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Washington

April 26, 2012

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 two of the within-year project-funding request as presented by staff.

BUDGETARY/ECONOMIC IMPACTS

The total amount associated with the recommended requests is \$112,188 in expense Fiscal Year 2012 funds¹.

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 reschedule² 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 meets monthly to review change requests and to track the fiscal year budget and then uses 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.

On April 10, 2012, 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 second quarter of Fiscal Year 2012.

¹The balance for the within-year placeholder at the end of the first quarter of Fiscal Year 2012; Bi-Op Placeholder @ \$1,866,311 (out of \$2,000,000), and Non-Bi-op Placeholder @ \$815,000 (out of \$1,000,000).

² Reschedules are project work task or tasks, as reviewed and approved, that are aligned from one fiscal year to another.

As outlined in the attached table (see Attachment 1, page 5), all three requests need a decision at the May Council meeting. The comment period associated with this request closed on April 25th. No comments were received.

ANALYSIS

The following addresses the three project requests and the Council staff's recommendations. On April 25, 2012, the Council received a letter from Bonneville summarizing the three within-year requests being considered during the second quarter of Fiscal Year 2012 (see Attachment 2, page 6).

In addition, an accounting is provided on the Council recommendations to date as it relates to the within-year project-funding placeholder budgets (see Attachment 3, page 10).

Quarterly

- **Project #1983-436-00, *Umatilla Passage Operations and Maintenance (O&M)***

The Bonneville Power Administration and Westland Irrigation District are requesting \$100,165 in expense funds to complete repair to the Stanfield Irrigation Diversion (river mile 33.3) fish return pipe and restore the stream bank to protect the private land along the Umatilla River. The extensive stream bank erosion and damage to the fish return pipe occurred during high water events in the spring of 2010³ and 2011.⁴ As you may recall, this project had a request in the first quarter of 2012 to implement emergency measures to prevent further damage.⁵

The main objective of the project is to increase adult and juvenile migrant survival to Chinook and coho salmon, as well as ESA listed mid-Columbia steelhead, by operating and maintaining ladders, bypasses, screen sites and trap facilities on the Umatilla River

In an effort to complete the repair initiated last fall, sponsors request additional instream work to remove the old rip-rap and pipe and restore and armor the stream bank. Also, it is important to note that the property of the private landowner who granted access easement for the passage facility needs protection from further erosion.

The current budget associated with the project does not have the capacity to address this repair.

Staff Recommendation: The budget oversight group, through the management group, took action on the emergency elements of this particular request in December 2011. As expected the complete repair design and cost would be presented at a later date. Council

³ Initial bank erosion in June 2010, peak flow 4,400cfs.

⁴ Continued bank erosion and return flow pipe damage in December and January 2011, peak flow ~10,000cfs. Return pipe broke in April 2011.

⁵ At the December 2012 BOG meeting, the \$30,689 request was discussed. The BOG determined that it met the threshold criteria of less than 10% of the project budget and less than \$75,000. The BOG recommendation was sent to the BOG management and they approved the threshold request on December 6th.

staff recommends the Council support this long-term solution to afford protection to the Stanfield irrigation diversion site.

- **Project #1992-061-03, Albeni Falls Wildlife Mitigation-Idaho Department of Fish and Game (IDFG)**

The Idaho Fish and Game (IDFG) is requesting \$190,000 in expense funds to provide cost share with the Avista Corporation and the U.S Forest Service (USFS) to complete a restoration project on the Lower St. Joe River. The proposed restoration project adjoins the 62 acre Lower St. Joe wildlife mitigation parcel that was secured by the project in 2007.

Avista Corporation owns 62 acres directly adjacent and upstream of the IDFG parcel. The Shadowy St. Joe Campground which is upstream to the Avista parcel is managed by the USFS. The campground has a developed public access site with parking and restroom facilities. In the past, both the Avista and IDFG parcels, were cleared of forests and wetlands and grazed. In addition, Miesen Creek was ditched (i.e., channelized) directly into the St. Joe River.

