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January 31, 2001

To: Council Members

From: Doug Marker, Senior Policy Coordinator
John Ogan, Senior Fish and Wildlife Counsel

Subject: Staff recommendations for funding decisions in the Provincial Review for the Columbia Gorge and Intermountain Province

This decision memorandum provides staff analysis and recommendations for the Council's funding recommendations in the Columbia Gorge and Intermountain provinces. These are the first three-year provincial review decisions under the Council's new approach to fish and wildlife funding recommendations.

The first part of this memorandum is an introduction explaining the background of the new provincial review process and how these reviews are conducted. Then we provide a subbasin-by-subbasin summary for the Columbia Gorge project proposals and a consolidated summary for the Intermountain provinces. These summaries are organized with the following sections:

1. A very general staff summary of the Program's past funding in the subbasin, the context for project funding decisions and the priority recommendations of the fish and wildlife managers.
2. A summary of the major issues in the Independent Scientific Review Panel's recommendations.
3. Tables showing the projects and budgets that were proposed in each subbasin. The **consensus priorities** of the Columbia Basin Fish and Wildlife Authority and the Independent Scientific Review Panel are shaded and totaled.
4. Issues for the Council to resolve for final funding recommendations. These issues will be the focus of our presentation to the Fish and Wildlife Committee.

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This memorandum is only a summary. The source documents for the provincial reviews are the *Draft FY 2001-2003 Columbia Gorge Province Work Plan* and the *Draft FY 2001-2003 Inter-Mountain Province Work Plan* prepared by the Columbia Basin Fish and Wildlife Authority on November 15, 2000 and the *Final Review of Fiscal Year 2001 Project Proposals for the Columbia River Gorge and Intermountain Provinces* prepared by the Independent Scientific Review Panel on December 1, 2000 (ISRP Report 2000-9).

Council Recommendations for proposals in the Province Review -- the Columbia Gorge and Inter-Mountain Provinces Proposals.

For Fiscal Year 2001, the Columbia Gorge and Inter-Mountain provinces were subject to the in-depth province-based review. The first step in this new process was to facilitate the development of a "subbasin summary" for each subbasin in these two provinces. The subbasin teams developed eleven subbasin summaries, and they were delivered by CBFWA on the established schedule. Bonneville and the Council then jointly issued a project proposal solicitation. The solicitation yielded sixty-two proposals for the two provinces combined (34 new and 28 ongoing).

The Independent Scientific Review Panel (ISRP) conducted site visits in the provinces, and heard project and summary presentations from the proposal sponsors. The ISRP issued a preliminary report critiquing each proposal, and rating them as "fundable" where they believed that they met the statutory review criteria (16 proposals), "fundable if an adequate response is provided" (36 proposals), or "do not fund" if the project was determined not to meet the review criteria (9 proposals). Sponsors of proposals initially rated as "fundable if adequate response is provided" had the opportunity to respond to the ISRP critique. After the response review, the ISRP ranked 13 proposals as "do not fund" (11 of those were new proposals, 2 were ongoing proposals).

The Columbia Basin Fish and Wildlife Authority (CBFWA) also conducted a review of the proposals. This has been the norm throughout the term of the 1996-2001 Bonneville fish and wildlife funding agreement. The fish and wildlife managers at CBFWA review the technical merit of the proposals, but they also review the proposals for their consistency and relevance to fish and wildlife management activities within their jurisdictions. The fish and wildlife managers ranked each of the 62 proposals as "urgent/high priority," "recommended action," or "do not fund." The fish and wildlife managers ranked each of the 28 of the ongoing proposals as "urgent/high priority." In addition, 13 new proposals were ranked as "urgent/high priority" (5 in the Columbia Gorge, and 8 in the Intermountain). Nine proposals were ranked as secondary priorities as "recommended actions" by the managers.

The CBFWA multi-tier recommendations and ISRP ranking system presents an issue for the Council. That is, the Council must determine what is the appropriate suite of projects to work from as it develops its recommendations to Bonneville. For purposes of this

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briefing document and the specific project recommendations below, the staff assumes that the proper core group of projects are the **consensus priorities** of the ISRP and CBFWA -- the group of projects rated as “fundable” by the ISRP and were also rated as “high priority/urgent” by the fish and wildlife managers. There are other reasonable core project packages to work from. For example, staff could also assume that projects found “fundable” by the ISRP that were rated in the lower priority tier as “recommended actions” by CBFWA should also be added to the consensus priority core group.¹ However, the staff has presumed that the narrower consensus priority group is the proper approach given past policy guidance from the Council. The staff understands that the Council intends to be conservative in initiating new projects prior to having subbasin plans completed. Including the proposals rated as “recommended actions” would substantially increase the number of new project starts in these provinces.

When the ISRP and CBFWA recommendations are compared, there is a high level of agreement on the project priorities. That is, the ISRP final report notes only six direct conflicts with the recommendations of CBFWA in the Columbia Gorge province.² In the Intermountain, there are seven direct conflicts between the ISRP and CBFWA recommendations.³

It should be noted that, as is typically the case, even when the ISRP rates a proposal as “fundable” it often identifies areas that could be improved or where questions remain unanswered. Similarly, the Council and CBFWA reviews also sometimes reveal that a technically sound project has a policy or management issue that requires consideration. The revelation of these flaws or shortcomings in otherwise sound projects often leads to the Council needing to craft conditional funding recommendations. The staff expects that this will be the case again this year, and the matter is addressed with a specific Council issue and staff recommendation at the end of this introductory material below.

In the way of further background, and a very significant change from prior years, the fish and wildlife managers at CBFWA did not have a baseline budget for either the provinces or the program to guide its recommended project workplan. Neither the Council nor Bonneville asked CBFWA to assume any baseline budget as it prepared its Fiscal Year 2001 - 2003 project recommendations for these two provinces. Neither the Council nor Bonneville insisted that CBFWA proceed under an assumption that the direct funding

¹ It appears that this would add four more projects not otherwise recommended by the staff (3 in the Gorge and 1 in the Intermountain). These are all new projects and approximate an additional \$600 thousand in FY 01 and \$1.9 million for FY 01-03.

² In two of those instances, the ISRP disagrees with CBFWA’s lower “recommended action” ranking, and would *elevate* the proposal for funding. In the four other cases, CBFWA has ranked a project as either “recommended action” or “high priority/urgent” and the ISRP rates it as do not fund. However, in that second group of four, there is *only a single project that the fish and wildlife managers rank as “urgent/high priority” that ISRP rates as “do not fund”* -- the other three were in the CBFWA lower tier ranking.

³ In three cases, the ISRP would elevate projects for funding that the fish and wildlife managers ranked in the lower “recommended action” or “do not fund” category. In the remaining four cases, CBFWA has ranked projects as “urgent/high priority” and the ISRP as “do not fund”

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amount available for Fiscal Year 2001 would be constrained by the existing MOA allocation. Rather, the Council, with Bonneville's knowledge, advised CBFWA that it should define the fish and wildlife project needs in each subbasin for Fiscal Years 2001 through 2003 in subbasin summaries and respond to those needs with project proposals.⁴

At present, the staff estimates that there currently remains \$8 to 10 million in funds under the MOA amount for Fiscal Year 2001 is \$8-10 for anadromous projects. This is due in significant part to the Council's decision to defer allocations for a number of future capital construction projects to future fiscal years. There also remains approximately \$2 million under the MOA Fiscal Year 2001 dedicated amount for resident fish projects. The current amounts will be confirmed in a quarterly budget review with Bonneville in late February. Wildlife funds under the MOA for Fiscal Year 2001 are almost fully allocated. Therefore, the Council needs to be aware that if it recommends that Bonneville fund the consensus priority group of projects in the Columbia Gorge and Intermountain provinces, it needs to be aware that it will be recommending that Bonneville augment the amount of funding dedicated for Fiscal Year 2001 under the funding MOA. This is not a new issue for the Council. It has previously indicated in a letter soliciting comment from regional interests that it believed that the MOA dedicated amount should be augmented by Bonneville for new needs identified in the province reviews and for other initiatives such as subbasin planning.⁵

In summary, the general issues that need to be addressed by the Council before it moves to the project specific issues and recommendations that follow are:

Issue: Is the staff correct to assume that the appropriate base list of projects to work from should be those rated "fundable" by the consensus priorities of the ISRP and CBFWA⁶ by the fish and wildlife managers, or is there a different base or set of principles that should be used.

Staff recommendation: The staff recommends that the consensus priorities of the ISRP and CBFWA be used as the core group of projects to be presumptively recommended to Bonneville for funding. Projects can be added or taken from this core list for any number of policy reasons.

