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November 1, 2007

DECISION MEMORANDUM

TO: Council Members

FROM: Mark Fritsch, project implementation manager

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

PROPOSED ACTION: Approve eight of the within-year project funding requests as defined and conditioned by staff.

SIGNIFICANCE: The total requested amounts are \$377,170 in expense and \$102,500 in capital funding in Fiscal Year 2008, and \$240,952 in expense and \$6,000 in capital funds in Fiscal Year 2009. This amount is in addition to the Fiscal Year 2008 - 2009 funding recommendations.

BUDGETARY/ECONOMIC IMPACTS:

The total requested amount is \$618,122 and \$108,500 for Fiscal Year 2008 and 2009 in expense and capital, respectively. This amount is in addition to the Fiscal Year 2008 - 2009 funding recommendations.

BACKGROUND:

The within-year budget requests for the Fourth 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 October 16, 2007, the Council staff presented the requests and reviewed the schedule for the within-year budget adjustment requests for the Fourth Quarter of Fiscal Year 2007. These fourth quarter requests, reviewed in July, August, and September, will be treated as an amendment to the start-of-year budget for Fiscal Year 2008.

The comment period associated with these requests closed on October 30th. We did not receive any comments during this comment period.

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

ANALYSIS:

Of the 16 requests reviewed by the BOG during the Fourth Quarter of Fiscal Year 2007, 10 requests will need a decision at your November meeting. As outlined in the attached table (see Attachment 2), three requests have been dealt with as emergencies during this quarter. The remaining three requests will not need action (e.g., deferred) in November.

The following categories address the 10 project requests and the Council staff's recommendations.

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

- Project 1988-115-25, YKFP Design and Construction, requested \$126,500 in capital funding for Fiscal Years 2008 - 2012. The State of Washington Department of Ecology amended the Cle Elum Hatchery Temporary Permits to conduct further collection of groundwater data during hatchery operations. Without this data collection a final permit to extract groundwater for hatchery operation and thus the option to use groundwater for hatchery operation will be eliminated. Bonneville is requesting additional funds to addresses the costs associated with the needed monitoring to comply with the requirements contained in the amended permits. Council staff agrees with Bonneville's support for this request at \$102,500 for Fiscal Year 2008, and \$6,000 for each Fiscal Year during 2009 - 2012.

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 1995-033-25, Yakima Phase II Screen O&M, requested \$8,877 in expense funding in Fiscal Year 2008. The Bureau of Reclamation is requesting additional funds to cover costs associated with the extensive inspection and maintenance of the underwater infrastructure at the Toppenish Pump Phase II Screen site. This effort took longer than expected. The extra time and man hours needing to complete this work required more money than originally budgeted. In addition, a high water event in November 2006 stressed the project budget. Council staff agrees with Bonneville's support for this request.
- Project 1988-053-00, Hood River Powerdale Dam / Oak Springs / Pelton Ladder O&M, requested \$21,515 in expense funding for Fiscal Year 2008 and Fiscal Year 2009. The Oregon Department of Fish and Wildlife (ODFW) is seeking additional funds to cover costs to produce, mark, and transport a total of 125,000 spring Chinook smolts for release in the Hood River Basin. This production level was reviewed and approved by the

Council as part of the Fiscal Year 2007 - 2009 recommendation, but Bonneville provided funding at Fiscal Year 2006 levels that reflected production of 75,000 fish. ODFW and the Confederated Tribes of the Warm Springs Reservation are requesting sufficient funds to restore Chinook production to 125,000 smolts. The Council is anticipating the submittal of a revised master plan for a step review this fall. Through the step review and decision process the production levels associated with the Hood River Production Program will be verified. Council staff agrees with Bonneville's budget for contracting this project for an additional \$21,515 in Fiscal Year 2008 and in Fiscal Year 2009.

