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June 6, 2017

### DECISION MEMORANDUM

**TO:** Council Members

**FROM:** Lynn Palensky and Mark Fritsch

**SUBJECT:** Council Decision on Fish and Wildlife Umbrella Projects Review

**PROPOSED ACTION:** The Fish and Wildlife Committee recommends that the Council approve continued implementation of the umbrella projects conditioned on the programmatic and project-specific qualifications as presented by staff.

**SIGNIFICANCE:** Six umbrella projects were included in the 2013 Geographic Category review with the other habitat projects. The Council's final August 2013 recommendations for umbrella projects stated:

*Umbrella projects will be implemented through FY2016. Funding recommendation beyond 2016 would be based on outcome of and participation in a Council-facilitated performance/effectiveness review every two-four years using the tailored questions from the proposal form for umbrella projects. The review also will likely include a workshop with presentations for sponsors and partners. The first review will take place early-mid 2016”.*

This umbrella project review is a follow-on review called for and tiered off of the 2013 Geographic Review. The follow-up performance review was completed in March 2017, and updated programmatic and project-specific recommendations are here within.

## BUDGETARY/ECONOMIC IMPACTS:

The Fiscal Year 2017 working budgets for these six umbrella projects total nearly \$16 million in expense funding.

Project number	Project Name	Working Budget for FY 2017
1992-026-01	Grande Ronde Model Watershed (GRMW)	\$3,943,104
2010-077-00	Tucannon River Programmatic Habitat	\$1,369,195
2010-001-00	Upper Columbia Programmatic Habitat	\$5,344,775
2003-011-00	Columbia River Estuary Habitat Restoration	\$1,993,807
2009-012-00	Willamette Bi-Op Habitat Restoration	\$800,000
2007-397-00	John Day Habitat Flow and Habitat Enhancement	\$2,499,943
		<b>\$15,950,824</b>

## BACKGROUND – 2013 recommendations and process steps for 2017 performance review

The Geographic Category review [decision](#) on November 5, 2013 provided recommendations for 83 habitat projects. Most of the projects received an implementation timeframe of FY 2014 through FY 2018. Of those 83 projects, six were considered “umbrella projects” and were discussed in Programmatic Issue B - *Evaluate and Improve Umbrella Projects*.

Umbrella projects are a smaller subset of the habitat projects currently being implemented through the Program. These umbrella projects are unique, because of the coordination role they play in a particular sub-region, and also because of their approach to their implementation in offering a solicitation and review process that can fund local entities to implement habitat projects. The funding, review and selection process is much like a mini-grant program for the area. The science review that would normally occur through an Independent Science Review Panel (ISRP) review occurs at the local level with ISRP-reviewed criteria and local technical teams. While the processes differ slightly in each area the umbrella projects under this recommendation are largely defined by their approach to: 1) serve as a coordinating entity among sponsors in a particular sub-region to identify, review, and select projects; 2) use a formal project solicitation process; and 3) allocate and administer Bonneville funds to other entities for implementation.

The umbrella projects were created at different times, for different purposes, and have evolved over time, so it is important to continue assessing the value-added by this approach. Since the sponsoring organizations are entrusted to administer a process involving rate-payer dollars, reducing conflicts of interest, or the appearance of a conflict, and increasing transparency and accessibility to a broad-array of entities becomes important at all levels. As stated by the ISRP: *opportunity afforded by this*

*approach to consolidate habitat restoration actions under an overarching project offers administrative efficiency and a landscape-based strategy that could benefit the region. The Council therefore called for in-depth follow-up reviews to ensure that this approach is still transparent, efficient and adding value to the Program. This umbrella project review is a follow-on review called for and tiered off of the 2013 Geographic Review.*

**Council Programmatic Recommendations** from Geographic Category review decision on November 5, 2013:

*To achieve the above expectations about administrative streamlining, project selection efficiency, action effectiveness and transparency, the Council, working with Bonneville, developed the following list of principles that should be applied by Bonneville to the umbrella contracts' management and in sponsors' implementation. The umbrella projects under this recommendation are largely defined by their approach to: 1) serve as a coordinating entity among sponsors in a particular sub-region to identify, review, and select projects; 2) use a formal project solicitation process; and 3) allocate and administer Bonneville funds to other entities for implementation.*

