

Tom Karier
Chair
Washington

Frank L. Cassidy Jr.
"Larry"
Washington

Jim Kempton
Idaho

Judi Danielson
Idaho



Joan M. Dukes
Vice-Chair
Oregon

Melinda S. Eden
Oregon

Bruce A. Measure
Montana

Rhonda Whiting
Montana

February 9, 2006

MEMORANDUM

TO: Council Members

FROM: Mark Fritsch, Project Implementation Manager

SUBJECT: Quarterly Review on Within-year Project Funding Adjustments for Implementation

PROPOSED ACTION:

At your meeting in February the Council staff will review within-year budget modification requests. These have all been reviewed by the budget oversight group (BOG) for the first quarter of Fiscal Year 2006. The Council staff received Bonneville's analysis of the requests on February 9, 2006. Bonneville's analysis was presented in two letters: the first letter addressed BOG categories 3, 4 and 5; and the second letter addressed BOG categories 1 and 2 (urgent type requests). Please see Attachment 1 and 2, respectively. Council staff will provide an overview of all the requests and seek a recommendation from both the Committee and the Council at your February meeting.

SIGNIFICANCE:

Council staff recommends that the projects seeking within-year budget modifications defined in the letters provided by Bonneville on February 9, 2006 be approved for a total of \$4,108,792. This reflects an amount of \$1,270,000 for the urgent type requests (Category 1 and 2) and \$2,838,792 for the other requests as described by Bonneville. This recommendation does *not* include a recommendation to dedicate FY 2006 funds to Project #2002-51-00, Crab Creek Subbasin Plan.

BACKGROUND:

Bonneville, the Council and the Columbia Basin Fish and Wildlife Authority have formed a Budget Oversight Group (BOG) to conduct a budget tracking process. A principle role of the BOG was to validate whether the requests were a reschedule or within year request (i.e., Scope Change, Budget Change, Scope/Budget Change, Reschedule, and New Request) and to place the within-year requests into one or more of the sorting categories. Reschedules are forwarded to

Bonneville for assessment and funding as funds become available and within-year were also forwarded to Bonneville for recommendation on the availability of funds as identified at the second and third quarterly review.

On January 17, 2006 the Council staff reviewed the Budget Oversight Group (BOG) process and the anticipated schedule and timeframe associated with the modification requests for the first quarter of Fiscal Year 2006 with the Fish and Wildlife Committee. It was resolved by the Committee that the staff would develop a recommendation for both the Committee and the Council at the February meeting. The compressed presentation for the February meetings is to be responsive to the approaching field season.

The comment period regarding these within-year budget adjustments associated with the Quarterly Review closed on February 3, 2006. No comments were received.

As anticipated, after the close of the comment period, Bonneville submitted a final list of the recommended within-year requests for a Council recommendation at the February meeting. On February 9, 2006 the Council received two letters from Bonneville regarding the funding within-year requests considered during the first quarterly review. One letter (see Attachment 1) addresses BOG categories 3, 4 and 5. The second letter (see Attachment 2) addresses the requests that are consider urgent type actions and are associated with BOG categories 1 and 2.

ANALYSIS:

The letters received from Bonneville on February 9, 2006 provided a thorough review of the individual requests and seems to have reflected in their analysis past recommendations and the relationship to the Fiscal Year 2007 - 2009 project solicitation process. Neither Council staff nor the BOG have sought to verify or confirm the analyses provided in the Bonneville letters.

The 19 within-year project requests have been placed into the following categories:

Category #1: Emergency

- Project #1991-046-00, Spokane Tribal Hatchery Operations & Maintenance (O&M) @ \$125,000.¹

Category #2: ESA Obligation

- Project #2005-002-00, Lower Granite Dam Adult Trap Improvements @ \$1,145,000.²

Category #3a: Threats to Project Integrity - (a) that jeopardize the performance of the entire project

- Project #1983-319-00, New Marking and Monitoring Techniques for Fish @ \$119,235.
- Project #1997-051-00, Yakima Side Channels @ \$1,378,000.

¹ The project request has both an Category #1 element and a Category #3b3 element.

² This request is both a Category #2 and #3a.

- Project #2002-045-00, Coeur D’Alene Fish Habitat Acquisition @ \$500,000.
- Project #1990-044-00, Coeur d’Alene Tribe Habitat Restoration - Deferral to FY 2007 - 2009 Solicitation.

Category #3b2: Threats to Project Integrity - (b) Jeopardize the performance of a discrete task or objective of the project causing - (2) the loss of monitoring and evaluation data

- Project #1982-013-01, Coded Wire Tag Recovery @ \$39,720.
- Project #2001-055-00, Assessment of Three Alternative Methods of Nutrient Enhancement @ \$113,750.

