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August 2, 2007

DECISION MEMORANDUM

TO: Council Members

FROM: Mark Fritsch, project implementation manager

SUBJECT: Council decision on third quarter within-year project funding requests

PROPOSED ACTION:

Approve six of the within-year project funding requests as defined and conditioned by staff.

At the August Council meeting, staff will provide an overview of all the requests and seek a recommendation from the fish and wildlife committee and the Council.

SIGNIFICANCE:

The total requested amount, in expense, is \$101,927 in Fiscal Year 2007. This amount is additional funds to the Fiscal Year 2007 - 2009 recommendations.

BACKGROUND:

The within-year budget requests for the second quarter of Fiscal Year 2007 have been reviewed by the budget oversight group (BOG). Bonneville, the Council, and the Columbia Basin Fish and Wildlife Authority formed the BOG to conduct a budget-tracking process. A principal role of the BOG is to determine if requests for additional funding are due to rescheduling, or if they are within-year requests (that is, scope change, budget change, scope/budget change, or new request), and to sort the within-year requests into one or more categories. Reschedules are forwarded to Bonneville for assessment and funding as funds become available, and within-year requests also are forwarded to Bonneville for recommendation, depending on the availability of funds.

On July 11, 2007, the Council staff presented the requests and reviewed the schedule for the within-year budget adjustment requests for the third quarter of Fiscal Year 2007.

The comment period associated with these requests closed on July 27 - we did not receive any comments.

As anticipated, after the close of the comment period, Bonneville submitted a letter addressing the within-year requests (see Attachment 1).

ANALYSIS:

Thirteen requests were reviewed by the BOG during the 3rd quarter of Fiscal Year 2007. In addition, two projects listed were deferred from the 2nd quarter as additional information was collected regarding the initial requests.

As outlined in the attached table (see Table 1), two requests have been dealt with as emergencies, two requests were withdrawn, and two requests are being deferred to the 1st quarter of Fiscal Year 2008. This results in nine requests seeking a decision in August.

The following categories address the nine project requests and the Council staff's recommendations.

Category 3b1: Threats to Project Integrity - (b) that jeopardize the performance of a discrete task or objective; (1) adverse biological consequences to the project

- Project 2003-007-00, Ecosystem Monitoring Project, requested \$22,707. The Lower Columbia River Estuary Partnership (LCREP) is seeking funds to develop a probabilistic sampling design for the ecosystem classification system for the river reaches in the lower Columbia River in coordination with EPA, the Estuary Partnership, NOAA, UW, and PNNL. Council staff agree with Bonneville's support for this request, conditioned on the comments in the Council's FY 2007 - 2009 recommendation for this project in prioritizing the completion of tasks associated with finalizing the classification system.
- Project 1993-060-00, Select Area Fisheries Enhancement, requested \$7,500. This request from the Clatsop Economic Development Council is for a one-time purchase to replace a piece of equipment (i.e., ATV) that is necessary to transport fall Chinook from the marking trailer the net pens in a timely manner to minimize stress to the fish. Council supports the replacement of this un-repairable piece of equipment as outlined in Bonneville's letter.

Category 3b2: Threats to Project Integrity - (b) that jeopardize the performance of a discrete task or objective; (2) The loss of monitoring and evaluation data

- Project 1982-013-01, Coded Wire Tag Recovery, requested \$102,359. The CWT Recovery Project is an on going data collection and data management program conducted by ODFW, WDFW, and PSMFC that supports the annual assessment of hatchery and wild salmon populations throughout the Columbia Basin. The goal of this project is to sample statistically valid numbers of salmonids for the presence of coded wire tags, collect the tags and associated biological data, transport the tags to the lab for decoding

and recording, and maintain a regional database of all coded wire tags released and recovered in the basin.

The request received from the Pacific States Marine Fisheries Commission (PSMFC) of \$102,359 arises from concerns that the project will not be able to meet the sampling rate of 20 percent thereby reducing the statistical strength of the data. This amount would also bring the project budget to the level recommended by the Council as part of the Fiscal Year 2007 - 2009 recommendation in November 2006 (i.e., \$2,130,195/Fiscal Year - this funding level was conditioned as “interim” pending further consideration of regional monitoring and evaluation framework).

On February 9, 2007 the Council received Bonneville’s implementation plan for the Fish and Wildlife Program. During Fiscal Year 2007 - 2009, Bonneville’s plan provided \$2,028,757 in project funding. Bonneville believed their budget equaled the Fiscal Year 2006 funding level, but they had neglected to incorporate a within year request that was reviewed and approved in the first quarter of Fiscal Year 2006. Based on this error, Bonneville is recommending that only \$39,720 of this current within-year request be approved to address the anticipated shortfall, ensure consistency to past decisions and to reach the Fiscal Year 2006 funding level. Council staff agree with Bonnevilles’ budget for contracting this project.