*1. Umbrella project sponsors will develop and use an implementation strategy to identify, prioritize and select restoration projects based on limiting factors and biological benefits as described in the program and the Willamette and FCRPS Biological Opinions. This strategy should be: science-based, inclusive, impartial, and transparent. Selection, ranking and scoring criteria should be reviewed by the ISRP.*

*2. To avoid any conflict of interest or the appearance thereof, umbrella project sponsors should not implement habitat actions under a solicitation program that they administer. If the administering entity does engage in habitat implementation, that work should be implemented under a separate contract and the proposed work may be subject to review under the Council's scientific review process.*

*3. The implementation strategy should integrate the best available science and on-the-ground circumstances/conditions. In addition, when feasible, the sponsor will incorporate project cost and readiness into the implementation strategy.*

*4. The biological benefits of proposed habitat actions should be reviewed by technical experts.*

*5. If Bonneville funds for technical assistance (e.g., engineering and preliminary design) are available through the umbrella organization, those funds will be equally available to all partners developing and implementing projects.*

*6. On an informational basis, umbrella project sponsors will inform the Council at the end of each calendar year regarding, umbrella sponsor's administrative costs and provide a summary of projects implemented under the umbrella solicitations.*

*7. Umbrella projects will be implemented through FY2016. Funding recommendation beyond 2016 would be based on outcome of and participation in a Council-facilitated performance/effectiveness review every two-four years using the tailored questions from the proposal form for umbrella projects. The review also will likely include a workshop with presentations for sponsors and partners. The first review will take place early-mid 2016.*

Since the 2013 Council recommendation, the sponsors have met the requirements for annual summaries each year (#6 above) and just completed the performance review called for in #7 above (this review). This [review process](#) began in November 2016. The full schedule is as follows:

- Project summaries due from sponsors: February 1, 2017
- Project presentations: February 16, 2017
- [ISRP document 2017-2](#): March 9, 2017
- ISRP presentation to council: March 15, 2017
- Public comment period on ISRP report closes: April 10, 2017
- Staff recommendations to Council: May 16, 2017
- Council recommendations: June 13, 2017

Public Comment: One comment was received from the Upper Columbia Salmon Recovery Board On April 7, 2017. The comment responded to the ISRP's comments on the *Upper Columbia Programmatic Habitat* (Project # 2010-001-00).

## **ANALYSIS:**

This [Analysis](#) section includes discussion of programmatic and project-specific issues and how staff arrive at conclusions for each issue. The actual recommendations themselves are listed in the [Staff Recommendations](#) section beginning on page nine.

On March 9, 2017 the ISRP provided their review (ISRP document 2017-2). The ISRP found all six umbrella projects "meet scientific review criteria (qualified)". The ISRP also provided programmatic comments that apply to all projects. Immediately below is a list of programmatic topic areas, many of which are identified in the ISRP's report, and how the staff recommends addressing each. This is followed by a discussion of project-specific issues and how staff arrived at recommendations for each.

### **Programmatic topic areas that follow:**

1. Partnerships, outreach and public engagement
2. Process for solicitation and project selection (general) and areas of potential conflicts of interest
3. Technical/support services & geodatabase information, storage and sharing
4. Need for a comprehensive landscape approach to habitat restoration and proposal for a workshop and pilot project
5. Need for quantifiable objectives
6. Action effectiveness monitoring and adaptive management

7. Other factors to consider in screening and implementation: climate change and toxic chemicals
8. Long-term maintenance

1. Partnerships, outreach and public engagement: The ISRP commented that all the projects have made progress and demonstrate benefits in their ability to involve the public and assist in increasing collaboration and coordination towards habitat restoration approached in their various particular sub-regions. They use a community-based approach to meet a diversity of restoration challenges. Regularly scheduled conferences such as those sponsored by GRMW, Upper Columbia Salmon Recovery Board (UCSRB), and Lower Columbia Estuary Partnership (LCEP) are notable examples of community-based outreach and education to share information, project outcomes and future plans. The Council staff continues to support the role that umbrella projects fill in the basin to provide administrative streamlining, project selection efficiency, coordination, technical services, tracking and transparency. This support is reflected in staff recommendations for continued implementation.
2. Process for solicitation and project selection (general) and areas of potential conflicts of interest: While the umbrella projects generally developed well-defined and transparent processes for their project solicitation and selection processes, one area of continued concern involves potential conflicts of interest. The staffs (Council and Bonneville) and the ISRP continue to be concerned about potential conflict of interest with all of these projects. Inherent in local processes like these, the pool of expertise and experience as well as overall capacity can be limited. Potential conflicts occur at many levels and the ISRP notes where those might occur. Staff note a few specific areas of potential concern below within individual project comments.