Category #3b3: Threats to Project Integrity - (b) Jeopardize the performance of a discrete task or objective of the project causing - (3) the loss of capability to administer the project

- Project #1988-053-04, Hood River Production Program – ODFW Monitoring & Evaluation (M&E) @ \$71,219.
- Project #1989-062-01, Fish and Wildlife Program Implementation @ \$177,223.
- Project #1989-098-02, Idaho Supplementation Studies (ISS) @ \$70,784.
- Project #1990-005-00, Umatilla Hatchery M&E @ \$9,536.
- Project #1991-046-00, Spokane Tribal Hatchery O&M @ \$28,000.
- Project #1995-001-00, Kalispel Resident Fish Project @ \$29,392.
- Project #2001-029-00, Ford Hatchery O&M @ \$16,933.

Category #4: Lost Opportunity

- Project #1996-011-00, Walla Walla Juvenile and Adult Passage Improvements @ \$250,000.³
- Project #2006-006-00, Regional HEP Team @ \$35,000.

Category #5: Other

- Project #2002-51-00, Crab Creek Subbasin Plan - Defers to Council direction.
- Project #2003-022-00, M&E Okanogan Basin Natural Production - Deferral to FY 2007 - 2009 Solicitation.

Council staff supports the BOG categorizations, and believes that the analyses presented by Bonneville justifies the proposed modifications.

Note that Bonneville seeks to defer two funding modification requests to the FY 2007 - 2009 process (Project #2003-022-00, M&E Okanogan Basin Natural Production and Project #1990-044-00, Coeur d’Alene Tribe Habitat Restoration). Council staff concurs with this direction.

³ The Bonneville letter should reflect the \$250,000 for this request not \$200,000. There is a discrepancy between the table and the project description.

The second project deferred is for Project #2002-51-00, Crab Creek Subbasin Plan.⁴ Bonneville seeks guidance from the Council on this request. At this time Council staff has not made a determination of the value of the request to revise the initial Crab Creek subbasin plan and therefore defers any funding recommendation at this time.

Council staff recommends that the following within-year requests as defined in the letters received from Bonneville on February 9, 2006 be approved for a total of \$4,108,792. This reflects an amount of \$1,270,000 for the urgent type requests (Category 1 and 2) and \$2,838,792 for the other requests as described by Bonneville. This recommendation is conditioned with the understanding that no funds will be provided to Project #2002-51-00, Crab Creek Subbasin Plan.

⁴ The proposal is requesting funds to provide a more complete wildlife section (assessment, inventory, and management plan) and address key ISRP comments on the original Crab Creek Subbasin Plan. The goal of the project is the adoption of the Crab Creek Subbasin Plan by the NWPCC

Attachment 1: Letter received on February 9, 2006 from Bonneville regarding within-year budget adjustments associated with the Quarterly Review for BOG categories 3, 4 and 5.



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

ENVIRONMENT, FISH AND WIL

February 9, 2006

In reply refer to: KEW-4

Mr. Doug Marker
Fish and Wildlife Division Director
Northwest Power and Conservation Council
851 SW Sixth Avenue, Suite 1100
Portland, OR 97204-1348

Dear Mr. Marker:

In accordance with the Budget Oversight Group (BOG) process, the BOG conducted the first quarterly review of within-year (budget and/or scope) modification requests for Fiscal Year 2006 (FY06). As a result of that review and subsequent further analysis by Bonneville Power Administration (BPA) staff, the following project modification requests are submitted to the Northwest Power and Conservation Council (Council) for evaluation and recommendation.

While BPA believes sufficient funds are available to allow these requests to move forward this quarter. Except where noted, BPA supports the requested within-year increases and has provided recommendations based on priorities of work in the basin and within each project. BPA will consider the Council recommendations and reassess the status of contract commitments, billings to date, and end-of-year accrual projections before making final decisions to adjust individual project scopes or budgets.

In accordance with the BOG process, BOG has completed requested a 30-day public comment period on these requests. In this letter, BPA has included all requests (including those BPA suggests declining or deferring). Project requests described as *Urgent Action Required* (includes Emergencies, Category 1) are covered under a separate letter.

Only Within-Year requests that require review (from the last three of the five BOG categories) are covered in this letter; however, all categories are described.

The BOG process incorporates the use of a set of categories for Within-Year project requests. The categorization method is as follows:

Within-Year Category Description

Category

Emergency

1 (under separate letter)

Acts of God or the unforeseen loss of mechanical infrastructure that necessitates an extraordinary action to avoid the imminent loss of fish or wildlife resources or imminent threat to human health or safety.

Endangered Species Act (ESA) Commitment of BPA 2 (under separate letter)

A new or ongoing project that directly implements actions committed to in the November 24, 2004, Updated Proposed Action and were evaluated in a revised Biological Opinion (BiOp) on the Federal Columbia River Power System (FCRPS) issued by NOAA Fisheries on November 30, 2004, pursuant to section 7 of the ESA. Except in extraordinary circumstances, such new actions require review by the Independent Scientific Review Panel (ISRP) and Council recommendation prior to BPA approval.

