



DATE: April 2, 2003  
 TO: Members Management Group (MMG)  
 FROM: John Palensky  
 SUBJECT: 3/25/03 MMG Meeting Draft Action Notes

**Members Management Group  
 March 25, 2003  
 Portland, Oregon**

Draft Action Notes

**If there are no objections to these action notes within five days from the date of this document, they will become final and will be posted on the CBFWA website.**

**Attendees:** Terry Courtney (CTWSRO), Dave Statler (NPT), Pete Hassemer (IDFG), John Palensky (NOAA), Carl Scheeler (CTUIR), David Johnson (WDFW), Tony Nigro (ODFW), Laura Gephart, CRITFC, Michelle DeHart (FPC), and Rod Sando, Tom Iverson, Jann Eckman, Kathie Titzler, Tana Klum, Neil Ward, Frank Young, and Mary Marvin (CBFWA)

**By Phone:** Amos First Raised (BPT), Mary Verner (UCUT), Doug Taki (SBT), Greg Sieglitz (ODFW), B.J. Keiffer (STI), Keith Wolf and Jerry Marco (CTCR), Mark Bagdovitz (USFWS), Scott Soultz and Sue Ireland (KTI), Lynn Hatcher (YN), Rob Lothrop (CRITFC), Doug Marker (Council), Bill Tweit (WDFW), and Jim Ruff (NMFS)

<b>Time Allocation:</b>	Objective 1. Project Recommendations	25%
	Objective 2. Regional Issues	50%
	Objective 3. Annual Report	%

**Agenda Additions**

A request was made to include information regarding smolt sampling at McNary Dam. This issue will be combined with Item 7.

**ITEM 1: Mainstem/Systemwide – Tom Iverson**

9:15 – 9:27  
 - Update on project selection process  
 - Update on mainstem amendment

**Discussion:** The Council is preparing to re-commence developing work- books for the project selection process in the Mainstem/Systemwide province. These

workbooks should be ready to review at the April Council meeting. After the workbooks have been completed, the Council will convene meetings with project sponsors to address balancing planning budgets for the province. The FY 2003 budgets for the Mainstem/Systemwide Province were determined in the accrual estimate exercise; therefore, any budget decisions will focus on 2004-2006. The project sponsors will be asked to provide updated budgets for those outyears prior to prioritizing projects.

Another piece of the Mainstem/Systemwide decision making is the RME gaps exercise that BPA is currently expediting. The five existing proposals that BPA was hoping to fund immediately hit a snag with the recent ISRP review. The ISRP said Do Not Fund four of the five projects. There is also a Request for Studies open that will solicit additional RME projects. CBFWA will have an opportunity to review those projects. Frank Young is taking the lead for those reviews.

The Council has scheduled an emergency meeting in Portland this week (March 27-28, 2003) to continue discussions and possibly adopt their Mainstem Amendment. This was previously scheduled for the Whitefish meeting earlier this month, but more negotiating and discussion was needed before the Council could finalize their decision. There is also a capitalization meeting scheduled Thursday, March 27, at 8:30 a.m. No CBFWA Members have specifically been invited to these meetings, but the meetings are public and Members are encouraged to attend.

The Council will take the lead in balancing the budget. Members can participate in the Requests for Studies.

**ITEM 2: Update on Project Accrual Budget Process – Tom Iverson**

- 9:27 – 10:30
- Current project budget limits for FY 2003
  - Within year process for FY 2003 project budget adjustments (go to [http://www.efw.bpa.gov/cgi-bin/FW/Fish\\_Wildlife\\_Contracting\\_Workshops.cgi](http://www.efw.bpa.gov/cgi-bin/FW/Fish_Wildlife_Contracting_Workshops.cgi))
  - FY 2004-2006 Process for developing project budgets
  - Safety Net CRAC

**Discussion:** The Council released their proposed accrual estimates for individual projects for FY 2003 on February 21, 2003. These are the most current budget numbers that projects sponsors should be reviewing! BPA has stated it will adopt the Council's recommendations for accrual, but is working with the Council to reconcile some concerns. These concerns include several categories of projects:

- 1) projects that the Council recommended closing out, but did not provide enough funding for BPA to adequately cover the closing costs of the project;
- 2) projects that had late 2002 billings and therefore do not have enough 2003 accrual estimates to cover 2003 work;
- 3) projects that BPA insists that they will not fund, but Council has provided budgets for those projects; and
- 4) other differences that need reconciled such as projects sponsors requesting increases in their accrual estimates.

The Council staff is currently attempting to categorize all of these projects to expedite Council member decision making at their April meeting. The priority focus for Council staff is the projects that are trying to renew their contracts but do not have adequate accrual estimates to fund their 2003 work. Several projects (between 5 and 10) need emergency funding because FY02 payments were made out of FY03 funding, leaving the projects with no money for FY03.

