



HEALTHY HEADWATER'S SUCCESS STORY:

EUGENE, OREGON – GIVING BACK TO THE WATERSHED

Eugene Water and Electric Board works to make watershed stewardship an economic benefit for landowners

The city of Eugene, Oregon, is located in the scenic McKenzie River Valley at the confluence of the McKenzie and Willamette rivers. The 200,000 residents of the Eugene metro area depend on the McKenzie River as their sole source of drinking water. About three-fourths of the watershed is in public ownership (mostly National Forest land), but most of the valuable riparian corridors are private—devoted largely to farms and forest products.



As the agency responsible for delivering clean water to residents of Eugene, the Eugene Water and Electric Board (EWEB) takes a long view of watershed health. EWEB Drinking Water Source Protection Coordinator, Karl Morgenstern describes it simply: “Utilities have to look ahead 50-100 years, and that means looking at the impacts of climate change”. In the McKenzie watershed, those privately held riparian lands will provide valuable buffers against flooding, erosion, increased water temperature, and other expected changes, but only if they remain essentially undeveloped.

EWEB's climate change policy, adopted in 2007, includes various strategies for adapting to climate change. For the drinking water source protection program, this translates into protecting and encouraging sound agricultural practices in the lowlands, and providing incentives for good forestry practices in the uplands. It also involves partnering with federal agencies and researchers at Oregon State University to understand what changes are coming and what incentives will best encourage good land stewardship.

Some of these incentives push the boundaries of traditional water quality protection programs. For example, it may seem like a stretch for a water utility to have a hand in marketing farm goods, but EWEB has done that within the McKenzie River basin and beyond—seeking to broaden the economic returns for farmers whose lands are in the floodplain. These local markets, in turn, favor growers who use organic methods, so this marketing effort ends up reducing chemical runoff that lowers water quality. EWEB even operates a demonstration farm to showcase such good practices.

**Profile of a Watershed Advocate:
Karl Morgenstern Works to Make
Stewardship Pay**



After devoting years to cleaning up abandoned hazardous waste sites around the state of Oregon, Karl Morgenstern knew firsthand that the best route to a healthy watershed is preventing such messes in the first place. So when offered the opportunity to step into a new position as Drinking Water Source Protection Coordinator with the EWEB in 2001, Morgenstern jumped at the chance. “It’s a breath of fresh air,” he observes, “to work in a clean river system, and to keep it that way.”

Morgenstern works with dozens of partners, from local farmers and forest owners to public land managers and university researchers—seeking always, he says, “to get people out of their silos” and work together toward improved land management practices that protect and enhance watershed health. He is especially keen on breaking down the rural-urban divide, encouraging utility customers to understand the need to “give back to the watershed” and reward upstream landowners for taking action to protect their water sources.

Noting that watershed health requires a broad perspective, Morgenstern appreciates the opportunity to share stories and lessons with other members of the Carpe Diem West Healthy Headwaters Working Group. By working together throughout the West, he says, “we can impact policy and funding, and leverage our resources across states.”

The task is not a small one. “What we’re doing,” Morgenstern concludes, “is building an infrastructure for a new way of doing things.”

Residential development near the river can also be a problem for water quality, especially when it depends on private septic systems. Upstream of Eugene, EWEB is helping residents to navigate the legal obstacles to build a community sewer system to replace failing septs. This cooperative approach appears to be more welcome than an unsuccessful effort in 2010 to regulate development adjacent to the river by increasing the riparian setback from 50 to 200 feet.

These and other components of Eugene’s diverse source protection program cost about a half-million dollars a year, paid out of water revenues. A recent proposal to increase the budget by another couple of hundred thousand annually has been approved to move through the public process, but was delayed by the economic downturn. Instead, the EWEB Board approved the use of water reserve funds in 2011 to establish a zero-interest revolving loan fund for residents that need to repair or replace failing septic systems.

