
Long-Term Management Plan

For the

Baker County Grassbank

Version 3.2012 draft

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Baker County Grassbank

--Management Plan--

Introduction

1.0 The Challenge

Baker County, Oregon is rich in natural resources that are critically important to agriculture, ranching, and the quality of life of its citizens. Yet, these resources face a number of serious threats:

- Invasive, exotic species like Whitetop, Medusahead rye, Rush Skeletonweed, Yellow Starthistle, Russian Knapweed, and others are spreading at an alarming and unprecedented rate, dominating more and more agricultural and ranch lands, reducing the value of the land for crop, livestock and wildlife production.
- Habitats that support at-risk (e.g. sage-grouse) and other wildlife species are being fragmented by the invasive plants and some agricultural practices, risking greater losses and viability in species populations.
- Unsustainable grazing practices and systems are still too common, and incrementally causing a deterioration in the health and productivity of the County's grasslands and rangelands.
- Many forested lands are over-stocked and under-managed, with increasing incidence and risk of catastrophic wildfire, which can greatly disrupt a livestock producer's operations if his/her livestock are displaced for a season or two while the land recovers from the fire.
- Some agricultural and ranch lands are being lost when some landowners make a shift in emphasis from agricultural-based commodities to non-commodities, with lands set-aside for wildlife, hunting, and other amenity values instead of commodity agriculture.
- Increasing environmental regulations are requiring adjustments in agriculture and ranch operations and are shrinking profit margins.

Wrestling with threats like these is not new to Baker County landowners and producers. Baker County landowners have a long and productive history tackling and resolving issues to conserve soil and water. This history goes back to nearly the beginning of the soil and water conservation movement of the 1930's. The movement started with President Franklin D. Roosevelt in 1935 shepherding the passage of the Soil Conservation Act, establishing the Soil Conservation Service (SCS) in the USDA. In 1937, he asked all state governors to promote legislation to form soil conservation districts. Oregon created a Soil Conservation Committee in 1939 which began forming conservation districts that same year.

For Baker County, organized conservation first came with the establishment of the Keating SWCD (Soil and Water Conservation District) in May 1941, followed by Eagle Valley, April 1944, Baker Valley, November 1947, and Burnt River, November 1949. Since then all four Districts have been strong, consistent advocates and supporters of proven conservation practices on thousands of Baker County acres.

However, the current threats clearly indicate the task is not yet complete. The “fight” must continue! Actually, the fight must intensify and expand if these threats are to be reduced or eliminated.

Consequently, the SWCD’s, in partnership with the NRCS, ODFW, USFWS, ODF, BLM, USFS, Baker County Weed Control, Baker County landowners, Baker County Extension, ODA, Baker County Livestock Association, and others explored a number of options. They concluded that *although no single technique, project, or program is likely to be effective against all threats, a new and innovative concept ranks high in potential to make it easier for landowners and producers to use conservation practices that will reduce or eliminate the current threats. This tool is a grassbank.*

2.0 The Solution—a Baker County Grassbank

The Baker County Grassbank is a tangible program, one or more parcels of grassland or rangeland, either publicly or privately owned, that are made available to serve as alternative grazing sites for local livestock producers when the producers are implementing conservation practices on their own or leased pastureland. The overarching goal is to improve watershed health and reduce or eliminate the current resource threats to the mutual benefit of both livestock producers and landowners. Grassbanking offers landowners and livestock producers opportunities and incentives to plan and initiate land and resource conservation and stewardship.

This grassbank concept was first developed, used, and trademarked by the Malpai Borderlands Group in southeastern Arizona and southwestern New Mexico. It has also been successfully used by the Nature Conservancy on a number of its holdings in the western states. For Baker County, the Burnt River SWCD took the lead and secured a 3-Year CIG (Conservation Innovation Grant) from the USDA which is providing the means *to develop and operate a grassbank for Baker County.*

2.1 What and how much value can a grassbank be to Baker County landowners and livestock producers?

Many Baker County lands and resources are well managed, routinely benefiting from proven conservation practices. In many cases these practices were supported financially with cost-share programs authorized in the U.S. Farm Bills and grants from OWEB, ODFW, USFWS, ODF, RMEF, etc. The SWCD's, landowners, and producers working actively with the Farm Services Agency, NRCS, ODFW, OWEB, USFWS, WS Council, USFS, BLM and others have had noteworthy success in effecting conservation.

However, Baker County also has lands that would benefit from added conservation, but where *the single most limiting factor* is the *lack of alternate forage for livestock that are temporarily displaced by the conservation practices themselves*. Four situations in particular are of growing concern, but are also situations where a grassbank has the potential to alleviate, or at least lessen, the impact:

- **Wildfires.** Wildfires on occasion displace livestock, putting the producer in a tough spot. Alternate forage is hard to find and usually adds cost to the operation. The goal is for the Grassbank to have grazing land in reserve to serve as a contingency.
- **Grazing Management.** Managing grazing can be difficult. A landowner may want the land grazed, but is hesitant to get into leasing. A lessee may not be meeting the terms of a lease, and the landowner is uncertain on how to resolve. A landowner may not know the value of proper grazing, or how to manage it. The Grassbank can be a tool for these landowners, with staff providing information, consultation, and assistance in problem-solving.
- **Economics.** Conservation is good business, but it is not effortless or free. Coordinating livestock operations is at least as difficult as finding financial resources since some conservation practices require temporary herd displacement. The Grassbank can be a source of alternate forage and financial support for the conservation practices.
- **Management Complexities.** Grassland owners may want to improve their lands for wildlife and fish, but do not know how to get started or how to maintain them once developed. The Grassbank can be a tool for this landowner, potentially providing assistance in conservation planning and in securing cost-share financing for the improvements.

Understandably then the Burnt River SWCD is moving forward to put the Baker County Grassbank into service to assist in resolving these problems, and similar hurdles to conservation. Landowners generally understand that conservation is good business, but if alternate forage sites are a prerequisite to using certain practices and they are tough to find, landowners and producers have little choice. They do not always use the conservation practices that are needed when the added logistics and cost are significant or irresolvable. The Grassbank tackles the problem by creating and maintaining a reserve of alternative grazing sites. These alternate grazing areas are then allocated in a proportional (1:1) exchange to the landowner and producer's use of conservation practices.