It is clear that this accrual method will not work in future years to manage the Fish and Wildlife Program. BPA's recent workshops were well attended and were considered a good first step towards resolving the current financial problems. Most sponsors who attended said the workshops were helpful, although it was clear the budget management details have not been well developed. Each project will have a spending plan and a projection can be made for how much will be spent. The flow of information from BPA to the sponsors appears weak compared to the flow from sponsors to BPA. WDFW is working to convert their contracts to 14 month contracts, aiming at a fiscal year schedule, in an attempt to avoid future fiscal difficulties.

It was proposed that the accrual system appears to set up the program for progressive failure.

The FY04-FY05 budget development process will probably begin in April.

The Safety Net CRAC issue will be addressed later in this meeting.

**ACTION** Tom Iverson will forward to the CRITFC and UCUT a list of projects the Council staff is recommending for capitalization for FY03 and FY04.

**ITEM 3: Research, Monitoring & Evaluation – Frank Young**

10:20-10:30 - Status report from ad hoc RM&E group

**Discussion:** Frank provided a brief summary of the March 14 Policy Level RME Meeting with BPA. Frank was assigned to work with Nicole Ricci to develop work products for consideration at the next Policy Level RME Meeting with BPA scheduled for April 3. Dave Marmorek and Chris Jordan are developing a joint presentation for a Technical Level RME March 28 scheduled to develop recommendations for the April 3 Policy Level RME Meeting.. This presentation will identify how the five revised Federal RME Proposals and the CBFWA RME Proposal address the RME needs identified in the March 14 Policy Level RME Meeting and areas of potential overlap among the proposals.

Frank also stated that the ISRP Review for the Revised Federal RME Proposals is now available and recommends funding for only one of the five Federal RME Proposals.

**ITEM 4: CBFWA “New Directions” Work Plan – Rod Sando**

10:45-11:43 - Approve the “New Directions” Work Plan

**Discussion:** The document was reviewed and changes were made.

**ACTION**      CBFWA staff will send a revised document out to the Members as a Consent Mail.

**ITEM 5:      Draft CBFWA Fish and Wildlife Funding Letter – John Palensky**

11:43-12:00   - Determine disposition of draft funding letter and Yakama objection

**Discussion:**   The Yakama Tribe has objected to the original letter. It did not state the issues strongly enough. All other Members have approved the letter. Lawsuits are being considered by the Yakama Tribe. Lynn Hatcher suggested some revisions to the letter and MMG agreed that those revisions would probably be acceptable. A revised letter including those changes will be sent out as a Consent Mail as soon as possible.

**ACTION**      Tom Iverson will work with Lynn Hatcher to develop a final letter. The final draft will be sent out for Consent Mail with a 5-day turn-around time.

**ITEM 6:      Modification to CBFWA Operations – John Palensky**

12:00-12:15   - Approve the recommended change in MMG decision making

**Discussion:**   The UCUT stated they will not consent to this document, but could make some changes that might clear the way for them to agree. However, if anyone rejects an item (point 3 in the document: *When the Executive Director determines that the issue is of sufficient importance that it should be approved by the Members*), the issue should go out for Consent Mail, regardless of the Executive Director's decision.

**ACTION**      This item will be put on the agenda for the next MMG meeting on April 22.

### **Lunch**

12:15-12:35

**ITEM 7:      Current Status of the Fish Passage Advisory Committee (FPAC) – Rod Sando**

12:35-1:05

- Status Report

**Discussion:**   It was felt that conflicts within FPAC have become more difficult to resolve because of a lack of connection to CBFWA. The MMG needs to take a stronger role in FPAC. Conflict resolution should come to the MMG first. FPAC should have a work plan. The MMG supports expectations that FPAC will provide biological perspectives. Disagreements in system operations could be returned to the MMG for resolution.

The Fish Passage Center (FPC) can assist FPAC with policy analyses.

FPAC feels that their group may not be the appropriate body to submit System Operations Requests (SORs), but perhaps CBFWA should do so at the policy level. No decision was reached as to whether or not FPAC should be replaced for SOR submissions.

Process improvements will be drafted at the next FPAC meeting.

**ITEM 8: Members SOW – Kathie Titzler**

1:07-1:17 - Review Members SOW for FY 2003

**Discussion:** Revisions were made by Kathie to Objective 1, e and f to read:  
 e. Participate in efforts to *manage the* FY 2003 and subsequent Fish and Wildlife Program budgets  
 f. Coordinate with and participate in the NWPCCC budget *management* effort.

Objective 1 deals with money.

Objective 2 deals with regional coordination.

Objective 3 deals with the annual report.

The contract from BPA has been received.

