



## Fish and Wildlife Division

### Summary of Year-End Project Balances and Pending Reallocation Issues Fiscal Year 1999 Annual Implementation Work Plan

#### Quarterly Review Meeting - November 5, 1999

**Introduction:** Among the purposes of the Quarterly Review is the identification of within-year reallocations among projects of direct program funds. These issues are listed below for referral to the Columbia Basin Fish and Wildlife Authority (CBFWA) and the Northwest Power Planning Council for their review and recommendation. Bonneville's project management staff have identified issues that have been brought to their attention. The Quarterly Review is a forum for identification of any other funding reallocation issues for subsequent referral to the CBFWA and the Council. This paper is only a summary. Project sponsors and Bonneville project managers can provide more detail to help assist CBFWA and the Council in reviewing these issues.

**Budget Placeholders:** Since the inception of Bonneville's six year fish and wildlife funding agreement, several budget "placeholders" have been used to reserve funds to meet newly identified needs or serve as contingency reserves. The current balance of the placeholders is summarized below:

**Table 1**

<b>Summary of Placeholder Balances (as of 10/28/99)</b>		
1995-074-00	Anadromous Fish Unallocated Balance	\$3,411,717
1996-096-00	Resident Fish Unallocated Balance	\$1,764,181
1997-800-00	Wildlife Program Unallocated Balance	\$98,793
1995-084-00	Placeholder for Steelhead Biological Opinion	\$1,000,000
1996-010-00	NMFS Hydro Biological Opinion	\$2,938,256
1995-083-00	Placeholder for Contract Audits (NPPC)	\$50,000
1997-020-00	FY 1998 Interest Fund Balance	\$ 651,548
	FY 1999 Interest Available	\$2,067,060
1997-021-00	Contingency/Inflation Reserve	\$2,593,000

**Interest Fund Balance:** The "Interest Fund Balance" includes the addition of interest from the balance of unspent project budgets at the end of Fiscal Year 1999. Bonneville's fish and wildlife funding agreement provides that Bonneville will provide interest based on unaccrued budget obligations to the fish and wildlife program. At the

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close of Fiscal Year 1999 the balance of unaccrued program obligations is \$44,564,183. At the current Treasury Bill rate of 4.86%, Bonneville will commit \$2,067,060 in interest payment to the direct program. A balance of \$651,548 remained unallocated from the interest payment for Fiscal Year 1998 giving the program a total unallocated interest reserve of \$2,718,608. Bonneville seeks guidance from CBFWA and the Council for allocation of this balance.

**Specific Project “Carry-Forward” Balances:** With the close of Fiscal Year 1999, Bonneville needs guidance on the treatment of remaining specific project budgets. As recommended by the Council, Bonneville manages specific project budgets as estimates of what will actually be needed once a project contract is in place. Bonneville then obligates that contract amount to the project’s account and pays the contractor when the work is performed. In most cases, the remaining project budget is reallocated to the appropriate placeholder to fund other priorities identified by the region.

Bonneville has tentatively kept certain remaining Fiscal Year 1999 funds available to specific projects to be used in Fiscal Year 2000. There are usually two reasons to “carry-forward” specific project budgets:

1. Capital construction projects may have not been able to initiate planned-for construction work in Fiscal Year 1999 but should require construction funds in Fiscal Year 2000.
2. For other types of projects, specific tasks identified and planned in Fiscal Year 1999 were not initiated on schedule but are still required in Fiscal Year 2000.

With these exceptions, the Council’s guidance to Bonneville has generally been to manage project contracts within the budget and tasks proposed and recommended for the fiscal year. For this reason, Bonneville needs review by CBFWA and the Council to approve use of remaining Fiscal Year 1999 project balances in addition to the budgets recommended for Fiscal Year 2000.

Bonneville project managers have summarized initial recommendations for most projects with remaining balances. A table summarizing these recommendations will be provided at the Quarterly Review meeting. With that table is a set of specific funding considerations for the Grande Ronde spring chinook supplementation project, the Walla Walla passage projects and master planning for the Northeast Oregon Hatchery.

**Project sponsors should also note where balances have already been reallocated to placeholders. Bonneville will refer any disputes to CBFWA and the Council for specific guidance.**

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### PROJECT-SPECIFIC REALLOCATION ISSUES

**Project 1997-014-00; Evaluation of Juvenile Fall Chinook Stranding on the Hanford Reach.** The Washington Department of Fish and Wildlife reports that an additional year of field work is required for the study. The budget recommended by the Council is based on the original proposal for data analysis to complete the study report. The project does not have sufficient funds to conduct another season of field work. WDFW estimates that it needs an additional \$125,000. Bonneville must renew the project contract by February. **(Appendix A)**

**Project 1997-009-00: Evaluate Rebuilding White Sturgeon in the Lower Snake River Basin.** In February, Bonneville staff asked the Resident Fish Managers to explore the technical issues related to performing additional sampling and radio tracking than was authorized in the project statement of work. This work was authorized for the previous year but was not accomplished due to a late start with the field sampling. The project sponsor seeks authority to use approximately \$58,000 of unspent Fiscal Year 1998 funds for the additional work. Bonneville believes the requested work is beyond the scope approved for the project. While the project sponsor has continued to seek approval for use of the funds, CBFWA or the Council has not reviewed the issue. Bonneville continues to believe that such review and guidance is necessary. **(Appendix B)**

**Hydrosite Database:** This issue remains from the July Quarterly Review. The data from the Pacific Northwest Hydrosite Database has been moved from the Council to a Bonneville-hosted server to preserve the project's data. Bonneville estimates that costs for upgrading the database for Y2K compliance, recreating the system, and providing access over the Internet could range between \$150,000 and \$200,000. These funds are not budgeted in the direct program budget and the question for regional discussion is the importance of maintaining the system for the fish and wildlife program. **(Appendix C)**

**Teanaway River Instream Flow Enhancement Project (1997-049-00):** In October, the Council deferred a recommendation to allocate an additional \$2,710,000 to complete the full scope of the project pending an identification of available unallocated funds in the FY 2000 anadromous projects budget. With the placeholder balances in this report, Bonneville is able to provide to the Council a total budget available for Fiscal Year 2000 reallocations. A memorandum is attached summarizing the status of the project and the reallocation need. **(Appendix D)**

**Various projects: Unbudgeted NEPA and ESA review costs.** In the proposal process for Fiscal Year 2000 project sponsors were asked to include in their budget estimates costs for National Environmental Policy Act compliance including any biological assessments required by the Endangered Species Act. In most cases the sponsors included estimates where compliance needs were known. Bonneville has identified a list

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of projects approved for funding by the Council which may have additional NEPA or ESA costs than were budgeted (**Appendix E**). In general, such costs can be expected to be:

Biological Assessments by Contractor:	\$10,000
Environmental Assessments by Contractor:	\$50,000 - \$100,000
Writer-Editor only:	\$20,000