⁴ On this issue of the level of funding, the Council should recall that it suggested in a letter seeking public input that it was considering recommending that Bonneville dedicate additional funds to the direct program budget even for Fiscal Year 2001, which is the final year of the MOA. See Council letter to Interested Parties dated October 20, 2000.

⁵ See Council letter to "Interested Parties" dated October 20, 2000, wherein the Council indicated that it may recommend that the base direct fish and wildlife budget be augmented by up to \$19 million to meet additional needs identified in the provincial reviews completed in FY 2001. That letter also identifies other initiatives that the Council may recommend needs augmented funding in FY 2001.

⁶ Those rated as "high priority/urgent" by CBFWA and "fundable" by the ISRP.

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Issue: How does the Council wish to treat deficiencies or shortcomings in projects that the ISRP rated as “fundable.”⁷ Similarly, how does the Council wish to treat policy or management issues raised by itself or CBFWA in projects that are otherwise scientifically sound and part of the consensus priority group

Staff recommendation: The staff recommendation has two levels of treatment depending on the nature of the issue. First, where the ISRP rated projects as “fundable,” but noted specific science-based deficiencies *without specifically recommending* that those deficiencies be addressed by the Council or in contracting, the Council should *encourage, but not require* the sponsors to address these deficiencies as it contracts with Bonneville. The second level of treatment is for those projects rated as “fundable,” but *also included* one or more of the following:

1. A *specific science-based* recommendation from the ISRP that the deficiency should be addressed as part of contracting or in some other review process; or
2. A management or policy issue raised by the Council or CBFWA.

For these projects, the Council would follow the recommendation of the ISRP, and advise Bonneville and project sponsors that its funding recommendation is made with a condition that written documentation of how the issues have been addressed prior to or as part of contracting with Bonneville.

Finally, as the Council prepares to turn to the specific project issues below, it is very important to be clear about what is being requested from the Council in term of out-year budget impacts in its recommendations on the following projects. The Council will be making *multi-year funding recommendations for the projects it recommends in the Columbia Gorge and Intermountain provinces*. As you will see in the project specific budgets presented for each subbasin, there are both Fiscal Year 2001 budgets and Fiscal Year 2001 through 2003 budgets. Given that the Council will not conduct another in-depth review of these provinces until Fiscal Year 2004, the Council will be recommending the out-year budgets to Bonneville as well as the Fiscal Year 2001 budget. The Council will review these projects each Fiscal Year in the “ongoing project renewal process”, but the purpose of that review is to ensure that projects previously approved are staying within the scope of the prior Council recommendation and Bonneville contract and within the approved budget -- scientific and policy issues outside of those parameters will not normally be addressed or investigated in that yearly renewal process.

⁷ For example, many projects were rated by the ISRP as “fundable” but, nonetheless, had specific shortcomings of one element or another identified in the ISRP final comments.

Hood River Subbasin

Council staff summary:

Bonneville funding in the Hood River has supported a suite of closely related projects. The primary focus is the Hood River Production Program, jointly managed by the Confederated Tribes of the Warm Springs Reservation of Oregon and the Oregon Department of Fish and Wildlife. Bonneville funding also contributes to the support of the Hood River Watershed Council which assists in developing landowner support for the habitat restoration components of Hood River restoration efforts.

The Hood River Production Program (HRPP) was adopted into the Program by the Council in 1987 as part of the Northeast Oregon Hatchery (NEOH) initiative, a complex of artificial production measures for several subbasins in Oregon. The Council separated the Hood River program from the other NEOH programs in 1991 and the program was initiated in the mid 1990s. The subbasin summary identifies goals of the HRPP of reestablishing natural, self-sustaining populations of spring chinook (extirpated in the 1960s), rebuilding natural self-sustaining populations of winter and summer steelhead (currently depressed), protecting and restoring habitat, and contributing to tribal and non-tribal fisheries. Hood River incubation, acclimation and adult holding and spawning facilities were completed at Parkdale in 1998 and Bonneville funds an adult trapping and sorting facility at Powerdale Dam. However, the HRPP relies on Round Butte and Oak Spring hatcheries in the Deschutes subbasin for incubation and rearing for each of these stocks.

Natural populations of steelhead in the Hood River are listed as threatened species under the ESA as part of the Lower Columbia River ESU (note, however, that the 2000 hydrosystem biological opinion did not find the Lower Columbia River ESU was "jeopardized" by the operation of the Federal hydrosystem). Bull trout are also present in the Hood River subbasin and are also a threatened species under the ESA.

The fish manager recommendations are for continued funding of the operations of the Hood River facilities and continuing the habitat restoration efforts of the watershed council. The significant new initiatives in the managers' recommendations are to expand the Parkdale facility to shift juvenile incubation and rearing from the Round Butte hatchery. Additionally, the managers propose an expansion of monitoring and evaluation components of the project.

ISRP review

The ISRP final report was generally supportive of the Hood River programs. It stated that it believed that "the Hood River group is on the right track with their watershed assessments and rehabilitation plans listed by priority of action." However, in

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its final comments, the Panel expressed several concerns about the program’s monitoring and evaluation plans, and the supplementation activities. The ISRP expressed a desire to have the managers revisit these particular issues in their comprehensive review of the Hood River program scheduled for 2002. The ISRP’s concerns, expressed in its preliminary comments, about a lack of data being presented appear to have been addressed, at least temporarily, by the sponsors in the “fix-it” phase of the review. This is evidenced by the ISRP’s comments in its final recommendations that it believes that by 2002, additional data sets will be complete enough to revisit many of its about the monitoring and evaluation program and supplementation activities. The ISRP also urged attention to density limits in the Bonneville pool and harvest management practices.

Hood River project proposals						
ProjectID	Title	Sponsor	CBFWA Category	ISRP Comparison	FY01	FY01-FY03
198805303	Hood River Production Program - CTWSRO M&E	CTWSRO	Urgent/High Priority	Agree, Fundable	\$519,959	\$1,609,959
198805304	Hood River Production Program - ODFW M&E	ODFW	Urgent/High Priority	Agree, Fundable	\$431,331	\$1,321,331
198805307	Hood River Production Program: Powerdale, Parkdale, Oak Springs	CTWSRO and ODFW	Urgent/High Priority	Agree, Fundable	\$1,082,983	\$4,796,653
198902900	Hood River Production Program - Pelton Ladder Hatchery	ODFW	Urgent/High Priority	Agree, Fundable	\$139,534	\$254,545
199500700	Hood River Production - PGE: O&M	PGE	Urgent/High Priority	Agree, Fundable	\$46,300	\$96,300
199802100	Hood River Fish Habitat Project	CTWSRO	Urgent/High Priority	Agree, Fundable	\$299,953	\$1,699,953
Consensus priority recommendations:					\$2,520,060	\$9,778,741

HOOD RIVER ISSUE 1. Funding assumption for consolidating spring chinook production at Parkdale facility

The Council must address the Warm Spring Tribes’ proposal to centralize spring chinook production facilities at Parkdale (Project 1988-053-070). Doing so requires additional facilities at Parkdale and shifting current operations from the Pelton/Round Butte facilities on the Deschutes River. The budget assumptions presented in provincial review

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provide for capital funding of \$2.5 million in Fiscal Year 2002. This funding is the estimated costs for additional hatchery facilities at the production site. Once the spring chinook program is moved to Parkdale, operation and maintenance costs at the current Pelton/Round Butte facilities (Project 1989-029-00) would decline.

The shift in production requires a sequence of additional evaluation and decisions in the Council's "Three-Step" process for artificial production facilities. "Three-Step" review will address the concerns noted by the Independent Scientific Review Panel in its evaluation of the Hood River Production Project's supplementation goals.

Staff recommendation: Define decision points for three-step review and associated budget for a reasonably optimistic decision schedule. Emphasize use of the 2002 program review to evaluate the scope of major production facility changes as called for in the Environmental Impact Statement for the Hood River program. This schedule would place the likely capital construction need in Fiscal Year 2003 and extend the proposed planning and design budget over two years.

The staff recommends that Bonneville fund land acquisition for potential expansion subject to determination of the adequacy of water supply. The staff believes this preliminary acquisition is reasonable because the land could be sold if construction at the site is ultimately foreclosed.

Adjustment to consensus priority budget: Project 1988-053-07: Modification of the Fiscal Year 2001 planning and design budget to extend through 2002. Reschedule capital costs, except for land acquisition to 2003. Reserving the capital budget will depend on continued approvals in the "Three-Step" process and a determination of the Program's scheduled capital investment capacity.

FY 01: -\$355,250

FY 02: -2,160,000

FY 03 +2,515,250

HOOD RIVER ISSUE 2 - ISRP criticisms of monitoring and evaluation program

The ISRP comments focus questions on the monitoring components of the Hood River Production Program. The ISRP calls for an overall monitoring and evaluation plan and improved presentation of the results of past work. While concluding that the monitoring projects are fundable, the ISRP urged attention to its concerns in the scheduled Fiscal Year 2002 program review.