Project Integrity

3

Actions necessary for the project, though not of an emergency nature, and including major project review (i.e., step review), to avoid the loss of a previous investment; that, if not taken, would:

- a. Jeopardize the performance of the entire project;
- b. Jeopardize the performance of a discrete task or objective of the project causing:
 1. Adverse biological consequences to the project;
 2. Loss of critical monitoring and evaluation data; or
 3. Loss of capability to administer the project.

Lost Opportunity

4

New or ongoing projects that respond to a limited opportunity to benefit the fish and wildlife resource and that opportunity will be permanently lost if the project or work element is not implemented.

Other

5

Any project not falling into the four categories defined above.

Projects on the current Columbia Basin Fish and Wildlife Authority (CBFWA) website requesting scope and/or budget adjustments were placed into the above categories by the BOG members. As a result of BOG review and subsequent analysis by BPA, the following BPA requests are submitted to the Council.

For additional project-specific information, please review the Columbia Basin Fish and Wildlife Authority (CBFWA) website for Within-Year Requests process or a full list of requests (<http://www.cbfgwa.org/mods/components/forms/Login.cfm>).

Project Funding Requests – BPA Recommended

Category 3a

Project No. 1983-319-00

Project Name: New Marking and Monitoring Techniques for Fish

Budget Amount: \$119,235

Funding Category: Expense

View full request: <http://www.cbfgwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=382&action=final>

Sponsor requested funding for completion of antenna fabrication and testing. In 2004, the U.S. Army Corps of Engineers (Corps) completed a surface flow bypass system that passes juvenile salmonids via the entrance of the old ice and trash sluiceway at the Second Powerhouse at Bonneville Dam. This corner-collector bypass system is attracting large numbers of the migrating salmonids; however it does not currently include a PIT-tag detection system. Consequently, critical PIT-tag data required for research, monitoring, and evaluation efforts are not being collected. Data collected at Bonneville Dam are critical for making estimates of reach survivals for juvenile salmonids and for helping to assess progress toward hydrosystem performance standards. The contractor, Digital Angel, completed a new design of a PIT-tag detection system, including a new tag, new transceiver, and a new antenna system for the project. However, testing during the development of the antenna and transceiver systems has not been conducted in situ (i.e., in the corner collector itself). Since every installation site is unique and fish behavior at this site is uncertain, NOAA Fisheries will conduct drone and fish tests to assist in finalizing the electronics design. Upon completion of testing, a report will be prepared describing the results. PIT-tag data are critical for determining whether most actions taken, which include installing the corner collector at Bonneville Dam, have indeed improved survival. Operation of the corner collector without a PIT-tag detection system has resulted in little data collected at Bonneville Dam to adequately assess juvenile fish passage and survival. These data are critical to most if not all research, monitoring and evaluation (RM&E) models. Requested funding will develop the experimental design, fabricate antenna housing, and set up the PIT-tag system.

Project No. 1997-051-00

Project Name: Yakima Side Channels

Budget Amount Requested: \$1,378,000

Funding Category: Expense

View full request: <http://www.cbfgwa.org/mods/components/forms/DisplayWYOngoing.cfm?action=final&ModID=375>

This project proposes to acquire two critical habitat properties for anadromous fish rearing, spawning, and foraging in priority reach areas from willing landowners. Yakima Subbasin Plan supports working with cooperating landowners, tribes, and public agencies through purchase, easement, and land use agreements to protect intact floodplain habitats and to secure lands for restoration. Demand for limited Kittitas County real estate has resulted in a rapid increase in land values. Contract rezones and subdivision activities are in full swing. Deferral of this request will result in the inability to obtain this land because of escalating future costs – should the land still be available in the future. There is a \$528,985 cash cost share from Salmon Recovery Funding Board that would also be lost if BPA funding is not obtained.

The addition of the Browitt and Runacres properties to the Yakima Klickitat Fisheries Project (YKFP) habitat program will not cause a large "incremental" increase to the maintenance costs for lands currently secured. Land maintenance costs for the parcels previously secured under this project (i.e. Lanphere and Scatter Creek) are funded under the YKFP Management, Data, and Habitat, Project Number 1988-120-25. The two parcels are located in and along the Yakima River riparian zone and will be left in a natural state. They will be included in the annual management program for weed control and regular site visits, consistent with on-going practices for management under this project.

This is an ongoing, approved project that cannot be funded from capital funds due to a lack of an anadromous fish crediting mechanism.

Project No. 2002-045-00

Project Name: Coeur D'Alene Fish Habitat Acquisition

Budget Amount Requested: \$500,000

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=355&action=final>

Purchase a perpetual conservation easement on approximately 100 acres of habitat prioritized for the protection and restoration of west slope cutthroat trout, \$50,000 for pre-acquisition plus \$450,000 for easement. This ongoing project is consistent with priorities established in the subbasin plan. The sponsor proposes to purchase conservation easements along streams within parcels owned by Potlatch Corporation. The targeted stream habitat is identified as high priority by the Coeur d'Alene Tribe's Fisheries Enhancement Project (1990-044-00). However, the Fisheries Enhancement Project does not have an agreement with Potlatch Corporation to protect habitat that currently provides benefit to resident fish or restore degraded priority habitat within Potlatch ownership. Potlatch is unwilling to agree to the type of landowner agreement that the Fisheries Enhancement Project has used in the past because Potlatch would lose harvest rights in that type of agreement without receiving compensation.