*Grande Ronde Model Watershed:* In the past, the sponsor solicited and implemented projects under the same contract leading to the perception of a conflict of interest by some of the partners. Since the last category review, the GRMW no longer solicits for and implements projects but for one exception in a particular reach -- Whiskey Creek -- where the GRMW has an established relationship with the landowner and capacity to do the work. As the GRMW notes in their summary, in these specific circumstances where the GRMW sponsors and implements work on the ground, it is done with the understanding and cooperation of the partners.

*Lower Columbia Estuary Partnership:* LCEP's focus on and funding for direct implementation has grown while the process to solicit for and fund smaller restoration projects has diminished and attracts fewer responding entities. One obvious reason is that the projects being implemented in the estuary are bigger, more complex, and more expensive and are therefore suited for more experienced project sponsors. Smaller projects just aren't as readily and regularly available, and LCEP has the capacity and expertise to implement the larger floodplain restoration projects. First, to the extent LCEP continues to act as an umbrella organization soliciting proposals to fund while also directly implementing work under the same

program, the Council recommends that these two activities happen under separate contracts. The Council first recommended this separation during the 2013 Geographic Review. We believe it is even more important now for contract and budget tracking purposes and to avoid any perceived conflicts of interest. Second, in reviewing the entities receiving funding through the solicitation process, there is little diversity. Most of the funding is awarded to the same one or two entities. LCEP and Bonneville should work to improve outreach on solicitation to attract other organizations to apply for restoration funds. The project-specific staff recommendations reflect these conclusions.

*All projects:* The Council appreciates the umbrella projects participating in the annual reports and this performance review and knowing what was funded each year under the umbrella projects. The Council would also appreciate knowing when solicitation processes are in play. Staff recommends that all umbrella projects include the Council state staff on the distribution for all solicitation announcements. In addition, Council staff asks to be included on the final projects funding selection communications. This will help increase the transparency of the process and help inform interested Council members throughout the year on funding decisions. This is reflected in the staff recommendations.

3. Technical/support services/geodatabase information, storage and sharing:  
The ISRP suggested that the umbrella projects would benefit from having a geodatabase for data/information storage, reporting and mapping, such as the Resource Inventory operated by LCEP. This is reflected in our programmatic comments.
4. Need for a comprehensive landscape approach to habitat restoration and proposal for a workshop and pilot project:  
The ISRP suggests that the umbrella projects adopt a comprehensive landscape approach to habitat restoration. They also recommend four themes to serve as criteria for evaluating this approach to conservation and restoration. Those criteria include public engagement, strategic ecological approach, developing organizational support across boundaries and promoting adaptive management.  
  
To accomplish this the ISRP suggests holding a workshop to initiate and discuss the complexities and challenges of a landscape approach to habitat restoration. The workshop would involve each umbrella project, practitioners, monitoring teams, the ISRP and the Council. The Tucannon project is a good candidate as a pilot project for this work because of its manageable size and effectiveness. The Council staff agrees, but additional thought will need to be given to this idea in terms of how it fits into the larger context of the other 80 or so habitat projects in the Program. This effort might be a useful science policy workshop ahead of the next habitat project review, which will likely occur after 2018.
5. Need for quantifiable objectives: Staff agrees with the ISRP comments regarding development of quantifiable objectives with timelines. The Umbrella Projects should develop measureable objectives for evaluating progress towards addressing limiting factors to benefit targeted fish and wildlife species and to achieve program goals.

These objectives should support the Umbrella Projects' implementation strategy used to identify and select projects. The objectives would identify expected responses in metrics linked to habitat and/or fish populations. This is reflected in the staff recommendation.