Staff recommendation: Focus attention on these issues in the scheduled review of the Hood River Production Program in 2002. The ISRP's preliminary concerns for funding the program were sufficiently resolved in the response of the project sponsor. Nevertheless, the ISRP focuses continued attention on the need to make progress on an overall monitoring and evaluation plan. The combined costs for monitoring and evaluation approach \$1 million a year and so the staff would encourage the final Council

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decision to call for a report on a coordinated plan as part of the Hood River Program's 2002 review and "Three-Step" review.

Adjustment to consensus priority budget: None.

Fifteenmile Creek

Council staff summary: Bonneville has funded a passage improvement and habitat protection and restoration initiative in Fifteenmile Creek since 1987. Bonneville investments have supported a series of instream habitat structures and 98 miles of riparian fencing on Fifteenmile Creek and its tributaries. Salmonid production in the subbasin is entirely natural; there are no artificial production programs. The population of winter steelhead in the subbasin is the easternmost in the Columbia River. This steelhead population was listed as a threatened species in 1999 as part of the Mid-Columbia ESU. Spring chinook have been known to spawn in the subbasin since 1996. This population of spring chinook is not listed under the ESA. The Mitchell Act has also funded irrigation diversion screening in the subbasin.

The subbasin summary identifies several existing plans for fish and wildlife in Fifteenmile Creek. Two of the major plans that guide fish and wildlife activities that have been funded by Bonneville in Fifteenmile Creek are the *Fifteenmile Creek Basin Fish Habitat Improvement Implementation Plan* (USFS & ODFW 1987) and the *Fifteenmile Creek Subbasin Salmon and Steelhead Production Plan* (ODFW & CTWS 1990). Native winter steelhead is most actively targeted for active management (goal of 1,500 wild adult escapement to the mouth of Fifteenmile Creek). Spring chinook and pacific lamprey management goals are being discussed by co-managers.

The recommendations of the fish and wildlife managers would continue the ongoing funding for operation and maintenance of the fencing, water gaps and in-stream habitat structures installed since 1987. When the fencing program was initiated, the Oregon Department of Fish and Wildlife established 15-year agreements with landowners to maintain the fencing and access for repairs to in-stream habitat structures. The recommendations seek to renew installation of additional riparian fencing at a rate of ten miles a year.

The managers proposed work plan also placed a high priority on funding for the Oregon Water Trust to acquire senior water rights in the subbasin for in-stream flows. An ongoing monitoring program to trap migrating smolts to estimate production in the basin is a priority in the CBFWA work plan. The managers supported the proposal by the Wasco Soil and Water Conservation District to fund technical assistance to enroll landowners in the U.S. Department of Agriculture's Conservation Reserve Enhancement Program (CREP), but stated that Bonneville funding for the proposal raises an issue of conflicting with the Northwest Power Act's restriction on funding the legal obligations of other government agencies. The CREP program compensates landowners for withdrawing marginal lands from agricultural production specifically to aid riparian restoration.

ISRP Review:

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Subbasin Level While supporting the core habitat restoration and maintenance projects in the CBFWA work plan, the ISRP did have some guidance and concerns at the overall subbasin level. First, the ISRP was concerned that the projects proposed by ODFW, Wasco Soil and Water Conservation District, and the Wy'East Resource Conservation District did not appear to relate to an overall coordinated rehabilitation plan with priorities based on an assessment and with monitoring and evaluation. In a nutshell, even though the ISRP favored the great majority of the projects individually (discussed below), it remained concerned that there did not appear to be a well-articulated assessment-based strategic plan to maximize the benefits of these varied efforts.

Second, implicit in the ISRP comments, but very evident to staff, is an apparent subbasin level coordination issue between the project priorities of the fish and wildlife managers, and the participation and support by landowners through federal soil and water conservation programs. This coordination issue is exemplified by the review of the project proposals by the Wasco Soil and Water Conservation District. The fish and wildlife managers accorded those proposals lower priority and expressed concern about the alignment of agricultural conservation programs with the strategies of the fish and wildlife managers. The staff has discussed this matter with ODFW and Wasco SWCD, both of which acknowledge the issue and appear willing to work to better coordinate.

Project Level: The ISRP disagreed with CBFWA's lower priority for the Wasco SWCD CREP enrollment and a project and a second demonstration project for integrated pesticide application proposed by Wy'East RC&D. Both CBFWA and the ISRP noted that Bonneville funding these projects posed "policy" issues for the Council to consider.

The ISRP recommended no funding for the Oregon Department of Fish and Wildlife's steelhead smolt monitoring project, even after a response from the Department in the "fix-it" review.

The ISRP also noted a concern with the relatively short duration of the landowner agreements for maintenance of the fencing and in-stream habitat structures installed with Program funds.

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Fifteenmile Creek project proposals						
ProjectID	Title	Sponsor	CBFWA Category	ISRP Comparison	FY01	FY01-FY03
21019	Fifteenmile Subbasin Water Right Acquisition Program	OWT	Urgent/High Priority	Agree, Fundable	\$32,000	\$128,000
199304000	Fifteenmile Creek Habitat Restoration Project (Request For Multi-Year Funding)	ODFW	Urgent/High Priority	Agree, Fundable. Concerns should be addressed in Council review or BPA contracting process.	\$220,040	\$670,113
21001	Fifteenmile Creek Riparian Fencing / Physical stream Survey Project	ODFW	Urgent/High Priority	Agree, Fundable. Concerns should be addressed in Council review or BPA contracting process.	\$151,685	\$471,843
Consensus priority recommendations					\$403,725	\$1,269,956
199304001	15-Mile Creek Steelhead Smolt Production	ODFW	Urgent/High Priority	Disagree, Do Not Fund	\$33,704	\$92,204
21014	Mitigate Streambank Sediment Sources in Fifteenmile Watershed using Bioengineering Techniques	Wasco SWCD	Recommended Action	Agree, Fundable	\$159,355	\$202,934
21016	Accelerate the Application of Integrated Fruit Management to Reduce the Risk of Pesticide Pollution in Fifteenmile Sub-basin Orchards	Wy'East RC&D	Do Not Fund	Disagree, this proposal is fundable.	\$308,772	\$738,457
21015	Riparian Buffers	Wasco SWCD	Do Not Fund	The position looks valid and offers potential benefit. However, funding the position is a policy decision.	\$73,414	\$226,914

FIFTEENMILE CREEK ISSUE 1: Bonneville funding for technical assistance to support enrolling riparian land in the Conservation Reserve Enhancement Program (CREP)

Specifically related to Issue 1, CBFWA recommended no funding for a staff position to provide technical assistance to willing landowners in the CREP program (proposal 210250). The ISRP supports the project. The Wasco County Soil and Water Conservation District states that more than 30 landowners in the Fifteenmile Creek and Deschutes River subbasins have applied for enrollment in the CREP program. Current staffing is not adequate to process the enrollments. Both the ISRP and CBFWA say this funding represents a policy issue for the Council because of potential “in lieu” concerns.

The 2000 Biological Opinion for the federal hydropower system has a specific requirement for Bonneville to fund assistance for CREP enrollment. Fifteenmile Creek offers a possible “pilot” opportunity for unlocking CREP assistance. In doing so, the Council should be satisfied that CREP enrollments will be coordinated with the overall habitat restoration priorities.

Staff recommendation: The Biological Opinion calls for Bonneville to fund technical assistance to enroll landowners in the CREP program with a target of 10 miles of riparian protection a year. The Wasco Soil and Water Conservation District is the first proposal to demonstrate the value of funding technical assistance.

The staff has considered the concern raised by the Columbia Basin Fish and Wildlife Authority that such funding raises the concern of violating the “in lieu” restrictions of the Northwest Power Act. The staff conclude that the CREP program is a federal incentive program, not a regulatory or management responsibility of the U.S. Department of Agriculture. Bonneville funding for needed technical assistance to qualify landowners for CREP enrollment is similar to supporting watershed coordinators who apply for other watershed restoration funds. Bonneville concurs that such funding is not likely to be a violation of the Power Act’s “in lieu” prohibition.

The staff do recommend that the Council include in its approval of this project specific direction that the priority for the focus of the technical assistance be in support of past and scheduled riparian protection in Fifteenmile Creek. The quarterly performance report for the project should show on maps where the efforts have been focused. The Council staff were made aware by the project sponsor that the original project proposal contemplated spreading the effort funded by the project throughout Wasco County, including substantial effort in the Deschutes subbasin. The staff recommend that the Council recommend that the approval in this review be directed to a priority of effort in the Fifteenmile Creek subbasin because the region needs a quick demonstration of the effectiveness of aligning CREP enrollment with a planned strategy for riparian protection

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in a subbasin. The staff expects a proposal for similar assistance in the Deschutes subbasin during the provincial review for the Columbia Plateau province, as well as in other subbasins. The staff believe the best evaluation of supporting CREP enrollment with funding for technical assistance will come from a focused effort in Fifteenmile Creek.

