



April 1, 1999

TO: Anadromous Fish Managers

FROM: Tony Nigro, Chair *Mary for*

SUBJECT: Budget Meeting, March 31, 1999 Action Notes

Those Attending: Si Whitman (NPT, by phone), Doug Taki (SBT, by phone), John Palensky (NMFS), Mick Jennings (CTWSRO), Patty O'Toole (CTWSRO), Bert Bowler (IDFG), Gary James (CTUIR), Jay Hesse (NPT), Tony Nigro (ODFW), Travis Coley (USFWS), Bob Foster (WDFW), Janet Hohle (ISCC), Ira Jones (NPT), Lynn Hatcher (YIN), Chris Fisher (CCT), Jerry Marco (CCT), Phil Roger (CRITFC), Tom Giese (CBFWA), Tom Clune (CBFWA), Brian Allee (CBFWA), Keith Kutchins (SBT), Mary Marvin (CBFWA).

The agenda was set at the meeting after information was received from Tom Giese regarding possible items the group could address. Those items were:

1. Review comments on each project (including budget adjustments) for inclusion in an appendix to the FY 2000 Draft Annual Implementation Work Plan (DAIWP).
2. Finalize Tier 1 FY 2000 project recommendations, including a consensus-based proposal describing the total amount of money available
3. Discuss plans for disseminating information on the DAIWP

The group tabled proposed agenda item 3 because of concerns that the first two agenda items would take up all the available time.

Si Whitman indicated that the Nez Perce Tribe is unable to cut back any further on project budgets; they are down as far as they can go. Si requested that some projects presently included on the list of Tier 1 projects be given more scrutiny, as he feels several are questionable. Among these are the population restoration/recovery project at Walla Walla and some NMFS research projects. He also related that the tribe feels the budget for Bonneville Power Administration (BPA) administrative costs could and should be reduced by half, or removed altogether.

ITEM 1. Review comments on each project (including budget adjustments) for inclusion in an appendix to the FY 2000 Draft Annual Implementation Work Plan (DAIWP)

Discussion: Tom Giese suggested that the group review the comments on each project generated during the Subregional Team (SRT) reviews for inclusion in the appendix to the DAIWP and submit any changes (including adjustments to the budgets) to him as soon as possible. Except for Mainstem and Systemwide projects, the costs of Tier 1 projects recommended by the SRTs fall within the budget targets provided. Also, three projects have not been reviewed to date, one each in Idaho, Washington, and the Mainstem. The group chose to review these later in the morning.

Action: Tom Iverson will work with the SRT chairs to compile their revisions to comments made on individual projects.

ITEM 2. Finalize Tier 1 FY 2000 project recommendations

Discussion: The group reviewed Tom Giese's memo dated 3/29/99 regarding carryover. In addition to the \$127 million Direct F&W budget, funds for FY 2000 are available from the FY 1999 Place Holder account, the Contingency/Inflation Reserve account, the FY 1999 Carry Forward account, and the Interest account. Making certain assumptions described in the memo, Tom estimated that \$134 million is available for funding projects in FY2000.

Regarding funding for BPA administrative costs, two issues were discussed by the group. First, BPA entered FY 1999 with over \$1 million of FY 1998 carry forward. This amount may be reduced if it is used to fund the Multi-Species Framework process for FY 1999. Second, the group may consider allocating \$6.8 million rather than \$8.0 million to BPA administrative costs in FY 2000, based on the current spending history of BPA. The group felt the second issue should be explored before the budgets of Tier 1 projects are reduced further.

John Palensky stated that the NMFS ESA budget is not available for funding Tier 1 projects in FY 2000 because NMFS anticipated using the entire amount to cover new projects associated with new listings. The group agreed with his proposal to not consider the ESA fund as a source of funds for FY 2000.

In discussing the assumption Tom Giese made about resident fish ESA costs, the group considered four proposals suggested by one or more participants:

Proposal 1: Keep the resident fish ESA budget at \$2 million.