- Project 2001-053-00, Reintroduction of chum salmon into Duncan Creek - requested \$32,000. The request from the Pacific States Marine Fisheries Commission (PSMFC) is for the replacement of the adult trapping structure located in the Duncan Creek Dam channel that was lost during flooding in late November 2006. This adult trap has been a key part of this project since inception, and it provides a means to enumerate the adult chum entering Duncan Creek, and a collection point for brood stock. Council staff supports the request to replace the trap to meet the needs of the reviewed and recommended artificial production and monitoring elements of the project.

Category 4: Lost Opportunity

Project 1992-061-00, Albeni Falls Wildlife Mitigation Project, request for \$930,356 capital. The request by the Idaho Department of Fish and Game (IDFG) is for a land acquisition of 238 acres in Bonner County, Idaho. As outlined in Bonneville’s letter, IDFG has used their soft cap budget allocation for acquisition in Fiscal Year 2007 as established by the Albeni Falls workgroup. At the current time, Bonneville is not comfortable with additional capital expenditures in Fiscal Year 2007. The Council staff agree with Bonneville on declining this request.

Category 5: Other

- Project 2004-002-00, PNAMP Coordination - request for \$37,900. The U.S. Geological Survey (USGS) is requesting funds for additional staff needs to assist in Pacific Northwest Aquatic Monitoring Partnership (PNAMP) Coordination. The Council, as part of the FY 2007 - 2009 recommendations, conditioned the funding level for this project as interim “pending further Council consideration of regional monitoring and

evaluation framework.” Bonneville supports the request at a lower level of \$18,000. Much of the uncertainty about funding this effort should be addressed in the October 2nd Executive Summit of Information Sharing. However, until completion of the regional M&E framework, the Council staff has no basis to support the request at this time.

- 1998-010-01 Grande Ronde Basin Spring Chinook Salmon Captive Broodstock Operation and Maintenance. The request has no impact to the Fiscal Year 2007 budget, but is for the authorization of a work element that will increase the Fiscal Year 2008 and 2009 budget. The goal of this project is to assure the persistence of spring Chinook salmon in Catherine Creek, Lostine River and upper Grande Ronde River in the Grande Ronde subbasin. The Fiscal Year 2007 - 2009 funding recommendation was conditioned as per the ISRP recommendation stating - “no additional parr collection.” The request from the Oregon Department of Fish and Wildlife (ODFW) is for the approval of a project element to collect and rear two more brood years (i.e., BY 2006 and 2007) of captive broodstock Chinook salmon from the upper Grande Ronde River. This request for parr collection is addressing only the upper Grande Ronde population that lags behind the other two populations (i.e., Lostine River and Catherine Creek) due to poor adult returns prior to 2001 and disease issues (i.e., tumors and Bacterial Kidney Disease (BKD)). The Lostine River and Catherine Creek populations are currently transitioning to conventional production programs, and as per the Council’s Fiscal Year 2007 - 2009 recommendations, no additional parr are being collected. The transition to conventional production and this request reflects the outcome and intent of Programmatic Issue #12¹ in 2005 and continues to address the long-term objectives and expected evaluation defined during that programmatic review.

Council staff recommend that the Council approve the request, with the understanding that the additional funds needed for this request be identified in the Fiscal Year 2008 and 2009 start-of-year budgets being developed by Bonneville to address the requested funds of \$33,469 and \$66,358 respectively.

- Project 2007-405-00, Rufus Woods Supplementation and Creel Project, request for \$169,797. The request addresses a new project from the Colville Confederated Tribes to conduct resident fisheries supplementation stocking of triploid rainbow trout in Lake Rufus Woods to provide increased tribal subsistence and tribal and non-tribal recreational harvest and evaluate stocking success with creel data collection.

The proposal was submitted to the BOG in early April and requested \$169,797 in Fiscal Year 2007, and \$178,887 for Fiscal Year 2008 and 2009. It is important to note that by the time this proposal receives an ISRP review and if it is contracted it would impact Fiscal Year 2008 and 2009 budgets at \$169,797 and \$178,887, respectively.

¹ In addressing the captive propagation issue the Council, on April 2, 2002, established conditions for future funding of ongoing captive propagation initiatives in its recommendations for the Blue Mountain and Mountain Snake Provinces. In the staff’s organization of recommendations for the provincial review decisions, these particular issues were labeled as “Programmatic Issue 12: *Preservation /Conservation Purpose Artificial Production Proposals*”.

Bonneville recommends this new project for review by the ISRP. Council staff supports sending the project to the ISRP and will provide an update to the Council members of the ISRP review of the project.²