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 2002-053-00, Assess Salmonids in the Asotin Creek Watershed, requested \$113,437 in expense funding in Fiscal Year 2008 and \$213,437 in Fiscal Year 2009. The Washington Department of Fish and Wildlife (WDFW) requests reinstatement (continuation) of full funding as recommended by the Council as part of the Fiscal Year 2007 - 2009 recommendation. The project estimates adult and juvenile salmonid abundance in the Asotin Creek watershed. The request is in response to Bonneville's decision to reduce the project's funding by approximately 50 percent in Fiscal Year 2008 and to terminate the project in Fiscal Year 2009. Bonneville is confirming their previous decision regarding this project and does not support the request.

The project seems to be a cost-effective way to monitor ESA-listed fish populations in a subbasin that is not supplemented. The information could be important as a reference stream in the region's monitoring and evaluation efforts. In addition, letters of support were received for this request from the Washington Department of Fish and Wildlife, Nez Perce Tribe, and the Snake River Salmon Recovery Board¹. Based on this information the Council staff recommends that the Council approve \$113,437 in Fiscal Year 2008 and \$213,437 in Fiscal Year 2009 in the expense budgets.

- Project 2001-003-00, Adult Pit Detector Installation, request for \$123,895 in expense funding in Fiscal Year 2008. The Pacific States Marine Fisheries Commission is requesting a budget to upgrade, enhance and standardize the transceivers designed for use at the Bonneville Dam Powerhouse-2 Corner Collector in order to provide maximum accuracy, uptime, and reliability. These technical issues and constraints were first learned about during the current migration season and were unknown when the original project was scoped and planned. Council staff agrees with Bonneville's budget for contracting this project.

Category 4: Lost Opportunity

- Project 2002-014-00, Sunnyside Wildlife Mitigation, requested \$47,200 in expense funding in Fiscal Year 2008. The Washington Department of Fish and Wildlife is seeking funds to acquire a parcel of land that is the last inholding within a 2,800-acre management unit. Acquisition will complete continuous public ownership of 13 miles of river frontage and assure no future fragmentation of riparian habitat occurs. Due to

¹ These letters were included as part of the proposal and were not received as part of the public comment.

location within a river bend, the 35 acres provide one mile of shoreline habitat. Acquisition will provide additional HUs in the riparian forest habitat type, which is severely limited within the subbasin. Council staff agrees with Bonneville's support for this request and conditions the approval on the confirmation of the accounting associated with habitat units.

Category 5: Other

- Project 1988-053-01, Grande Ronde/Imnaha Endemic Spring Chinook Supplementation - Northeast Oregon Hatchery, requested \$6,981 in expense funding in Fiscal Year 2008. The Nez Perce Tribe and Bonneville are requesting funds to provide maintenance to the access road. In addition, the request is for maintenance to the acquired house that is part of the hatchery project and that was approved by the Council in May 2006. Until the hatchery is built, the house needs to be protected and secured. Council staff feels that the structure should be closed off and winterized to ensure that it will be structurally sound when it is renovated as part of the anticipated hatchery construction. It is Council staff's understanding that this has occurred. The access road (Granger Rd.) leading to the BPA house and future hatchery site is maintained by the Nez Perce Tribe through agreement with BPA and Wallowa County. The requested funds to implement the agreement and participate with the neighbors in the maintenance of the road are approximately \$2,000. Because these costs were to be addressed as part of the operation and maintenance (o&m) cost with the hatchery they were not identified in the current contracts because construction has not been initiated to date. Because the hatchery has not been constructed, the request needs to be funded through the ongoing o&m project associated with the use of the existing site for acclimating spring Chinook prior to release (i.e., Project 1998-007-02, Gd Ronde Supp Lostine O&M/M&E). Based on the information available and the current status of the construction of the hatchery, the Council staff agrees with Bonneville's budget for contracting this request for \$2,000 under Project 1998-007-02.
- Project 2007-407-00, Regional Coordination for Upper Snake River Tribes, requested \$160,659 in Fiscal Year 2008 and 2009. The Tribes of the Upper Snake River have come together and formed the Compact of the Upper Snake River Tribes (USRT). The member tribes of USRT include the Burns Paiute Tribe, Shoshone-Bannock Tribes, and Shoshone-Paiute Tribes. This project proposal requests funding from BPA, to facilitate and coordinate the three USRT member Tribes' participation in regional activities, involving implementation of the Fish and Wildlife Program. The USRT have identified fish and wildlife objectives in the NPCC's subbasin plans and will update them through the Program amendment process. Facilitation and coordination of USRT will assist the Council and BPA in achieving Fish and Wildlife Program objectives in a cost-effective manner (i.e., planning coordination, project implementation, coordination, etc.) consistent with the legal rights of the Tribes. The requested amount is structured to initially address start-up costs for the first two Fiscal Years (2008 and 2009) and then reduce their need for BPA funding to be consistent with other sub-regional coordination projects as other funding support becomes available (i.e., Fiscal Year 2010 estimated at \$80,330). This request is explicitly linked to the ongoing programmatic issue associated with coordination funding. It is anticipated that this issue will be resolved in the near future,