Adjustment to consensus priority budget:

If proposal 21025 is funded as submitted, the additional funding would be roughly for one full-time-equivalent staff position plus support costs.

FY 01: +\$73,414

FY 02: +\$75,616

FY 03 +\$77,884

FIFTEENMILE CREEK ISSUE 2: Long-term maintenance for fencing.

An issue noted by the ISRP, but more of a management concern, is maintenance of the installed fencing in the subbasin. Bonneville originally used 15-year leases to have access to maintain the fences and funds the Oregon Department of Fish and Wildlife to do the work. The first of the leases will soon expire. The Council should address with Bonneville alternatives to ensure that longer-term maintenance is provided. This issue also exists in the John Day, Grande Ronde and other subbasins, so there is a precedent in how we handle Fifteenmile Creek maintenance.

The staff notes that the CREP program is also limited to 15-year commitments, so the problem developing in the Council program is also a concern for federal programs.

Staff recommendation: The Council must consider whether to fund more fencing without a provision for long-term maintenance. The fencing protects, in the short term, a listed species and responds to a measurable performance standard of the hydro Biological Opinion. As noted, the lack of long-term planning for maintenance of Bonneville-funded fencing is shared with restoration efforts in other subbasins (i.e. John Day, Grande Ronde, and the Clearwater). The Council should seek from Bonneville a schedule for developing long-term maintenance plans for riparian fencing or else factor into future funding decisions some form of a trust fund to pay for maintenance in perpetuity.

The staff recommends the following course of action in Fifteenmile Creek: Support the resumption of fencing if it will be credited by the National Marine Fisheries Service for meeting the measurable performance standards of the Biological Opinion. Devise, with Bonneville, a proposal for alternatives to permanent funding for maintenance and review the issue again in the Plateau Review. The ISRP suggested a Columbia basinwide workshop on the subject.

Adjustment to consensus priority budget: None.

FIFTEENMILE CREEK ISSUE 3: ISRP “do not fund” recommendation for Fifteenmile Creek monitoring project

The ISRP recommended no funding for ODFW’s proposed monitoring project. The panel’s report concluded that the monitoring design is not adequate for estimating smolt yield and of limited value without data on adult escapement. ODFW responds that designing a monitoring strategy to respond to the ISRP’s review has feasibility challenges and additional costs. ODFW is seeking funding for adult trapping facility in the current High Priority solicitation process. ODFW maintains that the information from the project is still of benefit given the relatively low cost of the project.

Staff recommendation: The staff concluded that the monitoring issues in Fifteenmile Creek represent the larger monitoring and evaluation questions raised in the ISRP’s provincial report. The report emphasizes that the ISRP does not call for “major research level” data collection for all projects. Rather, the report suggests that monitoring should be coordinated among related projects. In the case of Fifteenmile Creek, the monitoring issues are likely common with other tributary riparian protection and restoration strategies and some common monitoring approach is likely to be more cost-effective than investing in a full suite of monitoring facilities for every project.

Given the ISRP’s negative review, and the need to address these questions on a programmatic level, the staff recommend that the Council call on Bonneville to convene a work group involving the monitoring staff of the fish and wildlife management agencies to develop a cooperative monitoring strategy for riparian protection projects. The Council staff expects to see similar issues in the Plateau provincial review and suggest that a programmatic review of habitat protection monitoring is the most effective way to resolve these questions. If such a programmatic review recommends a monitoring strategy in Fifteenmile Creek, the Council should revisit this funding recommendation.

***Adjustment to base budget:* None, pending recommendation from Bonneville and the fish managers**

FIFTEENMILE CREEK ISSUE 4: Testing integrated pesticide management for fish benefits.

The ISRP reiterated its support for proposal 21016 which would test integrated pesticide management in Fifteenmile Creek orchards. CBFWA gave a “do not fund” recommendation

Staff recommendation: Fund a scaled-down demonstration project. ISRP noted the strength of the proposal involved the collaboration, outreach and education of the orchardists. Staff contacted project sponsors in an effort to reduce the scale of the

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project, maintain its strengths, and address ISRP concerns about monitoring and evaluation for effects on fish and wildlife.

Adjustment to budget recommendation: Sponsors agreed to reduce the number of weather station data inputs and eliminate the tower sprayer component of the project. The budget for the information delivery and grower outreach (the ISRP's identified project strengths) would be maintained. The monitoring and evaluation budget for Fiscal Year 2002 and Fiscal Year 2003 would return to the Council for review once sponsors get an agreed upon plan with Oregon DEQ and fish and wildlife managers, subject to ISRP review. Council would recommend a placeholder of \$64,000 for the monitoring and evaluation budget component in Fiscal Year 2002 and Fiscal Year 2003, subject to Council review and approval.

FY01: \$146,100 FY02: \$168,410 FY03: \$168,410

Klickitat River subbasin

Council staff summary:

The primary fish and wildlife management activities in the Klickitat subbasin have been passage and artificial production initiatives, dating back to the early 1950s. Most of this work was funded by sources other than Bonneville, with Mitchell Act funding being a substantial contributor. More recently, Bonneville funding has been dedicated to the Klickitat as a component of the Yakama Nation's Yakima-Klickitat Fisheries Project (YKFP). To date, most of that Bonneville funding has been directed toward planning and analysis. There has been Bonneville funding of a riparian and in-channel habitat project since 1997. This project has focused on tributaries to the Klickitat River.

The species receiving the most management attention are spring chinook, steelhead, fall chinook, and coho. Spring chinook and steelhead (both winter and summer race) are native to the Klickitat system, while fall chinook and coho are not. Those latter species were introduced into the Klickitat in the early 1950s. It does not appear that any of these salmonid populations is listed under the Endangered Species act.

From the subbasin summary it appears that major management plans driving the management approach within the Klickitat are artificial production agreements in the U.S v. Oregon forum and the Klickitat component of the YKFP project. The subbasin summary candidly describes the Klickitat fisheries enhancement element of the YKFP as "qualitatively different than its sister program in the Yakima." That is, the Klickitat component is still relatively new, it contains a major harvest augmentation element, and basic elements of the supplementation plan (for spring chinook and steelhead), monitoring plan, and watershed assessment are still being developed.

The Yakama Nation proposes to complete the design phase of passage improvements and upgrading existing production facilities in the Klickitat subbasin to implement an artificial production program (supplementation and augmentation) for spring chinook, fall chinook and coho salmon and steelhead. Spring chinook and steelhead production is aimed at increasing natural spawners, while the coho and fall chinook elements are primarily aimed at augmenting harvest opportunity. The riparian and in-channel habitat project is proposed to continue as well.

The managers' proposal for Bonneville funding in Fiscal Year 2001 to 2003 includes the following major capital projects:

- Completion of final design for passage improvements, and adult broodstock collection and monitoring facilities at Lyle Falls near the mouth of the Klickitat River;

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- Completion of final design to repair and improve the existing fish ladder at Castile Falls in the upper part of the Klickitat River;
- Upgrades of the water supply and additional facilities at the Klickitat Hatchery, currently funded by the National Marine Fisheries Service with Mitchell Act Funds and operated by the Washington Department of Fisheries. The hatchery would be managed by the Yakama Nation for YKFP production objectives.
- Construction of one on-site acclimation facility at the Klickitat Hatchery and construction of four additional acclimation sites elsewhere in the subbasin.

The Klickitat Hatchery and the existing passage facilities at Lyle and Castile Falls were originally funded by the Mitchell Act. The Council staff understand that the National Marine Fisheries Service has funding available for repairs to the Castile Falls fishway but not for upgrades at Lyle Falls. NMFS does not have funding for operations and continued maintenance of the fishways after 2002.

Bonneville funding, as proposed by the manager's recommendation, would fund operation and maintenance of the passage facilities and the upgraded Klickitat Hatchery as well as Yakama Nation management of the supplementation program. The managers also recommend increased Bonneville funding for the ongoing habitat restoration project.

ISRP review:

The Independent Scientific Review Panel expressed a number of concerns about implementing the Yakama Nation's artificial production objectives. Its rating of "fundable" was conditioned upon having its concerns addressed in further review. The ISRP concerns focused on three issues:

- 1) Design of the strategy for the artificial production program;
- 2) Organization of the program proposals, and;
- 3) Sequence of proposed implementation program.