- Project 2003-063-00, Natural Reproductive Success & Demographic Effects of Hatchery-Origin Steelhead in Abernathy Ck., Washington requested \$464,558 (Deferred from the 2nd quarter). The project addresses gaps in the biological opinion that Bonneville is currently implementing³ by addressing the reproductive success of hatchery and natural-origin steelhead in Abernathy Creek.⁴ The U.S. Fish and Wildlife Service (USFWS) did not submit a proposal for this project during the Council's Fiscal Years 2007 - 2009 solicitation process. Based on this, it was determined that the sponsor would need to seek a funding recommendation through a within-year project funding request. Since this project was an ongoing project, Bonneville continued an interim contract with the project sponsor during this review and recommendation period. In September 2006, the sponsor submitted the proposal request to the BOG. On January 16, 2007, Council staff presented the requests and reviewed the schedule associated with the within-year budget adjustment requests for the first quarter of Fiscal Year 2007. In addition, on January 25, 2007, Bonneville submitted a request for a review to the Council. On February 14, 2007, the Council recommended, as part of the decision regarding within-year requests for the first quarter of Fiscal Year 2007, that the proposal be submitted to the ISRP for review, but that the funds for implementing the project would be dependant on a favorable ISRP and Council review as part of the second quarter review. On April 26, 2007, the ISRP provided their preliminary review of the proposal requesting additional information. On April 20, 2007, the Council received the response from Bonneville addressing the additional information. In the interim, the continued contract with the project sponsor will assure that short-term funding is provided.

On May 10, 2007 the Council received the ISRP's final review (ISRP 2007-5). The ISRP found that the submittal lacked details and explanations in responding to a number of ISRP preliminary concerns. Based on these findings, the ISRP provided a final recommendation of "Meets Scientific Review Criteria In-Part (Qualified)" and stated the following.

The ISRP has unresolved questions about 1) the difficulties with comparison of reference and treatment streams, 2) sufficiency of assessing the relative reproductive success of hatchery- versus natural-origin steelhead, 3) the growth modulation experiments that are coupled with the smolt physiology assessments,

² The proposal was submitted to the budget oversight group in early April - requesting \$169,797 in Fiscal Year 2007, and \$178,887 for Fiscal Year 2008 and 2009. It is important to note that by the time this proposal receives ISRP review and if it is contracted it would impact Fiscal Year 2008 and 2009 budgets only. appropriate aligned to year 1 and 2 funding levels.

³ This proposal was a request for study (RFS) for implementation through the provincial review for the Mainstem/Systemwide (MS/SW) Province. It was funded as part of the Bonneville 2004 SOY decision to address Research, Monitoring, and Evaluation (RM&E) categories described in the NOAA Fisheries Biological Opinion for operation of the Federal Columbia River Power System (FCRPS).

⁴ The project follows a hatchery broodstock from a natural-origin steelhead population. It researches the genetic difference of the hatchery broodstock from the natural-origin population and the ecological impact of these steelhead to Abernathy Creek, Washington.

and 4) measurement of behavioral interactions. The evaluation of the demographic effects of steelhead supplementation in Abernathy Creek does not meet the scientific review criteria because the ability to measure important attributes of the adults spawning in the reference streams is lacking (objective 3, work element 3b, 3c). The ISRP recommendation is qualified because the relative reproductive success objective may not be achievable using young-of-the-year juveniles based on the 2005 report (objective 8, work elements 8a, 8b), and because the physiological assessment of smolt status that is intended to contribute to modification of hatchery practices is based on growth modulation experiments using feeding rates and feed formulation that have not been reviewed by the ISRP (objective 4, work element 4a). These should be addressed in developing project work elements and reporting during FY 2008 and 2009.

Based on the ISRP review there are issues that need to be resolved. The ISRP recognizes the importance of the project, but raises key questions regarding the study design and the ability of the project in its current form to address reproductive success of hatchery-origin and natural-origin steelhead. As part of their review the ISRP recommended that two elements associated with objective 3 (i.e., estimate smolt outmigration) not be funded - 3b⁵ (~\$9,869/yr), and 3c⁶ (~\$13,869/yr). In addition, the ISRP does not see the need for objective 4 (i.e., Monitor physiological status of emigrating NOR steelhead and BY06 and BY07 HOR steelhead, at ~\$6,295/yr).

On May 21, 2007 the federal action agencies submitted their draft proposed action (PA) for operation of the Federal Columbia River Power System to the U.S. District Court. The PA is not a final product but is an analysis and set of actions that addresses the needs of Columbia Basin salmon and steelhead throughout their lifecycle.

Staff review of the Remand Filing does not indicate a strong tie to Project 2003-063-00, *Natural Reproductive Success & Demographic Effects of Hatchery-Origin Steelhead in Abernathy Ck., Washington*. The Research Monitoring and Evaluation (RM&E) Proposed Action Summary - Strategy 6: Hatchery RM&E notes under actions associated with critical uncertainties the desire of the Action Agencies to continue funding this research for artificial propagation and states the following.

