

# **SJRIP Funds Management**

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## **Project History**

In 2001 Public Law 106-392 (and amended with 107-375 [2002] and 109-183 [2006]) authorized appropriations for capital and base funding in support of the Upper Colorado and San Juan River Basins Endangered Fish Recovery Programs. These two RIPs were established by law to recover endangered fish in the upper Colorado and San Juan River Basins while providing coverage for continued water development. Reclamation entered into a cooperative agreement for the SJRIP in 1992, and recently extended to 2023, with Reclamation's responsibilities outlined therein. Base funding for the SJRIP was limited to \$2.0 mil/yr adjusted for inflation using the CPI starting in 2003. All funding must go towards accomplishing the objectives of the Recovery Implementation Programs. All types of funding instruments were authorized including contracts, grants, and interagency agreements. The annual RIP funding expires in 2011 unless reauthorized by Congress; however, power revenues may continue to be used to fund O&M of capital projects and monitoring activities for the fish.

Program activities for the RIPS in FY 2006 included monitoring and research, fish propagation, operation and maintenance of capital facilities constructed using federal and state monies, non-native fish control, habitat restoration and improvement, and program management.

Program Management funds support Reclamation staff involved in program management. Funds are used for the administration of funding agreements, including issuing requisitions for program supplies, and the preparation and oversight of work conducted under interagency agreements, cooperative agreements, contracts, and grants. The funds are also used for formation and participation of the technical and peer-review committees, implementation of committee assignments not specifically identified in a scope of work, reporting, and coordination of water operations. Management support for Capital fund projects, including technical oversight, budgeting, preparation of bids and funding agreements is covered in a separate scope of work. Participation in Hydrology and Biology Committee meetings and business is paid for separately by Reclamation with funds unrelated to the SJRIP.

## **Objectives**

The objectives of the "SJRIP Funds Management SOW" are:

**1) Manage and administer funding and Hydrology Committee activities.** Coordinate and manage the hydrology-related tasks performed by the Hydrology Committee, including administering cooperative agreements and contracts with consultants, accounting for expenditures, developing and providing status reports, and coordinating work items to ensure work is completed as planned.

**2) Manage and administer funding for Recovery Program projects related to the Biology Committee activities.** Funding Recovery Program projects requires establishment or modification of

approximately 45 Reclamation funding agreements or contracts each year. Each financial agreement requires multiple steps and activities, including: submission of requests for Federal assistance for Recovery Program-approved projects; working with Recovery Program's office on funding issues; reviewing and approving (if warranted) project budgets; requesting obligations to cover funding agreement or contract awards; awarding agreements or contract funding to recipients; maintaining agreement and contract filing system including agreement instruments, invoices, and accruals; reviewing and tracking budgets; participating in audits; reviewing and approving invoices; performing periodic site visits to monitor project performance and progress; filing advanced procurement reports; organizing and participating on TPECs; drafting requests for proposals (RFPs); evaluating proposals and awarding contracts; performing agreement closeouts; answering agreement inquiries from auditors, assistance recipients, and the Recovery Program; recording project performance and status of deliverables; and filing recipient performance reports.

### **Deliverables/Due Dates**

Requests from the Recovery Program for funding are processed as they are received. If the budget is finalized prior to September 1 of the previous fiscal year, most projects are funded by December of that fiscal year. This date can vary depending on 1) if the SJRIP budget is not finalized until after September 1<sup>st</sup>; 2) if a new agreement is required (new agreements require a more-detailed process); 3) if a Continuing Resolution is in place, which hampers Reclamation's ability to obligate the entire allocation; 4) if it is being proposed as a sole-source agreement or contract; 5) if there is a delay in the contractor signing and returning paperwork, which is a common occurrence; or 6) if there is a delay in the project approval process. An annual report on program management activities will be submitted to Program participants at the annual meeting each year.

### **Key Findings**

In FY2006 \$2,229,000 was available from Power Revenues, a 4.7% increase from FY2005. In addition, USFWS Region 2 provided \$39,900 in funding for Program Coordination. Reclamation also deobligated \$75,000 from an agreement with the New Mexico Game and Fish Department on a project completed in 2005 for a total of \$2,343,900 in available funding in FY2006 (Table 1). There were 24 funded projects in 2006 and five projects that were unfunded but still ongoing. Five projects were completed in FY2006 (Table 2). Forty-four grants, interagency agreements, and other financial assistance awards were done to support the Program along with 19 additional contracts with private entities. Numerous small purchases were made for buying equipment, primarily in support of Navajo Nation's activities at NAPI Ponds.

Administrative management costs for Reclamation totaled \$85,750, or 3.7% of Program costs. Program Coordination costs (FWS), including outreach, totaled \$203,168, or 8.7%.

The approved and actual budgets for FY 2006 are shown in Table 3. Differences between approved and actual are also described. In FY2006 the remaining balance after all obligations were made was \$21,369 (0.9% of total). This amount was not carried over to FY2007 since the legislation only grants the ability to carry over to capital funds.

