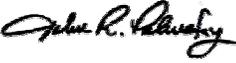




DATE: May 15, 2003

TO: Members Management Group (MMG)

FROM: John Palensky, Chair 

SUBJECT: Action Notes for May 13, 2003 Emergency MMG Meeting

Emergency MMG Meeting/Conference Call  
 May 13, 2003  
 Portland Oregon  
 CBFWA Office

Action Notes

**Attendees:** John Palensky (chair, NMFS), Tony Nigro (ODFW), Paul Lumley (CRITFC), Rod Sando and Tom Iverson (CBFWA)

**By Phone:** Mary Verner (UCUT), Chris Hunter (MFWP), Lynn DuCharme (CSKT), and Keith Wolf (CCT)

**Time Allocation:**

Objective 1. Project Recommendations	%
Objective 2. Regional Issues	100%
Objective 3. Annual Report	%

**ITEM 1: Interim Process Agreement Proposal**

An emergency MMG meeting was called in order to further discuss the draft Interim Process Agreement Proposal and transmittal letter. The first point of order was a correction in the consent mail language. The MMG had not previously approved this letter for a Member's consent mail process; therefore, the current consent mail is for MMG approval only.

Tom Iverson presented an overview of the development of the draft proposal. Currently, the NWPPC has not developed a process for developing a FY04 Start of Year Budget. The NWPPC staff is working on this issue, but no process has been agreed to at the staff level.

**Item 1**  
**continued:** **Interim Process Agreement Proposal**

Tom emphasized that this proposal is not new or unique; it captures the processes that were used previously in the Fish and Wildlife Program and incorporates improved financial management techniques.

Key questions regarding the proposal:

- 1) Will all additional funds beyond the FY Budget be allocated to the province work groups for redistribution (page 2, middle of last paragraph)? Tom made the distinction that if BPA or NWPPC were to make a large block of funds available, they should be redistributed by the province work groups; however, as smaller amounts of funding are freed up through contracting and implementation of the Program, those funds would be distributed through the BPA/CBFWA/NWPPC Program Status (formally known as Quarterly Review) and Within-Year processes.
- 2) Why is the Capital Plan identified as 5-years and not 3-years like the Annual Implementation Work Plan (page 1, 3<sup>rd</sup> paragraph)? While it is true a 3-year plan would take the Program through the conclusion of the current Rate Case, the notion of a 5-Year Capital Plan is to identify what obligations will carry into the next rate case. Many of the capital projects have life spans that are longer than 3-years and a 5-year plan would allow better understanding of out-year impacts on individual projects.
- 3) Why was this allocation method chosen versus another method that would rely more heavily on the results of the Rolling Provincial Review (RPR, page 1, bottom paragraph)? The allocation presented in the proposal captures the planned allocation for the RPR, the actual implemented allocation for FY 2002, and the planned allocation for FY 2003 based on the RPR results. By averaging these numbers, Tom believes that the fairest allocation could be made among the provinces. He had calculated an allocation based on the CBFWA High Priority and ISRP Fund results for all provinces from the RPR, but the changes in allocation were significant and due to the short time frame of the letter, he did not feel that agreement could be reached on such a significant change in the funding scenario.

Tony Nigro raised the point that CBFWA doesn't have the tools currently to determine a fair or equitable distribution of funding across the region. For consistency, the NWPPC recommendation is probably fairest since the RPR was based on that allocation and for FY04-06, we will be updating the RPR decisions. He believes that CBFWA should not be involved in determining fish and wildlife priorities based on funding availabilities. The CBFWA needs to stay focused on the biological needs for restoration and protection identified in the RPR and let NWPPC make the decision on how to distribute the limited funds. The CBFWA

Members should participate at the province level in determining funding priorities, but at the regional level CBFWA should focus on the biological and physical needs of the fish and wildlife populations.

Tony Nigro stated that at this time, ODFW will object to forwarding the letter and proposal to the full membership. He will provide his objection in writing. ODFW supports the intention of the proposal to get the Program implementation back on track with defined rules, but cannot support the budget allocation proposal.

Tom Iverson has received several written comments on the draft proposal and transmittal letter. Most of them do not change the intent of the letter, but remove significant redundancies.

**Tom Iverson will revise the proposal and transmittal letter to incorporate the changes suggested at today's meeting. The letter will be provided prior to the May 22, 2003 MMG meeting for review and possible action.**

**ACTION:** A quorum was not present. No action was taken.