Proposal 2: Increase the resident fish ESA budget to 4.95 million to include all potential ESA projects described by the USFWS.

Proposal 3: Increase the resident fish ESA budget to \$2.1 million to include potential ESA projects the resident fish managers included in their Tier 1 recommendations.

Proposal 4: Reduce the resident fish ESA budget to zero because ESA funds have already been provided through RFM's share of the \$15 million of ESA funds NMFS turned over to the F&W mitigation budget.

Action: A motion to “increase the resident fish ESA budget to \$2,020,159 with a set of qualifications that state this number is not precedent-setting and that commitment must be made to more explicitly discuss how ESA projects are to be funded in FY2000 and beyond” failed on objections. Further discussion raised the question of why projects the USFWS did not rate as “highest” priority were included in Tier 1 by RFM.

Action: A motion to “keep the resident fish ESA budget at \$2 million as an FY 2000 planning figure, with a set of qualifications that state this number is not precedent-setting and that commitment must be made to more explicitly discuss how ESA projects are to be funded in FY2000 and beyond” passed.

Discussion: The group discussed whether the AFM should provide funds from its F&W mitigation budget to the Wildlife Managers to increase the wildlife F&W mitigation budget to \$15 million.

Action: A motion to “provide \$0 (no funds) from the anadromous fish portion of the F&W mitigation budget in FY 2000 to the Wildlife Managers” passed.

Discussion: The group discussed three projects that had not previously been reviewed.

Action: Washington: #9603201 “Begin Implementation of Year 1 of the K Pool Master Plan Program.” Rated Tier 2. *Comments:* Premature for implementation. Master Plan not approved by Council.

Mainstem: #20100 “Characterize Historic Channel Morphology of the Columbia River McNary Pool.” Rated Tier 2. *Comments:* How does this complement the work done by Battelle in 1998?

Idaho: #9606700 “Manchester Spring Chinook Broodstock Project.” Rated Tier 1. *Comments:* A lot of money for duplicative efforts of captive sockeye program. Bert Bowler will complete responses to the criteria. John Palensky will work with Jay Hesse and Bert to obtain resolution of the Manchester project budget.

Discussion: The group discussed several projects for which questions were raised.

Action: “Clearwater Gas Trauma Monitoring Project.” Earmark a placeholder to reflect budget need.

Project #9102800. John Palensky will discuss objectives with the project sponsors, and will explore whether the new objective (#4) and its associated budget can be deferred.

Project #9800800 “Regional Forum Facilitation Services.” A motion to move this project from Tier 1 to Tier 2 failed on objections.

Discussion: The group had previously agreed to use 1999-based budget allocation percentages by SRT as planning targets for FY 2000. It was felt that detail was needed regarding how the percentages were reached. There was agreement that the long-range goal is to reach budget equity between the basins.

None of the SRTs made proposals to further reduce budgets. Much discussion occurred on alternatives to balancing the budget. Ultimately, there was general agreement with the importance of submitting a balanced budget to the Council.

Action: A motion to “revise SRT budget targets based on the percentages detailed in Table 3, and upon verification that the revised percentages were correct, direct the SRTs to adjust Tier 1 recommendations to be in balance with those targets” was amended and passed. The amendment directed the SRTs to classify capital projects using FY 1999 definitions and to transfer all capital projects from the expense budget to the capital budget.

Action: A Systemwide/Mainstem Subcommittee was formed consisting of John Palensky, Phil Roger, and Chris Fisher. The subcommittee was tasked with reviewing systemwide/mainstem projects and recommending to AFM if and where adjustments to Tier 1 recommendations could be made. They will participate in a conference call from 10:00 am to noon on the morning of April 5. Keesha Ochsner will be asked to arrange the conference call line. Tom Iverson will provide the subcommittee with the most recent tables by the afternoon of Friday, April 2.