6. Action effectiveness monitoring and adaptive management: The Council understands the ISRP's responsibility to review projects in the context of the Council's program, and to review, among other things, whether these have provisions for monitoring and evaluating results. As part of the ISRP's programmatic comments and project qualifications, they identify a need for adaptive management, action effectiveness, monitoring, and a landscape approach to restoration. The ISRP suggested several ways to address what they viewed as shortcomings in these areas. The ISRP also recognized the difficulty in developing a more comprehensive and ecological approach to "whole watershed restoration" including activities and factors within watersheds that influence habitat restoration actions. They also expressed concern about the lack of a more robust evaluation approach of restoration activities. Some of those suggestions are reflected in the staff recommendations (e.g. synthesis report for the GRMW adjusted to fit the role served by the GRMW), other suggestions exceed the role of umbrella organization, while others are being addressed by the Council and others at a Program-wide scale and will eventually inform these projects.

In developing its recommendations the Council considered the ISRP's guidance as well as ongoing Program efforts that will contribute to the RME information needs of umbrella projects. The Council also developed its recommendations to align with the role served by these umbrella projects, such as by adjusting the recommended type and intensity of monitoring and evaluation.

The Council, therefore, recommends that umbrella projects focus on their role to serve as coordinating entity for project selection and implementation. The Council acknowledges that umbrella projects require implementation monitoring as well as additional monitoring to document change in the targeted limiting factor to ensure projects are contributing as expected to addressing limiting factors to benefit fish and wildlife species. The Council does not recommend that umbrella projects conduct cause and effect action effectiveness monitoring. The Council does recommend that the guidance produced by the Council's effort to produce clearer Program-wide RME to inform habitat actions be utilized, where applicable, by umbrella project in their RME approaches. This is reflected in the staff recommendation.

This Program-wide RME guidance being worked on by the Council builds on the 2014 FW Program's Adaptive Management language, the [2011](#) Council recommendations for Programmatic Issue 2 and 3<sup>[1]</sup>, the [2013](#) Council

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<sup>[1]</sup> 2011 Council Recommendations for Programmatic Issue 2 addresses Habitat effectiveness monitoring and evaluation; see [staff September 2016 memo](#) to the Fish and Wildlife Committee for details about supporting documents and status. 2011 Council Recommendations for Programmatic Issue 3 addresses Monitoring and evaluating the effectiveness of habitat actions in the estuary outlines the approach to guide RME in the estuary by synthesizing and updating RME information used to inform habitat action implementation in the estuary. For details on this approach see Action Effectiveness Monitoring and Research (AEMR) and Columbia Estuary Ecosystem

recommendations related to CHaMP, ISEMP and AEM, and the 2013 Council recommendations for umbrella projects. This Program-wide RME approach aims to improve the cost-effectiveness of Program RME in the program.

7. Climate change, toxic contaminants: Staff agrees with the ISRP that sponsors should factor in effects of toxic contaminants and projected climate changes effects on habitat when developing and screening projects. This is reflected in the project-specific recommendations to be dealt with in implementation and future reviews.
8. Long-Term maintenance: The ISRP raised the question about maintenance of habitat restoration. The ISRP suggests that restoration treatments that “have been in place for 10-15 years or more will likely require maintenance”. That suggestion raises concerns about the design/implementation, responsibility and the unpredictability of dynamic river environments. The Budget Oversight Group processes are intended to address emergency or one-time maintenance issues that, when needed, meet criteria.

### **Project-Specific Comments:**

#### *Grande Ronde Model Watershed:*

The ISRP recommends that the Council, ISRP, and proponents collectively develop a plan for specific elements of a near-term response. After 25 years of funding, a comprehensive and empirical evaluation of the restoration actions implemented and progress achieved is required. The staff agrees with ISRP that this concept of a synthesis report is a good idea. The staff recommendation for a synthesis is adjusted from the ISRP suggestion to better align with the role of the GRMW project by focusing more on assessing whether the actions and associated changes in the physical habitat have contributed to addressing limiting factors.

