

Minutes of the CAP Fund Transfer Program Policy Committee Meeting
January 31, 2005

ATTENDEES:

NAME	ACTIVITY	PHONE	E-MAIL
Henry Messing	USBR	602-216-3856	hmessing@lc.usbr.gov
Chuck Hayes	NMDGF	505-476-8101	CHayes@state.nm.us
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Rob Clarkson	USBR	602-216-3858	rclarkson@lc.usbr.gov
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Jeff Whitney	USFWS	602-242-0210	Jeff_Whitney@fws.gov
Rob Bettaso	AGFD	602-789-3514	rbettaso@azgfd.gov
Bruce D. Taubert	AGFD	602-789-3301	btaubert@azgfd.gov

Messing opened the semiannual meeting. Whitney was introduced; he has come over through reorganization.

Update and Status of Past Projects:

Barrett discussed a draft agreement from last year with AGFD on the Fossil Creek renovation. FWS was finally able to get money to NMDGF for one project (NM spikedace and loach minnow data analysis). CSU is coming in with their final report on a larval fish key. Some stocking of topminnow has been done. Reclamation has initiated NEPA compliance for the Blue River fish barrier project and will begin design work soon. ASU got some money to do some genetic work on the *Gila* complex. Have a policy of 20% overhead that went through AGFD. There have been some adjustments, so now all future projects with AGFD will be going through the Research Branch. Barrett said some other issues were a couple of agreements with Oklahoma to look into pupfish genetics and some work with a University of Arizona Coop unit on propagation of three species of *Gila*.

Regarding an agreement with Fort Collins Lab to review the effectiveness of barriers, Wildlife Management Institute (3 people) has received the appropriate background documents; work seems to be progressing. A report should be coming out and everyone will get a copy.

Down to less than \$500K unobligated on RPA3. Fish and Wildlife is moving money much better.

Barrett: FWS sent out the Fishless and Native-Only Streams RFQ in December, there is missing information. Decided to pull the request back and readvertise it last week. RFQ for the water rights closes second /third week in February.

Taubert asked how the additional AGFD Fossil Creek renovation costs were handled. Clarkson said it was covered under task 4-56 (additional funding for prior year tasks).

ASU had been the final repository for all Fund Transfer Program reports, but Clarkson did not recall what the decision was on this since the departure of Paul Marsh from the program. Barrett will look into this and also find out cost. Some are available on websites. Clarkson added that Reclamation is nearly ready to launch a website and will be asking for PDF files as deliverables on all projects.

Barrett said the Technical Committee recommended that the Salt River repatriation project be deleted. Everyone agreed, and he will officially cancel that agreement.

Proposed FY 2006 Fund Transfer Projects:

a. RPA 3 – Recovery of Natives:

Clarkson noted there is nearly \$225,000 available under RPA 3 that is not currently obligated toward specific tasks.

(1) Pupfish Genetics (yr 3 of 3) – This money is to be used primarily to write the final report. Tony Echelle is the person who is working this. Propst asked that a draft white paper of preliminary findings be done. Taubert said they did not give a talk at the Desert Fishes Council meeting, but did not expect any earth-shattering findings. FWS does get an annual report to show what progress they are making. Cost = \$5,750.

(2) Loach minnow/Spikedace Data Assembly – AZ: This came about as a consequence of meetings of various people who were interested in the species. There was no central point for anyone to go to obtain accumulated information. The task proposal is for AGFD to take lead responsibility for AZ data and NMDGF would do the same for NM data. Agreements have been proposed for the two states. Cost = \$10,000 each.

(3) San Pedro Pond Reconstruction – Reclamation has been working with the TNC on the lower San Pedro near Dudleyville. Reclamation is trying to get other species put into the two ponds. Fund Transfer money is proposed to pay for the construction costs to improve the smaller pond; Reclamation is throwing in other money. This is scheduled to go on this spring. If approved here, Reclamation will start spending in advance of getting the money. Messing said the CECs are almost ready, and NEPA should be done by the end of the week. Taubert said AGFD will not sign the paperwork until they can get the compliance. This task was approved by the Policy Committee. Cost = \$65,000.

(4) Bubbling Ponds Hatchery O&M Support – The existing agreement between Reclamation and AGFD is to start getting design work and build a second facility at Bubbling Ponds basically to provide housing and to pay O&M. The facility is supposed

to be built this FY. The FY06 task would pay for the next year's O&M (salaries, etc.). Cost = \$75,000.

(5) Gila Mountain Pupfish Ponds Prep and Stocking: Talked about this last year, but the project was delayed until this year because of unanticipated Fossil Creek costs. The "ponds" need to have a little more work done on them. The program will hold off on this one until more information is obtained, and possibly discuss this in June. Cost = \$10,000.

(6) Little Creek (NM) Fish Barrier Design - The only nonnatives are brown trout and smallmouth bass. Propst said that based on what he saw, you could probably remove all of the browns mechanically. Clarkson said it is not that expensive of a construction effort, but Reclamation doesn't have construction dollars laid out for this. Taubert asked why would the Policy Committee want to use transfer funds for construction? It may be a bit of time before New Mexico looked at this more closely. Cost = \$70,000.