## **Outstanding Questions and Future Direction of the Project**

### **Solicitor Reviews**

During FY2006 a Solicitor's Opinion was sought concerning two items: 1) the feasibility of transferring annual funding for the program to the National Fish and Wildlife Foundation (NFWF), and 2) the legality of using sole-source agreements and contracts for funding projects covered by the 1992 Cooperative Agreement and the subsequent legislation (P.L. 106-392). Subsequent findings from the Department of Interior Solicitor indicated that: 1) The annual funding could not be transferred to NFWF since P.L. 106-392 intended for "funds that are *appropriated* to DOI agencies, rather than accruing directly to the Implementation Program, would be administered by methods normally used for agency appropriations." Funds "accruing directly to the Implementation Program" could go to NFWF but these do not include appropriated funding; and 2) Reclamation does not have the authority to enter into sole-source contracts and agreements with participants in the SJRIP since the "2000 ACT [P.L. 106-392] appears principally to provide a source of funding and specific authorization for the *continuation* of the pre-existing 1992 Cooperative Agreement." The "1992 Cooperative Agreement was created under the authority of the Endangered Species Act, 16 U.S.C. 1531 et seq., under which the Secretary of Interior is directed to cooperate to the maximum extent practicable with States in carrying out the Program..." Furthermore, the solicitor found that "...Congress appears to have created a financial assistance arrangement that created a mandatory financial assistance situation, which does not require that Reclamation compete for the financial assistance awards."

Since Reclamation has the authority to enter into sole-source agreements with Program participants, including Indian Tribes, the Navajo Nation drafted a proposal requesting that pre-approved contractors suitable to the Navajo Nation be considered as agents of the tribe and be considered for limited competition or sole-source contracts and agreements in situations where the Navajo Nation did not want to do the work with tribal employees. This resolution is in the final stages (as of February 8, 2007) and has not been signed. The initial opinion from the DOI Solicitor is that this is a legitimate claim and Reclamation would treat these pre-approved contractors as tribal representatives and could enter into sole-source or limited competition contracts with them.

### **FY2007 Outlook**

The FY2007 CPI was 2.1%, increasing the Power Revenue's contribution to \$2,275,000. In addition, the USFWS increased its level of support in FY2007 to \$129,079. In FY2007 we have to date deobligated \$33,000 from the University of New Mexico's SOW for Database Management and reobligated it to the Program Office to develop and maintain the Program Database. I foresee several other deobligations in FY2007 that will likely total ~\$25,000. Counting Power Revenues, USFWS funding, and deobligations the SJRIP will have ~\$2,462,000 in FY2007 to fund Program activities. In FY2008 the SJRIP will have ~\$2,450,000 in funding if USFWS contributes \$130,000 and the CPI is 2.0%. This amount would be augmented by any deobligations that occur.

In FY2007 I anticipate that Reclamation will issue 5 new contracts including two for additional peer-review of the population model and three for the habitat mapping, geomorphology, and water temperature monitoring scopes-of-work. An additional scope-of-work is in development for the issuance of an RFP for a contract to obtain an evaluation of the Program to begin in late 2007.

Table 1. Funding available to the San Juan River Basin Recovery Implementation in Fiscal Year 2006.

<b>Source</b>		<b>FY2006 Amount</b>
Reclamation Power Revenues		\$2,229,000
USFWS Region 2		\$39,900
Deobligations from contracts and agreements	NMG&FD	\$75,000
Other		
<b>Total</b>		<b>\$2,343,900</b>

Table 2. Projects completed in FY2006 and amounts deobligated, if any.

<b>Project Title</b>	<b>Contractor</b>	<b>Contract or Grant #</b>	<b>Amount Deobligated</b>
Development of a water temp model for proposed Temperature Control at Navajo Dam	Reclamation, SLC	None	\$0.0
Evaluation of fish passage at APS and Fruitland Diversion structures	BioWest	04-FG-40-2160	\$0.0
Habitat Restoration Evaluation in the SJR	BioWest	04-FG-40-2158	\$0.0
Characterization of razorback sucker spawning bar	Keller-Bliesner/ERI	02-AA-40-8850	\$0.0
Development of Colorado pikeminnow stocking protocols	BioWest	04-FG-40-2137	\$0.0

Table 3. Approved and actual budget for FY2006. Differences in approved and actual are noted and occurred due to changes in contracting, Program needs, and unexpected changes.

