#### **ANALYSIS**

## Department of Fish and Wildlife National Fish Passage Program

Analyst: April McDonald

**Request**: Approve, retroactively, the submission of a federal grant application to the U.S. Fish and Wildlife Service's National Fish Passage Program in the amount of \$1,890,000, for the period of two years, to deliver four projects restoring fish passage throughout the state.

Analysis: The Oregon Department of Fish and Wildlife (ODFW) is seeking retroactive approval to apply for a federal grant from the U.S. Fish and Wildlife Service's (USFWS) National Fish Passage Program. The grant, made possible by the Infrastructure Investment and Jobs Act, would provide nearly \$2 million to remove instream barriers and restore aquatic organism passage throughout Oregon. The Department has identified four priority fish passage projects as candidates for this funding. These projects not only restore passage, but include modernization of infrastructure, such as road culverts, bridges, and water diversions. The projects include:

- Replacement of a bridge on Forest Road 46 over the Clackamas River,
- Fish passage design analysis for McKay Creek in the Umatilla basin near Pendleton,
- Replacement of Tuffy Dam on the South Fork Wilson River, and
- Replacement of the Whiskey Creek water diversion dam.

On December 19, 2022, the Department supplied the state with notice of intent to apply for this grant, as per interim instructions. This federal funding opportunity is through invitation only, and USFWS also required a letter of intent to apply, which ODFW submitted by January 10, 2023. There are some variances between ODFW's notice of intent provided in December, and this request for retroactive approval. The number of projects has been reduced from five to four and the amount requested was reduced by \$1,470,747. This is the net result of two updates; the Perkins Creek culvert project (originally included) will instead be applied for through the Coast Fork Willamette Watershed Council; and the amount requested for the Clackamas River bridge replacement was reduced because the U.S. Forest Service has secured funds through the Federal Highway Administration to complete the first phase of the project.

The National Fish Passage Program has no match requirement. However, the program considers in their review and prioritizes projects with 50% of total costs matched by partners. The majority of the match identified by ODFW comes from in-kind contributions from partners, American Rescue Plan Act funds, and OWEB grants. ODFW does not anticipate a need for additional FTE for this funding opportunity.

**Legislative Fiscal Office Recommendation**: The Legislative Fiscal Office recommends approval of the request.

# Department of Fish and Wildlife Filimoehala

**Request:** Retroactive authorization to apply for a grant in the amount of \$1,890,000 from the US Fish and Wildlife Service National Fish Passage Program.

**Recommendation:** Approve the request.

**Discussion:** The Department of Fish and Wildlife has applied for a grant to the US Fish and Wildlife Service under the Fish Passage Program to fund four fish passage projects throughout the state. Projects that would be funded by the grant are:

- Clackamas River Forest Road 46 Bridge Replacement
- McKay Creek Dam Fish Passage Design Alternative Analysis
- South Fork Wilson River (Tuffy Dam) Fish Passage
- Whiskey Creek Fish Passage and Screening

The department has secured matching funds with partners including state agencies and non-governmental partners, and is working with a combination of federal, state, and tribal governments. The Department does not anticipate needing any additional staff if the grant is awarded. Final approval of the grant is expected to be announced in April 2023.



Department of Fish and Wildlife

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January 18, 2023

The Honorable Senator Elizabeth Steiner, Co-Chair The Honorable Representative Tawna Sanchez, Co-Chair Joint Committee on Ways and Means 900 Court Street NE H-178 State Capitol Salem, OR 97301



Dear Co-Chairpersons:

#### **Nature of the Request**

Oregon Department of Fish and Wildlife (ODFW) requests approval to apply for four National Fish Passage Program (NFPP) grants totaling \$1,890,000 federal funding from the U.S. Fish and Wildlife Service (USFWS).

#### **Background**

The NFPP is a voluntary program that provides direct technical and financial assistance to partners to remove instream barriers and restore aquatic organism passage for the benefit of federal trust resources. NFPP funds a variety of project types including, dam removals, culvert replacements, and the installation of fishways. The NFPP is delivered through the Fish and Aquatic Conservation Program (FAC) across all States and Territories. FAC staff coordinate with project partners, stakeholders, and other service programs to identify and collaboratively implement projects within regional priority areas. Applicants seeking funding under this program need to contact the regional NFPP Coordinator and submit a letter of intent before being selected to apply for funding.

ODFW has identified four priority fish passage projects that are excellent candidates for this program.

#### Clackamas River Forest Road 46 Bridge Replacement

The Clackamas River is in Clackamas County, Oregon on U.S. Forest Service managed lands in the headwaters of the Clackamas River. Forest Road 46 crosses the Clackamas River just upstream of the Cub Creek confluence. The bridge confines the Clackamas River to a 55 ft span, where the river formerly accessed a 550 ft wide floodplain. The bridge abutments are eroding because of the confinement and are at risk of catastrophic failure. The proposed

project is a replacement of the undersized, failing Forest Road 46 bridge with a 300 to 400 ft long multi-spanned bridge. Mt. Hood National Forest is contracting with the Federal Highways Administration to design the bridge. The upper Clackamas River and Cub Creek provide spawning and rearing habitat for ESA listed spring Chinook (threatened), coho (threatened), winter steelhead (threatened), and bull trout (experimental). Additionally, resident cutthroat trout, and Pacific lamprey, which are listed as Sensitive species by the Service, inhabit Cub Creek and the upper Clackamas River. ODFW is requesting to apply for \$1,000,000 with Mt. Hood National Forest providing funding match for design (\$155,000) of the new bridge and \$100,000 in Fire Recovery (Disaster Relief) Funds. Trout Unlimited is also contributing \$229,000 in match from a recently secured restoration grant from Oregon Watershed Enhancement Board. Project design and environmental permits will be completed in 2023 and construction is expected to occur during the in-water work period from June 1-September 15, 2024.