The within year request would provide an opportunity for IDFG to assist in a restoration project in collaboration with Avista Corporation and the USFS. The amount requested exceeds⁶ the Council's recommended *five-year not-to-exceed* expense planning budget amount (i.e., FY2010-FY2014) for proposed work as recommended to Bonneville as part of the Wildlife Category Review.

The request provides an opportunity to restore a floodplain area, address a channelized section of Miesen Creek, and increase habitat diversity.

Staff Recommendation: This request is not appropriate based on the extensive review and recommendation as provided by the Council for Fiscal Year 2010 - 2014 through the Wildlife Category Review. The sizeable O&M budget associated with this project is intended to protect the past investments (i.e., acquisitions) made through the Albeni Falls Wildlife Management Plan⁷ to protect, restore, maintain, and manage wetland, riparian and upland coniferous forest habitats. Though this request may provide benefit to the parcel purchased through the Program in 2007, any restoration should be prioritized within the annual O&M budget as recommended for this project (i.e., FY 2012 at \$725,772). Based on this and past reviews the Council staff recommends that the Council not support this request. In addition, Bonneville is not supporting this request.

⁶ Based on: average annual expense per year was \$698,703 as defined in the Wildlife Category Review (total per FY2010-2014 @ \$3,493,515) with the current working budget (contracted) is \$725,772.

⁷ The goal of the plan assists IDFG and the Kalispel, Coeur d'Alene and Kootenai Indian Tribes to: 1) Protect and enhance through land acquisition, a variety of wetland and riparian habitats; 2) Restore 28,587 Habitat Units (HUs) lost as a result of the construction of Albeni Falls Dam, and; 3) Conduct long-term wildlife habitat management activities at individual mitigation project sites.

- **Project #2012-005-00, *Siletz Tribe Coordination***

The Confederated Tribes of Siletz Indians (CTSI) is requesting \$12,022 in expense funds to initiate coordination activities during Fiscal Year 2012. As you are aware this CTSI proposal is currently part of the Resident Fish, Data Management, and Regional Coordination Category Review.

The proposal will be part of the recommendation that the Council will provide to Bonneville in association with regional coordination for Fiscal Year 2013 and beyond. The CTSI is requesting support prior to the decision associated with the categorical review to participate in the quickly evolving activities associated with the Willamette Wildlife Mitigation Process and the Willamette Biological Opinion.

This request would come out of the within-year budget placeholder, with Fiscal Year 2012 and beyond funds being determined as part of the category review.

Staff Recommendation: Council staff recommends that the Council supports this request. This recommendation is conditioned on funds beyond Fiscal Year 2012 to be determined as part of the Resident Fish, Data Management, and Regional Coordination Category Review.

Attachment 1: Within-year project funding adjustments received as part of the second quarter of Fiscal Year 2012.

Type	Project #	Project Title	Sponsor	FY 2012 Budget (BPA)	Request	Status
Quarterly						
	1983-436-00	Umatilla Passage Operations and Maintenance (O&M)	BPA/Westland Irrigation District	\$521,989	\$100,165	Approve @ \$100,165
	1992-061-03	Albeni Falls Wildlife Mitigation-Idaho Department of Fish and Game (IDFG)	IDFG	\$725,772	\$190,000	Not Approve
	2012-005-00	Siletz Tribe Coordination	Confederated Tribes of Siletz Indians	NA	\$12,023	Approve @ \$12,023

Attachment 2: Letter received on April 25, 2012 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

April 26, 2012

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 Fiscal Year 2012 second quarter review of within-year budget and/or scope modification requests of 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 and consideration of any comments, the Bonneville Power Administration (BPA) has arrived at the following tentative conclusions subject to further consideration following receipt of the Northwest Power and Conservation Council's (NPCC's) recommendations.

Project Funding Requests

Project Number: 1983-436-00

Project Name: Umatilla Passage Operations and Maintenance

Contractor: Westland Irrigation District

BPA-COTR: Timmie Mandish

BPA Manager: Rosy Mazaika

Budget Year/Amount Requested: FY12/\$100,165.00

Funding Type: Expense

How does this project support a Biological Opinion? This project generally supports RPA 35 Protect and Improve Tributary Habitat of the FCRPS BiOp, but is not needed or required to meet any of the BiOp population targets.