2.2 Are alternate sources of forage difficult to find because they are in short supply or because landowners are not making them available?

This is an important consideration. The answer could substantially influence the way the Grassbank is designed and operated. If most of the grazing lands in Baker County are already being grazed, either by the landowner or through a lease, the problem is one of supply; and a supply issue is hard to resolve. Contrastingly, if Baker County has grasslands that are not being grazed, the problem is availability, which can potentially change.

In the earliest consideration of the grassbank concept for Baker County, the District learned of a number of large-acreage traditional working-ranches that were being acquired with a goal of allocating them substantially to wildlife purposes. Often, as a result, livestock use was expected to be considerably reduced, or even excluded from the ranch, at least in the short run. These lands would be “lost” for livestock production, and exacerbate the lack of alternate sources of forage to be used in conjunction with conservation practices.

With this knowledge at the outset of the Project, the SWCD’s saw the issue as availability, not supply. The premise was that Baker County has substantial “ungrazed”, i.e. uncommitted to livestock, grass and rangeland acres. Some grassland owners have simply not considered making their lands available. Others fear the leasing process. Others favor wildlife to livestock, sometimes unaware that periodic grazing can enhance wildlife objectives, if conducted prudently. Still others believe even prudently-managed livestock grazing is detrimental to land stewardship.

The Districts’ conclusion was that grassland owners obviously have their reasons for not grazing livestock, but with the County’s resources at risk, and the belief that the resolution is substantially dependent on alternate sources of forage that are difficult to find, the situation is a growing concern. If some of these grasslands could be added to a grassbank, the Districts believe the course could be changed by increasing cooperation between landowners and livestock producers, and in so doing, could increase the availability of alternate sources of forage; and, with more alternate sources of forage, more opportunities to reduce or eliminate threats to critical resources.

However, during the design and development phase for the Grassbank, the Districts have gotten a different impression. Considering how hard it has been to find vendors and available grasslands for the Grassbank, the Districts are thinking the problem is at least partially one of grassland shortage. The larger ranches where livestock grazing was earlier being deemphasized are generally now reallocated to livestock production. Livestock numbers may be down to be compatible with wildlife production, but livestock grazing is generally considered, as it should be, useful to maintaining the health of the plant communities.

As a result of what the Districts have come to realize during the design and development of the Grassbank, the need to have a grassbank has become more acute. Clearly, the lack of alternate sources of forage is limiting the use of conservation practices in Baker County. Getting a reserve of grasslands in the Grassbank is proving to be very difficult, but ever-the-more important to facilitate stewardship and conservation benefit.

Operating Plan

3.0 The Nuts and Bolts--Baker County Grassbank Design and Operating Plan

“Reinventing the wheel” was not necessary. A number of grassbanks have been operational during the last 15-20 years. Several of their operating plans, business plans, and a variety of critiques, media commentaries, university research studies, etc. about these grassbanks and the grassbanking concept are readily available on the internet or directly from their Managers or Executive Directors. The internet information has been invaluable; and the personal conversations with managers and directors have proven extremely useful.

3.1 Organization

Under the direction of the Baker County SWCD’s, in partnership with the NRCS (Natural Resource Conservation Service), staff began the three-year USDA grant-supported project by convening a *Steering Committee*. The Steering Committee is composed of individuals representing a cross-section of interests, stakeholders, organizations and agencies involved in supporting, managing, or using a grassbank. The initial Steering Committee ¹ included:

<u><i>Name</i></u>	<u><i>Interest</i></u>
Amber Arritola	SWCD Staff—Certified Conservation Planner and CREP (Conservation Reserve Enhancement Program) Technician
Arnie Grammon	Baker County Weed Control Manager
Barry DelCurto	Landowner/Livestock Producer
Bert Siddoway	Landowner/Livestock Producer
Catie Kerns	NRCS—Soil Conservationist
Cory Parsons	Oregon State University, Baker County Extension Service
Don Foster	Landowner/Livestock Producer and Baker Valley SWCD Director
Greg Winans	Tri-County Weed Management Area Manager
Joe Hessel	Oregon Department of Forestry, Forester
Jon Paustian	Oregon Department of Fish and Wildlife, Fish Biologist
Josh Uriarte	SWCD Staff—Agricultural Technician
Ken Diebel	Oregon Department of Agriculture, Riparian Ecologist
Ken Anderson	U.S. Forest Service, Administrator/Manager (District Ranger)
Laurie Owens	SWCD Staff—District Manager

Mark Bennett	Baker County Planning Director and Landowner/Livestock Producer
Martin Arritola	Business Owner, Baker County Livestock Association Member, and Landowner/Livestock Producer
Mitch Thomas	BLM—Range Conservationist
Nick Myatt	Oregon Department of Fish and Wildlife, Wildlife Biologist
Rex Nelson	Landowner/Livestock Producer
Ross Shumway	Landowner/Livestock Producer and Burnt River SWCD Director
Teena Ballard	U.S. Forest Service, Range Manager
Tik Moore	Landowner/Livestock Producer and Keating SWCD Director
Tim Heater	Landowner/Livestock Producer and Eagle Valley SWCD
Tom Kerns	Landowner/Livestock Producer
Travis Bloomer	NRCS Staff—Range Conservationist
Wes Morgan	SWCD Staff

As attrition occurs, others are appointed to fill representative roles.

3.2 Grassbank Manager

An early Steering Committee recommendation was to hire a full-time manager for the project. Concurring, the SWCD recruited and hired a Grassbank Manager in June 2010 to provide leadership and coordination from concept through implementation and monitoring.

3.3 Casting a Vision

Another early Steering Committee accomplishment was the crafting of a vision, followed by goals and objectives. These were important steps to provide clarity on direction and purpose. The Vision Statement describes the “preferred future” for the Grassbank and sets the broad tone and framework for its design and development:

Baker County Grassbank Vision Statement

“Encourage partnership among private and public landowners, for the enhanced conservation of grasslands, watersheds, and ecological processes in and around Baker County, by providing a forage reserve that affords landowners and livestock producers operational flexibility to take conservation action and bolster local economic opportunity.”