On point 1), the ISRP expressed concern that the artificial production strategy that had dual objectives -- restoration of natural populations, and augmentation of fisheries -- would be difficult to balance, implement and evaluate without much better stock assessment information. The ISRP recommended that a quantitative stock assessment program for natural populations be initiated, and that the hatchery production goals be phased in over time.

On point 2), the ISRP continues to struggle with the organization of the proposals. The ISRP found the budgets as presented to lack the clarity they felt supported scientific review.

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On point 3), the ISRP recommended funding first the project proposed by the Pacific Northwest National Laboratory (Proposal 21004) that would monitor the energy expended by adult fish attempting passage through Lyle and Castile Falls. The ISRP anticipated that the information from the study would guide the design and funding priority for the projects.

Finally, the ISRP also found the ongoing habitat restoration project (Project 1997-056-00) fundable but only on an interim basis with specific milestones. The ISRP recommended that these milestones include the completion of a watershed assessment, setting up a watershed council and verifying the preliminary results of Ecosystem Diagnosis and Analysis.

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Klickitat project proposals						
ProjectID	Title	Sponsor	CBFWA Category	ISRP Comparison	FY01	FY01-FY03
199705600	Lower Klickitat Riparian and In-Channel Habitat Enhancement Project	YN	Urgent/High Priority	Fundable if funding is based on achievement	\$313,318	\$1,090,459
198811525	Yakima/Klickitat Fisheries Project Design and Construction	YN	Urgent/High Priority	Fundable on interim basis.	\$3,683,000	\$5,867,000
198812025	Yakima/Klickitat Fisheries Project (YKFP) Management, Data and Habitat	YN	Urgent/High Priority	Fundable on interim basis.	\$363,510	\$1,170,964
199506325	Yakima/Klickitat Fisheries Project Monitoring And Evaluation (Klickitat Only)	YN	Urgent/High Priority	Fundable on interim basis.	\$447,723	\$1,468,082
199701725	Yakima Klickitat Fisheries Project Operation and Maintenance (Klickitat Only)	YN	Urgent/High Priority	Fundable on interim basis.	\$0	\$2,530,000
Consensus priority recommendations:					\$4,807,551	\$12,126,505
21027	Inventory and Assess Amphibian Populations in the Klickitat Subbasin	YN	Recommended Action	Agree, Fundable	\$135,797	\$401,391
21004	Determination of difficult passage areas by examining swimming activity of upriver migrating salmon implanted with EMG transmitters	PNNL	Recommended Action	Disagree with CBFWA priority. This is a high priority project that deserves funding.	\$212,929	\$632,929
21026	Inventory and Restore Beaver and Beaver Habitats	YN	Recommended Action	Disagree, Do Not Fund	\$205,440	\$675,440
21028	Klickitat Watershed and Habitat Enhancement Project	YN	Recommended Action	NA	\$2,741,360	\$9,001,360

KLICKITAT ISSUE 1: Response to ISRP concerns for Klickitat production and passage programs.

The ISRP anticipated that its concerns about implementing the Klickitat production program as proposed would return to them for review in the Council's "Three-Step" process for artificial production projects..

Council staff recommendation:

The Council staff worked with the Yakama Nation fisheries staff to outline a "three-step" review sequence encompassing the proposed passage and production facilities. This sequence is a reasonably optimistic schedule considering National Environmental Policy Act requirements and other necessary reviews. The actual schedule also depends on completion of an agreement between the Yakama Nation and the Washington Department of Fish and Wildlife for transfer or co-management of the Klickitat Hatchery.

Using the "Three-Step" review process, the entire program will return to the Council, with the recommendations of the ISRP, for decisions to continue planning, design and proceed with construction at key planning milestones. These reviews will also define long term operation, maintenance and monitoring costs.

Adjustment to consensus priority budgets:

Deferral of \$3.7 million in FY '01 capital to FY '03. Reserving the capital budget (Project 1988-115-25) will depend on completion of environmental review, continued approvals in the "Three-Step" process and a determination of the Program's scheduled capital investment capacity. Operation and maintenance (Project 1997-017-25) is assumed to be deferred, reflecting the modified construction schedule and lack of agreement for management of the Klickitat Hatchery.

FY '01: - \$3,450,000⁸

FY '02 - \$1,300,000

FY '03 + 2,449,000

KLICKITAT ISSUE 2: Funding for an experimental salmon exertion study at Klickitat passage sites

The Independent Scientific Review Panel urged funding Proposal 21004 to study the energy expended by adult passage in the Klickitat River and funding the study is appropriate before initiating passage improvement projects at Lyle and Castile Falls. The Columbia Basin Fish and Wildlife Authority opposes deferring repairs and upgrades at those sites for the completion of the study.

⁸ These estimate are revised from Council member packet memo of 1/31/01

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Staff recommendation:

The staff conclude from the sponsor's comment and the design issues at Lyle and Castile Falls that the proposal is unlikely to inform passage project design - the emphasis at Lyle Falls is on adult collection, not passage; and Castile Falls is undergoing repairs to flood-caused damages.

Nevertheless, the project is strongly supported by the ISRP, both for specific application in the Klickitat and for application to passage problems elsewhere. The staff support a scaled-down project test in the Klickitat because of the innovative qualities of the proposal and its potential to establish baseline information in the Klickitat. Alternatively, the Council could fund the project from the innovative project placeholder.

Adjustment from consensus priority budget:

FY 01: +\$319,542

White Salmon subbasin

Council staff summary:

There is not a history of Bonneville funded activities in the White Salmon River subbasin. This is primarily due to the presence of the Condit Dam and powerhouse both located within the lower three miles of the river. Condit Dam has blocked anadromous fish passage since the early 1900's. The Council's fish and wildlife program, however, has long had a measure calling for fish passage at Condit Dam so that anadromous species recover access to their historical range in the subbasin.

Pacificorp has agreed to remove Condit Dam to provide for passage of salmon into the White Salmon subbasin. As part of Federal Energy Regulatory Commission relicensing proceedings, it entered into a settlement agreement to remove Condit dam in 2006. Anticipating the dam's removal, the Underwood Conservation District, cooperating with the Yakama Indian Nation and the U.S. Geological Survey propose to document current habitat conditions in Rattlesnake Creek, a major tributary of the White Salmon River believed to provide some of the anadromous habitat with the most potential, to establish baseline information to measure the results of Condit Dam removal. The proposal notes that there is a unique opportunity to evaluate biological and environmental parameters pre and post-reintroduction of anadromous stocks.

Fall and spring chinook, winter and summer steelhead, and coho are present in the White Salmon River below Condit Dam, with some natural spawning occurring. Some natural spawning of fall and chinook and coho spawning occurs below Condit Dam as well. Chinook are part of the Lower Columbia River ESU, but do not appear to be "listed" or protected under the ESA (this ESU was not found to be "jeopardized by the operation of the federal hydrosystem). The steelhead are part populations are part of the Middle Columbia River ESU, but it is not clear if the natural spawning populations are "listed."

A second proposal sponsored by the Underwood Conservation District is to initiate watershed restoration activities, and coordinate those activities and monitoring by supporting the White Salmon River Watershed Management and Technical Committees. This proposal was accorded lower priority as a "recommended action" by the fish and wildlife managers. The managers said that the lower ranking was a prioritization of funding within the subbasin pending the removal of Condit Dam. As dam removal gets nearer, the subbasin summary recommends that the proposal should become a higher priority.

Independent Scientific Review Panel review:

The ISRP found the Rattlesnake Creek baseline assessment project proposal to be fundable, and agreed that it presented a unique data collection opportunity. The

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recommendation was conditioned with advice that the proposed costs should be validated in contracting. The panel also ranked the conservation district watershed restoration proposal as “fundable,” stating that a “convincing case” had been made for the restoration, coordination, and education activities proposed. The Panel did not, however, disagree with the lower “recommended action” priority assigned to this project by the fish and wildlife managers as a budgeting priority matter.

White Salmon project proposals						
ProjectID	Title	Sponsor	CBFWA Category	ISRP Comparison	FY01	FY01-FY03
21009	Assess current and potential salmonid production in Rattlesnake Creek associated with restoration efforts	UCD, YN, USGS	Urgent/High Priority	Agree, Fundable	\$227,951	\$736,756
Consensus priority recommendations					\$227,951	\$736,756
21033	White Salmon River Watershed Enhancement Project	UCD	Recommended Action	Agree, Fundable	\$242,221	\$801,748

WHITE SALMON ISSUE 1: Response to ISRP criticisms of priority proposal for baseline information collection

The ISRP supports collection of baseline information before removal of Condit Dam (proposal 21009) but lists enough concerns for Council to condition any approval on clearer scope definition.

Staff recommendation:

Assume the proposed budget but request a Bonneville report addressing ISRP concerns as a condition before contracting.

Adjustment to consensus priority budget: None.