The Westland Irrigation District is requesting funds to complete the interim repair of the Stanfield fish return pipe that was damaged during 2011 high flow events. The pipe is the return

that transports juvenile salmon and steelhead downstream of the facility into the mainstem Umatilla River. Due to the timing of the 2011 repair, only an interim measure to avert private property damage and maintain fish passage could be implemented. In order to prevent further risk of imminent property damage, the fish return pipe must be maintained at this fish screen on the Stanfield irrigation canal. The design is based on bioengineering techniques for fish habitat improvements, while protecting the passage infrastructure, and private property from further damage.

BPA Recommendation: BPA supports this high priority, emergency request to maintain fish passage infrastructure and to reduce private property loss and damage.

Project Number: 1992-061-03

Project Name: Albeni Falls Wildlife-Idaho Department of Fish and Game Operations (IDFG) Operations and Maintenance (O&M)

Contractor: Idaho Department of Fish and Game (IDFG)

BPA-COTR: Virgil Watts, III

BPA Manager: Paul Krueger

Budget Year/Amount Requested: FY12/\$190,000.00

Funding Type: Expense

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

Explanation of need:

The Idaho Department of Fish and Game (IDFG) Albeni Falls Wildlife Mitigation project is requesting additional funding in order to cost share with Avista Corporation (Avista) and the U.S Forest Service (USFS) to restore 124 acres of floodplain and riparian wildlife habitat fronting the St. Joe River in Idaho. IDFG protected 62 acres of the floodplain in March 2007 to partially mitigate for wildlife habitat loss due to the construction and operation of Albeni Falls Dam. Avista owns 62 acres directly adjacent and upstream of the IDFG parcel. Both the Avista and IDFG parcels were once grazed and used as pasture. The cottonwood forests and scrub-shrub wetlands were cleared and Miesen Creek ditched along a road and channelized to discharge directly into the St. Joe River.

Cost-share partners (Avista & USFS) have already started the first phase of the restoration project. The second phase of the project is focused on the property protected under the Albeni Falls Wildlife Mitigation Project. At present, the parcel yields low habitat units (HU's) because the parcel was previously grazed and used as pasture. Miesen Creek was ditched along the roadway and the entire parcel was converted from a cottonwood gallery floodplain to a uniform reed canary grass dominated pasture. An intense restoration effort is needed to increase the HU's. A cost-share restoration project is the most efficient approach to convert an agricultural floodplain area back to a complex of herbaceous, scrub-shrub and forested wetland as well as increase habitat diversity.

BPA Recommendation:

BPA does not support this request for a within-year budget increase, largely for the same reasons that we described in our letter to Tony Grover dated January 25, 2012, on the original request by IDFG submitted in December 2011 (BOG request #506). As stated in the letter referenced

above, although BPA recognizes the value of the work and the benefit of cost-share, this work is not a priority at this time, and due to budget constraints we are forced to manage within our current Program spending levels and are unable to support this request.

As we mentioned, if IDFG considers this work to be higher priority than other work that is underway within their contract, the BPA Project Manager is available to work closely with IDFG on reprioritizing work in their FY12 statement of work within the existing budget.

Project Number: 2012-005-00 (new proposal)

Project Name: Siletz Tribe Coordination

Contractor: Confederated Tribes of the Siletz Indians

BPA-COTR: Dorie Welch

BPA Manager: Paul Krueger

Budget Year/Amount Requested: FY12/\$12,023.00

Funding Type: Expense

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

Explanation of need:

This change request by the Confederated Tribes of the Siletz Indians (CTSI) is to initiate coordination activities with BPA and its partners beginning mid-year 2012. The Tribe's proposal was a part of the recent Categorical Review and classified as qualified by the ISRP. The CTSI proposes to participate in planning and restoration activities pertaining to the Willamette Wildlife Mitigation Process, Willamette Biological Opinion, and the Lower Columbia River Estuary.