3.3 Grassbank Management Goals

With the Vision Statement in hand, goals were written to better articulate the specific aims for the Grassbank operation:

1. The Grassbank functions as a partnership among landowners and producers, encouraging them to recognize that when they cooperate and work together, they can leverage their individual assets and liabilities to benefit each other.
2. The Grassbank makes it easier for landowners and livestock producers to use conservation practices.
3. The Grassbank encourages improvement in: 1) the ecological health of Baker County's land and resources, and 2) the economic health of the local communities.
4. Grassbank ultimately includes private and public lands in reserve to benefit both landowners and producers and expand active conservation of both the private and public lands and natural resources.
5. The Grassbank creates interest and incentive for rangeland and watershed restoration.
6. The Grassbank encourages landowners to use their grasslands for grazing.
7. The Grassbank shows that landowners, ranchers, conservationists, and agency personnel can work together for the good of the land and the people who depend on it.

3.4 Grassbank Management Objectives (Not in priority)

Next, objectives were adopted to direct the specific design, development, launch, and implementation of the project:

1. Don't reinvent the wheel. Draw experience from past and current operating grassbanks. Use available resources (published management plans, business plans, news features, etc) via internet and direct contact with grassbank managers and operators whenever possible.
2. Get the word out. Prepare and execute an aggressive Outreach and Education Plan within the first 6-months of operation. Ensure the majority of Baker County landowners and livestock producers have the potential to understand:
 - a. Grassbank objectives, purposes, benefits and potential operating details,
 - b. The advantages to be gained for landowners and livestock producers to partner-up to leverage their individual assets and manage their liabilities for mutual benefit, and
 - c. The opportunity for landowners and producers to participate as a grassland vendor/supplier in the Grassbank, or as a Grassbank customer/user, or both.
3. Offer "one-stop-shopping" to landowners and producers, assisting in conservation planning and cost-share planning and acquisition.
4. Be operational as soon as possible to have potential to support livestock displaced by unplanned events like wildfire.
5. Annually set aside at least 10% (??) of the Grassbank's reserve grazing capacity as alternate sources of forage in connection with unplanned events like a wildfire.
6. Re-visit the landowners that showed interest prior to the securing of the grant, i.e. Idaho Power Company, others?.....to encourage and secure continued interest and partnership with the Grassbank.

7. Conduct broad-based outreach to solicit multiple grassland parcels (multiple owners), private or public, any size, suitable for livestock grazing, manageable, etc. Seek a diverse inventory of alternate forage sites representing various:
 - a. Plant communities
 - b. Elevations
 - c. Seasons of Use
 - d. Pasture configurations and capacities
 - e. Locations (in each: Upper Burnt, Lower Burnt, Baker, Keating, Richland, and Pine Valleys).
 - f. Etc.
8. Manage staff time. Screen potential vendor properties by gathering general information from landowner and conducting a field reconnaissance prior to investing substantial staff time, considering current health and productivity of the land and resources, the terms and conditions set by the landowner, and the advantages and disadvantages relative to Grassbank operations. Favor larger parcels, with supporting landowner, currently ungrazed, with a high functioning ecological site, and with adequate infrastructure (loading/off-loading, corrals, water, etc.).
9. Manage for conservation. Following survey and inventory of promising vendor properties to identify resource concerns and management considerations, craft a Conservation Plan, including alternative development, for the landowner's review and approval.
10. Grassbank staff assists in identifying and coordinating cost-share opportunities for landowners and producers interested in taking conservation action.
11. Set priorities to favor conservation.
12. Ensure landowner commitment and investment.
13. Develop a business plan to guide the business operations, discussing management, objectives, advisory groups, participant selection and criteria, rental rates, economic sustainability, and incentives for participation.
14. Develop a monitoring plan by working with NRCS and OSU Extension to evaluate program delivery, effectiveness at achieving conservation objectives, and long term viability.
15. Sublease/Rent alternate forage sites for less than FMV (Fair Market Value) if agreeable to landowner to incentivize conservation; otherwise sublease/rent alternate forage sites at FMV to incentivize landowner participation in the Grassbank.
16. Assess landowners a fair grazing sublease management fee using a sliding scale correlated with level of management responsibility assumed by Grassbank staff.
17. Manage the Grassbank so that it's fully coordinated and integrated with other SWCD, NRCS, and other partner projects and programs

18. Manage livestock to prevent the potential spread of invasive plants and communicable livestock diseases.

3.4 Operating Plan Details

A. Legal Authority.

As a project of the Burnt River SWCD, the Grassbank gets its authority to operate from and through the SWCD. At a minimum, Grassbank operations include personnel management, procurements (equipment and supplies), land leasing (grass and range lands), and subleasing (livestock grazing on leased lands). These are all authorities held by the SWCD's, operating as "Special Districts" of the State of Oregon under 2009 ORS (Oregon Revised Statute) §568.550.

More specifically, under this statute, SWCD Boards of Directors have clear authority to plan and implement an extensive range of conservation-based projects, including: "To carry out preventive and control measures on lands within the district..." [2009 ORS §568.550(1)(c)] and "...Carrying on within the district soil erosion control and prevention operations, water quality improvement, watershed enhancement and improvement, fish and wildlife habitat management activities and other natural resource management activities;..." [2009 ORS §568.550(1) (d) (A)]

Further, also under the authority of ORS §568.550, SWCD's may: "...acquire by lease...any property, real or personal or rights or interest therein, to maintain, administer and improve any properties acquired, to receive income from such properties and to expend such income in carrying out the purposes and provisions...and to sell, lease or otherwise dispose of any of its property or interests..." [2009 ORS §568.550(1) (e)]

However, *the Burnt River District does not have statutory authority to conduct Grassbank operations on lands outside the District within other SWCD's.* Although not a significant issue if the involved District wants to support and utilize the Grassbank, an IGA (Intergovernmental Agreement) between that District and the Burnt River District is required (IGA template, Appendix 1) to allow Burnt River to conduct conservation activities on other SWCD lands.

