

JUL-28-2003 11:16



**UNITED STATES DEPARTMENT OF COMMERCE**  
**National Oceanic and Atmospheric Administration**  
**NATIONAL MARINE FISHERIES SERVICE**  
525 NE Oregon Street  
PORTLAND, OREGON 97232-2737

July 25, 2003

Dan Diggs  
Fishery Resources  
U.S. Fish and Wildlife Service  
911 NE 11<sup>th</sup> Ave  
Portland, OR 97232

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PFMC

Dear Mr. Diggs:

I have scheduled a meeting on August 13, 2003 to identify and develop a final annual operating financial plan for all aspects of the Mitchell Act program. The meeting will be held in the NOAA Fisheries first floor conference room in Portland and is set to run from 10 AM to 2PM. This will be an open meeting but, I am especially interested in having representatives from the U.S. Fish and Wildlife Service (USFWS), the state fisheries agencies, and the Tribes that have programmatic knowledge and budgetary background relating to Mitchell Act hatchery, screen, and fish passage programs in attendance.

The primary purpose of this meeting is to arrive at a consensus on what the Mitchell Act budget needs are to address all current programs, increased Tribal involvement, and requirements for hatchery reform that may come out of ongoing Endangered Species Act consultations and the Hatchery and Genetic Management Plan review process.

This information will also be provided to the Pacific Fisheries Management Council (Council) and the Pacific States Marine Fisheries Commission (PSMFC) as was requested at the June Council meeting in California. The Council set a letter (copy attached) to Mr. Randy Fisher, Executive Director of the PSMFC requesting that the PSMFC facilitate a meeting of state and tribal policy representatives and stakeholders to develop a consensus strategy for communicating the needs and benefits of Mitchell Act programs. The date for this meeting has not been set yet but should occur in late August or early September. An announcement will be forthcoming from PSMFC. The work product from the August 13<sup>th</sup> meeting will be the foundation for the discussion at this second meeting.

When meetings on the Mitchell Act budget needs were held last year, an initial estimate of funding needs (copy attached) identified was developed that divided the program into eight categories of expenditures. At this year's meeting, I am asking the parties to review last year's work product for accuracy and to suggest needed changes. I am also looking for more detailed input, especially from the Tribes, on each of the categories. We also need to define the individual Tribal projects rather than just summarizing Tribal needs as a single entry as occurred last year.

As an example of how to handle maintenance needs on a yearly basis, I have attached copies of

the tables I used last year to estimate maintenance needs for Oregon Department of Fish and Wildlife Hatcheries (ODFW). ODFW prepared a maintenance needs list last year for the hatchery programs and I took a first shot at reorganizing the list into a priority order and spread out over a 5-year time frame. I am asking ODFW to review what I did and for the USFWS, the other state agencies, and Tribes to develop similar information. We need to develop similar estimates for the other Mitchell Act Program categories, based on the same 5-year time frame.

In order to have a work product ready for the PSMFC meeting, it is essential that the USFWS, state, and Tribal representatives review and update the attached tables and come to the meeting prepared to discuss, define, and reach consensus on program needs. I am available to answer questions that might come up prior to the meeting at 503-231-2009 or by e-mail at [rz.smith@noaa.gov](mailto:rz.smith@noaa.gov).

Thank you in advance for your participation.

Sincerely,



R.Z. Smith - Director, Columbia River Fisheries  
Development Program

Attachments

cc: R. Johnson, L. Hillwig

**PACIFIC FISHERY MANAGEMENT COUNCIL**

7700 NE Ambassador Place, Suite 200  
Portland, Oregon 97220-1384

*CHAIRMAN*  
*Hans Radtke*

*EXECUTIVE DIRECTOR*  
*Donald O. McIsaac*

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July 3, 2003

Mr. Randy Fisher, Executive Director  
Pacific States Marine Fisheries Commission  
45 SE 82nd Drive, Suite 100  
Gladstone, OR 97027-2522

Dear Randy:

At its June meeting, the Pacific Fishery Management Council (Council) received a report from National Marine Fisheries Service (NMFS) on the status of Mitchell Act funding. The President's Fiscal Year (FY) 2004 budget once again maintains level funding for Mitchell Act programs, which will necessitate closing of facilities or termination of programs. The Council discussed the apparency that a budget supplement for FY 2004 will be necessary to maintain Mitchell Act programs in the short-term, and the problem of chronic level funding must be addressed in order to preserve these programs in the long-term.