WHITE SALMON ISSUE 2: Priority for initiating watershed restoration proposal

The White Salmon River watershed enhancement proposal (proposal 21009) is a second-tier priority for CBFWA, but was rated as fundable by the ISRP. If the Council holds to “urgent/high priority” projects as the baseline of recommended projects, this project will not be started.

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Staff recommendation: CBFWA's recommendation was appropriate - this proposal is a lower priority until the schedule for removal of Condit Dam is set and responsibilities for associated restoration activities are defined.

Adjustment to consensus priority budget: None.

Wind River

Bonneville funding in the Wind River supports ongoing watershed coordination by the Wind River Watershed Council. The watershed council coordinates projects funded from a variety of state, federal and tribal sources. The subbasin summary displays a history of completed habitat restoration projects totaling over \$1 million (page 29) and a schedule of 36 projects to be implemented that were identified by limiting factors analysis estimated to cost nearly \$2 million (page 34). As demonstrated by these lists, a major fish and wildlife protection and restoration strategy in this subbasin is to make site-specific habitat improvements as funds and opportunity permits.

A second major fish and wildlife activity in the subbasin is the operation of the Carson National Fish Hatchery, which was constructed in 1938 as mitigation for the construction of Bonneville Dam. It is funded under the Mitchell Act program. The facility is now focused on spring chinook production, with a 1.4 million smolt on-station release goal.

The Wind River supports several species of anadromous fish, including spring and fall chinook, coho, winter and summer steelhead, and coastal cutthroat trout. The naturally spawning steelhead population is listed as threatened under the ESA and is part of the Lower Columbia River Steelhead ESU. The subbasin summary notes that the naturally spawning chinook (fall and spring combined) are part of the threatened Lower Columbia River chinook ESU (note, also however, that the 2000 Biological Opinion finds that neither this chinook nor this steelhead ESU is "jeopardized" by the operation of the federal hydrosystem). Bull trout are present in the Wind River subbasin, and are listed as threatened under the ESA. The subbasin summary identifies other fish and wildlife present in the subbasin, including some that are rated as ESA candidate, sensitive or species "of concern" under federal, state, and tribal law.

The subbasin summary identifies the list of smaller habitat restoration projects that the watershed council wants to pursue should the Council recommend that funding for that watershed council coordination project continue. The single largest capital feature for watershed restoration in the subbasin on that list is the removal of Hemlock Dam, a small Forest Service-constructed impoundment on Trout Creek in the subbasin. While the dam has adult passage, the subbasin summary cites lethal water temperatures behind the dam and fish passage impacts as the reason for proposing removal, rather than further modification to the dam.

The budget proposed in the CBFWA work plan includes \$750,000 as a share of funding for dam removal. The fish and wildlife managers state a preference for full funding of dam removal by the Forest Service.

The National Marine Fisheries Service proposed Bonneville funding for undertaking a study of hatchery smolt survival rates at the Carson National Fish Hatchery

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using “NATUREs” technology - experimental methods to imitate natural conditions in hatcheries. The National Marine Fisheries Services proposes the study to implement Biological Opinion requirements for artificial production as well as provisions of the Council’s program. The Columbia Basin Fish and Wildlife Authority gave the proposal lower priority as a “recommended action” and noted that an experiment of NATUREs technology on a large scale is underway at the Yakima Production Facility at Cle Elum, Washington, and is also proposed for the Nez Perce Tribal Hatchery program.

Independent Scientific Review Panel review:

Subbasin level The ISRP’s final review of the Wind River of the work plan provided by CBFWA was generally positive. They encouraged the project to publish the results of their monitoring and suggested that the project could provide a key demonstration site if a full level of monitoring and evaluation is accomplished. On this last point about the Wind River possibly being a “demonstration site,” the ISRP report indicates that the detailed monitoring and evaluation of the habitat restoration initiative, if pursued and reported in a rigorous way, could reduce the need for such detailed monitoring and evaluation at other subbasins in this province where more routine monitoring may suffice.

Project level The ISRP recommended that the study of NATUREs technology not be funded. After the response from the project sponsor to the preliminary ISRP review, the ISRP still found that the experimental design was “carelessly presented” (p. 15, ISRP report). CBFWA rated this project as a lower priority “recommended action” project, noting that investigations of NATUREs techniques are currently underway elsewhere, and that a production-scale study should await more results from them.

Wind River proposals						
ProjectID	Title	Sponsor	CBFWA Category	ISRP Comparison	FY01	FY01-FY03
199801900	Wind River Watershed Restoration	UCD,USFS, USGS-CRRL, WDFW	Urgent/High Priority	Agree, Fundable	\$658,532	\$2,770,221
Consensus priority recommendations:					\$658,532	\$2,770,221
21024	Evaluate Hatchery Reform Principles	NMFS	Recommended Action	Disagree, Do Not Fund	\$1,063,200	\$3,351,307
21010	Feeding, growth, and smoltification of juvenile steelhead	USGS-CRRL, USFWS	Do Not Fund	Agree, Do Not Fund	\$106,988	\$467,132

WIND RIVER ISSUE 1: “Do not fund” recommendation for Carson Hatchery test of artificial production improvements

CBFWA and the ISRP were both critical of a NMFS-proposed NATUREs study. CBFWA listed the work as a “recommended action” but called for further review and the ISRP reiterated a “Do Not Fund” recommendation. The question is whether NMFS will define the study as a reasonable and prudent alternative requirement under the hatchery reform off-site mitigation requirements for Bonneville. The National Marine Fisheries Service, in its regulatory role, should conclude whether or not Bonneville should fund this research project which is sponsored by the Service in its fisheries research role. The project’s proposed Fiscal Year 2001 budget is \$1,063,200 and totals \$3,351,307 over three years. If funding is reserved for this project, it would be an addition to the base budget assumed by staff for the Columbia Gorge projects.

Staff recommendation: Do not plan funding for this project. If the National Marine Fisheries Service requires Bonneville to fund this study, Bonneville should so notify the Council and require:

1. The experimental design be again submitted to the ISRP and reviewed for a funding recommendation by the Council;
2. A comprehensive summary of NATUREs research be presented to the Council, and;
3. The National Marine Fisheries Service should explain to the Council why this research need is not being addressed by the ongoing experimental design at the Cle Elum facility or the proposed design at the Nez Perce Tribal Hatchery.

Adjustment to consensus priority budget: None.

WIND RIVER ISSUE 2: Bonneville cost-sharing for Hemlock Dam removal

- The Wind River watershed restoration proposals won support from both the fish and wildlife managers and the ISRP for expanded Program funding. The watershed restoration efforts are aimed at the wild steelhead population in the subbasin which are listed for protection by the Endangered Species Act. Bonneville funding for these measures may be eligible for credit towards meeting off-site mitigation requirements of the Biological Opinion for the federal hydropower system. The single issue raised for Council consideration is whether Bonneville funding is appropriate for removal of the Hemlock Dam. Because further review and design is necessary, funding for dam removal (the actual deconstruction) is not an immediate issue except that a three-year provincial review would schedule this funding in 2003. Funds for planning and environmental review are, however, requested for Fiscal Year 2001.

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Staff recommendation: Don't establish a budget for Bonneville funding for Hemlock Dam removal (although assistance for planning and design is supported). The Forest Service needs to complete the NEPA process and review with the Council a rationale for Bonneville funding for removal when other funding sources are committed.

Adjustment to consensus priority budget

FY '01: 0

FY '02: 0

FY '03: -\$750,000

Bonneville pool

Organizing comment: Under our province based format, sections of the mainstem Columbia and Snake Rivers are treated much like a subbasin in that a separate summary is produced for each segment within the province. In the Columbia Gorge province the mainstem Columbia River between Bonneville and The Dalles dams (the “Bonneville Pool”) is included. This section addresses provincial-scale issues and project proposals as well as habitat recommendations that apply to multiple subbasins in the Columbia Gorge province or particular to the Bonneville Pool segment of the main-stem.

[Note: the entire mainstem Columbia and Snake Rivers will be treated as a whole in a “Systemwide” province review at a later time].

Council staff summary:

The proposed projects in the Columbia Gorge address specific fish and wildlife species. They include surveys of coastal cutthroat trout populations (Proposal 21012), bull trout population surveys (Project 199405400) and the experimental reintroduction of western pond turtles to a wildlife refuge in the Gorge (Proposal 21013). The three projects would be new starts for the Program. Although the bull trout project was proposed using the project number for an ongoing regional survey of bull trout, the work proposed is new.

The fish and wildlife managers recommended that the status review of coastal cutthroat trout be funded only for its first objective at an estimated \$39,000 as a “high priority/urgent” activity. They recommended that future funding be conditioned on additional review.