Note: This guidance is State of Oregon specific. Statutes may vary in other states.

- B. Information, Education, and Outreach. Grassbanking is a relatively new concept, not well-understood by the rank and file landowner or livestock producer. Accordingly,

information and education were critical components in the design, development and implementation of a Grassbank operation.

In the earliest phases, information was distributed to create awareness and interest among landowners and producers, and to facilitate staff getting leads on potential vendors and consumers. It was the District's goal that within a year, the majority of Baker County landowners and livestock producers become familiar, supportive, and interested in being either a vendor/supplier of alternate grazing sites, a consumer/user of an alternate grazing site to advance the conservation of natural resources, or at a minimum, supportive and an advocate for the Grassbank, referring potential suppliers and consumers to staff. The early steps included:

1. Multiple Steering Committee meetings to craft Grassbank purposes, objectives, and operating principles and details.
2. Regular monthly briefings and discussions with SWCD Directors (at each of the 4 Baker County Districts) on the Project's progress and developing design and management issues.
3. Information and educational briefings and discussions with key elected officials, organizations with memberships consisting of potentially interested stakeholders, County residents, and landowners, and agency leaders that could have interest and a role:
 - a. Elected officials--Baker County Commissioners
 - b. Baker County Livestock Association
 - c. Baker County Watershed Council
 - d. Baker County Woodlands Association
 - e. U.S. Forest Service, Whitman Ranger District, Wallowa Whitman National Forest
 - f. BLM, Baker Resource Area
4. Media releases to Baker City Herald, The Record Courier, and the Hells Canyon Journal
5. Mailings (1800) to all farm and ranch landowners in Baker County, and
6. Personal one-on-one discussions with landowners expressing interest

However, several months into the project, all indications were that familiarity and interest remained light among landowners and livestock producers! Was it a lack of support for the Grassbank, or a lack of knowledge about the Grassbank? Casual inquiries with landowners and producers suggested that it was a lack of knowledge.

As a result, about half way into the second year, a renewed and increased emphasis was placed on dissemination of information and education about the Grassbank, hoping to more effectively outreach to landowners and producers. Otherwise, it was feared that a continued light interest and support could seriously limit, or at worst, preclude Grassbank potential and function. A supply of manageable grassland “in the bank” is obviously a prerequisite to the Grassbank being operational.

But, the logical question was, “what changes in communication might make for more familiarity and interest among landowners and producers?” Is it simply a function of time and frequency such that landowners and producers hear about it often enough that they understand the benefits and opportunities? Or is it different information and communication methods that will make a difference?

Actually, both were assumed. It takes time for a new concept, even a good concept to become known and appreciated. It also takes good communication tactics. In addition to “running the trap-line”, which needs to continue to keep information flowing, we determined a greater need for more “public discussions”. Staff observed that it often takes multiple conversations, or at least an extended conversation, to get the grassbanking concept across to someone. It has a number of complexities to be explained before it can typically be understood.

So, in addition to repeating many of the earlier steps, more emphasis was placed on active dialogue. Staff arranged for more opportunities to engage landowners and producers in discussions. Staff sought speaking opportunities with a broader range of interests, including Rotary, Kiwanis, Chamber of Commerce, and Lions. Media releases were used whenever possible to keep the Grassbank visible.

C. Site Selection—Selecting Grassbank Vendors (Grassland and Rangeland Suppliers)

1. Land Ownership. The Baker County Grassbank will *not own* grass or range land. Grasslands or rangelands in reserve as alternate sources of forage in the Grassbank will be: 1) leased private lands, or 2) public lands made available by formal agreement with the public land management agency—State of Oregon (ODFW, ODF) or federal (BLM, USFS, USFWS).

In the beginning stages of the Grassbank, the most suitable property was a large (several thousand acres), ungrazed, private or public, characterized by high functioning ecological sites, with adequate livestock handling facilities (off-loading/loading, corrals) and infrastructure (functional fences and stock watering facilities) in place, and where the landowner is fully committed to conservation. As soon as a Conservation Plan and

livestock management plan can be crafted and approved by the landowner, and a lease with the landowner executed, the property is ready to serve as an alternate grazing site.

If such “ready-to-go” properties do not become available, the preference, of necessity, shifts to properties requiring the least preparation for use as an alternate grazing site.

However, as the Grassbank gets more established with a stable inventory of alternative sources of forage, emphasis and priorities is expected to expand to properties that can be improved and then used with the Grassbank. This will help solidify the Grassbank’s purpose to facilitate the active conservation of land and natural resources.

2. Location. Although the focus is Baker County, there are no restrictions on enrolling lands outside of Baker County. The management implication is whether the location of the alternate grasslands makes it easier or harder for the livestock operator. Some producers routinely truck their stock, and therefore are not as concerned (within reason) about where an alternative grazing site might be. Others prefer not to truck their cattle.

Generally, the closer the alternate grazing sites are to where the conservation practices are being used that displace livestock, the better. *A Grassbank objective is to have alternate grazing sites in each of the major geographic regions of the County--Upper Burnt River, Lower Burnt River, Baker Valley, Keating Valley, Richland Valley, and Pine Valley.* This would put the alternate grazing sites closest to the need.

3. Parcel Size. All-sized properties are solicited. Larger grassland units typically offer more capacity, management opportunity, and flexibility for a Grassbank operation. However, in some situations, a smaller irrigated pasture would serve as well, or perhaps better as an alternate grazing site, depending largely on its location. Also, a number of smaller and relatively adjacent properties could, in some cases, be integrated into a single conservation management plan and coordinated to serve as alternate grazing sites. Manageability will always be a key factor in a properties suitability for use in the Grassbank.