The Council discussed how a two-step process, occurring in the near future, might best address Mitchell Act funding problems. The first step would be to facilitate a meeting of agency technical personnel to develop a bottom up budget for Mitchell Act facilities and programs that would support full program needs. The second step would be to facilitate a meeting of state and tribal policy representatives and stakeholders to develop a consensus strategy for communicating the needs and benefits of Mitchell Act programs to Congress, Presidential advisors, and the upper level Administrators within NOAA and the Department of Commerce.

The Council also felt that the Pacific States Marine Fisheries Commission (Commission) would be the agency with the best chance of successfully executing this strategy. Therefore, we ask that the Commission consider sponsoring these two meetings and acting as the primary facilitator in this effort. It would be advantageous to schedule the two meetings this summer so that the message conceivably might affect the FY 2004 budget. Mr. RZ Smith is coordinating budget development for NMFS and is the appropriate contact for recommending participants in the first meeting. He is aware of the possibility of such a meeting this summer and is prepared to provide the necessary materials for this meeting. The Council also recommends the Commission coordinate the participants in the second meeting, as well as provide guidance on various approaches toward achieving the goal of effectively communicating consensus recommendations. Council members from Oregon and Washington or their designees have expressed strong intent to meaningfully participate in this second meeting and the process that may emanate from it.

**NOAA Fisheries**

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Salmon Recovery  
Division

Dr. Randy Fisher  
July 3, 2003  
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Thank you for your consideration of this important issue. Please contact me or Chuck Tracy of my staff if you would like to discuss the matter further or if you have questions.

Sincerely



D. O. McIsaac, Ph.D.  
Executive Director

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- c: Council Members
- Salmon Advisory Subpanel
- Salmon Technical Team
- Mr. Rob Jones, National Marine Fisheries Service
- Mr. RZ Smith, National Marine Fisheries Service
- Mr. Olney Patt Jr., Columbia River Inter-Tribal Fish Commission
- Ms. Liz Hamilton, Northwest Sportfishing Industry Association
- Mr. Bruce Buckmaster, Salmon for All
- Dr. John Coon
- Mr. Chuck Tracy
- Mr. Dan Waldeck
- Mr. Jim Seger
- Mr. Ed Waters

DRAFT FY 2005 BUDGET WORKTABLE <sup>1</sup>

Activity	WDFW	ODFW	IDFG	USFWS	Tribal	Total
Broodstock Reform	\$150,000	\$150,000		\$150,000	\$150,000	\$600,000
Marking <sup>2</sup>	\$424,702	\$161,383		\$405,119		\$991,204
Species Reintroduction		\$100,000			\$400,000	\$500,000
Release Reprogramming	\$200,000	\$200,000		\$200,000	\$200,000	\$800,000
Facilities/Capital Construction	\$1,000,000	\$1,043,300	\$150,000	\$750,000	\$300,000	\$3,243,300
Monitoring & Evaluation	\$737,720	\$400,000	\$50,000		\$200,000	\$1,787,720
Base Hatchery O&M <sup>3</sup>	\$4,924,729	\$4,436,703		\$3,951,923	\$188,445	\$13,501,800
Screens & Fishways <sup>4</sup>	\$260,150	\$2,074,235	\$1,648,088		\$25,000	\$4,007,473
NMFS Overhead <sup>5</sup>						\$635,787
Total	\$7,697,301	\$8,565,621	\$1,848,088	\$5,857,042	\$1,463,445	\$26,067,284

<sup>1</sup> Budget needs to maintain status quo hatchery production and the current level of activity in the areas of irrigation diversion screening and fish passage in FY 2005.

