

**FY 2010-11 Preliminary Budget Recommendation to the Adaptive Management Work Group
March 17, 2009**

DRAFT MOTION: TWG has reviewed the preliminary FY 2010-11 biennial budget provided by GCMRC and BOR and is forwarding that budget to AMWG along with a list of concerns for AMWG consideration and feedback. This recommendation is based on the Budget Development Process approved by AMWG at their August 2004 meeting. The TWG will work with GCMRC and BOR to develop a final budget recommendation for FY 2010-11 and a proposed workplan over the summer; incorporating AMWG input on the "issues of concern", further considerations based on the draft workplan (provided by GCMRC before June 8, 2009), and other considerations.

TWG recommends the annual operations hydrograph for this water year be the MLFF with fall steady flows in September and October.

TWG recommends that the "Issues of Concern" be resolved and either incorporated into the budget or documented in writing why such is not appropriate. TWG requests either AMWG concurrence with the TWG recommendations on the "Issues of Concern" or further direction. High priority or controversial issues have specific recommendations included.

Issues of Concern:

1. Line 1: CPI could be lower than the projected 3% in the preliminary budget, therefore budgets could be affected if CPI is substantially lower. The upper basin RIP has been instructed to consider level funding for 2010 and 2011, and similar concerns have been raised at the NPS. This may need to be adjusted in the final budget recommendation, and could result in program cuts.

Recommendation: TWG recommends that AMWG direct TWG to develop a final budget recommendation that includes a CPI of 0% or other reasonable percentage based on current economic conditions or outlooks.

2. Line 15: The "TWG Chair Reimbursement" should be expanded to include the ability to pay for limited facilitation when funds are not expended to pay for a TWG Chair. TWG requests BOR draft a final budget recommendation that changes line 15 to "TWG Chair or Facilitation Expenses."

3. Line 19: Compliance documents. This line item should be funded with the consideration that there may be compliance costs in any given year, but especially in 2012 when new compliance documents will be necessary to consider the next operation period after the 5-year program. If the money is not used in any given year, it should revert to the experimental fund, but be tracked and available for use in the future as a lump sum if needed for our compliance needs in 2012 (e.g., new biological opinion, NEPA, planning post-2012).

4. Line 24: Mainstem Non-native Mechanical Removal. BOR has placed funding for this project in their portion of the FY 2010-11 budget in response to GCMRC removing the project from their proposed budget (see line 74). The TWG believes that since this activity was included in the conservation measures within the 2008 Biological Opinion that it must be funded and carried out in 2010 and 2011.

Recommendation (1): TWG recommends that AMWG direct TWG to develop a final budget recommendation that moves the funding for "Mainstem Non-native Mechanical Removal" back to line 74 under the GCMRC budget.

Recommendation (2): TWG recommends that AMWG direct TWG to develop a final budget recommendation that moves the funding for "Mainstem Non-native Mechanical Removal" back to line 74 under the GCMRC budget and that GCMRC add an additional removal trip. The resulting cost would be about \$300,000. FUNDING: we may not need to get into this detail if it is available in 2010 from current contingency funds. 2011 is another issue. Any money not used for removal efforts in each year, would go into the Non-native Fish Suppression Contingency Fund (line 25). Use funding from line 64 (about \$115k/year). This would remove any funding in 2010-11 for mainstem non-native removal efforts (gear testing and implementation of the non-native control plan).

5. Line 74: Mainstem Non-native Mechanical Removal, this project was removed by GCMRC and the actions are described above in number 4.

6. Line 31: Canyon Treatment Plan and Implementation.

Recommendation: TWG recommends that AMWG direct TWG to develop a final budget recommendation that does not increase line 31 by CPI, and that this be adopted as policy for future budgets.

7. Lines 55, 62, 64, 82: In the 2010-11 budget, a number of research projects were bundled or aggregated into large funded entities. The premise by GCMRC is that these projects will be Core Monitoring and thus should be bundled.

Recommendation: TWG recommends that AMWG direct TWG to develop a final budget recommendation that does not include the bundling of projects under lines 55, 62, 64, and 82. These projects should remain as single projects at least until they are approved as core monitoring.

8. Projects under Goal 2, line 58, are preliminary pending the PEP recommendation this summer and TWG review and recommendations.

