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Oregon

October 28, 2010

DECISION MEMORANDUM

TO: Council members

FROM: Mark Fritsch, project implementation manager

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

PROPOSED ACTION: Approve three of the within-year project-funding requests as presented by staff.

BUDGETARY/ECONOMIC IMPACTS

The total requested amount is \$95,446 in expense Fiscal Year 2011 funds. This amount is in addition to the Fiscal Year 2011 funding recommendations.

BACKGROUND

In 2004, Bonneville and the Council formed a budget oversight group (BOG) to conduct a budget tracking process. A principal role of the BOG is to validate whether the requests are a reschedule or within-year request (i.e., scope change, budget change, scope/budget change, and new request) and to place the within-year requests into one or more of the sorting categories (1-5). Reschedules are forwarded to Bonneville for assessment and funding as funds become available, and within-year requests are also forwarded to Bonneville for recommendation on the availability of funds as identified at the quarterly reviews.

The BOG uses the quarterly reviews to initiate a prioritization process to establish which budget adjustment requests can be met with the available funding in the current fiscal year project budget. This process also includes a public comment period.

On October 13, 2010, the Council staff presented to the Fish and Wildlife Committee the requests and reviewed the schedule for the within-year budget adjustment requests for the fourth quarter of Fiscal Year 2010.

The comment period associated with these requests closed on October 26th. No comments were received.

ANALYSIS

Of the five requests reviewed by the BOG during the fourth quarter of Fiscal Year 2010, three requests are seeking a recommendation in November. One request is within the recommendations made as part of the wildlife categorical review, and one request was addressed by the BOG Management Group.

The following categories, as outlined in the attached table (see Attachment 1, page 5), address the five project requests and the Council staff's recommendations associated with the three requests seeking a recommendation. In addition, on October 27, 2010, the Council received a letter from Bonneville summarizing these within-year requests being considered during the fourth quarter of Fiscal Year 2010 (see Attachment 2, page 6).

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 2005-002-00, Lower Granite Dam Adult Trap Operations

- The National Oceanic and Atmospheric Administration (NOAA) is requesting \$95,446 in expense funds to support the increasing activities at the Lower Granite Dam adult trapping facility. The workload at this trapping facility continues to increase, based on the needs of the managers implemented other projects in the Snake River basin. These activities include brood stock collection, trapping and hauling, transportation and other tagging studies.

As you may recall, the Council recommended \$1,145,000 for trap improvements in February 2006 to provide ESA benefits for the Snake River fall Chinook, 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). This Council action was taken to ensure that the trap could be operated at an expanded capacity in the 2007 trapping season, as outlined in the UPA and 2005-2007 Implementation Process.

The increase sample rates associated with these and other studies has stressed the capacity of the core staff that are responsible for the operation and maintenance of the trapping facility.

Though NOAA has received support from other entities using the trapping facility they need to provide oversight of the trap operations to ensure that the facility operates properly. The funds requested are to provide the necessary staff to ensure the trap can be operated to meet the growing needs placed on the facility.

This project supports RPAs associated with the Biological Opinion addressing population status monitoring (RPA 50), monitor and evaluate performance (RPA 52) and investigate hydro uncertainties (RPA 55).

Staff Recommendation: Council staff recommends that the Council support this request for implementation.

Category 5: Other

Project 1996-077-02, *Lolo Creek Watershed Restoration*

The Nez Perce Tribe (NPT) is requesting a scope change to address habitat work elements that are currently not part of the reviewed and recommended project. No budget adjustment is needed with this request - the Fiscal Year 2011 budget for the project was supplemented with the intention of addressing additional actions to address BiOp priorities. Specifically, there is an opportunity to restore access for all aquatic species and life stages of native fish populations (e.g., spring/summer Chinook, steelhead, bull trout, and westslope cutthroat trout) to upper Musselshell Creek, a principal tributary of Lolo Creek, by removing the stream from an artificial channel (i.e., tunnel) that was created in the early 1930s to address mining needs.

Musselshell Creek is located within the Lolo Creek watershed so this request does not represent a change in geographic area, just the addition specific work elements to complete a passage restoration action. These proposed work elements includes floodplain restoration and protection, channel re-construction, and road realignment. This project has always received favorable reviews from the ISRP and the NPT has demonstrated the capacity to address the requested activities in other projects that they have implemented. In addition, the request is for an action at a particular location and not intended to represent the project as a whole. Based on this understanding Council staff does not support the need to have the request reviewed by the ISRP at this time. If the Nez Perce Tribe intends to implement these new work elements at other sites they will need to be reviewed through the anticipated Geographic (Habitat) Categorical review.

This project supports a RPA associated with the Biological Opinion that addresses tributary habitat implementation (RPA 35).

Staff Recommendation: Council staff recommends that the Council support this request for the addition of the new work elements to implement this site specific action on the Musselshell Creek.