Recognizing that these umbrella projects are habitat implementation projects and not RME projects, Council staff will work with Bonneville, the ISRP, and project leaders to determine what is an appropriate synthesis for this project. Consistent with the ISRP suggestion, the staff recommends holding a joint meeting between the Council, ISRP, and project leaders within four to six months to collectively agree on the nature of and timeline to produce this synthesis. Products from the GRMW’s State of-the-Science Reviews possibly could be used to initially articulate progress related to habitat and fish rehabilitation, and the Restoration Atlas could be expanded to serve as a framework for evaluation of progress at a landscape scale. This joint meeting will also serve to discuss any specific program deficiencies that need to be addressed before a renewal decision is made. The recommendation for the meeting and synthesis report is reflected in the staff recommendation.

#### *Upper Columbia Salmon Recovery Board:*

The Council supports the continued leadership of the Upper Columbia Salmon Recovery Board (UCSRB) in their region, and being collaborative partners with

Bonneville in identifying Program-funded projects for implementation, such as by co-signing and distributing project proposal solicitations and related communications. The UCSRB and Bonneville share a vision for advancing the “Targeted” project selection process by updating the Upper Columbia Biological Strategy and by strengthening the Regional Technical Team’s current prioritization process. The Council can support strategies in the sub-region that will strengthen the project development, review, and prioritization and selection process in ways that are transparent, inclusive, and collaborative and based on best available science. If a new review process is created for work under this project, the Council may request follow-up Council/ISRP review. These comments are reflected in the staff recommendations.

*Associated Project:*

While not directly associated with this review, the Nez Perce Tribe’s project #2007-393-00, Protect and Restore Northeast Oregon/Southeast Washington is related to both the Tucannon Programmatic and the Grande Ronde Model Watershed projects. In the most recent review of #2007-393-00, Protect and Restore Northeast Oregon/Southeast Washington, the project was conditioned on the project funding being used for partnership efforts for Tucannon and the GRMW to assist in finding funding and cost-share opportunities. The Tribe was asked to participate in the umbrella project performance review to help demonstrate the added value in a partnership with these two umbrella projects. The Nez Perce Tribe representatives did participate in the umbrella review and demonstrated value as active and engaged partners. The tribe also applies for implementation funds through both umbrella programs.

**STAFF RECOMMENDATIONS:**

Note: The staff recommendations are provided both *programmatically* (across projects) and by *individual project*, based on an administrative review by Council and Bonneville staff and the Independent Science Review Panel’s report. These are in addition to the principles listed in the 2013 programmatic recommendations (page 5 above). Staff recommends continued implementation of all six projects with the qualifications provided below. The Council expects Bonneville and the sponsors to apply these principles and recommendations during contract development and implementation.

Programmatic Recommendations

1. Implement all umbrella projects through March 2019, or through the next review of habitat projects (Geographic Review); whichever comes first. As part of the continuing 2013 recommendation for Umbrella projects to participate in a Council-facilitated performance/effectiveness<sup>1</sup> review every two-four years, the next Council-facilitated performance/effectiveness review may coincide with the next review of habitat projects (Geographic Review). Depending on the timing, the regular ISRP

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<sup>1</sup> Umbrella projects should report on: progress towards their developing and meeting objectives; program costs (administrative and implementation); information related to addressing limiting factors and benefit species; activities related to outreach; and regional data and sources used to inform decisions, including decisions by technical experts related to expected benefits of proposed actions.

category review will take the place of this performance/effectiveness review.