but in the interim to sequence this need to the other ongoing contracts associated with coordination the request should be approved to provide funds through March 2008. At that time the project needs will be addressed with the other coordination projects currently addressed in the program. To address these initial needs through March 2008 (i.e., work to prepare the infrastructure to support this activity) the funds will be added to the current CBFWA contract (project 1989-062-01). Therefore staff concurs with Bonneville to fund the request through March 2008 not to exceed \$60,246.² Additional funds will be determined as part of the review regarding program coordination needs.

- Project 2003-023-00, Chief Joseph Hatchery Program, requested \$61,389 in expense funding in Fiscal Year 2008, \$122,778 in expense funding for Fiscal Year 2009 and \$61,389 for Fiscal Year 2010. The Colville Confederated Tribes (CCT) is requesting funds to initiate a program to train four tribal salmon culturists to be ready to meet the salmon culture requirement of the Chief Joseph Hatchery Facility. The request addresses needs for the 2007/2008 and 2009/2010 school years. The CCT is proposing to share costs in this effort to provide fish culture training for the four qualified CCT tribal member hatchery trainees through the Mount Hood Community College Fisheries Technology Program. In the past, decisions regarding education aspects of projects in the fish and wildlife program have been deferred until a funding approach for this type of need is defined, including alternatives for institutional funding to support educational needs. Based on past Council actions and the need for a regional approach the Council staff concurs with Bonneville and does not support this request.
- Project 1998-004-01, Columbia Basin Bulletin, request for \$25,000 in expense funding in Fiscal Year 2008. The Columbia Basin Bulletin (Bulletin) is seeking funds to reflect the funding level that was reviewed and recommended by the Council as part of the Fiscal Year 2007 - 2009 recommendations. Bonneville's funding recommendation provided \$135,000 in Fiscal year 2007, \$100,000 in Fiscal Year 2008 and \$50,000 in Fiscal Year 2009. The request is being made so that the Bulletin has the ability to adequately cover the anticipated workload with the upcoming amendment process and BiOp remand developments. To assist in maintaining the integrity of the Bulletin the Council provided \$15,000 in July 2007 from its Fish and Wildlife Divisions budget to supplement the Bulletin during this period. During the discussion associated with this decision the Council stated that it would not be able to continue these supplemental project budgets as they have over the past three years.

Bonneville is confirming its previous decision regarding this project and does not support the request. Bonneville continues to encourage the sponsor to find alternative funding sources during this time of transition.

The Council staff agrees with Bonneville that supplemental funding is not sustainable in the longterm, and that alternative funding sources need to be found and implemented. Therefore Council staff agrees with Bonneville and confirms the previous decisions.

² Based on the requested \$160,659 annual budget, at \$13,388 per month.

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 eight of the ten within-year adjustments seeking a decision, as outlined in the following table, be approved for a total requested amount of \$377,170 in expense funding and \$102,500 in capital funding in Fiscal Year 2008, and \$240,952 in expense funding and \$6,000 in capital funds in FY 2009.