9. For extirpated species, line 77, no funding is specifically being proposed by TWG, but some work may be occurring in the MSCP using razorback suckers from upper Lake Mead to repatriate lower reaches of the Colorado River in the Grand Canyon.

10. Additional funding sources may need to be identified to continue operation of the Diamond Creek NASQAN station (Goal 7). The surface water (stage and discharge) record at this gage will continue and is funded outside the AMP. Records of sediment flux and temperature have been funded through the AMP and will also continue in FY10-11. TWG believes that the AMP should be fully aware of this situation, but is not advocating for the use of AMP funds for NASQAN data collection in FY 10-11. TWG believes that outside funding sources should be developed to support this type of data collection.

11. Goal 10 (NEW): GCMRC should develop an economic valuation study for 2010-11 (socio/cultural program area). The purpose would be to quantify the various resource values (market/non-market) for Lake Powell and the river corridor within Grand Canyon and Glen Canyon.

Recommendation: TWG recommends that AMWG direct TWG to develop a final budget recommendation that includes an economic valuation study for 2010-11. \$116,000 should be taken from line 92 in 2010. If costs are anticipated to exceed this amount then the additional amount should be taken equally (as a percentage) from the biology, sediment/quality of water, and DASA program areas.

12. Goal 11 (NEW): GCMRC should develop a proposal (RFP) for a project that would develop a geomorphological model to evaluate dam effects on cultural sites.

Recommendation: TWG recommends that AMWG direct TWG to develop a final budget recommendation that includes a project that would develop a geomorphological model to evaluate dam affects on cultural sites. The cost is roughly estimated at about \$200k/year for both 2010 and 2011, and should be funded by reducing the GCMRC science budget by 2.5% across all projects.

13. Line 127: A line item should be added under the DASA portion of the budget which utilizes DASA funds to analyze historic aerial photos and determine the best method for use in change detection for sediment resources as a pilot test or proof of concept at a limited number of campsites. This will involve unbundling of a portion of the DASA budget. TWG understands that GCMRC will work with TWG to seriously consider this request during the development of the workplan and priorities within the DASA program.

14. Mike Breedlove's analysis and reporting, under line 128, should be unbundled from other line items and included as a separate line item. FY10 should be devoted to reporting and publication of results with an emphasis on how GIS methods/results compare to existing sediment monitoring and where this project fits into the overall sediment program. TWG understands that GCMRC will work with TWG to seriously consider this request during the development of the workplan and priorities within the DASA program.

15. High Flow Experiment (HFE). The current compliance documents describe an action which included only one HFE from 2008-2012. However, beginning in 2010, approximately \$400k may be available from the experimental fund (Line 22) to support an HFE, and about \$900k in 2011 (if unused in 2010). John Hamill proposed in his budget memo that an HFE study could be undertaken for about \$500k to \$750k (the 2008 HFE cost over \$3 million).

We did receive a number of comments on whether or not an HFE should be considered in the FY 2010-11 budget. Dennis Kubly and Shane Capron (TWG Co-chair and Chair) discussed this thoroughly and have concluded that this was not ripe for TWG discussion beyond the technical aspects. The TWG will consider the budget implications of an HFE in the 2010-11 budget if so directed by AMWG. *NOTE: AMWG will have a motion to consider an HFE in April, so this question will be asked and answered then.*

16. Cultural program: three proposals for additional projects were requested by the CRAHG with no specific funding source provided: (a) Line 114, add back in \$70k to the NPS, (b) NEW: Preservation Treatments, about \$36,450, and (c) NEW: Tribal 106 support of about \$60k. These projects are considered by the CRAHG to be important for the support and implementation of management actions/compliance under Section 106. These activities are described in the BOR treatment plan, but are currently not being fully carried out. CRAHG is concerned that this year's treatment plan is primarily an excavation/data recovery plan and that other important components of the treatment plan are not being implemented with the funding currently available. Further, it may be that the \$500k per year generally agreed to by AMWG for treatment of these sites may not be sufficient and further work at each of the treated sites is possible.