D. Conservation Planning.

Prerequisites to enrolling a grassland property in the Grassbank are: 1) passing a screen for general suitability and 2) completing a *Conservation Plan* that identifies conservation and livestock management practices. The typical steps are:

1. Get a general understanding on the status and potential for the ranch unit—its current carrying capacity, condition and trend, etc. by asking the landowner a series of questions:

- a. How many acres? Location? Elevation? Seasons-of-Use? Etc.
 - b. Is it being grazed by livestock? Your own stock? Leased stock? What class of livestock? How many head? Season of use? Length of graze? No. of AUM's. Lease rate? Etc.
 - c. What is the existing infrastructure: pastures, stock watering, loading/unloading facilities, corrals, etc?
 - d. What condition are the soils and plant communities?
 - e. What terms and conditions are you requiring of the Grassbank and livestock operators?
2. If, based on the general information, the ranch unit seems to have potential, and the landowner continues to be interested once he/she understands how the Grassbank is expected to operate, arrange with the landowner for staff visits to the property for field reconnaissance (basic survey and inventory) to verify suitability and begin the Conservation Planning process.
 3. Discuss the findings of the field reconnaissance with the landowner, providing the landowner with a general sense of condition and trend and suitability and highlighting resource or management concerns that might play into the operation and ultimate leasing to the Grassbank.
 4. If landowner remains interested, arrange for the rest of the survey, inventory and planning (including alternative development) to complete the Conservation Management Plan. This Plan, once approved by the landowner, will serve as the operating framework, setting the stage for Grassbank management.
 5. ***If NO improvements are indicated or needed for the ranch unit prior to its use as an alternate source of grazing via the Grassbank, and the landowner remains interested in partnering with the SWCD, execute a 5-year lease, incorporating the applicable terms and conditions for subleasing and managing livestock grazing in accordance with the Conservation Plan.***
 6. If, alternatively, improvements are indicated or needed for the ranch unit prior to its use as an alternate source of grazing in the Grassbank, and the landowners remains interested in partnering with the SWCD, explore and coordinate the possibilities for cost-share programs to assist the landowner . Once the improvements are made, consult with the landowner again to determine whether he/she wants to lease the ranch unit to the SWCD to be part of the Grassbank reserve inventory.

E. Grassbank Vendor Leases

When a Conservation Plan has been approved by the landowner and the landowner remains interested in partnering with the SWCD by enrolling his/her ranch unit in the Grassbank, the landowner will be asked to execute a 5-year lease with the Burnt River SWCD to formalize the relationship. The lease (template, Appendix 2) will be customized to fit the terms and conditions of the landowner and the Conservation Plan and serve as the framework and “contract” for subleasing and managing livestock grazing through the Grassbank.

F. Grassbank Operating Equipment and Supplies

During Grassbank development, it became evident that some potential and desirable vendor properties do not have adequate unloading, loading, and holding facilities for handling livestock in connection with trucking situations and Grassbank operations.

Initially, consideration was given to the Grassbank acquiring a portable unloading/loading unit and a collection of panels to create a 50 or 100 head temporary holding pasture. This would facilitate flexibility in operations such as drylotting for invasive plant control and gathering or mothering livestock in addition to unloading and loading.

However, as details were evaluated, BR-SWCD directors questioned the need to invest in these portable facilities. They indicated that most livestock operators have such facilities or at least have access to them. At this point in the development and launch, no handling facilities will be acquired. If the need becomes evident later, the decision may be revisited.

G. Selecting Grassbank Consumers (Users)

There may be times when the demand for an alternate source of forage is greater than the availability in the Grassbank. During these times, staff will need to evaluate the demand to determine which livestock operator will be allocated the alternate forage. The evaluation will consider a variety of factors including numbers of livestock, seasons of use, etc, but ***the final decision will be based on which operation provides the stronger conservation benefit.***

H. Livestock Management

I. Class of Livestock. Although cow/calf operations are more common in Baker County, there are also yearling and sheep operations; and therefore, the Grassbank may be asked

to support a variety of livestock classes. The ultimate decision on which properties, if any, are available as alternate grazing sites to a particular class of livestock is dependent on the specific property's Conservation Plan. The Plan defines the management for the property and its resources, including classes of livestock.

The rationale for this is that different classes of livestock have different grazing preferences. Yearlings, for example, will more evenly disperse in steeper country than older cows. To the same end, different species will also have different preferences. In general, sheep and goats will graze slopes more readily than cattle. In fact, goats may even prefer hilly ground. Again, the Conservation Plan for the ranch unit will determine the suitability for various classes of livestock.

2. Stocking Rates. Stocking rate is one of the most critical decisions in managing grazing land and resources. The stocking rate for a property is again a function of the specific Conservation Plan.

3. Seasons of Use. The grazing season is dependent on elevation, plant communities, water availability, etc. The Conservation Plan for the property defines the appropriate season of use. The Grassbank grazing sublease will require management in alignment with this Plan.

4. Grazing Effects. The effects of grazing when subleased through the Grassbank must be managed. Grazing can significantly alter the height and cover of vegetation in the pasture, and over time, the composition of plant communities. In severe instances, grazing can remove almost all vegetative cover and expose the land to increased risk of soil erosion. Grazing also can affect wildlife cover and habitat within a pasture, either positively or negatively. On the other hand, the effects of light or moderate grazing can increase the value of the land.

Grazing effects on lands subleased for livestock grazing through the Grassbank will be controlled to meet the levels of utilization and effects set in the Conservation Plan for the Property. The grazing sublease will include the necessary terms and conditions. Staff will regularly monitor and manage livestock use to ensure compliance with the terms and conditions of the grazing sublease and the Conservation Plan.

5. Invasive plant control. Livestock can be agents of invasive plant spread. If livestock are consuming invasive plants and their seed heads immediately prior to moving to an alternate grazing site, they can scatter viable seeds through their feces. To avoid or substantially limit the potential spread of invasive plants, Grassbank subleased livestock will be put in "dry-lot" for a minimum of two days to purge their digestive system.

6. Grazing Distribution. A lessee will be required through the sublease to keep livestock distributed in accordance with the Conservation Plan.

7. Animal Husbandry. A lessee will be required through the sublease to manage livestock within the following terms:

- a.
- b.
- Etc.

