

Bruce A. Measure
Chair
Montana

Rhonda Whiting
Montana

W. Bill Booth
Idaho

James A. Yost
Idaho



Dick Wallace
Vice-Chair
Washington

Tom Karier
Washington

Bill Bradbury
Oregon

Joan M. Dukes
Oregon

March 28, 2011

MEMORANDUM

TO: Fish and Wildlife Committee Members

FROM: Mark Fritsch, project implementation manager

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

At your meeting in April, Council staff will review the requests and schedule associated with the funding adjustment requests for the second quarter of Fiscal Year 2011. This agenda item will be for review and discussion only and no Committee action is requested. After an opportunity for comment, these requests will come back to the Committee and Council for a decision at the May meeting.

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). 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 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.

Of the six requests reviewed by the BOG during the second quarter of Fiscal Year 2011, two requests are seeking a decision in May. As outlined in the attached table (see Attachment 1), two requests triggered the threshold adjustment as part of the budget-tracking process, one request is within the recommendations made as part of the wildlife categorical review and one request was addressed by the BOG Management Group and did not meet science review criteria. Based on staff review and comment received, the staff will bring to the Committee and the Council a recommendation at the May meeting.

Following is a brief summary of the two project requests.

Quarterly

- **Project #2002-002-00, *Restore Natural Recruitment of Kootenai River White Sturgeon***

The Kootenai Tribe (KT) is requesting \$2,250,000 in expense funds to design, construct, implement, monitor, and evaluate in-stream structures and habitat modifications designed to address factors limiting survival of the endangered Kootenai River white sturgeon. This project is a 3-phase collaborative interagency effort that uses innovative technologies to evaluate enhancement of white sturgeon spawning substrate habitat in the Kootenai River, and implement habitat restoration measures to restore natural recruitment. To date, project activities (Phase 1) have focused on data collection, modeling, critical uncertainties research, planning, design, and coordination. The project is now prepared to transition to Phase 2 and 3 and implement habitat modifications to restore natural recruitment based on the established monitoring of a suite of restoration actions and magnitude based on the success of the initial actions implemented.

The needs associated with this project were captured as part of the Council recommendation in 2006 associated with the Fiscal Year 2007 - 2009 recommendation to Bonneville. As part of this review and recommendation the Council supported the favorable review received from the ISRP, but also acknowledged the magnitude and complexity of the project and commented to Bonneville as follows.

The Mountain Columbia oversight group (OG) requests that BPA allow flexibility between years and manage this as a three-year, eight-million-dollar budget (i.e. allowing of rescheduling of funds from one year to the next) because the rate and pace of implementation is uncertain and will be determined through pilot project implementation and recovery team decisions. We made substantial budget reductions in this project and so if there is a need for funding beyond the eight-million-dollar level the OG also asks that the project sponsor has the ability to request funds through the within-year process

As mentioned above the first phase of the Kootenai River Habitat Restoration Project is in the final design stage and will be ready for implementation starting in June 2011. The request here is for funding for construction implementation and material acquisition for the project and is not a change in scope or schedule, but rather the planned project progression for implementation of the first of a suite of restoration actions that were proposed and anticipated in the FY2007-2009 proposal.

This action supports the USFWS draft Recovery Plan for Kootenai River white sturgeon and the Libby Dam BiOp also specifically acknowledges the management of the Braided Reach in Reasonable and Prudent Action Component 4.

Bonneville has planned for the Kootenai Habitat project within the Integrated Program Review starting in Fiscal Year 2012. Bonneville has reviewed their existing contractual commitments and feels they can afford to start implementation of this high priority work a year earlier. Subsequent years will be reduced by the same value.

- **Project #2011-012-00, *Cowlitz Tribe Coordination***

The Cowlitz Indian Tribe is requesting \$89,921 in Fiscal Year 2011 expense funds to assist and provide an opportunity for their participation in the development and implementation of the Fish and Wildlife Program. Specifically, this project will provide funding for Natural Resources Department staff to better engage and assist in project development and coordination in the estuary. In addition, this will allow the Cowlitz Tribe to work towards identifying opportunities to coordinate and participate with other entities in the estuary to assist Bonneville in implementing the 2008 FCRPS Biological Opinion. Not only will this request provide for a dialogue for Tribal Members, it will also inform the Action Agencies and others of Tribal history, culture and perspectives that can provide critical information in the shaping the future management of the critical resources in the Columbia River Basin estuary.

This request would come out of the within-year budget placeholder, with Fiscal Year 2012 and beyond funds being determined as part of the upcoming coordination/data management categorical review.

Attachment 1: Within-year project funding adjustments received as part of the first quarter of Fiscal Year 2011.

Category	Project #	Project Title	Sponsor	FY 2011 Budget (BPA)	Request	Status
Quarterly						
	2002-002-00	Restore Natural Recruitment of Kootenai River White Sturgeon	Kootenai Tribe	\$2,183,325	\$2,250,000	May Decision
	2011-012-00	Cowlitz Tribe Coordination	Cowlitz Tribe	New Project	\$89,921	May Decision
	1991-019-01	Hungry Horse Mitigation/Flathead Lake Restoration and Research, Monitoring and Evaluation (RM&E)	Salish and Kootenai Confederated Tribes	\$533,350	Scope Change	Does not meet scientific review criteria ¹
Threshold						
	2003-039-00	Monitor and Evaluate (M&E) Reproductive Success and Survival in Wenatchee River	WDFW	\$471,445	\$22,084	NA
	2007-232-00	Okanogan-Similkameen Habitat Acquisition	WDFW	\$3,125	\$21,000 ²	NA
Categorical						
	2001-027-00	Western Pond Turtle Recovery	WDFW	\$93,506	\$93,506 ³	NA

<w:\mf\ww\fy2011\request\033111quarterlybogcovermemo.docx>

¹ At the January BOG meeting CSKT requested funding to “conduct fishing contests for lake trout” that had not been favorably reviewed (ISRP documents 2006-6 and 2007-7) or recommended as part of the FY 2007-2009 decision. The request was sent to the management group for confirmation to initiate an ISRP for review. On March 3, 2011 the ISRP provided their review (ISRP document 2011-7) of this request and found that the scope change *to support two fishing contests per year (in Flathead Lake)* does not meet scientific review criteria.

² This threshold adjustment is based on the project total (\$2,374,000) to cover Bonneville’s costs associated with land acquisition and realty type services, and etc.

³ This request basically addresses and provides transparency to a SOY decision that Fiscal Year 2011 funding is dependent on WDFW and Bonneville reaching agreement on wildlife credits associated with this project. An understanding was reached and the Fiscal Year contract is moving forward.