Recommendation: TWG recommends that AMWG direct TWG to work with the CRAHG, GCMRC, and BOR to determine the following before proposing a final budget:

- Provide an explanation of current funding line items (more explicit description of accounting) and how they relate to the treatment plan and necessary compliance, including Lines: 23, 31, 114, and relevant portions of Lines 39-43.
- Describe why the treatment plan cannot be fully implemented using the current line items described above, specifically the \$500k allocated in Line 3 and ~\$165k in Line 23.
- Discussions should occur between the NPS/GCMRC/BOR on the necessity of the \$70k for the NPS which was dropped this year from GCMRC's cultural budget (Line 114). DOI agencies should discuss this and determine who is responsible for that funding and provide a response to the TWG

by May 22. ALTERNATE: **TWG recommends that AMWG direct TWG to develop a final budget recommendation that reinstates the \$70k for the NPS under line 114.**

17. General comment on core monitoring: this budget assumes that we will have moved forward on core monitoring for a number of Goals under the AMP. Although this is reasonable to consider we feel it is premature. We will begin to consider the General Core Monitoring Plan this summer and from there will have a better idea what may constitute core monitoring. TWG should, within the core monitoring discussion, evaluate cost-effectiveness of current monitoring programs (precision, accuracy, cost trade-offs). GCMRC is planning a core monitoring workshop before the next TWG meeting to discuss the draft plan.

18. General comment on the workplan. TWG is looking for additional clarity in the workplan on staff funding including a current organizational chart. TWG requests the following: (a) that staff time for individual projects be allocated under those projects, (b) time be allocated in the workplan such that a substantial amount of time, about 20%, is allocated to writing reports and publications, and (c) any new staff additions or deletions be clearly outlined in the budget introduction and appropriate projects.

19. General comment on Goal 10. There is a lack of economic analysis capacity in the program to evaluate trade-offs or other economic concerns. Additional capacity should be considered. Unknown funding needs at this time.

20. Line 74: Priorities and funding under Goal 2. GCMRC should provide an explanation of where funding used in FY 2009 for Mainstem Non-native Mechanical Removal has been reallocated within the program. *NOTE: given the GCMRC response, can this be dropped?*

21. Line 71: GCMRC should provide clarification on when we will get to review a report on this project which was funded from FY07-FY09. The report should relate to the work described in the workplan.

22. General comment on accounting. Currently, BOR does not have adequate staff resources to track reports due by GCMRC from the workplan. Thus, there is inadequate tracking of deliverables by the AMP for projects funded by BOR funds. BOR should investigate options to provide staff resources in tracking reports.

23. General comment on the budget process. AMWG approved a two-year rolling budget process at their August 2004 meeting. This is the first year that a two year budget has been attempted since that approval. In developing this budget, two options for a budget process were discussed. First, is the rolling budget approved by AMWG in 2004. Second, is a two-year budget that would only be modified slightly in year two, thus requiring much less effort in the second year. This could save valuable time and resources to work on other AMP concerns.

Recommendation: TWG recommends that AMWG direct TWG to develop a discussion paper on the pros and cons of the two budget approaches and respond back to AMWG at their August meeting with an initial review.

24. Goal 1 (NEW): GCMRC should develop a research plan to determine effects of varying ramping rates on food base and drift, and include this within the food base program.

25. Goal 8 (NEW): GCMRC should develop an on-the-shelf HFE science plan for a potential next HFE.

26. Goal 12 (NEW): GCMRC should add a line item for the development of a new SCORE report and Knowledge Assessment in FY 2010.

27. TWG understands that GCMRC will provide historical expenditures by project in the workplan.

28. Goal 2 (NEW): GCMRC should budget for the implementation of the warm-water non-native control plan efforts in 2011 (line 67 testing to non-native implementation).

29. Goal 2 (NEW): GCMRC should develop trout research plan for implementation in FY 10 and 11 to evaluate the natal origins of trout in the LCR reach of the mainstem. This should specifically target juvenile fish which aren't currently being tagged.

30. Budget general. GCMRC should disclose the total "burden" for each budget line item, the amount of carry-over for each budget line item, and that a crosswalk be provided from the 2009 budget to the 2010 and 2011 budget so that changes in the budget/workplan for each item can be understood.

31. Budget general. GCMRC should identify how/where cuts were made due to the budget shortfall they experienced in the development of the budget.