<b>Project</b>	<b>Contractors</b>	<b>FY06 approved</b>	<b>FY06 actual</b>	<b>Difference</b>
<b>MONITORING</b>				
Sub-Adult/Adult Large Bodied Fish Comm. Monitoring	FWS, GJ	\$85,992	\$85,992	
	UTDWR	\$4,500	\$4,500	
	USFWS, Albq	\$3,500	\$3,500	
YOY/Small Bodied Fish Monitoring	NMG&FD	\$72,885	\$72,885	
Larval Colorado Pikeminnow Survey	UNM,NMG&FD	\$66,240	\$66,240	
Larval Razorback Sucker Survey	UNM,NMG&FD	\$60,030	\$60,030	
Habitat Mapping Data Analysis	Keller-Bliesner	\$34,580	\$34,580	
	ERI	\$17,460	\$17,460	
Channel Geomorphology, Habitat Mapping, Temp Monitoring	BioWest/Keller-Bliesner	\$236,459	\$256,389	+\$19,930 (addl contract costs)
Videography	BOR, Denver	\$13,000	\$13,000	
Update and Maintenance of GIS Database	UNM	\$39,097	\$39,097	
Specimen Curation/Identification	UNM	\$24,725	\$24,725	
<b>Total Monitoring</b>		<b>\$658,468</b>	<b>\$678,398</b>	<b>+\$19,930</b>

<b>RESEARCH</b>				
Assessment of Colorado Pikeminnow Augmentation	Bio/West	\$146,744	\$146,744	
	UNM	\$8,386	\$8,386	
	NMG&FD	\$13,439	\$13,439	
	UTDWR	\$24,174	\$24,174	
<b>Total Research</b>		<b>\$192,743</b>	<b>\$192,743</b>	<b>\$0.0</b>
<b>RECOVERY</b>				
Nonnative Species Control in the Upper San Juan River	FWS, Albq	\$126,988	\$126,988	
	FWS, GJ	\$6,300	\$6,300	
	UTDWR	\$14,450	\$14,450	
	NMG&FD	\$11,500	\$11,500	
Nonnative Species Control in the Lower San Juan River	UTDWR	\$115,523	\$115,523	
	FWS, GJ	\$12,810	\$12,810	
	FWS, Albq	\$17,080	\$17,080	
	NMG&FD	\$3,850	\$3,850	
Razorback Sucker Augmentation and Monitoring	FWS, GJ	\$136,623	\$136,623	
	FWS, Albq	\$6,000	\$6,000	
Purchase of PIT Tags and Readers	BOR	\$20,450	\$95,450 (addl \$75,000 approved 07/2006)	+ \$75,000 (addl PIT tags and readers)
Stocking of Fingerling Colorado Pikeminnow	FWS, GJ	\$20,108	\$20,108	
Colorado Pikeminnow Fingerling Production	FWS, Dexter NFHTC	\$86,005	\$86,005	
Razorback Sucker Production and Rearing	FWS, Dexter NFHTC	\$76,929	\$76,929	
Razorback	Keller-Bliesner	\$12,695	\$24,295	+\$11,600 (pond

Augmentation Ponds Limnology Monitoring	ERI	\$40,051	\$40,051	pumping)
Razor Back Augmentation Uvalde	FWS, Uvalde NFH	\$57,122	\$67,122	+\$10,000 (truck repair)
Operation of PNM Fish Passage Structure and NAPI Pond Management	Navajo GF	\$117,038	\$117,038	
Direct Purchases for Navajo Nation (pond pumping, boat, motor, nets, computer, etc.)	BOR for Navajo GFD	\$0.0	\$32,000	+\$32,000
<b>Total Recovery</b>		<b>\$881,522</b>	<b>\$1,010,122</b>	<b>+\$128,600</b>
<b>Peer Review</b>				
Peer Review	Steve Ross	\$5,000	\$10,000	+\$5,000
	Ron Ryel	\$5,000	\$6,000	+\$1,000
	John Pitlick	\$3,000	\$8,000	+\$5,000
	Mel Warren	\$9,000	\$10,000	+\$1,000
	John Bartholow	\$0	\$10,000	+\$10,000
<b>Total Peer Review</b>		<b>\$22,000</b>	<b>\$44,000</b>	<b>+\$22,000</b>
<b>Hydrology Committee</b>				
Maintenance and Operation of Model	BOR, Grnd Jct	\$102,250	\$102,250	
Streamflow Measurements	BOR, Grnd Jct	\$6,100	\$6,100	
<b>Total Hydrology</b>		<b>\$108,350</b>	<b>\$108,350</b>	<b>\$0.0</b>

<b>Committee</b>				
<b>Program Management</b>				
Program Coordinator	FWS, Abq	\$181,523	\$181,523	
Outreach	USFWS, R6 Debbie Felker	\$21,645	\$21,645	
Fiscal Management (BC and HC)	BOR, SLC	\$85,750	\$85,750	
<b>Total</b>		<b>\$288,918</b>	<b>\$288,918</b>	<b>\$0.0</b>
<b>Total Obligations</b>		<b>\$2,152,001</b>	<b>\$2,322,531</b>	<b>\$170,530</b>
<b>Total Funding Available</b>		<b>\$2,343,900</b>	<b>\$2,343,900</b>	
<b>Remaining Balance</b>		<b>\$189,899</b>	<b>\$21,369</b>	