<sup>2</sup> Marking estimates based on 2003 needs plus 5% increase for 2004 and for 2005.

<sup>3</sup> Base Hatchery O&M estimates based on 2003 needs plus 5% increase for 2004 and for 2005.

<sup>4</sup> Screen & Fishways estimates based on 2003 needs plus 10% increase for 2004 and for 2005 with \$25,000 added under the Tribal Column for the Yakama Tribe to maintain Lyle Falls and Castile Falls Fishways.

<sup>5</sup> NOAA Fisheries overhead estimated at 2.5% of the total program.

ODFW Engineering

**COSTS FOR  
CAPITAL IMPROVEMENTS AND MAINTENANCE PROJECTS  
NMFS-FUNDED HATCHERIES**

<u>FACILITY</u>	<u>PROJECT</u>	<u>CAPITAL/CONSTRUCTION COST</u>	
Big Creek Hatchery	Replace Spawning Building (30'x40')	\$ 150,000	✓
Big Creek Hatchery	Water treatment for early rearing	\$ <del>1,600,000</del>	
Big Creek Hatchery	Repair pond bottoms	\$ 80,000	✓
Big Creek Hatchery	Replace 3 Gate Valves	\$ 25,000	✓
Big Creek Hatchery	New equipment storage building	\$ 25,000	✓
Big Creek Hatchery	Resurface roads	\$ 65,000	✓
Big Creek Hatchery	Landscape irrigation system	\$ <del>21,000</del>	
Big Creek Hatchery	Remodel intake and passage	\$ 392,000	✓
Big Creek Hatchery	New chemical storage building	\$ 65,000	✓
Big Creek Hatchery	Housing (8)	\$ <del>148,000</del>	
	<b>Total</b>	\$ <b>2,571,000</b>	
Bonneville Hatchery	Repave roads	\$ 280,000	159 ✓ ✓ ✓
Bonneville Hatchery	Alarms - 62 ponds	\$ 80,000	44 ✓ ✓ ✓
Bonneville Hatchery	Replace egg trays	\$ 154,000	88.72 ✓ ✓
Bonneville Hatchery	Replace furnace in office building	\$ 30,000	18.5 ✓ ✓
Bonneville Hatchery	Expand break room	\$ <del>26,000</del>	
Bonneville Hatchery	Replace office flooring	\$ 17,000	
Bonneville Hatchery	Paint trim - all buildings	\$ <del>60,000</del>	
Bonneville Hatchery	Install guard rails - Ponds A, C & D	\$ 12,000	6.6 ✓ ✓
Bonneville Hatchery	Replace pond screens at Ponds C and D	\$ 21,000	11.55 ✓ ✓
Bonneville Hatchery	Replace fish pump	\$ 30,000	16.5 ✓ ✓
Bonneville Hatchery	Upgrade fish feeders - Ponds C & D	\$ 70,000	35.5 ✓ ✓
Bonneville Hatchery	Adult pond modifications	\$ <del>2,300,000</del>	
Bonneville Hatchery	New equipment storage building	\$ 100,000	55 ✓ ✓
Bonneville Hatchery	Captive Brood (BPA) - New office	\$ <del>20,000</del>	
Bonneville Hatchery	Captive Brood (BPA) - remodel drain system	\$ 150,000	
Bonneville Hatchery	Remodel Intake and passage	\$ 492,000	270600 ✓ ✓
Bonneville Hatchery	Housing repairs	\$ <del>100,000</del>	
Bonneville Hatchery	New chem. stor. bldg.- Tanner Cr. Treat.	\$ 65,000	32.5 ✓ ✓
Bonneville Hatchery	Restroom drain system	\$ <del>120,000</del>	
	<b>Total</b>	\$ <b>4,127,000</b>	
Cascade Hatchery	Repave roads and parking areas	\$ 50,000	08 ✓ ✓
Cascade Hatchery	Replace "Heath" stacks	\$ 50,000	05 ✓ ✓
Cascade Hatchery	Resurface pond bottoms	\$ 30,000	06 ✓ ✓
Cascade Hatchery	Remodel Intake and passage	\$ 383,000	07 ✓ ✓
Cascade Hatchery	Housing repairs	\$ <del>42,000</del>	
Cascade Hatchery	New chemical storage building	\$ 65,000	06 ✓ ✓
	<b>Total</b>	\$ <b>620,000</b>	