I. Financial Operations. A variety of financial components are involved in launching and operating the Grassbank.

1. Operating Expenses

- Grassbank Manager
- Vehicle Expenses
- Office Expenses

2. Landowner Lease Payments

3. Livestock Producer Sublease Payments

4. Grassbank Administrative Cost Financing

- ODA
- Grants
- SWCD's
- Grassbank Vendors
- Grassbank Consumers

Baker County Grassbank

Burnt River Soil and Water Conservation District

Business Plan

February, 2012

3990 Midway Drive
Baker City, OR 97814
541-523-7121, x110
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Executive Summary

Baker County Grassbank Description & Vision V1.2

Mission Statement: Encourage partnership among private and public landowners, for the enhanced conservation of grasslands, watersheds, and ecological processes in and around Baker County, by providing a forage reserve that affords landowners and livestock producers operational flexibility and bolsters local economic opportunity by trading forage for conservation action.

Vision: The Baker County Grassbank provides substantial advantage and benefit to grassland owners and livestock producers. It creates flexibility and potential to adjust operations to employ larger-scale conservation to improve plant community health and land productivity. The Grassbank makes alternate forage available as a contingency for unplanned events like wildfire and planned activities like pasture rest and rotation, juniper control, or noxious weed control. The Grassbank incentivizes and facilitates conservation. It has this potential because it functions as a cooperative between the landowners, livestock producers, public agencies, and other stakeholder interests.

Grassbank Goals and Objectives:

Goals:

1. The Grassbank functions as a partnership among landowners and producers, encouraging them to recognize that when they cooperate and work together, they can leverage their individual assets and liabilities to benefit each other.
2. The Grassbank makes it easier for landowners and livestock producers to use conservation practices.
3. The Grassbank encourages improvement in: 1) the ecological health of Baker County's land and resources, and 2) the economic health of the local communities.
4. Grassbank ultimately includes private and public lands in reserve to benefit both landowners and producers and expand active conservation of both the private and public lands and natural resources.
5. The Grassbank creates interest and incentive for rangeland and watershed restoration.
6. The Grassbank encourages landowners to use their grasslands for grazing.
7. The Grassbank shows that landowners, ranchers, conservationists, and agency personnel can work together for the good of the land and the people who depend on it.

Objectives:

In the first operating season (2011), the objectives for the Grassbank are to have:

1. Don't reinvent the wheel. Draw experience from past and current operating grassbanks. Use available resources (published management plans, business plans, news features, etc) via internet and direct contact with grassbank managers and operators whenever possible.
2. Get the word out. Prepare and execute an aggressive Outreach and Education Plan within the first 6-months of operation. Ensure the majority of Baker County landowners and livestock producers have the potential to understand:
 - a. Grassbank objectives, purposes, benefits and potential operating details,
 - b. The advantages to be gained for landowners and livestock producers to partner-up to leverage their individual assets and manage their liabilities for mutual benefit, and
 - c. The opportunity for landowners and producers to participate as a grassland vendor/supplier in the Grassbank, or as a Grassbank customer/user, or both.
3. Offer "one-stop-shopping" to landowners and producers, assisting in conservation planning and cost-share planning and acquisition.
4. Be operational as soon as possible to have potential to support livestock displaced by unplanned events like wildfire.
5. Annually set aside at least 10% (??) of the Grassbank's reserve grazing capacity as alternate sources of forage in connection with unplanned events like a wildfire.
6. Re-visit the landowners that showed interest prior to the securing of the grant, i.e. Idaho Power Company, others?.....to encourage and secure continued interest and partnership with the Grassbank.
7. Conduct broad-based outreach to solicit multiple grassland parcels (multiple owners), private or public, any size, suitable for livestock grazing, manageable, etc. Seek a diverse inventory of alternate forage sites representing various:
 - a. Plant communities
 - b. Elevations
 - c. Seasons of Use
 - d. Pasture configurations and capacities
 - e. Locations (in each: Upper Burnt, Lower Burnt, Baker, Keating, Richland, and Pine Valleys).
 - f. Etc.
8. Manage staff time. Screen potential vendor properties by gathering general information from landowner and conducting a field reconnaissance prior to investing substantial staff time, considering current health and productivity of the land and resources, the terms and conditions set by the landowner, and the advantages and disadvantages relative to Grassbank operations. Favor larger parcels, with supporting landowner, currently ungrazed, with a high functioning ecological site, and with adequate infrastructure (loading/off-loading, corrals, water, etc.).

9. Manage for conservation. Following survey and inventory of promising vendor properties to identify resource concerns and management considerations, craft a Conservation Plan, including alternative development, for the landowner's review and approval.
10. Grassbank staff assists in identifying and coordinating cost-share opportunities for landowners and producers interested in taking conservation action.
11. Set priorities to favor conservation.
12. Ensure landowner commitment and investment.
13. Develop a business plan to guide the business operations, discussing management, objectives, advisory groups, participant selection and criteria, rental rates, economic sustainability, and incentives for participation.
14. Develop a monitoring plan by working with NRCS and OSU Extension to evaluate program delivery, effectiveness at achieving conservation objectives, and long term viability.
15. Sublease/Rent alternate forage sites for less than FMV (Fair Market Value) if agreeable to landowner to incentivize conservation; otherwise sublease/rent alternate forage sites at FMV to incentivize landowner participation in the Grassbank.
16. Assess landowners a fair grazing sublease management fee using a sliding scale correlated with level of management responsibility assumed by Grassbank staff.
17. Manage the Grassbank so that it's fully coordinated and integrated with other SWCD, NRCS, and other partner projects and programs
18. Manage livestock to prevent the potential spread of invasive plants and communicable livestock diseases.

Quantified objectives include:

1. 30-40,000 acres enrolled for Grassbank use and resource improvement
2. 5,000-6,0000 AUM's of forage in reserve for general conservation
3. 1,000 AUM's of forage in reserve as a contingency for herd displacement as a result of wildfire.

Brief History of the Baker County Grassbank

The grassbank concept, i.e. grass in exchange for conservation, has been an operational initiative in the United States for several years now. The term itself was coined and trademarked by the Malpai Borderlands Group in 1994 as a part of their collaborative endeavor in SE Arizona and SW New Mexico (For more information go to malpaiborderlandsgroup.org). Others, particularly The Nature Conservancy and the BLM, have used the principles of a grassland reserves to address land and resource issues and to effect landscape-scale conservation.