⁵ 3b) Estimate the daily and total number of emigrating smolts of each species in Abernathy, Germany, and Mill Creeks using rotary screw traps during the spring of 2007. Smolt emigration monitoring will be conducted by the Washington Department of Fish & Wildlife (Greg Volkhardt, WDFW) and AFTC staff. This work is currently being conducted with "in-kind" funding from the Washington Salmon Recovery Board. Additional information will be collected from HOR and NOR steelhead during screw trap operations in Abernathy Creek in order to allow comparison between the two groups. Fin clips will be collected for genetic analysis, scales and stomach contents will also be collected. In addition, weight, length, and photos will be collected to allow later morphological comparison with regards to truss measurements and condition factor. An AFTC biologist will work with and assist WDFW biologists during the smolt trap operations in Abernathy Creek. Start Date 4/1/2007; End Date 9/30/2012

⁶ 3c) Smolt emigration of steelhead and cutthroat trout, and coho salmon, in the Abernathy, Germany, and Mill Creeks will be estimated by standard methods. A portion of the smolts trapped each day will be marked and released upstream to generate the total smolt emigration for each species in the stream each day. The information collected will be used to assess demographic impacts of hatchery releases and naturally-spawning HOR adults on natural smolt production in Abernathy Creek (treatment stream) relative to Mill and Germany Creeks (control streams). Start Date 4/1/2007; End Date 7/31/2012.

“Establish the relative reproductive success of hatchery-origin salmon and steelhead compared to reproductive success of their natural-origin counterparts”⁷

This statement is qualified with the need of the Action Agencies to prioritize these critical hatchery uncertainties to research where answers to hatchery management questions are most critical (i.e., Upper Columbia River steelhead, Snake River Spring/Summer Chinook, Snake River B-run Steelhead, and Snake Fall Chinook).

It seems that the Action Agencies have prioritized specific projects identified for implementation in the FY 2007-2009 period to meet the Proposed Actions for Hatchery RM&E (See Table 5, Appendix 1, RM&E Proposed Action Summary). This table does not include the Abernathy Creek project, but does list two other projects currently addressing this uncertainty be funded in the program (i.e., Project 2003-050-00, *Evaluation of Reproduction of Steelhead* and Project 2003-054-00, *Reproduction of Steelhead in Hood River*).

Bonneville recommends continued funding in Fiscal Year 2008 - 2009 for this project after a complete review of the scope and intent of the project based on the ISRP concerns. Based on this review by Bonneville the project scope and budget may be reduced to focus the current needs for evaluating hatchery effectiveness. Council staff disagrees with this recommendation and suggests that the ISRP review is severe enough to warrant the Council recommending termination of this project in a timely manner, and that if additional needs for hatchery effectiveness are identified in the current process a solicitation be crafted to meet this need.

Based on the reviews conducted by the BOG members, Council staff, and the review and correspondence received from Bonneville, the Council staff recommend that the six of the nine within-year adjustments seeking a decision, as outlined in the following table, be approved for a total requested amount, in expense, of \$101,927 in Fiscal Year 2007.

⁷ 1 of 3 Actions Listed, Page 14, May 21, 2007 - RM&E Proposed Action Summary.

Table 1: Summary of within-year budget adjustments and staff recommendations for the third quarter of Fiscal Year 2007.

Category	Project #	Project Title	Sponsor	FY 2007 Budget (BPA)	Request	Status
1	1989-035-00	Umatilla Hatchery	ODFW	\$941,664	\$23,012	Approved, BPA 4-16-07
2	2005-012-00	Modifications at Oxbow Fish Hatchery for Redfish Lake Sockeye Smolt Program	ODFW	\$0 (NWPPC FY'06 @ \$250,000)	\$250,000 (capital)	Deferred to 1 st quarter FY '08
3a	2005-007-00 ⁸	Fulton, Phase 2, Diversion Dam, Chewuch River, Winthrop, WA	BOR	\$0 (NWPPC FY '05 @ \$146,000)	\$96,000	Deferred to 1 st quarter FY '08
3b2	2003-007-00	Ecosystem Monitoring Project	LCREP	\$625,000	\$22,707	3 rd Quarter Decision - Approved
	1993-060-00	Select Area Fisheries Enhancement	Clatsop County	\$1,800,000	\$7,500	3 rd Quarter Decision - Approved
	1982-013-01 ⁹	Coded Wire Tag Recovery	PSMFC	\$2,028,757	\$102,359	3 rd Quarter Decision - Approved @ \$39,720
	2001-053-00	Reintroduction of chum salmon into Duncan Creek	WDFW	\$232,776	\$32,000	3 rd Quarter Decision - Approved
4	2007-325-00	UPA Wenatchee Subbasin Complexity Proposal	Chelan County	\$1,050,000	\$0, Scope	Request was withdrawn
	1992-068-00	Willamette Basin Wildlife Mitigation	ODFW	\$760,657	\$2,100,000 (capital)	Request was withdrawn
	1992-061-00	Albeni Falls Wildlife Mitigation Project	IDFG	\$2,029,297	\$930,356 (capital)	3 rd Quarter Decision - Declined
5	2004-002-00	PNAMP Coordination	USGS	\$50,000	\$37,900	3 rd Quarter Decision - Declined
	1998-031-00	Implement Wy-Kan-Ush-Mi Wa-Kis	CRITFC	\$210,000	\$0, Scope	Approved, BPA 5-9-07
	1998-010-01 ⁹	Grande Ronde Basin Spring Chinook Salmon Captive Broodstock Operation and Maintenance	ODFW	\$723,718	\$0, Scope	3 rd Quarter Decision - Approved
	2007-405-00 ¹⁰	Rufus Woods Supplementation and Creel Project	CCT	\$0	\$169,797 ¹⁰	3 rd Quarter Decision - Approved conditioned on favorable ISRP review
	2003-063-00 ⁸	Natural Reproductive Success & Demographic Effects of Hatchery-Origin Steelhead in Abernathy Ck., Washington	USFWS	\$0 (NWPPC FY'06 @ \$391,422)	\$464,558	3 rd Quarter Decision - Declined

⁸ Deferred from the 2nd quarter as additional information was collected regarding the initial requests

⁹ If the request is approved out-year budgets for Fiscal Year 2008 and 2009 recommendations will be increased to reflect the approval.