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

Category	Project #	Project Title	Sponsor	FY 2008 Budget (BPA)	Request	Status
1						
	1996-067-00	Manchester Spring Chinook Captive Broodstock	NOAA	\$636,326	\$50,000	Approved, 8-14-07
	2007-402-00	Snake River Sockeye Salmon Captive Propagation	IDFG	\$2,909,248 ³ (capital)	\$640,844 (capital)	Approved, 8-14-07
3a						
	1988-115-25	YKFP Design and Construction	BPA	\$0	\$126,500 (capital)	November Decision @ \$102,500 for FY'08 and \$6,000 in FY'09. ⁴
3b1						
	1995-033-00	Yakima Phase II Screen O&M	BOR	\$96,000	\$8,877	November Decision @ \$8,877 in FY'08
	1988-053-08	Hood River Powerdale Dam / Oak Springs / Pelton Ladder O&M	ODFW / CTWSRO	\$562,860	\$21,515	November Decision @ \$21,515 in FY'08 and in FY'09.
3b2						
	1995-063-25	YKFP Monitoring and Evaluation	YN	\$4,100,251	\$180,000	Approved, 7-18-07
	2002-053-00	Assess Salmonids in the Asotin Creek Watershed	WDFW	\$100,000	\$113,437	November Decision @ \$113,437 in FY'08 and \$213,437 in FY'09.
	2001-003-00	Adult Pit Detector Installation	PSMFC	\$245,491	\$123,895	November Decision @ \$123,895 in FY'08.
	2005-011-00	Federally Funded Hatchery Energy Efficiency Improvements	BPA	\$0	\$10,000	BPA Deferred
4						
	2007-325-00	UPA Wenatchee Subbasin Complexity Programmatic	Chelan County	\$1,684,900	\$0, Scope	Request was withdrawn
	2007-042-00	UPA Upper Wenatchee Passage Program	Chelan County	\$400,950	\$0, Scope	BOG denied, not a scope change
	2002-014-00	Sunnyside Wildlife Mitigation	WDFW	\$199,750	\$47,200	November Decision @ \$47,200 in FY'08.
5						
	1988-053-01	Grande Ronde/Imnaha Endemic Spring Chinook Supplementation - Northeast Oregon Hatchery	BPA/NPT	\$16,462,30 ¹ (capital)	\$6,981	November Decision @ \$2,000 in FY'08.
	2007-407-00	Regional Coordination for Upper Snake River Tribes	USRT	New Project	\$160,659	November Decision @ \$60,246 in FY'08.
	2003-023-00	Chief Joseph Hatchery Program	CCT	\$16,313,000 (capital)	\$61,389	November Decision - Declined.
	1998-004-01	Columbia Basin Bulletin	CCB	\$100,000	\$25,000	November Decision - Declined

³ Total approved capital budget to date.

⁴ In additions the approval obligates \$6,000 for each Fiscal Year 2010 - 2012.

Attachment 1: Letter received on November 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

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 fourth quarterly review of within-year budget and/or scope modification requests for Fiscal Year 07 [submissions reviewed by BOG in July, August, and September]. These requests were presented at the October 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 or wildlife resources; imminent threat to human health or safety.
- 2. ESA Commitment of BPA** - A new or ongoing project that directly implements 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. 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:
 - 1. Adverse biological consequences to the project; or
 - 2. 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 a 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.

The following request are being addressed in accordance with the schedule of the BPA/Council within-year process; they were discussed at the July, August and September Quarterly BOG meetings, forwarded to the Council to initiate the 14-day public review process, and are now being forwarded to the Council for its recommendation.

Project Funding Requests – BPA Recommended
Category 3a

Project Number: 1988-115-25

Project Name: YKFP Design & Construction (Cle Elum Hatchery Well Field Monitoring)

Contractor: CH2M Hill

BPA-COTR: Patty Smith

Budget Amount: \$126,500 during 2008-2012 [\$102,500 in FY08 and \$6,000 in each FY for FY09-12]