**ITEM 9: CBFWA Report Card – Neil Ward**

1:17-1:36 - Review ideas for a CBFWA report on the state of the resources

**Discussion:** Included in the CBFWA’s proposal that was reviewed during the Rolling Provincial Review is an Objective (i.e., Objective 8) that proposes “compiling an annual report on the status and trends of fish and wildlife populations in the Columbia River Basin.” In an effort to initiate discussion regarding the components of the annual report, Neil Ward presented a draft outline for review by the committee. Many components included in the outline were borrowed from the OWEB Biennial Report. In addition, Neil indicated the report would be figure and bulleted-text heavy versus a document consisting mainly of text in paragraph format. Neil suggested that the document would be useful for those participating in the newly proposed public relations/outreach activities. To view an example of the envisioned report, Neil suggested that the participants should visit the OWEB website. Audiences that are identified as targets included the BPA, Council, and the region. Furthermore, Neil suggested that the document would be useful for those participating in the newly proposed public relations/outreach activities.

Initial reviews of the outline results in some concerns that suggested the outline was too detailed and results would resemble a subbasin summary. In addition, there was discussion regarding whether all subbasins and project implementation should be included in the document. To facilitate a better review of the proposed annual report, Neil indicated that he would provide an example of a draft report for an individual subbasin/province during the April MMG meeting.

ACTION This item will be placed on the MMG agenda for April 22.

**ITEM 10: BPA Contracting – Managing to Accruals – Therese Lamb, Ann Scholl, Sarah McNary, and Tracy Hirsch from BPA**

1:36-2:50

For copies of the materials distributed at the meeting, please see the BPA link below: [http://www.efw.bpa.gov/cgi-bin/FW/Fish\\_Wildlife\\_Contracting\\_Workshops.cgi](http://www.efw.bpa.gov/cgi-bin/FW/Fish_Wildlife_Contracting_Workshops.cgi)

**Discussion:** BPA is attempting to stabilize the changes in Fish and Wildlife accounting and promote an open dialogue for what is coming next. If

contractors disagree with the accrual estimates for individual projects, they need to talk to the Council separately before meeting with BPA.

It is important to submit all invoices within 60 days. Rod suggested that this could be changed to 30 or even 10 days, which would make invoice payments more manageable and keep the balance more accurate. According to BPA, balances will be published regularly.

The 12-month budget is recommended by Council and as modified by BPA. Ann is evaluating whether it will be feasible to modify all contracts (some 600) to a federal cycle.

If a contract experiences a cost overrun or an over-bid, the sponsor is encouraged to contact the COTR for the project as soon as the error is noticed to work out a solution and request written authorization for an increase.

BPA is attempting to build a set of templates to better serve their bookkeeping needs. Automation Support has been developed and will continue to evaluate and refine the various methods of handling the data.

BPA suggested that managing budgets should happen in-house. Money could be moved from one project budget to another as necessary. There was no definitive answer regarding what method of transition management will be used for FY03-04. BPA stated a need to submit bills earlier and they agreed to send out bill request letters earlier as well. BPA urged accuracy the need to be as precise as possible in estimating. This will make it possible for more money to be available for on-the-ground activities.

Ann has some experience with agreements with fixed price contracts. There are some risks associated with this type of contract, and they are still affected by the Termination for Convenience clause.

**ITEM 11: Proposal for CBFWA Future Role – Rob Lothrop**

3:13-3:25

**Discussion:** In a press release last Thursday, CRITFC's 2003 River Operations Report suggested that CBFWA replace the Regional Forum that addresses river operations. Depending on how FPAC evolves, such a group, if formed, would meet two or three times a year. A schedule in coordination with the MMG will be developed soon. There were no ideas on how to pull in non-CBFWA action agencies, and this issue needs to be discussed.

**ACTION** Rod Sando, Rob Lothrop, and Michelle DeHart will meet to discuss this issue further. This item will also be addressed at the next MMG meeting on April 22.

**ITEM 12: Ad hoc Committees/Task Forces and Members, and MMG Participation Lists – Jann Eckman**

3:26-3:31

**Discussion:** The list of committees and task forces encompasses those formed in the last 4 to 6 months, and are still active.

The MMG list and the Members list identify some of the primary and secondary attendees. Not all MMG members responded to the request.

Please send your additions or changes to **Trina** at [trina.gerlack@cbfwa.org](mailto:trina.gerlack@cbfwa.org) by April 4, 2003.

***Misc.  
Discussions***

- Rate Case: position to intervene is due tomorrow, 3/26, at 9:00 a.m. Field hearing for the Rate Case is 4/16.
- Council says there is a need for an MOA or a Comprehensive Agreement
- Tom Giese is developing the Safety Net CRAC response/comment

**Next Meeting**

April 22, 2003  
CBFWA Office, Portland