This is an ongoing approved project that cannot be funded from capital funds. These purchases are for perpetual easements.

Category 3b2

Project No. 1982-013-01

Project Name: Coded Wire Tag Recovery

Budget Amount: \$39,720

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=371&action=final>

Sponsor requests increased funding because the Coded Wire Tag (CWT) Recovery Program is unable to meet the minimum 20% sampling goal, particularly for sport fisheries and spawning grounds in the Columbia River tributaries. The CWT Recovery Program involves recovery of CWTs from landed salmonids (primarily chinook and coho) as the stocks pass through the coastal and Columbia River fisheries on their way to their respective spawning grounds. By coast wide agreement, sampling programs have a goal of sampling a minimum of 20% of the landings to recover CWTs. Sponsor states that continued level funding no longer supports the scope and range of work elements approved for this project. Budget limitations since 2000, coupled with the combined effects of inflation, increased run sizes, and intensive management needs, have forced reductions in both sampling rates and sampling coverage. Increased fuel costs in 2004 and 2005 have also greatly added to the funding shortfall, given substantial travel is required to sample the sport and commercial fisheries in the lower Columbia Basin and on the Oregon coast. Oregon Department of Fish and Wildlife's (ODFW) tag lab continues to have a backlog of unprocessed heads. If the migrating salmonid populations are not adequately sampled for CWTs in the various fisheries, the opportunity for additional stock identification data is simply lost and the resultant sampling data will have unacceptably wide confidence limits as well as potential biases. Other contractors under this project have indicated they are likely to have sufficient support at current funding levels, and have not requested additional funds.

Project No. 2001-055-00

Project Name: Assessment of Three Alternative Methods of Nutrient Enhancement

Budget Amount Requested: \$113,750

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=331&action=final>

Sponsor requests funds for processing macro invertebrate samples collected in 2003 and 2004. Time demands for acquiring sampling permits in critical geographic areas forced sponsor to put the processing of samples on hold. The complete experimental component of the project was not completed due to permitting issues, which also caused this 2.5 year project to be extended one additional year. Project completion will provide the region with valuable monitoring dataset, but completion requires the invertebrate samples to be processed. The experimental component provides the critical link to understanding how salmon nutrients affect stream productivity using baseline data collected across 18 streams that vary in the number of adult returns. With the baseline data, evaluation of how stream productivity (measured by invertebrate biomass, algal biomass, chemistry, and various fish metrics) affects conditions for juvenile fishes can proceed.

Category 3b3

Project No. 1988-053-04

Project Name: Hood River Production Program – ODFW Monitoring & Evaluation (M&E)

Budget Amount: \$71,219

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=361&action=final>

The project calls for operating five downstream migrant screw traps. Subsequently, level funding combined with increased costs meant that the project could not maintain static functions. Instead of five downstream migrant traps, the project is currently planning (and contracted) to operate and maintain only two downstream migrant traps.

Reduction in the scope of work will have a significant impact on the regional data (i.e., in the mainstem Columbia River) gathering efforts associated with this project, as well as subbasin-specific data gathering efforts associated with evaluating the Hood River Production Program (HRPP). The number of smolts required to maintain the experimental design will fall below the targeted number to PIT tag. The initial proposal included PIT tagging steelhead smolts at migrant traps operated in all major forks and selected tributaries of the Hood River subbasin. Continued reduced funding to operate and maintain the full complement of downstream migrant traps will significantly impact the project's ability to effectively evaluate the HRPP relative to its biological fish objectives and implement the hatchery supplementation component of the HRPP in a biologically sound manner.

Project No. 1989-062-01

Project Name: Fish and Wildlife Program Implementation

Budget Amount: \$177,223

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=380&action=final>

Due to the increasing demand and reliance on CBFWA's website and technical support staff as a core support mechanism for the Fish and Wildlife Program, this proposal requests the addition of an information technology staff person to assist in maintaining CBFWA's website and databases. Demands on the CBFWA website and support staff continue to increase as CBFWA completes its work on a web-based model of an annual Status of the Resource Report. This funding request also proposes a professional contract with a communications specialist to improve service to the region. The communications specialist would be hired on a contract basis (subcontracted to CBFWA) and would serve two primary functions. First, through outreach and education, this person would ensure that the Status of the Resource report will be effective in meeting the needs of intended audiences, and add value to the regional dialogue. Second, this person will help the fish and wildlife managers and their partners report and highlight their accomplishments to the region in a meaningful, transparent, and accessible way.