¹⁰ This is the requested amount for FY 2007 - if contracted this project would be part of the FY 2008 and 2009 budget.

Attachment 1: Letter received on August 1, 2007 from Bonneville regarding within-year budget adjustments associated with the Quarterly Review.



Department of Energy

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

ENVIRONMENT, FISH AND WILDLIFE

August 1, 2007

In reply refer to:

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

Dear Mr. Grover:

In accordance with the Budget Oversight Group (BOG) process, the BOG conducted the third quarterly review of within-year budget and/or scope modification requests for Fiscal Year 2007 [submissions reviewed by BOG in April, May and June]. These requests were presented at the July 11, 2007 Fish and Wildlife Committee Meeting, and a 14-day, public comment period was opened. No comments were received. As a result of the BOG review, consideration of any comments, and subsequent further analysis by BPA staff, the following requests are submitted to Council for evaluation and recommendations.

BPA will consider the Northwest Power and Conservation Council (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 budgets.

BPA reviews each request for technical merit and management priority. BPA staff has assessed the current list of requests and have arrived at the following recommendations. The BOG process incorporates the following criteria to categorize the project requests:

Category

1. **Emergency** – Acts of God or the unforeseen loss of mechanical infrastructure that necessitates an extraordinary action to avoid the imminent loss of fish and/or wildlife resources or to mitigate serious human health or safety issues.
2. **Endangered Species Act (ESA) Obligation** – A new or ongoing project that addresses actions committed to by the Action Agencies to implement biological

opinions. New projects will be reviewed by the Independent Scientific Review Panel (ISRP), BPA, and the Council prior to BPA funding.

3. **Threats to Project Integrity** – Actions necessary for the project, though not of an emergency nature, to avoid the loss of a previous project investment, including major project review (i.e., step review) that would:
 - a. Jeopardize the performance of the entire project; or
 - b. Jeopardize the performance of a discrete task or objective of the project causing:
 - i. Adverse biological consequences to the project; or
 - ii. The loss of monitoring and evaluation data.
4. **Lost Opportunity** – 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 requested budget increase and associated work is not approved. “Lost opportunity” constitutes a highly scrutinized status and does not necessarily constitute an automatic approval.
5. **Other** – Any project not deemed by the BOG to fall into the four categories defined above. The loss of capability to administer the project also falls into this category. Examples of this type of request might include cost-of-living increases or increases in indirect rates. Because these costs should be addressed through project contracting, it is unlikely that these projects would receive a high priority in the quarterly review process.

Project Funding Requests – BPA Recommends Supporting

The following requests are being addressed in accordance with the schedule of the BPA/Council within-year process; they were discussed in the June 2007 Quarterly BOG meeting, forwarded to the Council to initiate the 14-day public review process, and are now being forwarded to the Council for its recommendation.

Category 3b2

Project No. [2003-007-00](#)

Project Name: Ecosystem Monitoring Project

Budget Amount: \$22,707

Funding Type: Expense

Contractor: Lower Columbia River Estuary Partnership

The Lower Columbia River Estuary Partnership is seeking funds to complete work on a sampling design for fish and habitat monitoring being developed under the Ecosystem Monitoring Project. The classification system will cover the area from Bonneville Dam to the Columbia River mouth for the purpose of prioritizing future habitat work under project 2003-011-00. This was work

originally included in the proposal, although the contractor was unable to accomplish this task at the FY07 budget level, a reduction of 35% (\$214,000) from FY06.

BPA supports the funding of this request.

Project Number: [1993-060-00](#)

Project Name: Select Area Fisheries Enhancement

Budget Amount: \$7,500

Funding Type: Expense

Contractor: Clatsop County

Clatsop County is requesting funds for a one-time purchase to replace an all-terrain vehicle (ATV) that is necessary to accomplish the required fish marking prior to release of select area bright fall Chinook into Oregon waters. The existing ATV had an engine that seized and also a transmission that was not shifting correctly, making operation a potential safety issue. The estimated total cost of these two repairs makes repairing the vehicle a poor option.

The Select Area Fishery Evaluation (SAFE) Project has provided significant and valuable opportunities for both commercial and recreational fisheries to harvest strong, locally-produced stocks of hatchery salmon in off-channel areas of the Columbia River with minimal impacts to non-local stocks including species listed under the ESA.

Bonneville agrees that repairs are uneconomical. Therefore, BPA supports replacement of the ATV to enable the project to perform its primary tasks.

