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Oregon

May 27, 2010

DECISION MEMORANDUM

TO: Council members

FROM: Mark Fritsch, project implementation manager

SUBJECT: Deferred Second Quarter 2010 within-year project funding request for Project 2007-127-00, *Reestablish Connectivity and Restore Fish Habitat in the East Fork of the South Fork Salmon River Watershed*.

PROPOSED ACTION: Council staff recommends the Council approve this geographic scope change and additional expense funds of \$295,000 for Project 2007-127-00, *Reestablish Connectivity and Restore Fish Habitat in the East Fork of the South Fork Salmon River Watershed*, as defined and conditioned by staff.

BUDGETARY/ECONOMIC IMPACTS

The total requested amount is \$295,000 in expense funds in Fiscal Year 2010. This amount is in addition to the Fiscal Year 2010 funding recommendations. These funds will be taken out of the Fiscal Year 2010 Bi-Op Placeholder.¹

BACKGROUND

On April 13, 2010, Council staff presented the within-year budget adjustment request for the second quarter of Fiscal Year 2010. The comment period associated with these requests closed on April 28th.

Several comments were received regarding the request associated with Project #2007-127-00, *East Fork of South Fork Salmon River Passage Restoration*. Due to the comments received Council and Bonneville choose to defer a decision on this request until better understanding was received on the proposed action and how it relates to the concerns expressed by the local residents and land owners.

¹ The second quarter balance of the BiOp Placeholder currently stands at \$1,837,684.

ANALYSIS

Category 2: ESA Obligation

Project 2007-127-00, *East Fork of South Fork Salmon River Passage Restoration*²

The Nez Perce Tribe (NPT) and Bonneville requested a geographic scope change and additional expense funds of \$295,000 to implement restoration work within the Big Creek Watershed to protect and restore critical habitat for salmonids. The Big Creek watershed borders the East Fork of the South Fork Salmon River and South Fork Salmon River watersheds and the expansion of the “South Fork Salmon River Watershed Restoration” project to include the Big Creek Watershed is being brought forward as part of the FCRPS BiOp implementation.

The overall goal of the existing project is to restore the physical and biological characteristics of the East Fork of the South Fork Salmon River (i.e. South Fork of the Salmon River) to provide quality habitat for anadromous and resident fish species. This project is closely coordinated with the Payette and Boise National Forests and Valley County. The initial request was to expand the previously reviewed and approved scope of activities into the adjacent Big Creek watershed.

During the public comment period seven comments from residents and property owners were received associated with this within year request. Generally, the comments addressed concerns associated with the appropriate use of these funds in context to the work already accomplished, waste of funds in a watershed that has had such extensive impacts (i.e., fire), activities are within the Frank Church River of No Return Wilderness Area therefore are not needed, and possible implication to legal issues surrounding the Payette National Forest Travel Management Plan regarding roads.

The NPT believe it is very important to have public input and positive relationships with local communities. In addition, since this is a new project area the NPT believes that additional assessments are needed to fully understand the priorities within the Big Creek watershed. Furthermore, there is a need to ensure that adequate environmental review (i.e., NEPA) is then conducted on the proposed activities. Also, there is a need to coordinate with the Payette National Forest and the current status of their Travel Plan. This coordination and outreach with the public, Payette National Forest, Valley County, and others is critical to the NPT in implementing successful projects.

Based on these issues within the Big Creek watershed, Bonneville and the NPT revised the within-year request to seek funds to conduct assessments to find viable opportunities that would benefit the anadromous and resident fish species within the Big Creek watershed. The NPT proposes to conduct surveys and assessments and initiate environmental review of the proposed actions in Big Creek this summer with the

² On March 14, 2009 the Council approved a change in the geographic area and scope of this project to what was originally approved as part of the 2007 – 2009 solicitation – currently the official name of the project does not reflect the true geographic scope of the project.

expectation that implementation would follow in 2011. The NPT will also utilize some of the new funds to implement additional actions consistent with the current scope of the project to address habitat improvements identified in the FCRPS BiOp – specifically within the Secesh River, a major sub-watershed of the South Fork Salmon River.

The Council staff and Bonneville (see attachment 1) find that this approach is reasonable and provides the opportunity to understand and address concerns that were raised by the public. The \$295,000 request would provide \$160,000 for road decommissioning in the Secesh River Watershed. For this action, the road surveys are completed and the NEPA is currently being completed and this would result in approximately another 20 miles of road being decommissioned this field season.³ The remaining \$135,000 would be used to fund the survey, assessment and NEPA for the Big Creek in Fiscal Year 2010. This within-year budget adjustment would only be for Fiscal Year 2010. The out-year budget associated with this project will be defined in the anticipated SOY Fiscal Year 2011 budget.

Based on this information, the Council staff recommends that the Council approve this geographic scope change and additional expense funds of \$295,000.

³ The Secesh has a 6% habitat improvement requirement in the FCRPS BiOp that this action would address.

Attachment 1: Letter received in May 25, 2010 from Bonneville regarding within-year budget adjustments associated with Project #2007-127-00.



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 second quarter review of within-year budget and/or scope modification requests for Fiscal Year 10 [submissions reviewed by BOG in January, February and March]. These requests were presented at the April 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 2

Project Number: 2007-127-00

Project Name: East Fork of South Fork Salmon River Passage Restoration

Contractor: Nez Perce Tribe

BPA-COTR: Jan Brady

BPA Manager: Paul Krueger

Budget Year/Amount Requested: 2010 / \$295,000

Funding Type: Expense

How does this project support a Biological Opinion? This project supports RPA 34 of the FCRPS Bi-Op.

Explanation of need: The East Fork of South Fork Salmon River Passage Restoration project is requesting to expand the geographic scope and additional funding to include Big Creek. The main focus of this project is to address identified habitat factors that limit the productivity of

threatened Snake River spring/summer Chinook and steelhead. BPA has commitments under RPA Action 35 of the 2008 FCRPS Biological Opinion (BiOp) to improve habitat function by 1 percent for the Big Creek Chinook population and 2 percent for the Lower Middle Fork Salmon River Mainstem steelhead population.

BPA Recommendation: BPA supports the proposed project budget request; however, with the modification of \$135,000 allocated for surveys to assess opportunities for habitat restoration that includes NEPA assessment and a public involvement process in Big Creek to prepare for on-the-ground restoration beginning in 2011, and the remaining \$160,000 allocated on scheduled road decommissioning in the Sesesh.

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