There was also a proposal to evaluate resident fish assemblage in the Bonneville pool that was rated only as a recommended action by the managers, and received a “do not fund” rating by the ISRP.

Independent Scientific Review Panel recommendations:

The ISRP rated the bull trout assessment and the western pond turtle experimental reintroduction as “fundable”. They agreed with the fish and wildlife managers that only the first objective of the cutthroat trout survey be funded at this time and any additional funding depend on further review. Thus, the bull trout and coastal cutthroat trout surveys, and the western pond turtle projects are consensus priorities.

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Bonneville Pool project proposals						
ProjectID	Title	Sponsor	CBFWA Category	ISRP Comparison	FY01	FY01-FY03
199405400	Bull trout population assessment in the Columbia River Gorge,	WDFW	Urgent/High Priority	Agree, Fundable	\$155,938	\$500,938
21013	Western Pond Turtle Recovery - Columbia River Gorge	WDFW	Urgent/High Priority	Agree, Fundable	\$167,025	\$361,225
21012	Evaluate Status of Coastal Cutthroat Trout in the Columbia River Basin above Bonneville Dam	USGS-CRRL	Urgent/High Priority	Partially agree, objective 1 is fundable, funding of any other objective should require further review per the ISRP comments.	\$39,770	\$533,734
Consensus priority recommendations:					\$362,733	\$1,395,897
21005	Characterize and Assess Wildlife-Habitat Types and Structural Conditions for Sub-Basins within the Columbia Gorge Ecoprovince	NHI	Do Not Fund	Technically sound. Fundable if needed in subbasin assessment by EDT.	\$58,521	\$58,521
21011	Assess the Current Status and Biotic Integrity of the Resident Fish Assemblage in Bonneville Reservoir	USGS/CRRL	Recommended Action	Disagree, Do Not Fund	\$351,700	\$1,099,700

BONNEVILLE POOL ISSUE 1: Coastal cutthroat trout survey

If the Council funds the initial survey objective for proposal 21012 as recommended by fish and wildlife managers and the ISRP, it should define a process for the project to return for additional funding after a successful review.

Staff recommendation: Fund only the initial survey objective. Upon completion and report, the sponsor can return to the Quarterly Review for consideration of additional funding.

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Adjustment to consensus priority budget:

FY '01: None FY '02: -\$240,926 FY '03 -\$253,038

BONNEVILLE POOL ISSUE 2: Smolt density issues:

The Council should respond to the ISRP's concerns but consider the managers' perspective that these are larger issues than just the Hood River and Klickitat programs.

Staff recommendation: After consultation with fish and wildlife managers in the Columbia Gorge, the Council staff conclude that these are significant issues for Council attention, but beyond the scope of this provincial review to resolve. These concerns may be highlighted for management discussion and possible project solicitation in the Systemwide project review. Also, these issues should be reviewed for treatment in the 2000 Biological Opinion's requirements of the federal action agencies.

Adjustment to consensus priority budget: None

Intermountain Province

Organizing comment:

The staff summary and issues analysis will be presented for the Intermountain province as a whole. The subbasins with proposed projects in the Intermountain Province include the Spokane, San Poil, and Lake Roosevelt. The Columbia Basin Fish and Wildlife Authority prepared separate summaries for each of these subbasins and also for Lake Rufus Woods and its tributaries (Lake Rufus Woods is the reservoir behind Chief Joseph Dam). However, Council staff believes that the fish and wildlife management issues are closely related among these subbasins and for the Council's decisions for project funding, the staff is organizing its summary at the provincial level. This organization is for convenience and economy of presentation only, and should not be interpreted to discount or signal any type of retreat from the subbasin level focus taken in subbasin summaries or in the desire to ultimately adopt into the program plans for each subbasin in the Intermountain province.

Staff summary:

The fish and wildlife management issues in the Intermountain province are grounded in the loss of anadromous fish from the completion of Grand Coulee Dam in 1941 and Chief Joseph Dam in 1961. The construction of Chief Joseph and Grand Coulee dams completely blocked anadromous fish migrations to the upper Columbia River. Prior to these hydropower developments, the area above the current "blocked area" supported large and diverse fish populations, including eleven salmonid stocks. Studies estimate that the complete extirpation of anadromous fish stocks from this area reduced native salmonid species assemblage by approximately 64 percent and that approximately 14 percent of the total Columbia River anadromous fish runs historically estimated to total 12-16 million fish annually were destined for this area.

The salmon fishery in the Columbia River and its tributaries were central to the culture, religion, economy and subsistence of the members of the Colville Confederated Tribes, the Spokane Tribe and the Coeur d'Alene Tribe. The Council's program recognized the significance of these losses beginning in the 1980's has included in the program a number of specific initiatives to mitigate for these losses. Mitigation has chiefly focused on artificial production for fisheries in Lake Roosevelt and its tributaries to replace the salmon fisheries lost to dam construction, and the continued acquisition of wildlife habitat to compensate for the habitat lost to dam construction.

To date, the program has funded the construction and operation of hatcheries managed by the Colville Tribes, the Spokane Tribe and the Washington Department of Fish and Wildlife which support tributary and Lake Roosevelt fisheries as well as a cooperative rainbow trout program operated by volunteers associated with Lake Roosevelt fisheries and recreation. Managers calculate that this current hatchery fish

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production to mitigate for anadromous fish losses provides for 3.4 percent of the harvest, and 1.0 to 1.7 percent of the production lost in the upper Columbia River above Chief Joseph Dam due to hydropower development. The Lake Roosevelt fishery is monitored by an extensive collaborative program managed by the Spokane Tribe, which provides the core information about effects of Grand Coulee flood control and power generation operations on the fish in Lake Roosevelt. In 1997 the Washington Department of Fish and Wildlife initiated a fisheries evaluation of Moses Lake through the program. The program has funded wildlife acquisitions under the interim Washington Wildlife Agreement and the operation and maintenance costs for those acquisitions.

The three-year funding recommendations of the Intermountain province fish and wildlife managers would continue the mitigation for construction of Chief Joseph and Grand Coulee dams. Proposed activities would continue the existing base program of ongoing projects aimed at operating the hatcheries, wildlife acquisitions and the Lake Roosevelt monitoring program. The new proposals submitted by the managers in this year's project selection process are chiefly to continue wildlife acquisitions toward completing the mitigation for construction of Chief Joseph and Grand Coulee dams, and to enhance sensitive native species, and expand monitoring and evaluation of fishery production programs. A new proposal to address fish entrainment at Grand Coulee Dam is also supported by the managers. The shift to more native broodstocks and the expansion of monitoring and evaluation within these proposals are, in part, a response to the standards of the Council's Artificial Production Review and previous reviews by the Independent Scientific Review Panel. The managers endorse funding upgrades at the Ford Hatchery near Welpinit, Washington for incorporation into the Lake Roosevelt production programs. The managers also recommend initiating a fisheries evaluation of Banks Lake, the storage reservoir above Grand Coulee Dam.

Independent Scientific Review Panel review

The ISRP generally supported the projects recommended by the managers, particularly the core fisheries programs and the wildlife acquisitions. The final review of the panel specifically acknowledged improvements in the design, presentation and definition of projects that they have criticized in the past. The panel did call to the Council's attention several significant issues, particularly questions about the focus of the Lake Roosevelt monitoring program on the fisheries program it supports, interest in an economic evaluation of artificial production costs, and longer-term concerns about the viability of the kokanee production program. The panel placed priority on funding a symposium on Lake Roosevelt fisheries, which was rated lower by the managers. The panel also placed a high priority on a proposal to study the effects on rainbow trout from limited overwintering habitat in the Intermountain province.

The panel recommended no funding for the Moses Lake fisheries evaluation project. This was the only ongoing project supported by the managers that received a "do not fund" finding from the panel.