CBFWA information technology staff and coordinators have been stretched to their limit to meet the multiple demands over the past year (development of the proposal form for the FY07-09 project selection process, developing and maintaining the BOG tracking website, maintaining the rolling province review web pages, etc.). Also, as technology drives the structure of meetings and information transfer, the staff is struggling to learn and implement modern support tools to make meetings more effective and efficient (web-based electronic flip chart, distribution and access to meeting notes and agendas, web-based conference lines, etc.). If additional technical support is not acquired, the quality of work products will deteriorate and CBFWA staff's

flexibility and responsiveness to the ever changing needs of the Council and BPA will be reduced.

BPA supports the request for additional information technology support without reservation. Regarding the second portion of the request, BPA agrees the input of a communications specialist could increase the utility of the Status of the Resource report, and recognizes the need for more cooperative, high-level reporting of regional fish and wildlife accomplishments. BPA also supports this request and would like to involve Council in a discussion about the focus of these communication functions and how to enhance our collaboration on it.

Project No. 1989-098-02

Project Name: Idaho Supplementation Studies (ISS)

Budget Amount: \$70,784

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=389&action=final>

The Nez Perce Tribe is requesting additional funds to hire the personnel necessary to accomplish tasks with associated field supplies and per diem. Without the necessary personnel, snorkel projects in streams will not be completed (impacts annual data for entire ISS database), project will not have personnel to PIT tag juveniles and collect juvenile DNA samples from two treatment streams in the ISS project, and the project will not have the personnel to conduct intensive carcass surveys to monitor pre-spawning mortality and to collect sample sizes large enough to satisfy statistical requirements for DNA analyses. Since such deficiencies cause data gaps in the total ISS database, this compromises experimental design.

Project No. 1990-005-00

Project Name: Umatilla Hatchery M&E

Budget Amount: \$9,536

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=390&action=final>

Project has experienced level funding for several years. This has been offset by reductions in several areas of the M&E project, including the elimination of a second creel clerk and vehicle, reduction in number of spring Chinook coded-wire tagged from 120,000 to 60,000, reduction in tagging supervisor hours, elimination of two weeks of statistician time, and a reduction in time for CWT decoding in Clackamas. These reductions are the maximum that can be absorbed without dropping one or more of our monitoring and evaluation tasks. Further cuts still need to be found in order to stay within budget. One area that cannot absorb any budget cutbacks is the fish health monitoring portion of the project. Currently, the fish health monitoring activities associated with the Umatilla Hatchery program are the minimum necessary to meet State of Oregon and Integrated Hatchery Operations Team (IHOT) standards. Reductions in the fish health scope of work would not only violate state and industry requirements, it would also jeopardize the health of natural and hatchery salmonids in the Umatilla/Columbia region.

Project No. 1991-046-00

Project Name: Spokane Tribal Hatchery O&M

Budget Amount: \$28,000

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=386&action=final>

These funds requested are those remaining after the category 1 needs are addressed (under separate letter) and will provide for fish marking and replacement fish screens. Failure to provide adequate funding will not allow for effective monitoring and evaluation which is essential to effectively meet the mitigation goals that this project is responsible for and planning for future mitigation. Failure to provide fish screens will compromise effective segregation and containment of fish.

- New fish screens and dam boards are needed for 44 fish-rearing raceways. The ones currently in use are 15 years old and need to be replaced immediately. Problems associated with them include fish being able to escape, adverse water level fluctuations, transfer of fish pathogens, and inability to estimate fish inventory numbers at any given time.
- This project has recently been requested by the Lake Roosevelt Kokanee Monitoring Program to 100% fin clip mark all juvenile fish before release including 500,000 rainbow trout and 650,000 kokanee salmon. This is part of a comprehensive/multi-party M&E program. Fin clip marks have been determined to be a high priority for all fish stocking by all participants.

(Note: Total Project request was for \$153,000. This letter addresses \$28,000 of the total, with the remaining \$125,000 in a separate informational letter under Category 1, Emergency requests).

Project No. 1995-001-00

Project Name: Kalispel Resident Fish Project

Budget Amount: \$29,392

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=384&action=final>

It has become increasingly difficult to complete some of the tasks associated with this project. If additional funding is not provided, work elements involved with restoring native salmonids will be discontinued, including the maintenance of in-stream and riparian structures, which would result in potential risk to previous investments as well as vacating commitments made to landowners where structures are located. Additionally, work elements for hatchery operations and maintenance, including the marking all hatchery-reared fish would have to be reduced or eliminated, greatly reducing the ability to monitor and evaluate the project.

Project No. 2001-029-00

Project Name: Ford Hatchery O&M

Budget Amount: \$16,933

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=359&action=final>

The project sponsor indicates that with the current level of funding they would only be able to rear and release about 50% of the fish planned for mitigation (i.e., 350,000 fish at 60 fish per pound (fpp) instead of the 700,000 fish at 60 fpp). The eggs for this project have already been procured. Without additional funding, primarily for personnel, 50% of the fish would either be released early at about 600 fpp with an anticipated high mortality rate due to predation, or the fish would be euthanized. Support of this request is necessary to sustain the value of our previous investment.

