as follows:

- **Building on Accomplishments:** The Board values the commitment and work that has resulted in a nationally recognized program with unmatched environmental accomplishments. The Board wishes to build on this foundation while working toward the future.
- **Effective Communication:** The Board realizes that successful cooperative conservation can only occur when ideas, priorities, and results are communicated with all partners and potential partners. The Board is committed to active, two-way communication with its staff, partners and the public as a means for developing a strong investment strategy.
- **Transparency:** The Board values transparency and develops its Long-Term Investment Strategy through an open, transparent process that involves input and dialogue with stakeholders and staff.
- **Maximize service, minimize disruption:** In developing the Long-Term Investment Strategy, the Board considers how OWEB's grant portfolio impacts staff resources (agency operations) and partner organizations to maximize effectiveness without adversely affecting service delivery.
- **Responsive:** The Long-Term Investment Strategy is able to adjust to changes in revenue and accommodate changes in ecological priorities from the Governor, Legislators, the Board, and local partners.
- **Adapt Based on Monitoring and Evaluation:** OWEB's staff and Board monitor and evaluate the effectiveness and implementation of the Long-Term Investment Strategy to assure it is meeting the Board's desired goals and outcomes. As needed, the Board shall adapt and modify the strategy to improve overall investment success.

- Timeframe: OWEB's Long-Term Investment Strategy will guide us in our future efforts and will be periodically revisited. It is designed to implement any changes over a reasonable period necessary to phase-in any changes and allow adjustment by stakeholders and OWEB staff.

Consensus: Board members present reached consensus on the process principles. This refined list will be revisited when more Board members are present at a future Board meeting.

Follow Up: Follow up actions/items were identified to help focus the next discussion of the Long Term Investment Strategy.

Process Next Steps:

The Board reviewed a handout map of titled “*The Route to a Long-Term Investment Strategy*” which depicted short term and mid-term process steps to get to a June 2013 final Investment Strategy.

- Between now and the September board meeting, the Executive Committee will develop an agenda and staff will gather information.
- Board members not present will be contacted to bring them up to speed on discussions and outcomes of this retreat.
- An extra half day may be reserved before the Board meeting (the afternoon or early evening of September 10) to review the Draft Framework developed at the retreat, share follow up information requested, and determine new information needed to help tee up the October Board retreat discussion.
- This retreat summary will be included in the September Board meeting packet of materials.
- Following the All-Staff and Board retreats in October, another series of public Listening Sessions will be held in November and early December.

Closing

At the end of the retreat, Board members expressed their sense of accomplishment—and awareness that they have a long way to go on the Long Term Investment Strategy. All were pleased with the initial discussions and expressed encouragement for upcoming dialogues with the entire Board present.

Tom also shared his final thoughts: We are nothing without people. We rely on community groups to make it all happen. It's a pleasure to work with such great and sophisticated staff and board. Seeing the Board work collegially with each other is rewarding. We don't have to solve all issues by October, and, getting direction from the Board in this long process is very important. I am very optimistic that we will be successful!

With that, the retreat was adjourned.

Summary report respectfully submitted by facilitation team DS Consulting. Questions or comments on this report can be sent to rgumpert@cnnw.net or by calling (503) 248-4703.

Attachment A – Sideboards for Long-Term Investment Strategy
With updates based on schedule changes following July 2012 Board Retreat

OWEB Board July Retreat: What we are doing; what we are not doing

1. We'll begin, but not finish, thinking to frame and define where the Board wants to go with its Long-Term Investment Strategy. We will not be deciding on a Long-Term Investment Strategy at this retreat.
2. The Board will have a second retreat in late October/early November 2012 with stakeholder dialogue/listening sessions to follow in early 2013.
3. In July we need to grapple with some hard questions and set a high level direction.
4. July products:
 - (a) Board discussion on its investment philosophy
 - (b) Agreement on guiding principles for development of the Long-Term Investment Strategy
 - (c) Beginning to define OWEB's portfolio and terminology in order to communicate intent for ourselves and others
 - (d) Board direction for the short term, may include identifying priorities for research/staff work.
5. We are not redoing the Strategic Plan Goals. *The Long-Term Investment Strategy will likely involve new or updated strategic plan strategies.*
6. We are not adopting a spending plan. *The Long-Term Investment Strategy will guide development of a two-year spending plan.*
7. We are not developing OWEB's 2013-2015 budget proposal.
8. We are not addressing policy issues that are working through Board Subcommittees, e.g., watershed council support grant program changes; acquisitions program changes.
9. We are making sure that we recognize the importance of the Listening Session input, but also recognize that it's the Board's job to prioritize. It's time for the Board to synthesize what they heard from the Listening Sessions and start developing Board priorities. In doing so, we need to make sure that we don't ignore valid comments.