The Baker County Grassbank concept and project materialized from many and varied discussions among Soil and Water Conservation District directors and staff and local NRCS

staff. The Grassbank idea then took an emphatic step forward when the Burnt River SWCD was awarded a Conservation Innovation Grant in 2009 to design, implement, and document for replication a working model.

Baker County Grassbank Contacts

Legal Responsibility:

Burnt River Soil and Water Conservation District
Chairman: Kent Nelson, 541-524-4424, knelson@bmi.net

Grassbank Manager:

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General Support:

Baker County Association of Conservation Districts
Whitney Collins, District Manager
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Definition of the Market

Baker County Livestock Industry¹

Livestock production has customarily been and continues to be a significant contributor to the economic stability of Baker County. With over \$40 million in annual sales, livestock production totals 63% of all agricultural sales in Baker County.

Livestock producers who graze on public land have been issued grazing permits based on ownership of private land. The ownership of private land involved in livestock production that is adjacent to public land gave that producer the right to obtain a grazing permit on those public lands. This right was defined in the Taylor Grazing Act of 1934. In Baker County, many livestock producers rely on these grazing permits through the U.S. Forest Service. In 2009, the Whitman Ranger District of the Wallowa Whitman National Forest has 51 designated cattle allotments that total 749,946 acres. The carrying capacity of these allotments equals 31,810 AUMs (Animal Unit Months). The seasons of use vary on these allotments, but most extend from June 1-September 30, although some begin as early as April 15 and some end as late as October 31. The Baker District of the Bureau of Land Management had 281 allotments that total 368,689 public acres, which are tied to 312,969 private acres. The carrying capacity of these allotments equals 44,402 AUMs. The seasons of use vary by permit, but some begin as early as April 1 and some end as late as December 1. The preservation of these permits will continue to be an important factor in sustainable livestock production in Baker County.

¹An excerpt from Baker County's Natural Resource Plan, Draft, 2010

Critical Needs of the Market

While a strong percentage of lands in Baker County are well managed with effective conservation practices being the norm, another strong percentage of lands are in need of improvement. As noted in an earlier section, the most significant factor affecting the potential for this improvement and the conservation of lands and resources is the lack of alternate sources of forage for use when livestock herds are displaced either by unplanned events like wildfire, or by planned events like juniper control or noxious weed control.

Fortunately, this lack of alternate forage is less likely a matter of limited grassland and more a matter of limited availability. The SWCD's believe there are substantial grassland acreages in Baker County that are not currently committed to livestock grazing. Creating incentive for these grassland owners to engage and cooperate with Grassbank staff and livestock producers is a key to developing alternate sources of forage. Working together, grassland capacities and management strategies to achieve landowner objectives will be developed.

Target Market

The target market for the Grassbank is a combination of grassland owners and livestock producers. For the Grassbank operation, grassland owners are the “suppliers”; livestock producers are the “consumers”.

Currently ungrazed grasslands throughout the County offer the most immediate opportunity, especially if they are in good condition and “ready to graze”. Ungrazed land needing improvement and grazing lands currently under lease for livestock grazing offer potential future Grassbank opportunities.

Ideally, alternate sources of forage through the Grassbank will be available in each of the “regional” areas of the County: Upper Burnt River, Lower Burnt River, Baker Valley, Keating Valley, Eagle Valley, and Pine Valley. Generally, producers have indicated they are more likely use the Grassbank when the alternate sources are more localized.

Another targeting criterion will be the location of a specific need for alternate forage sources. An NRCS cost-share program or a wildfire may create a demand for alternate forage sources within a particular region. These specific needs will, in turn, set the priority for finding and managing grassbank “supply”.

Description of Products and Services

The services available through the Grassbank are conservation planning, landowner and livestock producer coordination, cost-share planning, grazing and lease management, and assistance with conservation implementation.

The Grassbank products are leasable grasslands; AUM’s in exchange for conservation benefit in connection with unplanned events like wildfires and planned conservation that displaces livestock; and cost-share opportunities for implementing conservation practices.

The Grassbank services are available as follows and for the fees indicated:

Conservation Planning: available “on-demand” to all landowners, at no cost to the landowner. Staff will meet with the landowner to discuss his/her objectives, evaluate resource concerns and identify appropriate conservation practices, assess potential role and benefits of the Grassbank, and arrange for further coordination with other staff and resource specialists as indicated by the situation.

Conservation Practice Consultation: This service is similar to the conservation planning. Staff provides a landowner or a producer with information on the types of practices that

are available and suitable to achieve particular and specific land and landowner management objectives. This service is at no cost to the landowner or the producer.

Landowner and Livestock Producer Coordination: The Grassbank will provide substantial advantage for coordination between grassland owners and producers. Staff will routinely have contact with both and will be knowledgeable of supply and demand. This coordination is at no cost to the landowner or the producer.

Grazing Lease Management: This service is a primary opportunity for grassland owners, and is potentially the greatest incentive for the grassland owner to enroll in the Grassbank. As noted earlier, substantial grassland acreages in Baker County are currently not grazed by livestock. In many cases, the reason these grasslands are not being grazed is the landowner's negative history with grazing leases or a general hesitancy to get involved with leasing. In other cases, the landowner has leased his grassland, and is comfortable managing the lease, but may want to phase out of the active grazing operations.

The Grassbank offers the landowner options for these and other situations. A landowner can enroll his/her grassland in the Grassbank and in exchange for a "service fee" commensurate with the level of service provided by the Grassbank, turn grazing management over to the Grassbank. The fee for this service varies with the responsibility assumed by the Grassbank. The fee is estimated at \$1-3 per AUM commensurate with the responsibility assumed.

Conservation Practice Implementation: One of the "products" of the Grassbank is cost-share financial resources to reduce out-of-pocket costs for the landowners and livestock producers. This cost-share assistance will often come from a grant or cost-share program offered by the NRCS or the FSA. Grassbank staff will often be substantially involved in the administration and implementation of these grants and cost-share programs. This service is at no cost to the landowner or producer as the financial support comes from the indirect assessments in the grants themselves.