Funding Type: Capital

Explanation of need: The State of Washington Department of Ecology (DOE) amended the Cle Elum Hatchery Temporary Permits associated with Water Right Applications in June 2007. The amended permit is to conduct further collection of groundwater data during hatchery operations (long duration well field monitoring) and to authorize beneficial use for continuous fish propagation. Without the additional groundwater data, DOE cannot issue a Final permit to extract groundwater for hatchery operation and thus the option to use groundwater for hatchery operation will be eliminated. This request presents tasks planned over the next five years to comply with the requirements contained in the Amended Temporary Permits. It will result in a groundwater supply required for continued operation of the Cle Elum Hatchery and issuance of the groundwater permits to support those water needs. The aquifer used for hatchery well water has not returned to levels that existed prior to operation of the hatchery wells. The aquifer appears to be stabilizing within predictable levels each year although not at the levels previously observed. Because of ground water level trend uncertainty, DOE finds that additional conditions must be met and that continuous monitoring and reporting is required to demonstrate that beneficial use under this permit can be managed to achieve the non-consumptive parameters of the application and permit. The duration of the Temporary permit authorization is limited to the life of the facility so long as the property is used for YKFP artificial fish production and associated research or unless sooner revoked.

The monitoring is a requirement under YKFP's water permits. BPA supports meeting the terms of its permits and continuing this work.

Category 3b1

Project Number: 1988-053-08

Project Name: Hood River Powerdale Dam / Oak Springs / Pelton Ladder O&M

Contractor: Oregon Department of Fish and Wildlife

BPA-COTR: Sarah Branum

Budget Amount: \$21,515 in '08 project budget and \$21,515 in '09 project budget

Funding Type: Expense

Explanation of need: Spring Chinook salmon production in the Hood River Subbasin was proposed and approved by Council and ISRP at 125,000 smolts annually for FY07-09. BPA's FY 2007-2009 decision did not provide full requested funding and as a result, co-managers choose to reduce Chinook smolt production to 75k for 2008 release. Given current smolt-to-adult ratios, this may result in a failure to attain escapement and brood collection goals. Co-managers are requesting additional funds to restore Chinook production to 125k smolts. ODFW will require an additional \$21,515 added to this project during FY08 and FY09 to produce, mark, and transport a total of 125,000 spring Chinook smolts for release in the Hood River basin. The

within year request was mistakenly completed for FY07; these additional funds are needed for FY08 and FY09. The co-managers had hoped for a decision earlier this summer prior to spawning, which has now been completed. Without the requested funding, a portion of the eggs will have to be destroyed. The Hood River Production Program managers are in the process of revising its Master Plan, and will provide a new document to Council in the near future. They prefer to not reduce spring Chinook smolt production right now, just before the whole program is set to be reviewed by Council and ISRP.

BPA supports this request for \$21,515 for each FY2008 and FY2009. Future funding requirements for this program is dependant on the outcome of the Master Plan.

Project Number: 1995-033-00

Project Name: Yakima Phase II Screen O&M

Contractor: Department of Interior, Bureau of Reclamation

BPA-COTR: Jonathan McCloud

Budget Amount: \$8,877 (added to '06 contract which ended 4/30/2007)

Funding Type: Expense

Explanation of need: The Bureau of Reclamation (BOR) is requesting an additional \$8,877 be added to the Yakima Phase II Screen O&M project (1995-033-00, contract 27195) budget to cover O&M work performed on the Toppenish Pump Phase II Screen site.

The Toppenish Pump Phase II Screen site has never been dewatered for a thorough inspection of the underwater infrastructure. In order to dewater the site, stop-log guides and stop-logs needed to be installed so that inspection and maintenance of the complete structure could occur. Once this work began, it became apparent to the BOR that this work was going to take more time and manpower than expected. The work could not be left half finished because the site needed to be fully dewatered and inspected for proper operation. The extra time and man hours needed to complete this work required more money than originally budgeted.

A major flood event occurred in November 2006 that also caused annual/routine maintenance to take longer than expected which led to more of the projects budget to be used at a quicker rate than anticipated.

BPA supports this request for \$8,877.