Category 4

Project No. 1996-011-00

Project Name: Walla Walla Juvenile and Adult Passage Improvements

Budget Amount: \$550,000

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=381&action=final>

The goal of the project is to provide safe passage for migrating juvenile and adult salmonids in the Walla Walla Basin by constructing and maintaining passage facilities at irrigation diversion dams and canals. The majority of major fish ladder and screen projects have been completed but several remaining projects were identified through subbasin planning. The balance of these efforts is proposed to be completed with funding from this project and other cost share sources. Specific projects proposed for 2006 include implementation of adult and juvenile fish passage improvements at the Hofer diversion and canal in the lower Touchet River. BPA initially funded preliminary designs for the Hofer project and the Walla Walla County Conservation District through a grant provided by the Salmon Recovery Board, and continued final design work in 2005. BPA funding will again be needed in 2006 to help cost share construction of this critical fish passage project in the lower Touchet River. Additional plans for 2006 include engineering designs for ditch consolidation and new screening at the Old Lowden and Bergevin-Williams diversions. Not implementing this modification will further delay completion of priority projects identified in subbasin planning. Delayed fish passage projects in mainstem locations would impact the fish benefits that could be gained from other fish restoration project investments in the basin.

BPA supports the Hofer construction (ladder and screens) portion of the request, at \$250,000. We are deferring the request for design work (\$300,000 for engineering designs for new fish screens at the Old Lowden and Bergivin-Williams diversions) until this request is fully reviewed through the FY07-09 Solicitation. BPA is concerned about investing funds in the design of new facilities at this time without confirmation of continued support for construction of these two projects as a high priority coming out of this solicitation.

Project No. 2006-006-00

Project Name: Regional HEP Team

Budget Amount: \$35,000

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=352&action=final>

Funding increase is to support staff and travel at adequate levels to meet the increased demands for surveys for this fiscal year. Habitat Evaluation Procedure (HEP) surveys/reports typically are part of an ongoing (but less than annual) monitoring program for each property. The deliverables for this contract are HEP reports for each mitigation site surveyed. Under this contract, the HEP team conducts HEP surveys (data collection) and evaluates the results (estimating Habitat Units data analysis). Finally, the project leader compiles and submits property-specific HEP reports to BPA. The data collection tasks associated with the deliverable for this contract involve extensive travel, and the contractor's ability to travel to sites to collect data has been compromised by increased costs. If additional funding is not received, the contractor will have to reduce the number of sites at which HEP surveys are conducted. HEP is the crediting methodology used to determine BPA's wildlife mitigation accomplished to date, and helps identify the hydrosystem facilities where outstanding mitigation remains.

Category 5

Project No. 2002-51-00

Project Name: Crab Creek Subbasin Plan

Budget Amount: \$16,099

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=364&action=final>

Funds will be used to update the current Crab Creek Subbasin Plan in order for the plan to be adopted by the Council. The Crab Creek Subbasin Plan will be used to prioritize projects that lead to the recovery of ESA-listed species. ESA-listed species within the subbasin include steelhead, sharp-tailed grouse, sage grouse, and pygmy rabbits.

BPA defers to Council for a general recommendation on whether to complete any outstanding subbasin plans, as well as a specific recommendation for this project.

Project Funding Requests – BPA Recommendation – Defer

Project No. 1990-044-00 (Category 3a)

Project Name: Coeur d'Alene Tribe Habitat Restoration

Budget Amount: \$193,578

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=366&action=final>

Request is for the design, construction, O&M, and M&E of two trout ponds. Due to declining native salmonid fish stocks, particularly westslope cutthroat trout (*Oncorhynchus clarki lewisi*) and bull trout (*Salvelinus confluentus*), the Coeur d'Alene Tribe will continue to provide compensatory tribal subsistence harvest. The subsistence harvest encompasses two existing and three proposed "put and take" Rainbow trout ponds. In addition, a central holding/transfer facility is proposed. The existing trout pond program currently stocks two existing ponds (~200

feet² x 10 feet deep (with five areas 15² at ~15 depths) and one three-sided at ~165 feet/side x 12 feet deep) with approximately 1,500 pounds of fish per pond, and expects to construct three new ponds (two similar in size as the 200² and one three-sided) in FY04. The proposed central holding/transfer pond facility will be constructed to hold up to 50,000 pounds of rainbow trout for distribution. This facility will provide flexibility and efficiencies for stocking healthy, harvestable fish to the five satellite fishing ponds. The program was developed to partially mitigate for the loss of anadromous fish due to the construction of Chief Joseph and Grand Coulee Dams.

BPA recommends deferral to the FY07-09 Proposal Solicitation.

Note: This request was proposed, in part, in response to the lack of a positive recommendation for BPA-funding of a resident fish hatchery upon completion of a Hatchery Master Plan.