In the long term EWEB plans to expand its source protection work to include several new cutting-edge ideas:



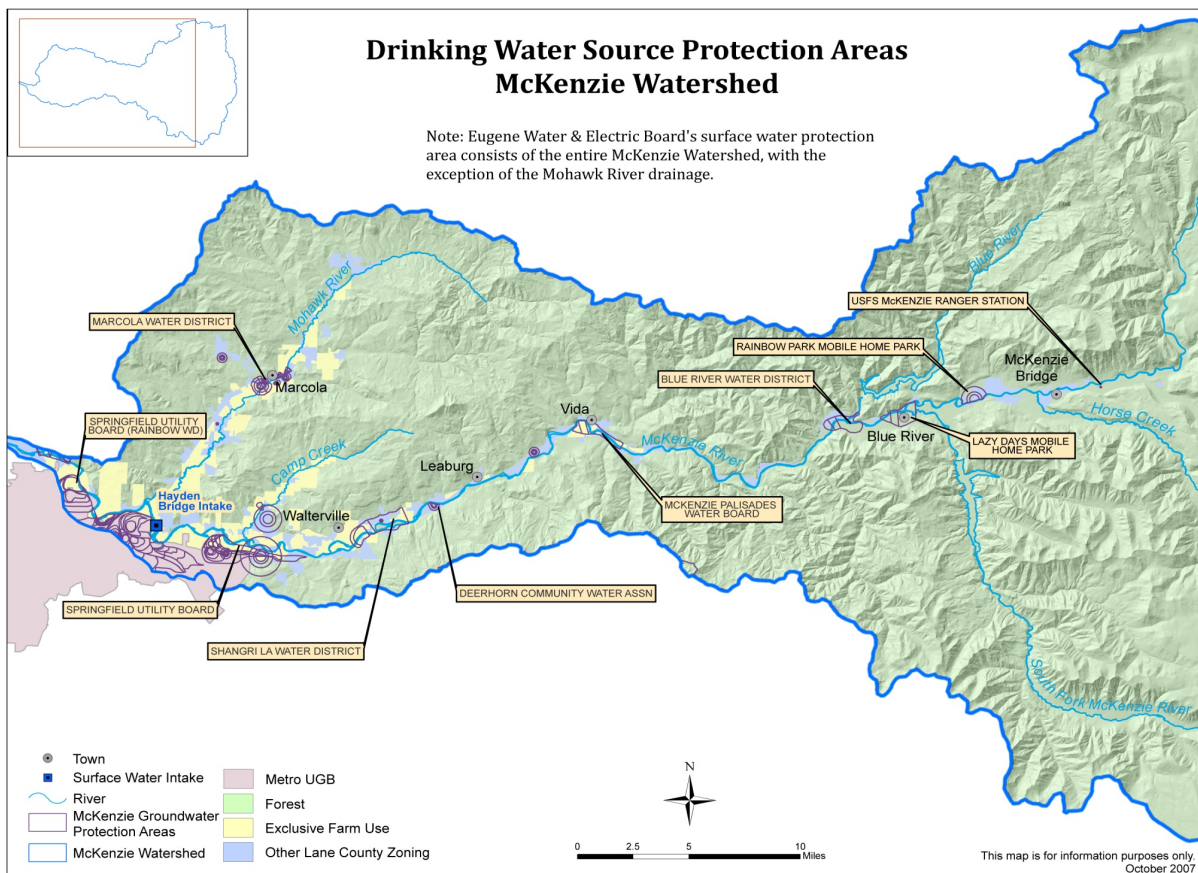
- An ecosystem services marketplace, in which EWEB would pay landowners to maintain intact floodplain and riparian forest lands to buffer impacts of climate change in a 6,500-acre designated market area
- Partnering with public land managers to engage in restoration work through stewardship contracting
- Using a 500-acre demonstration forest to explore how local carbon markets can be used to provide additional income for growers and forestland owners that increase riparian forest buffers.

The proposed ecosystem services market is particularly innovative. It will be open to anyone who owns qualifying riparian/floodplain land that meets a threshold definition of 60-70 percent healthy riparian forest. Payments would be calculated based on the total fund available divided by the total acres in the market, although actual payments to landowners will depend on the percentage of their land qualifying as healthy riparian forest and the type and length of their negotiated agreements.

Importantly, this market anticipates making payments to both public and private landowners. EWEB already works with the Forest Service to monitor water quality and develop cooperative strategies for risk reduction, and this incentive program aims at rewarding private landowners for good land management practices. In the end, says Morgenstern, “Working on a watershed scale means setting aside public-private distinctions, and looking at the entire landscape”

For additional information:

EWEB Watershed Protection, <http://www.eweb.org/waterquality/protection>



Carpe Diem West leads a network of water decision makers and scientists in the American West that is developing collaborative, innovative actions and policies to create water security for our communities, the food we grow, our economy and our environment.

Carpe Diem West's Healthy Headwaters Project is an alliance of upstream land managers, downstream water utilities, and conservation advocates whose goal is to increase the climate resiliency of the headwaters systems that provide the West's drinking water.

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