Project Number: [1982-013-01](#)

Project Name: Coded Wire Tag Recovery

Budget Amount: \$102,359 – Requested

\$39,720 – Recommended by BPA

Funding Type: Expense

Contractor: Pacific States Marine Fisheries Commission

The Pacific States Marine Fisheries Commission (PSMFC) is requesting additional funds because they feel the designated funding levels in BPA's 2007–2009 Implementation Decision are inadequate for continuing the current requirements placed on sampling and Coded Wire Tag (CWT) recovery operations conducted by Oregon Department of Fish and Wildlife (ODFW), Washington Department of Fish and Wildlife (WDFW) and PSMFC in the Columbia Basin. They believe program reductions will occur, resulting in:

- Elimination of positions (primarily seasonal data collectors);
- Reduction of sampling rate, resulting in a sampling rate less than 20% and thereby reduce the statistical strength of the data;
- Spawning ground surveys for CWT fish will be reduced; and
- Delivery of CWT data to the regional coded wire tag database (RMIS) will be significantly delayed due to reductions at ODFW's Clackamas tag recovery lab.

Bonneville recommends an increase of \$39,720 for FY07 and 08, consistent with an FY06 Within Year request previously agreed to by the Council and BPA. We recommend an increase

in the planning budget for FY09 of \$33,762 ($39,720 \times 0.85 = 33,762$) subject to our proposed treatment for in lieu considerations, as indicated in our February 9, 2007 letter on funding. BPA notes that the sponsor is sharing increased costs, with cost share partners increasing their contribution from \$2.5M in the FY2003 proposal to \$3.0M in the FY07-09 proposal.

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

Project Number: [2001-053-00](#)

Project Name: Reintroduction of chum salmon into Duncan Creek

Budget Amount: \$32,000

Funding Type: Expense

Contractor: Pacific States Marine Fisheries Commission

The PSMFC is seeking additional funding because the existing adult trapping structure located in the Duncan Creek Dam channel was lost during flooding in late November 2006. This trap is needed to monitor hatchery program success and collect broodstock for the spawning channel. New plans/drawings of a re-designed replacement adult trap will need to be prepared to allow for solicitation of construction bids. This new design proposes to include the ability to completely remove the trapping structure from the channel with an on-site winching system, allowing quick removal in response to high flow events.

Bonneville recommends funding the replacement of the trap to support continuation of the monitoring and production components of this project.

Category 5 - Other

Project Number: [2004-002-00](#)

Project Name: PNAMP Coordination

Budget Amount: \$19,500

Funding Type: Expense

Contractor: U.S. Geological Survey

PNAMP requests an additional \$19,500 for FY07, to support additional technical staff needed to assist with Pacific Northwest Aquatic Monitoring Partnership (PNAMP) Coordination objectives:

- Serve as the lead staff, liaison, and point of contact for PNAMP;
- Support coordination of PNAMP efforts to integrate resource monitoring programs of state, federal, tribal, local, and private organizations in the Pacific Northwest;
- Facilitate the transfer of information within PNAMP and across relevant organizations, establish and maintain strong relationships between science and management, and promote and facilitate communication among organizations and disciplines;
- Facilitate forums among technical experts and between scientists, managers, and liaison groups for the collective evaluation and interpretation of current and new knowledge regarding issues in need of management or research attention;
- Serve as a clearinghouse for PNAMP activities and products. Initiate and facilitate the development, presentation, and distribution of products aimed as heightening awareness and understanding of PNAMP issues, successes, and problems;

- Ensure completion of administrative requirements of PNAMP activities (e.g., meeting logistical support, record keeping, responsibility for maintenance of membership information), including oversight of clerical assistance as appropriate;
- Provide organizational support to PNAMP by developing and negotiating fiscal support with government and non-government entities, and managing budgets and associated contracts with government and non-government entities; and
- Facilitate the development, implementation, and tracking of PNAMP work plans (statement of work and budget).

BPA supports this request for additional funding of \$19,500 for the remainder of FY07. This project is currently part of a broader review of data management that is subject to further recommendation by the Council for FY08 and beyond.

Project Number: [1998-010-01](#)

Project Name: Grande Ronde Basin Spring Chinook Salmon Captive Broodstock Operation and Maintenance

Budget Amount: \$0 - FY07; \$30,000 - FY08; \$60,000 - FY09

Funding Type: Expense

Contractor: Oregon Department of Fish and Wildlife

The ODFW is requesting an increase in budget for FY 2008-2009 to collect and rear two additional brood years of captive broodstock Chinook salmon from the upper Grande Ronde River, as agreed to by the co-management agencies (ODFW, Nez Perce Tribe, and the Confederated Tribes of the Umatilla Indian Reservation). The Grande Ronde River captive spring Chinook program has been successful in bolstering adult escapement in Catherine Creek and the Lostine River (the other 2 tributaries under the safety program). This request is based some early program setbacks: the first years of adult returns from which the parr were captured had very low numbers , resulting in low parr numbers being collected for captive rearing, disease problems, and lower than expected fecundities, leading to sporadic ability to reach the 150,000 yearly smolt goal. Further population declines are projected without continued, short-term support of the captive brood program.