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San Poil project proposals						
ProjectID	Title	Sponsor	CBFWA Category	ISRP Comparison	FY01	FY01-FY03
199501100	Chief Joseph Kokanee Enhancement Project	CCT	Urgent/High Priority	Agree, Fundable	\$1,145,762	\$3,987,762
199001800	Evaluate Rainbow Trout/Habitat Improvements Of Tributaries To Lake Roosevelt	CCT	Urgent/High Priority	Agree, Fundable	\$199,019	\$826,019
Consensus priority recommendations					\$1,344,781	\$4,813,781
21002	Early life history and survival of adfluvial rainbow trout in the San Poil River Basin	PNNL	Recommended Action	Disagree with CBFWA priority. This is a high priority project.	\$155,092	\$495,092

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Spokane River project proposals						
ProjectID	Title	Sponsor	CBFWA Category	ISRP Comparison	FY01	FY01-FY03
21017	Implement Wildlife Habitat Protection and Restoration on the Coeur d'Alene Indian Reservation: Hangman Watershed.	Couer d'Alene Tribe	Urgent/High Priority	Agree, Fundable	\$158,252	\$3,738,752
21018	Implement Fisheries Enhancement on the Coeur d'Alene Indian Reservation: Hangman Creek	Couer d'Alene Tribe	Urgent/High Priority	Agree, fundable if project addresses ISRP concerns in Council review or BPA contracting process.	\$179,483	\$775,062
Consensus priority recommendations:					\$337,735	\$4,513,814
21022	Evaluate Fish Habitat on the Middle Spokane / Little Spokane Rivers	Spokane County	DNF	Agree, Do Not Fund	\$93,000	\$156,000
21030	Forest Carnivore Surveys for Spokane Subbasin	WDFW	DNF	Agree, Do Not Fund	\$70,000	\$140,000
21031	Land Use Analyses of Spokane County	WDFW	DNF	Agree, Do Not Fund	\$47,000	\$94,000

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Lake Roosevelt and Intermountain-wide proposals						
ProjectID	Title	Sponsor	CBFWA Category	ISRP Comparison	FY01	FY01-FY03
21008	Evaluation of the Banks Lake Fishery	WDFW	Urgent/High Priority	Agree, Fundable	\$170,408	\$857,908
21021	Ford Hatchery Improvement, Operation And Maintenance	WDFW	Urgent/High Priority	Agree, Fundable	\$213,249	\$768,463
21029	A cooperative approach to identifying the role of forage quality in affecting physical condition....of mule deer in north central Washington.	WDFW	Urgent/High Priority	Agree, fundable if addresses ISRP concerns in Council review or BPA contracting process.	\$133,650	\$325,250
21034	Colville Tribes Restore Habitat for Sharp-tailed Grouse	CCT-FWD	Urgent/High Priority	Agree, Fundable	\$169,400	\$508,200
198503800	Colville Tribal Fish Hatchery	CCT	Urgent/High Priority	Agree, Fundable	\$789,642	\$2,489,346
199104600	Spokane Tribal Hatchery (Galbraith Springs) Operation and Maintenance	STOI	Urgent/High Priority	Agree, Fundable	\$549,856	\$1,735,856
199104700	Sherman Creek Hatchery Operations and Maintenance	WDFW	Urgent/High Priority	Agree, Fundable	\$269,898	\$802,864
199106200	Spokane Tribe of Indians Wildlife Mitigation Project	STOI	Urgent/High Priority	Agree, Fundable	\$1,528,806	\$4,787,306
199204800	Hellsgate Big Game Winter Range Operation And Maintenance Project	CCT-FWD	Urgent/High Priority	Agree, Fundable	\$388,071	\$1,263,471
199404300	Lake Roosevelt Fisheries Evaluation Program	STOI	Urgent/High Priority	Agree, Fundable	\$1,113,584	\$3,112,168
199500900	Rainbow Trout Net Pen Rearing Project	LRDA	Urgent/High Priority	Agree, Fundable	\$100,550	\$328,328

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199502700	Develop and Implement Recovery Plan for Depressed Lake Roosevelt White Sturgeon Populations.	STOI	Urgent/High Priority	Agree, Fundable	\$152,000	\$537,000
199506700	Colville Tribes Performance Contract for Continuing Acquisition	CCT-FWD	Urgent/High Priority	Agree, Fundable	\$1,500,000	\$4,500,000
199800300	Spokane Tribe of Indians Wildlife Operations and Maintenance	STOI	Urgent/High Priority	Agree, Fundable	\$182,497	\$558,974
Consensus priority recommendations					\$7,261,611	\$22,575,134
21025	Intermountain Province Resident Fish Symposium	LRF	Recommended Action	Disagree with CBFWA priority. This is a high priority project.	\$41,000	\$129,297
21020	Monitor and Enhance the Lakes and Streams of the Spokane Indian Reservation	STOI	Urgent/High Priority	Disagree, Do Not Fund	\$92,177	\$281,177
199502800	Restore Moses Lake Recreational Fishery	WDFW	Urgent/High Priority	Disagree, Do Not Fund	\$213,072	\$653,676
21035	Phalon Lake Native Redband Rainbow trout Trap Construction and O & M	WDFW	Urgent/High Priority	Disagree, Do Not Fund	\$126,000	\$199,671
21003	Upper Columbia Subbasin Native Rainbow Population Study	WT	DNF	Agree, Do Not Fund	\$44,850	\$135,450
21032	Eastern Washington Survey for Townsend's big-eared bat	WDFW	DNF	Agree, Do Not Fund	\$73,000	\$143,500
21023	Determine causes of mule deer population declines in the IM Columbia Basin: a test of the "apparent competition" hypothesis	WSU	DNF	Disagree. This research proposal is fundable and should be of equal or higher priority than project 21029.	\$205,532	\$531,625

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21006	Characterize and Assess Wildlife-Habitat Types and Structural Conditions for Sub-Basins within the Inter Mountain Ecoprovince	NHI	DNF	Technically sound. Fundable if needed in subbasin assessment by EDT.	\$84,571	\$84,571
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SAN POIL ISSUE 1: Funding study of rainbow trout survival

CBFWA and ISRP disagree on the priority for funding a study (proposal 21002) of overwintering survival of rainbow trout. The ISRP (p. 55) says this the project has generic application across the province and what is learned could eliminate a significant bottleneck for resident salmonids. CBFWA ranked the project only as a “recommended action” “based on the fact that these populations have survived these conditions for generations” (San Poil summary p. 31).

Staff recommendation: The staff would defer to the managers’ assessment of priorities for mitigation of the hydrosystem.

Adjustment to consensus priority budget: None.

LAKE ROOSEVELT ISSUE 1:

The ISRP urges funding the Lake Roosevelt Forum symposium proposal (proposal 21025). CBFWA prioritized the proposal as a “recommended action.” While recognizing the value of the proposal, CBFWA suggested that the funding would more appropriately come from subbasin planning budgets. The ISRP (p. 54) said the proposal should be a high priority and “would help remedy some of the problems pervading the suite of fisheries projects in the Inter-Mountain Province.”

Staff recommendation:

Fund the symposium. The ISRP’s review of the Lake Roosevelt management program has yielded increasing support for the scope of efforts funded by the Program. At the same time, the ISRP has encouraged the Lake Roosevelt project managers to seek additional peer review and insight into the unique challenges of that ecosystem. The ISRP’s support of the symposium is central to their support of the suite of efforts in Lake Roosevelt. CBFWA’s support of the proposal as at least a “recommended action” shows warmth to the idea and the Council staff encourage the Council to recommend this for funding.

Adjustment to consensus priority budget:

FY 01: \$41,000 FY 02: 43,050 FY 03: 45,247

LAKE ROOSEVELT ISSUE 2: “Do not fund” recommendation for Moses Lake study

ISRP opposes funding Moses Lake restoration project (project 1995-028-00). While CBFWA ranked it as “urgent/high priority” the ISRP (p. 64) said the response and the original proposal do not demonstrate a scientifically sound project. The Council should determine whether the project should be closed down with remaining FY 2001 funds.

Staff recommendation:

Do not fund. The ongoing project should complete a final report on information gathered to date and conclude the existing contract. The project investigators provided lengthy comment in response to the final ISRP report, stressing the complexity of the research challenge and arguing that the Moses Lake study shares similar approaches to another study in Banks Lake that won approval. The Council staff conclude that the project leader’s responses are continuation of technical disagreement with the ISRP. There was not a policy argument grounded in management goals and objectives to outweigh the negative review of the ISRP.

Adjustment to consensus priority budget: None.

LAKE ROOSEVELT ISSUE 3: Mule deer research

The ISRP strongly disagrees with the CBFWA recommendations for two research proposals for mule deer populations. CBFWA recommended priority for proposal 21029, a five-year study of forage quality as a factor in declining mule deer populations. CBFWA gave a “do not fund” recommendation to proposal 21023 which proposes an experiment to test whether competition and predation are factors in the population decline. The ISRP said that proposal 21023 is a “better proposal” and should be funded with or before proposal 21029. Further, the ISRP strongly disagreed with CBFWA’s proposal that elements of proposal 21023 be funded under proposal 21029. The ISRP said that transferring tasks from one proposal to another, without the free consent of the project director, would be a “major violation of intellectual property rights” and compromise the integrity of Bonneville-funded research.

Staff recommendation:

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Request Bonneville to work with the sponsors to develop a combined proposal responsive to the ISRP review. Reserve an initial annual budget of \$250,000 for the combined proposals (with the ability to return to the Quarterly Review process for adjustments) and report to the Council staff on the completion of the project design before contracting any work for either of the proposals.

Adjustment to consensus priority budgets:

FY '01: +\$116,350

FY '02 +\$165,500

FY '03 +\$142,900