2. Develop measureable objectives in advance of the next annual review to evaluate progress towards addressing limiting factors for fish and wildlife from restoration actions. These objectives should support the umbrella projects' implementation strategy used to identify and select projects.
3. The Council recommends that umbrella projects rely on existing literature and access available regional data to inform their technical experts tasked with reviewing the biological benefits of proposed habitat actions as recommended in the Council's 2013 recommendations for Umbrella projects.
4. The Council is developing guidance for Program RME to inform habitat actions in the tributaries. Council recommends that guidance produced through this effort should be considered for Umbrella Project RME approaches.
5. Sponsors should continue to consider and incorporate specific criteria to screen projects for implementation based on: available projections about changes in climate, human population growth and demands for natural resources. Likewise, sponsors should factor in effects from or strategies against impacts of contaminants on restoration works.
6. Umbrella projects should gather information to convey that:
  - a. habitat actions are properly implemented (implementation monitoring) and
  - b. that the habitat action is addressing the limiting factor as expected by monitoring for the physical change in the targeted limiting factor and, as feasible, document over time a change in the fish life-stage using that habitat (site/action specific effectiveness monitoring).
  - c. If the Program has approved/codified this type of habitat action to be effective in addressing the limiting factor then only implementation monitoring is needed.
7. Project sponsors should consider adding existing monitoring sites to the explorer tool on the Bonneville funded [Monitoringresources.org](http://Monitoringresources.org), with assistance of PNAMP staff, and provide these site locations and restoration site locations to the Bonneville funded Project Implementation Map on CBfish.org or other publically accessible geo-database.
8. Council encourages Bonneville to consider two-year contracts for the umbrella projects that don't already have a two-year contract cycle in place. The contracting policy does not appear to be consistent between projects and those who don't have a two-year contract in place said that it was difficult to maintain a constant funding stream for restoration work throughout the year.
9. Annual reports to Council: The next annual report is due in February 2018 for calendar year 2017. The annual summary needs to include project cost, project title, location and a short project summary, including anticipated benefits to fish and wildlife, implementation timeline, outcomes (in terms of progress toward meeting

objectives) and expenditures on administration and implementation. In addition, the summary should report generally on how staff recommendations #'s 2-8 above have been addressed.

10. As project review and selection criteria change, Council staff should be notified of the potential change and reason for change before it happens.
11. As a normal course of business, sponsors are asked to include Council staff on the distribution list for all solicitation announcements and final selection communications.

## Individual Umbrella Project Recommendations

<b>Project No. &amp; name</b>	<b>Recommendations:</b>
#1992-026-01, Grande Ronde Model Watershed	Implement with conditions through March 2019: The GRMW will develop an outline for a synthesis report ahead of the Model Watershed's annual projects meeting in October (2017). The synthesis report should focus on assessing whether the actions and associated changes in the physical habitat have contributed to addressing limiting factors. The GRMW's outline should be informed by discussion with Council and Bonneville staff to ensure that the synthesis addresses, in a manner suited to the role served by this project, ISRP comments and qualifications on M&E and adaptive management. The ISRP and Council staff will hold a joint meeting and discuss the outline for the synthesis report for issues noted by the ISRP. The final synthesis report will be due by March 31, 2018 for Council review. Bonneville to work with sponsor to complete their website with the ATLAS link.
#2010-077-00, Tucannon River Programmatic	Implement with conditions through March 2019: 1) address ISRP qualifications in contracting and in implementation for future ISRP reviews.
#2010-001-00, Upper Columbia Programmatic Habitat	Implement with conditions through March 2019: 1) Sponsor to address ISRP qualifications during project implementation, future reporting and reviews. 2) The Council encourages the sponsor to take lead responsibility to administer and communicate all aspects of the solicitation process in consultation with Bonneville. 3) Sponsor to communicate with the Council on any changes or advancements in the project selection and prioritization process as they are developed.
#2003-011-00, Columbia River Estuary Habitat Restoration	Implement with conditions through March 2019: 1) Sponsor to address ISRP qualifications during project implementation, future reporting and reviews. 2) Bonneville and the sponsor to split multi-faceted project into two contracts: one for coordination, and one for direct LCEP project implementation. The coordination contract should include LCEP's key coordination role in the estuary, the solicitation process with the Project Review Committee and the technical assistance funding application process. LCEP to increase outreach to broaden the applicants and recipients of solicitation funds. The implementation contract should cover LCEP's lead role on feasibility, design, and construction of larger floodplain restoration projects.
#2009-012-00, Willamette Bi-Op Habitat Restoration	Implement with conditions through March 2019: Address ISRP qualifications in contracting and in implementation for future ISRP reviews. Sponsor to increase outreach to help attract lower Columbia River tribes to also apply for funding.
#2007-397-00, John Day Habitat Flow and Habitat	This project is in a response loop with the ISRP (ISRP document 2016-13) that stems from a follow-up from the 2013 geographic review recommendation. Staff recommends deferring a recommendation on this project until after the response is reviewed and considered later in 2017.

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