(7) Bonita Creek Fish Barrier Design: Taubert has a problem with barrier design and renovation and thinks we are hitting some real snags in all directions. Before we start the dialogue, we need to figure out how we are doing the NEPA. Clarkson said Reclamation is planning on having the NEPA done this year. Taubert suggested that AGFD would like to get more involved. Cost = \$100,000.

b. RPA 4 – Control of Nonnatives:

Clarkson noted there is approximately \$127,000 available under RPA 4 that is not currently obligated toward specific tasks.

(1) West Fork Oak Creek Fish Barrier Feasibility: Arizona Flycasters have been anxious to repatriate Gila trout, and Clarkson has been involved in potential construction of a fish barrier on lower W Fk Oak Creek. Funding for construction has not been nailed down, but this could be one of several tributary barriers Reclamation would build in lieu of a Verde mainstem barrier if that proved infeasible. This project, however, is only an emergency in the minds of the Arizona Flycasters. Reclamation requests \$10K to prepare a feasibility report that will look at environmental and construction issues. Cost = \$10,000.

(2) Mechanical Nonnative Fish Removal – Verde River – AGFD has had some discussions about the management direction for the upper Verde (natives vs. sportfish), but a decision has not yet been reached. AGFD will further consider the issue internally this spring, and then involve external technical people. Taubert proposed creation of a white paper from the technical level first, then higher level discussions. AGFD will set up a meeting for this purpose. A decision on this task will not be made until after this process has been completed. Cost = \$30,000.

(3) Mechanical Nonnative Fish Removal – West/Middle Forks Gila - Proposal is to conduct removals four times a year for two years. Chemical treatment is not now an option. Project approved for funding. Cost = \$30,000.

(4) Transgenic Symposium - Policy Committee decided not to proceed with R&D of transgenic organisms as it was going to be long-term and expensive. Barrett's suggestion to continue moving forward with the concept is to have an international symposium of experts to get everything written down in a refereed journal or book so we have a definitive document of where we are right now. This would probably be organized by Dr. Anne Kapuscinski. Additional detail will be provided at the June PC meeting. Cost = \$50,000 (minimum).

(5) Stillman Lake Renovation: NEPA should be occurring this year; FWS finally got their money. Don't know if the cost is going up or down. The utility of this project ultimately may depend on a decision on how to manage the upper Verde. Cost = \$50,000.

(6) Bonita Creek Renovation: Everyone was generally okay with this, pending public input via the NEPA process. Cost = \$50,000.

(7) Fresno Canyon Renovation and Chub Repatriation: The proposal is to salvage topminnow and put topminnow and Gila chub back in. Discussions are ongoing with the Coronado National Forest. There was some discussion of the appropriateness of the habitat for Gila chub, but no agreement. Cost = \$40,000.

(8) Fresno Spring (Peck Canyon) Cattle Exlosure: No recollection of discussion. Cost = \$10,000.

New Projects:

Taubert initiated discussion of the possibility of stocking natives into streams in the Verde system impacted by recent floods. It was agreed to revisit the subject at the next meeting.

Propst initiated discussion of inventory needs in NM. Do we have the funding for opportunistic native fish reestablishment?: I don't remember this project at all!!! We don't have a project identified. We could consider another fairly large project. Taubert thinks AGFD could help with the monetary part of this. Hayes said if we found someone who knows that stuff pretty well, you could have a fair amount of funding to hit this stuff. NM – We need to go out in NM; Rob asked if someone would write something down on this. Dave will do it for NM. This is not out of the question but would like to get something in writing, some more definition on this, before the next policy meeting. He is open to hearing about them. Rob B. will do that.

Review of Fish Barrier Siting Process – Reclamation started to look at other options on how to do mitigate because of lawsuits on the CAP. Loach minnow and spikedace were

the species concentrated on, with the goal to either protect existing populations or replicate them. That is how FWS/Reclamation came up with the final list of barriers.

Clarkson discussed the pros and cons of a mainstem Verde barrier. Pros may depend on finding spikedace this autumn; cons are barrier size and environmental concerns. The final utility of a Verde barrier will depend on AGFD determination of management direction for the upper Verde.

Santa Cruz Consultation and Mainstem Fish Barrier – Revisited the issue of the benefits vs. cost of a mainstem Santa Cruz barrier. Reclamation could go either way.

Reclamation's stance is we have asked for an issuance of an opinion; we are waiting on the opinion.

AGFD stated its desire to undertake the stock tank easement task.

Overhead Issue - Last year we decided to limit overhead to 20% over direct costs. Barrett suggested we raise that to 25% for future projects to better accommodate some vendors. Taubert was ok with using the Federal standard of 28%, but the limit was placed exactly for the purpose of limiting overhead, so why are we reconsidering? No decision to change the existing policy was made.

Barrett thought the Yard Verde River off-channel development project was very promising, but that the Fund Transfer Program could not fund it initially in the timeframe Yard wanted. Barrett will discuss the project further with Yard.

The next meeting will be on June 3, 2005. FWS will be host.