ODFW Engineering

**COSTS FOR  
CAPITAL IMPROVEMENTS AND MAINTENANCE PROJECTS  
NMFS-FUNDED HATCHERIES**

<u>FACILITY</u>	<u>PROJECT</u>	<u>CAPITAL/CONSTRUCTION</u> <u>COST</u>	
Clackamas Hatchery	Intake modifications	\$ 2,000,000	2.40 08 ✓
Clackamas Hatchery	Bird netting - asphalt ponds (3)	\$ 500,000	110 05 ✓
Clackamas Hatchery	Replace underground fuel tanks	\$ 35,000	7.7 07 ✓
Clackamas Hatchery	Repairs to pond piping	\$ 250,000	5.50 06 ✓
Clackamas Hatchery	Housing repairs	\$ 50,000	
Clackamas Hatchery	Fire suppression system - Chem Stor. Bldg.	\$ 13,000	2.86 07 ✓
Clackamas Hatchery	Back-up Recirc. Pump - Holding Pond	\$ 6,000	1.32 07 ✓
	<b>Total</b>	<b>\$ 2,854,000</b>	
Oxbow Hatchery	Electrical repairs	\$ 12,000	05 ✓
Oxbow Hatchery	Replace 7 underground fuel storage tanks	\$ 140,000	05 ✓
Oxbow Hatchery	Intake modifications - Lower Herman Cr.	\$ 100,000	06 ✓
Oxbow Hatchery	Revise pond drain, comply w/ DEQ permit	\$ 100,000	06 ✓
Oxbow Hatchery	Revise treatment pipe - hatchery bldg	\$ 65,000	07.
Oxbow Hatchery	New equipment storage bldg	\$ 25,000	07
Oxbow Hatchery	Add 3-phase power to Lower Herman ponds	\$ 14,000	05
Oxbow Hatchery	Asphalt ramp to Handicap fishing platform	\$ <del>10,000</del>	
Oxbow Hatchery	New vinyl siding - three buildings	\$ <del>20,000</del>	
Oxbow Hatchery	New bird netting over ponds	\$ 50,000	08
Oxbow Hatchery	Replace pressure water tank	\$ 5,000	09
Oxbow Hatchery	New irrigation system	\$ <del>20,000</del>	
Oxbow Hatchery	Resurface 2 asphalt ponds	\$ 35,000	08
Oxbow Hatchery	Study for new well	\$ 10,000	05
Oxbow Hatchery	Fishway/passage mods - Upper Herman Cr	\$ 100,000	06
Oxbow Hatchery	Housing	\$ <del>50,000</del>	
Oxbow Hatchery	New chemical storage building	\$ 65,000	09
	<b>Total</b>	<b>\$ 821,000</b>	
Sandy Hatchery	Remodel Intake and passage	\$ 383,000	09
Sandy Hatchery	Renovate 10 ponds - Phase 1	\$ 100,000	05
Sandy Hatchery	Repave roadways	\$ 50,000	07
Sandy Hatchery	Raise dam/spillway	\$ 50,000	05
Sandy Hatchery	Replace heating/lighting - hatchery bldg	\$ 50,000	04
Sandy Hatchery	Holding pond repairs, new pens	\$ 100,000	08
Sandy Hatchery	New truck storage building	\$ 50,000	06
Sandy Hatchery	Renovate 10 ponds - Phase 2	\$ 100,000	06
Sandy Hatchery	Housing repairs	\$ <del>45,000</del>	
Sandy Hatchery	Replace 4 underground fuel storage tanks	\$ 125,000	08
Sandy Hatchery	New chemical storage building	\$ 65,000	07
	<b>Total</b>	<b>\$ 1,118,000</b>	
	<b>TOTAL ALL HATCHERIES</b>	<b>\$ 12,111,000</b>	