Project No. 2003-022-00 (Category 5)

Project Name: M&E Okanogan Basin Natural Production

Budget Amount Requested: \$174,086

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=365&action=final>

Sponsor request to collect and analyze baseline water quality (nutrient) and macro-invertebrate samples. Data will be analyzed using established standards for the application of an Index of Biological Integrity (IBI) for the entire Okanogan Subbasin.

BPA recommends this request be deferred. BPA recognizes that this type of sampling was approved as part of the original proposal to Council. However, it appears that the sponsor underestimated total project costs and chose to drop these activities in the current contracting period, deeming them lower priority than contracted actions. Because we are uncertain of the priority of this baseline sampling effort to effectiveness monitoring during the FY07-09 solicitation process, we recommend waiting to fund this type of effort until there is confirmation that these actions are a high priority during the next years of funding. A delay of one year in collecting baseline data (should this get a positive review starting in FY07) does not appear to hinder the intent of these activities.

Summary

WITHIN YEAR PROPOSALS FOR NPCC REVIEW							
Project #	Project Name	Expense	Capital	Submittal date	BOG Category	Comments	COTR
1983-319-00	New Marking and Monitoring Techniques for Fish	\$119,235		11/30/05	3a		Jan Brady
1997-051-00	Yakima Side Channels	\$1,378,000		11/30/05	3a	BPA Decision of 2/16/05 Capital to Expense	David Byrnes
2002-045-00	Coeur D'Alene Fish Habitat Acquisition	\$500,000		11/1/05	3a		Lee Watts
1982-013-01	Coded Wire Tag Recovery	\$39,720		11/30/05	3b2		Jamie Swan
2001-055-00	Assessment of Three Alternative Methods of Nutrient Enhancement	\$113,750		11/30/05	3b2		Peter Lofy
1988-053-04	Hood River Production Program – ODFW M&E	\$71,219		11/22/05	3b3		Sarah Branum
1989-062-01	Fish and Wildlife Program Implementation	\$177,223		11/28/05	3b3		Molly Moreland
1989-098-02	ID Supplementation Studies	\$70,784		11/30/05	3b3		Roy Beaty
1990-005-00	Umatilla Hatchery M&E	\$9,536		11/30/05	3b3		Jonathan McCloud
1991-046-00	Spokane Tribal Hatchery O&M	\$28,000		11/30/05	3b3		Greg Baesler
1995-001-00	Kalispel Resident Fish Project	\$29,392		11/29/05	3b3		Lee Watts
2001-029-00	Ford Hatchery O&M	\$16,933		12/1/05	3b3		Greg Baesler
1996-011-00	Walla Walla Juvenile and Adult Passage Improvements	\$200,000		11/30/05	4	Defer \$350,000	Sarah Branum
2006-006-00	Regional HEP Team	\$35,000		11/29/05	4		Molly Moreland
2002-051-00	Crab Creek Subbasin Plan	\$16,099		11/29/05	5		Molly Moreland
Total recommended		\$2,804,891					
Deferred Projects							
1990-044-00	Coeur d'Alene Tribe Habitat Restoration	\$193,578		11/21/05	4		Lee Watts
2003-022-00	M&E Okanogan Basin Natural Production	\$174,086		11/30/05	5		Sarah Branum

In summary, the total expense funding requested in this letter is \$2,804,891. We believe these projects are consistent with priorities identified during previous Council provincial reviews and/or other BPA and Council discussions.

Please feel free to contact either Peter Lofy at (503) 230-4193 or Greg Dondlinger at 503-230-5065 for further information, or if you have any questions.

Sincerely,

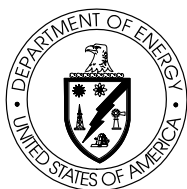


William C. Maslen
Director for Fish and Wildlife

cc:

Mr. Mark Fritsch, Northwest Power and Conservation Council
Ms. Patty O'Toole, Northwest Power and Conservation Council
Mr. Karl Weist, Northwest Power and Conservation Council
Ms. Stacy Horton, Northwest Power and Conservation Council
Ms. Joann Hunt, Northwest Power and Conservation Council
Mr. Kerry Berg, Northwest Power and Conservation Council
Mr. Brian Lipscomb, Columbia Basin Fish and Wildlife Authority
Mr. Tom Iverson, Columbia Basin Fish and Wildlife Authority
Ms. Amy Langston, Columbia Basin Fish and Wildlife Authority

Attachment 2: Letter received on February 9, 2006 from Bonneville regarding within-year budget adjustments associated with the Quarterly Review for BOG categories 1 and 2.



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

ENVIRONMENT, FISH AND WILDLIFE

February 9, 2006

In reply refer to: KEW-4

Mr. Doug Marker
Fish and Wildlife Division Director
Northwest Power and Conservation Council
851 SW Sixth Avenue, Suite 1100
Portland, OR 97204-1348

Dear Mr. Marker:

In accordance with the Budget Oversight Group (BOG) process, the BOG conducted the first quarterly review for Fiscal Year 2006 (FY06). This letter covers requests for two projects where immediate decisions are required.