The Grassbank products are as follows and at the costs indicated:

Leasable Grasslands: The Grassbank will have leasable grasslands available in exchange for using and initiating tangible conservation practices. The lease rates will be determined as part of the conservation and management planning that will be completed for each grassland parcel enrolled. The specific rate will be negotiated with the landowner, but is expected to be near FMV (Fair Market Value). Although this lease rate could represent a substantial new out-of-pocket expense for the producer, the NRCS

offers a potential cost-share for prescribed grazing or livestock access control. This cost-share could reduce the out-of-pocket for a new grazing lease during the implementation phase of conservation practice.

AUM Reservations: This product provides a livestock producer assurance of alternate forage in the event of an unplanned event such as a wildfire. A livestock producer that wants this protection will pay a reservation fee or premium. Grassbank staff will coordinate and reserve grasslands capable of meeting the reservation. In the event the producer needs the alternate forage, he will pay the grazing lease rate set for the specific grassland used. The reservation fee or premium will be a sunk cost.

Cost-Share Opportunities: One of the goals of the Grassbank is to incentivize conservation. One of the better incentives for a livestock producer once provisions are made for alternate sources of forage is cost-sharing. Although some out-of-pocket is manageable, too much is a disincentive. A livestock producer will have to cover the cost of alternate forage, usually near FMV. Covering a substantial out-of-pocket for the conservation practice as well creates another disincentive. Consequently, the Grassbank will gather a variety of financial resources to facilitate the covering of much of the out-of-pocket expense of the conservation practices themselves.

This service of finding cost-share financing will be provided to the landowner and producers for a 5% “financing finder’s fee”.

Organization & Management

The Grassbank is under the leadership of the Burnt River SWCD Board, which has both fiscal and administrative responsibility for the project, and is being operated under the authority of the Baker County Association of Soil and Water Conservation Districts, a 501(c)(3) Non-Profit Corporation. The Association had an existing staff of 5 to provide support, and was authorized by the Burnt River Board to add a full time Grassbank Manager position (for at least the 3-year duration of the CIG). In addition, the Burnt River Board established a Grassbank Steering Committee consisting of representatives from each stakeholder group and two livestock producers from each of the other Baker County SWCD’s. A description of the roles of the various organizations and positions are as follows:

Baker County Association of Conservation Districts: The 501(c)(3) authority under which the Grassbank operates.

Burnt River Soil and Water Conservation District: The Soil and Water Conservation District to which the Conservation Innovation Grant was awarded, and which has the fiscal and administrative responsibility for the Grant.

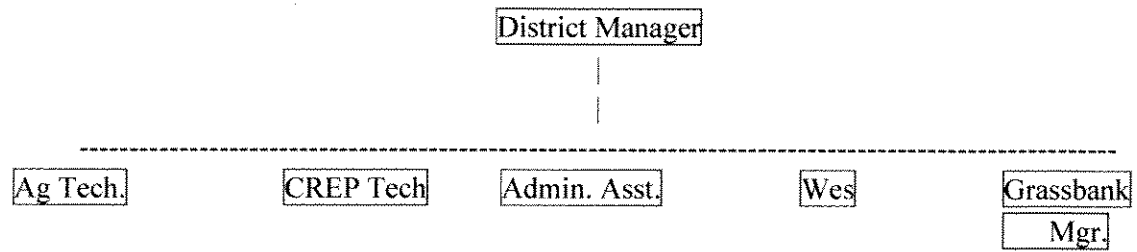
Baker County Association of Conservation Districts Staff: The paid support staff working in behalf of the Burnt River SWCD.

Grassbank Manager: Is responsible to the Burnt River SWCD with lead responsibility for the development, implementation, operation, and monitoring of the grassbank. Also, the Manager is the lead responsibility for the day-to-day administration of the grant and its associated reporting.

Steering Committee: Acts as an advisory committee to the Grassbank Manager and the Burnt River SWCD.

Grassbank Provider: The landowner that enrolls grassland in the grassbank for rent and use in exchange for conservation.

Grassbank Consumer: The livestock producer



Marketing and Sales Strategy

The market for the Baker County Grassbank is primarily Baker County, but with no hard boundaries.

Financial Management

Technical Notes

U.S. Department of Agriculture Portland, Oregon Natural Resource Conservation Service

Range Technical Note No. _____

September, 2013

Sustainable Grassbanking on Private Lands

Frequently, a significant limiting factor to using proven conservation practices to control invasive plants such as whitetop, medusahead rye, and others and manage livestock grazing to improve the health and productivity of plant communities is the shortage or lack of alternate sources of forage to support the displaced livestock during the 2-3 year restoration time period in which the land and plant communities need to be rested from livestock grazing to optimize plant establishment.

A grassbank, which is a physical collection of grass and rangelands in reserve and available in exchange for conservation benefit, is a promising solution for landowners and producers that are ready to tackle these and similar resource concerns but would otherwise have major difficulty resolving livestock management issues during treatment.

Grassbanking in this form, i.e. forage in exchange for conservation benefit, was first practiced during the early 1990's in SE Arizona and SW New Mexico by the Malpai Borderlands Group, and later by non-profit organizations, particularly The Nature Conservancy, in Iowa, Wyoming, Montana, California, and elsewhere using public and non-profit organization lands as the reserve lands leveraging conservation action on private lands.

The Burnt River Soil and Water Conservation District, in Baker County, Oregon, became concerned about the growing resource issues in the District and the hardships they pose on landowners and producers. As a result, the District decided to explore the use of grassbanking with private lands. The District was aware that Baker County had at least some private lands that were not being grazed by livestock and that if these lands could be managed as part of a grassbank, they could make it easier to expand conservation and resolve resource issues.

To that end, the District applied for and acquired a USDA-Conservation Innovation Grant to provide the financial resources to develop and implement a Baker County Grassbank supported by private lands. This Technical Note is a report on the District's experiences and provides a summary of the project's design features, operating principles, and findings following implementation. It also provides tips on design and implementation for consideration in another location.

Baker County Grassbank Mission, Goals, and Objectives

Baker County Grassbank Design

Baker County Grassbank Operating Principles

Baker County Grassbank Financial Plan

Baker County Grassbank Management Conclusions and Implications

Management Tips