Category 3b2

Project Number: 2001-003-00

Project Name: Installation and Evaluation of Established PIT-tag Technologies

Contractor: Pacific States Marine Fisheries Commission

BPA-COTR: Jan Brady

Budget Amount: \$123,895 in '08 project budget

Funding Type: Expense

Explanation of need: Upgrade, enhancement and standardize of the transceivers designed for use at Bonneville Dam Powerhouse-2 Corner Collector (B2CC) in order to provide maximum accuracy, uptime and reliability of the Bonneville Corner Collector PIT Tag interrogation equipment.

Technical issues and constraints were first learned about during the current migration season, and were unknown when original project was scoped and planned. B2CC is an important data collection site for researchers in the Columbia River Basin (CRB). In the effort to minimize downtime and/or degraded interrogation performance, standardization and optimization of the transceivers is imperative. In the event of a malfunction, an optimally performing transceiver must be available for immediate deployment. The performance of the system is measured by “hits per tag” (the number of times a PIT Tagged fish is successfully read as it passes through the B2CC antenna), along with “read range” (how far from the antenna a PIT Tag will start to be read). PSMFC working with DA and NMFS has established minimum standards for these performance parameters. When a transceiver falls below these standards, we need to have a replacement transceiver ready to install that meets the standards. This is essential if the site is to maintain the integrity of the data that PTAGIS collects for the fisheries community.

The B2CC transceivers are the most technologically advanced in the world; their development was necessary to enable detections in the huge antenna (17’ by 17’) that surrounds the exit flume of the corner collector at the Bonneville Dam. There are four transceivers, but each is unique because they were researched and developed as incremental prototypes and were improved during the development process. The B2CC transceivers are not in production.

In order to detect the modulation of a 12-mm tag in such a large antenna, these transceivers need to be more sensitive than the ones located at other PIT Tag monitoring sites throughout the Columbia River Basin. Unfortunately, a byproduct of that sensitivity is that these transceivers sometimes record PIT Tag codes that are not always real, as environmental electromagnetic noise sometimes produces a pattern that meets the basic definition of a tag. In an attempt to limit the number of these nonsense or spurious tag codes from being recorded in the permanent data files collected at the site, PSMFC has written a custom version of MiniMon (the PTAGIS data collection software). This non-standard version of MiniMon presents a maintenance burden, diverting PTAGIS software engineers from their tasks. The B2CC transceiver’s weaknesses need to be overcome so that PTAGIS software engineers only need to maintain one production version of MiniMon for use in the CRB. An attempt will be made to minimize and/or eliminate spurious tags as stated with Software Item #6.

Enhancing the remote control capabilities of the B2CC transceiver would also be beneficial. This would translate into increased uptime and potentially more PIT Tag detections. It also would translate into lower maintenance costs, as the number of visits by personnel having to travel to the site would be reduced.

BPA supports this request of \$123,895 to enhance B2CC Software and upgrade B2CC Hardware.

Category 4

Project Number: 2002-014-00

Project Name: Sunnyside Wildlife Mitigation (Acquire 35 acres of Yakama River floodplain habitat)

Contractor: Washington Department of Fish and Wildlife

BPA-COTR: Joe DeHerrera

Budget Amount: \$47,200 in ’08 project budget

Funding Type: Expense (submitted as Capital)

Explanation of need: The property to be acquired is the last in holding within a 2,800 acre management unit. Acquisition will complete continuous public ownership of 13 miles of river frontage and assure no future fragmentation of riparian habitat occurs. Due to location within a

river bend, the 35 acres provide one mile of shoreline habitat. Acquisition will provide additional HU's in the riparian forest habitat type, which is severely limiting within the Subbasin.

The request does not indicate the dam which the mitigation would be applied. It is anticipated that WDFW and the Regional HEP Team will provide a crediting status report to BPA in October 2007. BPA's support of this acquisition is contingent upon available habitat units.

BPA agrees that protecting contiguous acres of habitat is the best way to protect and enhance species of fish and wildlife. WDFW, Colville Tribe and Spokane Tribe will initiate letters concurring that HU's can be applied to Grand Coulee Dam. BPA supports this request.