If approved, this will also require an extension of the Captive Broodstock Program for an additional two years within the FY07-09 solicitation period to rear the BY 2006 and 2007 salmon toward maturation. If this request for a budget increase is not granted, then the project sponsors will be unable to rear any more fish than are already in the program.

Bonneville reviewed the documents attached to the request detailing demographic data and original goals for the three Grande Ronde River stocks and recommends continued 2007 and 2008 parr collections for Upper Grande Ronde stock only. We recommend increasing the outyear budgets for FY08 by \$30,000 and FY09 by \$60,000 to accommodate additional rearing. This will also increase budgets beyond FY09 to complete rearing and spawning of collected fish.

Previous Quarterly Review Requests

Category 4 – Lost Opportunity

Project Number: [2003-063-00](#)

Project Name: Natural Reproductive Success and Demographic Effects of Hatchery-Origin Steelhead in Abernathy Creek, Washington

Budget Amount: FY07 \$464,558; FY08/09 to be determined

Funding Type: Expense

Contractor: U.S. Fish and Wildlife Service

After the Council's 2007–2009 solicitation closed, it became evident that one ongoing project, Natural Reproductive Success and Demographic Effects of Hatchery-Origin Steelhead in Abernathy Creek (Project No. 2003-063-00), had not submitted a proposal to the solicitation process. As with any other new proposal, the sponsor was directed to make a request through the BOG and within-year process to consider their proposal for funding.

This project was originally proposed in response to BPA's Request for Studies (RFS) to address critical uncertainties under the 2000 BiOp. In January 2007, BPA requested that the Council forward this proposal to the ISRP for scientific review. Thereafter, BPA suggested this proposal then continue to be reviewed via the within-year process for the first quarterly review.

Meanwhile, BPA has provided a short term contract extension with the U.S. Fish and Wildlife Service for this project pending ISRP, Council, and BPA review of the proposal. The ISRP has now returned a review of the project, and BPA will be providing its comments on ISRP review and a recommendation for the third quarterly review.

Bonneville recommends approval of the FY07 budget, not to exceed \$464,558. During the remainder of the current contract period, BPA will review the project scope/budget to refocus it on the current needs for evaluating hatchery effectiveness, the original scope of the RFS under which BPA funded this project, including addressing issues identified in the recent ISRP review. Funding in FY08/09 will be based upon the original project scope (for which it had received a favorable ISRP review), and retaining the value of the previous investment of \$1.2 million.

Project Funding Requests – BPA Recommends ISRP Review

Category 4 – Lost Opportunity

Project Number: [2007-405-00](#)

Project Name: Rufus Woods Supplementation and Creel Project

Budget Amount: \$169,797

Funding Type: Expense

Contractor: Colville Confederated Tribes

The Colville Confederated Tribes are requesting that ISRP review be initiated for this project and for approval of funds upon favorable ISRP review. This project will provide for stocking triploid rainbow trout, which are part of a popular tribal and non-tribal recreational fishery, located at the Rufus Woods Reservoir. Project sponsors will collect data on physical or biological characteristics, abundance or distribution of the fish populations, origin of stocks, extent and use of the fishery (e.g., fishing effort, catch, etc.), and economic assessment.

Bonneville recommends ISRP review of this new project, to serve as the basis for subsequent review and consideration of funding in the first quarter of FY08.

Project Funding Request – BPA Does Not Recommend

Project Number: [1992-061-00](#)

Project Name: Albeni Falls Wildlife Mitigation Project

Budget Amount: \$930,356

Funding Type: Capital

Contractor: Idaho Department of Fish and Wildlife

The Idaho Department of Fish and Wildlife (IDFG) has exhausted their soft cap budget allocation within the Albeni Falls Wildlife Mitigation Project and are, therefore, seeking additional funds for the fee-title acquisition of about 238 acres in two phases from the Ginter family in Bonner County, Idaho. BPA had offered to preschedule FY 2008 funds to accommodate this request; however, project sponsors are unwilling to pursue this avenue for acquiring this property. Additionally, this request is made by IDFG, but the support of the Albeni Falls working group to accelerate purchases with a budget increase to the project for this entity alone has not been provided by the requestor. If denied additional dollars, IDFG has suggested it will wait to purchase this property in FY 2008.

Bonneville does not support the request, particularly in light of the likelihood of spending available capital dollars in FY07.

Project Funding Requests - Deferred

Category 2

Project No. 2005-012-00

Project Name: Modifications at Oxbow Fish Hatchery for Redfish Lake Sockeye Smolt Program

Budget Amount: \$250,000

Funding Type: Capital

Contractor: Oregon Department of Fish and Wildlife

The Oregon Department of Fish and Wildlife has requested to secure funds to complete phase two of the project. This BPA-funded project was developed in response to the current Federal Columbia River Power System (FCRPS) Biological Opinion (BiOp) Updated Proposed Action (UPA) recommendation to increase smolt production for the Redfish Lake Sockeye Salmon Captive Broodstock Program. No funds were requested by the sponsor through the Council's 2007–2009 solicitation process to complete the project. Phase two of the project will direct effort to complete the modification of rearing raceway drain lines and their connection to the abatement pond (\$250,000). The bulk of the work associated with phase two will take place after the beginning of the start of FY 2008 (October 1, 2007).