Project 1997-019-00, *Evaluate Life History of Native Salmonids in Malheur River Subbasin*

The Burns-Paiute Tribe (BPT) is requesting a scope change to their project for new work elements associated suppression of the non-native brook trout in the upper Malheur River. No budget adjustment is needed with this request. The BPT is requesting to transfer budgets associated with two work elements (i.e., Redband Habitat Assessment contracted at \$48,447 and Malheur Basin Monitoring Plan contracted at \$17,397) that have met their initial intention as reviewed and recommended as part of the Fiscal Year 2007-2009 review and assist in conducting brook trout suppression in collaboration with

the USFWS, BOR, ODFW and the FS as part of the recovery project for bull trout¹. This request is not a drastic change for the project intentions and scope, but reflects the need to adaptively manage the progress and development of the project as a whole. The BPT had anticipated that this transition of the project would have already been addressed as part of the anticipated Geographic (Habitat) Categorical review, but due to review delays this transition has not been implementation. Prior to the anticipated categorical review the BPT would like to transfer \$65,844 to the brook trout suppression effort (i.e., work elements) as part of the bull trout recovery plan.

This particular request to implement brook trout suppression activities (i.e., electrofishing, nets and seasonal weirs), as part of the ongoing project, has not been reviewed by the ISRP. It is important to note that these activities have been reviewed and implemented in other Program projects (e.g., Project 2007-149-00, *Pend Oreille Nonnative Fish Suppression Project* and Project #1991-019-03, *Hungry Horse Mitigation Habitat Restoration and Research, Monitoring and Evaluation (RM&E)*). In addition, this project has received favorable reviews in the past from the ISRP, and the proposed request addresses objectives outlined in the Malheur Subbasin Plan.

Based on the above information Council staff does not support the need to have the request reviewed by the ISRP at this time. This is made with the understanding that the brook trout suppression activity can continue until the project as a whole is refreshed and reviewed as part of the anticipated Geographic (Habitat) Categorical review.

Staff Recommendation: Council staff recommends that the Council support this request for the project to implement brook trout suppression activities. This recommendation is conditioned on this new work being review as part of the anticipated Geographic (Habitat) Categorical review.

¹ Titled - *Upper Malheur Bull Trout Recovery: Suppression of the Non-native Brook Trout Population*

Attachment 1: Within-year project funding adjustments received as part of the fourth quarter of Fiscal Year 2010.

Category	Project #	Project Title	Sponsor	FY 2011 Budget (BPA)	Request	Status
2						
	1999-019-00	Restore 12 Mile Reach of Upper Salmon River	Custer Soil and Water Conservation District (SWCD)	\$384,236 ²	\$0 ³	BOG Management, approved 9-14-10
3b1						
	1992-061-06	Albeni Falls Wildlife Mitigation-Coeur D'Alene Tribe	Coeur D'Alene Tribe	\$423,663	\$15,600	Wildlife Categorical Review
3b2						
	2005-002-00	Lower Granite Dam Adult Trap Operations	National Oceanic and Atmospheric Administration (NOAA)	\$306,485	\$95,446	Approve @ \$95,446
5						
	1996-077-02	Lolo Creek Watershed Restoration	Nez Perce Tribe	\$438,984	\$0, scope	Approve
	1997-019-00	Evaluate Life History of Native Salmonids in Malheur River Subbasin	Burns-Paiute Tribe	\$210,125	\$0, scope	Approve

² Reflects the current budget (FY 2010).

³ This project was a cost-share effort with the Corps of Engineers. Due to unforeseen circumstances the Corps funding earmarked for this project is being retracted at the end of the fiscal year, effectively killing the project. Because the restoration work under this project is considered BiOp there was a need to implement restoration work on the one easement already acquired under the project - using funds that otherwise would have been used toward BPA's 35% cost share and further conservation easement acquisitions. Therefore, unspent funds of this project were moved to Project #2007-268-00 to implement on-the-ground restoration activities on an existing easement which addresses limiting factors on ESA-listed fish.

Attachment 2: Letter received on October 27, 2010 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

October 27, 2010

In reply refer to: KEW-4

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 quarter review of within-year budget and/or scope modification requests for Fiscal Year 10 [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. As a result of the BOG review, consideration of any comments, and Council recommendations, the Bonneville Power Administration (BPA) has arrived at the following draft decisions.

Project Funding Requests

Category 3b2

Project Number: 2005-002-00

Project Name: Lower Granite Dam Adult Trap Operations

Contractor: National Oceanic and Atmospheric Administration (NOAA)

BPA-COTR: Cecilia Brown

BPA Manager: Paul Krueger

Budget Year/Amount Requested: 2011 / \$95,446

Current FY11 budget: \$306,485

Funding Type: Expense

How does this project support a Biological Opinion? This project supports RPA 50 Fish Population Status Monitoring; RPA 52 Monitor and Evaluate Performance within the FCRPS; and RPA 55 Investigate Hydro Critical Uncertainties.