The CTSI are a federally recognized Indian tribe whose ancestral home lands and ceded lands extend west from the crest of the Cascade Mountains (Oregon) to northern California on the south and to the Lower Columbia Region on the north. This boundary encompasses the Tribe's eleven-county service area. Many culturally important landscapes and species that occur within the Tribe's ancestral home lands and ceded lands are affected by the operations of the Federal Columbia River Power System (FCRPS). The development of the FCRPS has adversely affected wildlife, resident fish, and anadromous fish resources along a great deal of the ancestral Siletz landscape including, but not limited to: The Willamette River and its tributaries and the Columbia River Estuary from Bonneville Dam to the Plume.

This proposal will assist and provide an opportunity for the CTSI's Natural Resources Department to increase their participation in the development and implementation of the Fish and Wildlife Program in the lower Columbia Basin, including the Willamette Basin. Specifically, this project will provide funding for CTSI staff time to better engage in local and regional processes that aid in the development and implementation of the Fish and Wildlife Program. The CTSI increased participation in project development and coordination in the Willamette and the Columbia River estuary will result in a better understanding of the Tribe's resource needs, ideologies and perspectives, and will assist in shaping the future management of critical resources in the Columbia River Basin. The proposal is consistent with the Northwest Power Act expectations for consultation with the region's appropriate Indian tribes in the development and implementation of the Fish and Wildlife Program, and to assist in protection, mitigation, and enhancement of fish and wildlife resources in the Columbia River Basin.

BPA Recommendation: BPA recommends and supports this request by the CTSI for participation in coordination activities in the Columbia basin. Our intent is to continue to support this project in out years pending consideration of recommendations from the ongoing Categorical Review.

Summary

In summary, the total expense funding requested in this letter is \$112,188.00. We believe these projects are consistent with the priorities identified during previous Council 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

Attachment 3. Fiscal Year 2012 within-year balance, based on Council recommendations to Bonneville for BiOp and Non-BiOp placeholders, including second quarter FY 2012 requests.

Project #	Project Title	Sponsor	Decision Quarter	Fiscal Year 2012	
				BiOp Placeholder	Non-BiOp Placeholder
				\$2,000,000	\$1,000,000
Actions Recommended by Council and Approved by BPA					
1988-115-25	Yakima River Design & Construction (YKFP)	Yakama Tribe/BPA	FY11-Q3		\$150,000
1992-061-03	Albeni Falls Wildlife Mitigation-IDFG	Idaho Department of Fish & Game	FY11-Q4		\$35,000
2010-035-00	Abundance, Productivity and Life History of Fifteenmile Creek Winter Steelhead	Oregon Department Of Fish and Wildlife	FY12-Q1	\$18,000	
1983-436-00	Umatilla Passage Operations and Maintenance (O&M)	Westland Irrigation District	FY12-Q1	\$30,689	
1997-030-00	Chinook Salmon Adult Abundance Monitoring	Nez Perce Tribe	FY12-Q1	\$85,000	
Placeholder balances				\$1,866,311	\$815,000
Actions recommended by Council, but Pending BPA decision					
1995-033-00	Yakima Phase II Fish Screens O&M with Bureau of Reclamation (BOR)	Bureau of Reclamation	FY11-Q4	\$575,000 ⁸	
Pending decisions associated with the second quarter FY 2012					
1983-436-00	Umatilla Passage Operations and Maintenance (O&M)	BPA/Westland Irrigation District	FY12-Q2	\$100,165	
1992-061-03	Albeni Falls Wildlife Mitigation-Idaho Department of Fish and Game (IDFG)	Idaho Department of Fish & Game	FY12-Q2		\$190,000
2012-005-00	Siletz Tribe Coordination	Confederated Tribes of Siletz Indians	FY12-Q2		\$12,023

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⁸ In FY 2012 Bonneville may only address \$30,000 of the request associated with permitting and environmental review. Per request - *Environmental compliance 8/11-4/12 \$30,000*