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Facility	2005	2006	2007	2008	2009
Big Creek					
Hatchery Intake (to criteria)	\$392,000				
Chemical Storage Building		\$65,000			
Repair Pond Bottoms		\$80,000			
Spawning Building			\$150,000		
Replace 3 Gate Valves				\$25,000	
Resurface Roads					\$65,000
Equipment Storage Building					\$25,000
Big Creek Totals	\$392,000	\$145,000	\$150,000	\$25,000	\$90,000
Bonneville <sup>1</sup>					
Alarms- 62 ponds	\$44,000				
Replace egg trays	\$84,700				
Install Guard Rails- Ponds I, C, & D	\$6,600				
Remodel Intake and Passage		\$270,600			
Repave roads			\$154,000		
Upgrade fish feeders- Ponds C&D				\$35,500	

<sup>1</sup>Bonneville funding split 55%-45% between Mitchell Act and the Corps. Numbers reflect NMFS portion.



Chemical Storage Building					\$35,750	
Furnace in Office Building						\$16,500
Replace Pond Screens- Ponds C & D						\$11,550
Fish Pump						\$16,500
Equipment Storage Building						\$55,000
Total Bonneville	\$135,300	\$270,600	\$154,000	\$559,900	\$99,550	
Cascade						
Replace Heath Stacks	\$50,000					
Resurface Pond Bottoms		\$30,000				
Chemical Storage Building		\$65,000				
Remodel Intake and Passage			\$383,000			
Repare Roads and Parking Areas						\$50,000
Total Cascade	\$50,000	\$95,000	\$383,000	\$0	\$50,000	
Clackamas <sup>2</sup>						
Bird Netting - asphalt ponds (3)	\$140,000					
Repairs to pond piping		\$70,000				

<sup>2</sup>NMFS is responsible for 28% of Clackamas funding. Numbers reflect NMFS portion.

Replace Underground Fuel Tanks				\$9,800		
Fire Suppression System- Chem Bldg				\$3,640		
Back-up Recirc. Pump				\$1,680		
Intake Modifications					\$560,000	
Total Clackamas	\$140,000	\$70,000	\$15,120		\$560,000	\$0
OxBow						
Electrical Repairs	\$12,000					
Replace 7 Underground Fuel Tanks	\$140,000					
Add 3-phase Power To L. Herman Cr.	\$14,000					
Well Study	\$10,000					
Intake Modifications- L. Hermann Cr		\$100,000				
Fishway/Passage Mods U Herman Cr		\$100,000				
Revise Treatment Pipe- Hatchery Bldg			\$65,000			
Revise Pond Drain			\$100,000			
Equipment Storage Building			\$25,000			
Bird Netting						\$50,000
Resurface 2 Asphalt Ponds						\$35,000
Replace Pressure Water Tank						\$5,000
Chemical Storage Building						\$65,000

	Oxbow Total	\$176,000	\$200,000	\$190,000	\$0	\$155,000
Sandy						
	Renovate 10 ponds- Phase 1	\$100,000				
	Raise Dam/Spillway	\$50,000				
	Truck Storage Building		\$50,000			
	Renovate 10 Ponds- Phase 2		\$100,000			
	Repave roadways			\$50,000		
	Chemical Storage Building			\$65,000		
	Replace Heating/Lighting-Hatchery Bld					\$50,000
	Holding Pond Repairs/New Pens					\$100,000
	Replace 4 Underground Fuel Tanks					\$125,000
	Remodel Intake and Passage					\$383,000
	Sandy Total	\$150,000	\$150,000	\$115,000	\$0	\$658,000
		\$1,043,300	\$930,600	\$1,007,120	\$1,144,900	\$1,052,550