Consistent with our budget outlook for the Within-Year requests, the Bonneville Power Administration (BPA) does not anticipate these decisions will be a limiting factor for funding other requests considered during subsequent quarterly reviews. While BPA believes sufficient funds are available to allow these requests to move forward, our primary focus was on the technical merit and management priority for each request and the need for immediate decisions. BPA believes that the funding requests for these two projects are well founded and require immediate action.

Emergency (Category 1): Urgent Action Required

These projects have submitted requests that require urgent decisions. These two projects fall into the Emergency Category or other categories that require time-critical decisions.

Project No. 1991-046-00

Project Name: Spokane Tribal Hatchery Operations & Maintenance (O&M)

Budget Amount Requested: \$125,000 (of the \$153,000 total request)

Funding Category: Expense

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=386&action=final>

Sponsor requested \$125,000 for the following:

- The existing domestic sewage system has been failing for some time. The septic tank for the residence typically has been excavated and un-plugged 3 to 4 times a year due to inadequate leveling. The blocking problem in the drain field causes vulgar odors in the surrounding area and is a safety and health concern for the hatchery residents. Completion Schedule – June 2006.
- Maintenance funds have never been provided for the hatchery residence. Flooring needs replaced and floorboards in the bathrooms have been water damaged by sewage drain backflow. Exterior painting is needed, there are no rain gutters, and appliances are beyond their replacement schedule and barely functional. Completion Schedule – June 2006.
- New fish transport truck. The existing one is 15 years old and has ongoing maintenance problems and safety issues. Completion Schedule – December 2006.

BOG considered \$125,000 to be in Category 1 for the septic/maintenance and fish transport truck, which constitute health and safety concerns.

The remaining funds are categorized in 3b3 in a separate letter for Council review and recommendation.

Project No. 2005-002-00

Project Name: Lower Granite Dam Adult Trap Improvements

Budget Amount: \$2,647,000

Funding Category: Expense and Capital

Request Type: Both Reschedule and Within-Year Request

Action Category: Both Updated Proposed Action (UPA) and Urgent Action Required

Within-Year Category: 3a

View full request: <http://www.cbfwa.org/mods/components/forms/DisplayWYOngoing.cfm?ModID=398&action=final>

- The project needs a change in the both the FY06 and FY07 capital allocation due to revised cost estimates following completion of the 15% level design. The following table summarizes those changes:

	<u>Current Budget</u>	<u>Proposed Budget</u>	
FY 06	\$1,500,000	\$875,000	
FY 07	0	\$627,000	(Re-Schedule from 06)
FY 07	0	\$1,145,000	(Within-Year)
FY 06-07	\$1,500,000	\$2,647,000	

- There is no change in scope from the original project intent, i.e., to provide Endangered Species Act (ESA) benefits for the Snake River fall Chinook Evolutionarily Significant Unit (ESU), including increased numbers of natural-origin fall Chinook broodstock for the Nez Perce Tribal Hatchery and Lyons Ferry Hatchery (operated by the Washington Department of Fish and Wildlife). These changes will allow the U.S. Army Corps of Engineers (Corps) to begin solicitation and award of a design/build contract for final design and construction in

early March 2006. A design/build contracting process, with a single procurement process (instead of the usual separate procurements for design and for construction) will save time and allow the construction to be done in the January/February 2007 construction window. The trap can then be operated at expanded capacity in the 2007 trapping season, as promised in the UPA and 2005-2007 Implementation Process.

- Questions had been raised why the Corps was not funding the project. The Corps built the original trap to sample fish for their research programs, but no longer needs to operate the trap for this purpose. The trap is currently being operated by NOAA Fisheries with BPA funding to sample fish for salmon/steelhead run reconstruction and life history studies, to collect fall Chinook broodstock for hatcheries, and to remove stray hatchery fall Chinook. While these activities benefit the Lower Snake River Compensation Plan (LSRCP), Nez Perce Tribal Hatchery, fishery co-managers, and NOAA Fisheries programs, but not the Corps, the Corps has agreed to maintain the trap.

Please feel free to contact either Peter Lofy at (503) 230-4193 or Greg Dondlinger at 503-230-5065 for further information, or if you have any questions.

Sincerely,



William C. Maslen
Director for Fish and Wildlife

cc:

Mr. Mark Fritsch, Northwest Power and Conservation Council
Ms. Patty O'Toole, Northwest Power and Conservation Council
Mr. Karl Weist, Northwest Power and Conservation Council
Ms. Stacy Horton, Northwest Power and Conservation Council
Ms. Joann Hunt, Northwest Power and Conservation Council
Mr. Kerry Berg, Northwest Power and Conservation Council
Mr. Brian Lipscomb, Columbia Basin Fish and Wildlife Authority
Mr. Tom Iverson, Columbia Basin Fish and Wildlife Authority
Ms. Amy Langston, Columbia Basin Fish and Wildlife Authority