MEMORANDUM



EUGENE WATER & ELECTRIC BOARD

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TO: Commissioners Helgeson, Brown, Mital, Simpson and Carlson

FROM: Mel Damewood, Chief Water Engineering & Operations Officer,

Karl Morgenstern, Water Quality & Source Protection Supervisor

DATE: November 22, 2017

SUBJECT: Update on Finn Rock Property and McKenzie River Trusts EWEB Match Campaign

OBJECTIVE: Information only to update the Board

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Issue

As part of a Board approved \$750,000 investment toward the conservation and management of the Finn Rock Reach property, EWEB pledged to match up to \$500,000 for donations to the McKenzie River Trust (MRT) for restoration and management. MRT is continuing its \$6 million fund raising campaign and was successful in meeting EWEB's challenge grant. The following is an overview of what was accomplished.

Background

On November 9, 2015, the Board approved use of \$750,000 to support MRT acquiring the 260-acre Finn Rock Reach property from Rosboro. The property consists of 2 miles of McKenzie River frontage and is located just downriver from Blue River. The acquisition was completed in April 2016. This acquisition places critical floodplain forests, wetlands, side channels and over 1.5 miles of riverfront on both sides of the river under permanent conservation. MRT received a loan from Craft3 for \$1,395,000 to acquire the property from Rosboro in early 2016.

Per the Memorandum of Agreement (MOA) between EWEB and MRT (Agreement# 16-0008), EWEB provided \$250,000 in April 2016 for more immediate property stabilization and restoration work. These funds were used for demolition and removal of derelict infrastructure (i.e., old cabins and bridge), marking property boundaries, installing new signs and gates, improving the boat ramp, site planning activities, and getting the group Friends of Finn Rock Reach up and running. This group of local residents have donated hundreds of hours in volunteer time at the property. Per the MOA, EWEB also provided a challenge grant that would match dollar for dollar any donations MRT secured toward the restoration and management of the Finn Rock Reach property up to \$500,000. By November 15, 2017, MRT's fund raising campaign exceeded this amount and requested payment from EWEB.

Discussion

In 2017 MRT launched its McKenzie Homewaters Campaign using the Finn Rock Reach property as the showcase for the campaign. EWEB was featured prominently throughout the campaign as an important steward of the McKenzie River. Over 390 people donated \$569,000 to match EWEB's \$500,000 grant. These funds are dedicated to the restoration and management of the Finn Rock property.

The restoration goals and objectives for this property are to use a "process-based" approach as much as possible toward achieving the following outcomes (see attached concept map):

- Re-distribute fill across the floodplain to increase connectivity with natural seasonal flooding;
- Increase spring McKenzie Chinook salmon genetic legacy population and abundance;
- Enhance native turtle habitat in the pond areas by installing contours that prevents pond areas from being inundated, and enhancing foraging and rearing/hatching/juvenile habitat;
- Maintain waterfowl habitat by leaving adequate acreage of open water at low flow (<3,000 cfs at Vida);
- Remove manmade barriers (roads, culverts)
- Increase large wood frequency throughout the project area:
- Increase frequency of pools greater than 3 feet in depth;
- Increase area of high-flow habitat (18,000 cfs at Vida); and,
- Decrease the size of gravels associated with the pools.

In addition to EWEB's investment, MRT was successful in securing Bonneville Power Administration (BPA) wildlife mitigation funds that will be used to help pay down the short-term loan with Craft3. BPA is in its final review, which should be completed in December 2017. The BPA funds that will be available in December 2017 include: \$1,415,000 for purchase of a conservation easement on the Finn Rock Reach that BPA will hold; and \$438,000 for long-term operations and maintenance of Finn Rock Reach.

These investments from EWEB, BPA, and hundreds of private donors will allow MRT to restore and manage this key 260-acre property as anchor habitat in the upper McKenzie River and prevent future floodplain development from impacting water quality.

Recommendation

This is for information only.

Requested Board Action

No action required at this time.

Finn Rock Reach Restoration Design Concept Map