Category 5

Project Number: 1988-053-01

Project Name: Grande Ronde/Imnaha Endemic Spring Chinook Supplementation-NEOH

Contractor: Nez Perce Tribe

BPA-COTR: Ken Kirkman

Budget Amount: \$6,981 in '07 project budget

Funding Type: Expense

Explanation of need: As part of managing and administering this project (#119), NPT proposes to maintain the BPA property on Granger Road and implement the General Road Maintenance Agreement for Granger Road between BPA and Wallowa County. The buildings and grounds were purchased by BPA as future components of the Lostine River Hatchery facility and are part of the final design planning (#170). However, the vacant buildings have not been maintained in the past and are in need of repair. Funding is needed to:

- 1) Repair plumbing problems and associated damage in both the main house and guest house. Both the wooden batter board siding and wood deck are in a neglected condition
- 2) Clean, stain and seal these wood structures.
- 3) Maintain a greenbelt lawn around the buildings since surrounding grounds are overgrown with high grass and weeds. This dry plant material has created a severe fire hazard to the BPA property as well as to other neighborhood homes.
- 4) Implement the agreement and participate with the neighbors in the maintenance of the unimproved access road (Granger Rd.) leading to the BPA house currently maintained by the Nez Perce Tribe through agreement with BPA and Wallowa County.

This request is supported in part (only item 4 listed above). BPA supports adding \$2,000 to project 1998-007-02 (expense) for the laying of gravel on the road.

Project Number: 2007-407-00

Project Name: Regional Coordination for Upper Snake River Tribes

Contractor: Compact of the Upper Snake River Tribes (USRT)

BPA-COTR: David Byrnes

Budget Amount: \$160,659 in '08 project budget

Funding Type: Expense

Explanation of need: Two distinct sets of work being proposed here: 1) External regional coordination and participation, outreach, "clearinghouse" and facilitation services for members, technical reviews, etc – activities similar to those being currently performed by the five entities

with FY07 regional coordination contracts (CBFWA, CRITFC, UCUT, Kalispell Tribe, and Spokane Tribe). 2) Work to hire an executive director, set up an office, etc – basically, work to prepare the infrastructure that could eventually support the activities under #1 above. (See section “9g. Facilities and equipment” of the project narrative document.)

BPA supports in part. BPA is willing to provide funds to establish the USRT organization through March 31, 2008. Actual costs will be negotiated and added to the current CBFWA contract. After April, a new separate contract will be negotiated.

Project Funding Requests – BPA Not Recommended

Category 3b2

Project Number: 2002-053-00

Project Name: Assess Salmonids in the Asotin Creek Watershed

Contractor: Washington Department of Fish & Wildlife

BPA-COTR: Roy Beaty

Budget Amount: \$113,437 in '08

Funding Type: Expense

Explanation of need: The sponsor (WDFW) requests reinstatement (continuation) of requested funding in FY08, in response to BPA's decision to reduce the projects funding by approximately 50%. The project has been slated for closure after partial funding in FY2008. The project is collecting steelhead and salmon population data from Asotin Creek. However the usefulness of the data goes beyond simple stock status monitoring. We provide an explanation of how project data can be used as part of a basin wide supplementation evaluation which is a critical unknown for ESA and for the FCRPS Biological Opinion, and argue for reinstitution of requested project funding. If the project is discontinued, valuable and highly usable reference population data will be lost and if effective supplementation evaluations are to be achieved, a similar reference stream study will have to be initiated elsewhere. This would constitute a significant data loss and delayed opportunity to begin evaluating supplementation against a reference/control population.

BPA is consistent with our previous decision to close the project. BPA does not support this request.

Category 5

Project Number: 1998-004-01

Project Name: Columbia Basin Bulletin

Contractor: Intermountain Communications

BPA-COTR: Molly Moreland

Budget Amount: \$25,000 in '08 project budget

Funding Type: Expense

Explanation of need: BPA's decision document funded the CBB for FY 2008 at \$100,000. The NPCC in June 2007 approved a cost-share of \$15,000 for FY 2007. Some of that \$15,000 will be used to supplement the remainder of the FY 2007 months and some will carryover into use for FY 2008. The requester maintains that entering into FY2008 at this budget level jeopardizes the ability of the CBB to continue to serve stakeholders at current level, and reduces the ability to provide complete information about the Amendment process, the new FCRPS Biological

Opinion, many other important on-going issues and processes tracked by stakeholders across the Basin.