Explanation of need: The Lower Granite Dam Adult Trap Operations project is requesting additional funding in order meet increased workload. Almost all of the work conducted at the trap is done for other agencies or tribes, with their level of participation varying. For example, in recent years, the following activities have been added: (1) an experimental trap and haul operation for adult sockeye salmon from Lower Granite Dam to the Sawtooth Basin, (2) PIT-tagging adult steelhead for the Integrated Sampling

and Evaluation Monitoring Program (ISEMP), and (3) increased broodstock collection for hatcheries. Current uses of the adult trap include fall Chinook broodstock collection; run-reconstruction sampling; sampling of PIT-tagged fish from transportation studies to determine life history type for fish with known passage histories; radio telemetry studies; and PIT tagging of wild adult steelhead and wild adult Chinook to assess the efficacy of using genetic stock identification (GSI) and PIT tags to estimate the population characteristics of naturally produced steelhead and Chinook salmon. Increased fish runs in recent years have also resulted in more fish being handled at the adult trap. Also, NOAA is in the process of transitioning to an electronic data collection system, which will require buying or leasing a computerized touch-screen system and software.

BPA draft decision:

BPA supports this request. This project supports collection of data on returning adult salmon/steelhead for several projects under the Council Program. In addition, with increasing numbers of returning fish, the cost to monitor these fish has increased. It is also important to have the correct number of properly trained staff to handle this increasing workload. In the past, NOAA Fisheries was able to meet most of its basic support for operating the trap this year with assistance from Quantitative Consultants, Inc. (QCI) (under the ISEMP project 2003-017-00) and Idaho Department of Fish and Game (IDFG) (under the Idaho Steelhead M&E Studies project 1990-055-00, and Idaho Natural Production M&E, project 1991-073-00). Personnel from these projects were able to complete their project related assignments at the trap, as well as backup NOAA staff in trap operations. However, the diversion of staff resources in this manner is not sustainable as it runs the risk of interfering with other data collection the project staff is responsible for under their respective projects. BPA considers it very important that NOAA Fisheries have adequate and reliable staff available for this crucial work.

Category 5

Project Number: 1997-019-00

Project Name: Early Life History of Native Salmonids in Malheur River Subbasin

Contractor: Burns-Paiute Tribe

BPA-COTR: Joe DeHerrera

BPA Manager: Paul Krueger

Budget Year/Amount Requested: 2011 / \$0 Scope change

Funding Type: Expense

How does this project support a Biological Opinion? This project does not support a Bi-Op.

Explanation of need: The Early Life History of Native Salmonids in Malheur River Subbasin project is requesting a scope change. The tribe is proposing to use apx \$66,000 currently allocated to Work Element D Redband Habitat Assessment and Work Element J Malheur Basin Monitoring Plan and use those funds towards a collaborated effort in the Malheur Basin. The other project is "Upper Malheur Bull Trout Recovery: Suppression of the Non-native Brook Trout Population". The project was created by the Tribe and has garnered letters of support from USFWS, BOR, ODFW and the FS. The project seeks to address Objective 4.1 of the subbasin plan, "reduce the effect of brook trout on bull trout." The task of implementing a feasible and biologically supportable brook trout removal project also received priority one designation under the recovery plan for the Malheur Recovery Unit (Task 2.5.1).

BPA draft decision:

BPA supports this request. BPA is encouraged that the Tribe is attempting to evolve their resident fish program from exclusively a research program to a program centered around effective on the ground conservation measures, using the knowledge gathered from past research to guide management decisions.

Category 5

Project Number: 1996-077-02

Project Name: Lolo Creek Watershed Restoration

Contractor: Nez Perce Tribe

BPA-COTR: David Kaplowe

BPA Manager: Paul Krueger

Budget Year/Amount Requested: 2011 / \$0 Scope change

Funding Type: Expense

How does this project support a Biological Opinion? This project supports RPA 34 Tributary Habitat Implementation 2007 to 2009 and RPA 35 Tributary Habitat Implementation 2010 to 2018.

Explanation of need: The Lolo Creek Watershed Restoration project is requesting a scope change. The new work will restore access to 33.1 miles of additional habitat in upper Musselshell Creek by removing the stream channel from a human-made mining tunnel and returning it to its original location in order to provide passage for all aquatic species and life stages of native fish populations. Fish passage was eliminated when this mining tunnel was created in the early 1930s. These proposed additional work elements, which include floodplain restoration and channel re-construction, match the intent and objectives of the original proposal which contained passage restoration actions for the BiOp priority population in the Lolo Creek watershed.

BPA draft decision:

BPA supports this request. The Lolo Creek Watershed Restoration project has demonstrated strong performance in culvert replacements, road decommissioning, and riparian re-vegetation since it began in 1996. This request does not include a change in geographic area, and does not require additional funding beyond the existing BPA BiOp placeholder funds. It includes only the addition of slightly more specific work elements that match the intent and objectives of the original project proposal in order to restore passage to 33.1 miles of additional habitat for the BiOp priority population in the Lolo Creek watershed.

Summary

In summary, the total of expense funding requested in this letter is \$95,446. 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 503-230-5549 for further information or if you have any questions.

Sincerely,

/s/

William C. Maslen
Director for Fish and Wildlife