Project sponsor has deferred this request until the first quarter of FY08 because any possible construction has been delayed by at least five months.

Category 3b1

Project Number: 2005-007-00

Project Name: Fulton, Phase II, Diversion Dam, Chewuch River, Winthrop, Washington

Budget Amount: \$96,000

Funding Type: Expense

Contractor: U.S. Bureau of Reclamation

The U.S. Bureau of Reclamation (BoR) is not authorized to fund actual implementation of habitat improvements (i.e., construction). This has led to an agreement in which BoR can provide support for planning, design, and/or permitting, and BPA provides funds for construction. The BoR funded the design for Fulton, Phase II, and Diversion Dam. BPA contracted with the BoR to provide construction oversight given their familiarity with the design. Construction was scheduled to have been completed by December 31, 2006. Construction took longer than anticipated, and was completed and inspected March 9, 2007. A generally protracted construction schedule, the complexity of dealing with high water due to inclement weather, and significantly increased subcontractor activity during the last 2.5 months of construction led to increases in both the duration and intensity required for construction oversight.

BPA is deferring its recommendation on this request, and continuing to work with BOR to determine actual costs incurred under the contract.

Project Funding Requests – Withdrawn

Category 4 – Lost Opportunity

Project Number: [2007-325-00](#)

Project Name: UPA Wenatchee Subbasin Complexity Proposal

Budget Amount: \$0

Funding Type: Expense

Contractor: Chelan County Natural Resources Department

The purpose of this proposal from the Chelan County Natural Resources Department is to subtract funds from Project Number 2007-042-00, Wenatchee Passage Program, and add them to Project Number 2007-325-00, UPA Wenatchee Subbasin Complexity Proposal. These funds will pay for additional complexity projects in the Wenatchee subbasin, providing more cost-effective biological benefits than the actions originally proposed for this project. These funds also will pay for the Harrison Side Channel habitat complexity project in the Entiat subbasin.

If the complexity projects cannot be constructed, BPA will not receive metric credit to meet the NOAA Fisheries 2004 BiOp requirements, and the anticipated biological benefit to Upper Columbia spring Chinook and steelhead will not be met. The Chelan County Natural Resources Department and BPA will still achieve the metrics proposed under the Wenatchee Passage proposal.

Chelan County Public Works has agreed to provide the majority of the funds to remove a single culvert that blocks over 30 miles of fish passage habitat. Removal of this single culvert will provide more metrics than the projects proposed under the Wenatchee Passage proposal. BPA will provide the remainder of the funds for this culvert replacement under Project No. 2007-283-00, UPA Wenatchee Subbasin Access Proposal.

This request has been withdrawn and replaced by two new BOG requests which will be reviewed the first quarter of FY08.

Project Number: [1992-068-00](#)

Project Name: Willamette Basin Wildlife Mitigation

Budget Amount: \$2,100,000

Funding Type: Capital

Contractor: Oregon Department of Fish and Wildlife

Trust for Public Lands has an opportunity to acquire the Zena property and work with a variety of partners to develop a management plan that will balance economics and social benefits with wildlife needs and watershed health. Acquisition of the Zena property would protect one of the largest contiguous blocks of mixed hardwood/conifer forest in the central Willamette Valley from conversion and/or development. It would also provide an opportunity to protect and manage for watershed health and critical habitats for fish and wildlife while continuing to employ some of the ecologically sustainable forest management techniques that have governed the property for decades. This would provide an excellent conservation forestry model for small woodland owners throughout the Willamette basin.

Located in the Eola Hills in northeastern Polk County, the 1,466-acre Zena property is comprised of oak woodlands, upland prairies, wet meadows, riparian forests, and mixed conifer forests. These landscapes provide habitat for multiple wildlife species as well as various rare, threatened,

and endangered plant species, such as Kincaid's lupine, Nelson's checkermallow, and Willamette Valley daisy. The headwaters for the Rickreall, Yamhill, and Spring Valley watersheds are all located on the Zena property. The Rickreall and Yamhill Watersheds contain coastal cutthroat, Pacific lamprey, and federally-threatened Upper Willamette steelhead.

This request has been withdrawn by the sponsor. Zena funding needs will be covered by a pre-schedule request which was submitted and approved by Bonneville.

Summary

In summary, the total expense funding requested by project sponsors that BPA recommends is \$627,397 for FY07. The total BPA recommendation for increased capital spending is \$0. Please feel free to contact either Greg Dondlinger at 503-230-5065 or me at 503-230-5549 for further information or if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "William C. Maslen". The signature is written in a cursive, flowing style.

William C. Maslen
Director of Fish and Wildlife