We continue to support the activities of the CBB, and do not believe that BPA should be the entire funding source. BPA does not support this request.

Project Funding Requests – Deferred

Project Number: 2003-023-00

Project Name: Chief Joseph Hatchery Program

Contractor: Colville Confederated Tribes

BPA-COTR: Linda Hermeston

Budget Amount: \$4,000 in '07 project budget, \$61,389 in '08 project budget, \$122,778 in '09 project budget...

Funding Type: Expense

Explanation of need: The Chief Joseph Hatchery program will be used to introduce extirpated spring Chinook salmon to historical habitats in the Okanogan River and increase the abundance, distribution, diversity and productivity of naturally spawning populations of summer/fall Chinook in the Okanogan River and in the Columbia River above Wells dam for the purpose of providing a tribal ceremonial and subsistence fishery as well as assisting BPA in meeting it's FCRPS mitigation responsibilities. The Chief Joseph Hatchery Facility will provide the CCT with tribal employment opportunities, especially the salmon culturist positions required at the facility. Currently there are not enough experienced tribal member salmon culturists available in the CCT workforce to meet the needs required at this new hatchery facility. In order to meet this need, the CCT has developed a draft training plan that that should provide well trained tribal salmon culturists to be ready to meet the salmon culture requirement of this hatchery facility in a timely manner.

The within year request for '07 is for \$4,000 (\$2,000/month for 2 students) to cover a stipend and living expenses for the month of September and also requested funds in the amount of \$61,389 in FY08 (2-students), \$122,778 in FY09 (4-students) and \$61,389 for FY10 (2-students). The CCT will cost share by covering the cost of books and tuition. The tribe is also pursuing grant to assist covering 08 funding.

	<i>students</i>	<i>months</i>	<i>amount per month</i>				<i>total</i>
Stipend	2	9	\$2,000.00				\$36,000.00
Salary, Fringe and Overhead	<i>students</i>	<i>hours</i>	<i>hourly rate</i>	<i>total salaries</i>	<i>fringe</i>	<i>overhead</i>	
	2	540	\$ 11.70	\$ 12,636	0.2000	0.3773	\$20,884.28
							\$56,884.28

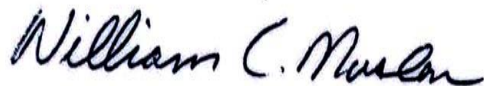
BPA defers a decision on this request at this time.

Summary

In summary (see appendix 1), the total of expense funding requested in this letter is \$225,002 and the total capital funding requested in this letter is \$108,500. 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 Greg Dondlinger at 503-230-5065 or me at 503-230-5499 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 for Fish and Wildlife

cc: (Electronic mail)

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
Mr. Binh Quan, Columbia Basin Fish and Wildlife Authority

Appendix 1

			Project Year Budget affected					
			Expense				Capital	
Project Number	Funding Type	BPA recommendation	06/07	07/08	08/09	09/10	08/09	09/10
1988-115-25	Capital	support					\$ 102,500	\$6,000
1988-053-08	Expense	support			\$ 21,515	\$21,515		
1995-033-00	Expense	Support	\$8,877 *					
2001-003-00	Expense	support			\$ 123,895			
2002-014-00	Expense	support			\$ 47,200			
1988-053-00	Expense	support		\$ 2,000				
2007-407-00	Expense	support			to be negotiated**			
		TOTAL	\$8,877	\$ 2,000	\$192,610 plus amount negotiated**	\$21,515	\$102,500	\$6,000
2003-023-00		Deferred						
2002-053-00		not support						
1998-004-01		not support						

* Amount will be added to 06/07 budget period to match the contract, however the funds will be spend during FY08.

** Actual costs will be negotiated and added to their 08/09 budget.