#### McKay Creek Dam Fish Passage Design Alternative Analysis

In 1927, the Bureau of Reclamation (BOR) constructed McKay Reservoir Dam (Umatilla basin), which blocked fish passage at river mile 6 and prevented access to 40 miles of the McKay Creek drainage that formerly provided habitat for ESA listed summer steelhead and bull trout, spring Chinook, Pacific lamprey and redband trout. McKay Reservoir Dam is listed as the most significant passage barrier in the Recovery Plan for Mid-Columbia River Steelhead Distinct Population Segment in the Umatilla/Walla Walla River Major Population Group, the highest passage priority in the Umatilla basin, and is ODFW's 11th highest fish passage priority in the State of Oregon. The intent of this project is to provide a fish passage design alternative analysis for both upstream and downstream passage for McKay Reservoir Dam located near Pendleton, OR. This fish passage project seeks to provide a design alternative analysis that would inform efforts to reconnect fish passage in McKay Creek, which accounts for 25% of the overall spawning and rearing habitat in the Umatilla River Subbasin for ESA listed summer steelhead. ODFW is requesting approval to apply for \$200,000 in NFPP funds that would provide the designs and budget for future construction of a fishway at McKay Reservoir Dam. ODFW is partnering with Confederated Tribes of the Umatilla Indian Reservation, who are fish co-managers in the Umatilla basin, and United States Bureau of Reclamation (BOR), who are the owners and operate McKay Dam for irrigation. Project timelines would be to select an engineering company to complete deliverables in 2023 and submit to BOR for final design review and construction in 2024. Non-federal match has not been secured for this project, however ODFW plans to apply for American Rescue Plan Act funds to complete the 100% stamped design plan phase of the project.

#### South Fork Wilson River (Tuffy Dam) Fish Passage

The proposed project would replace an existing water diversion dam (Tuffy Dam) on the South Fork Wilson River. The current dam supplies water through an unscreened intake to the Tuffy Creek rearing pond (satellite facility of ODFW's Trask River Hatchery) and to the

Oregon Department of Corrections (jointly operated with the Oregon Department of Forestry) South Fork Prison Camp. The current diversion dam is a barrier to juvenile migration, partial barrier at times to some adult migration, and likely at least a partial barrier to adult lamprey migration. In addition, the water intake is unscreened, potentially allowing juvenile fish to be diverted from the river. Multiple fish species would benefit from this project, including Chinook salmon, coho, steelhead, cutthroat trout, and lamprey. The completed project would enhance the ability of wild fish to use the South Fork Wilson River watershed (with up to 7 miles of habitat available above the diversion) and should increase downstream survival of juveniles passing the water intake. An included fish trapping/sorting facility will allow removal of returning hatchery fish, reducing competition with wild stocks. Fewer unintended mortalities would increase the resiliency of the populations of fish that utilize the South Fork Wilson River, as well as continue to provide water to the prison camp and allow use of the dam as a rearing pond. The program raises spring Chinook and winter steelhead to provide recreational angling opportunity in the Tillamook Bay basin. ODFW and Department of Corrections are the primary project partners. ODFW will take the lead on designing, permitting, and implementing the project. ODFW is requesting \$325,000 in NFPP funding and would need to secure \$162,500 in non-federal matching funds. ODFW and Department of Corrections would cost share the match at 60/40, of which a portion of this would come from ODFW fish screening cost share program for the intake screen, and a portion from the Department of Corrections base funding.

#### Whiskey Creek Fish Passage and Screening

The proposed project would replace an existing water diversion dam on Whiskey Creek (near Tillamook, OR). The current dam supplies water through an unscreened intake to the Whiskey Creek volunteer fish hatchery. The current diversion dam is a barrier to juvenile migration, partial barrier at times to some adult migration, and likely at least a partial barrier to lamprey migration. In addition, the water intake is unscreened, potentially allowing juvenile fish to be diverted into the hatchery. A new screened intake would be included as part of the project. Multiple fish species would benefit from this project, including chum salmon, coho, steelhead, cutthroat trout, and Pacific lamprey. The completed project would enhance the ability of wild fish to use the Whiskey Creek watershed (approximately 3 miles of habitat is available upstream of the diversion) and should increase downstream survival of juveniles passing the water intake. The Oregon Department of Fish and Wildlife and the Tillamook Anglers (a 501 C3 non-profit) are the primary project partners. ODFW will take the lead on designing, permitting, and implementing the project. Tillamook Anglers will provide input on design and will potentially supply in-kind labor for some aspects of the project. It is expected that additional partners will participate, though are not yet identified at this time. ODFW is requesting \$365,000 in NFPP funding and would need to secure \$182,500 in non-federal matching funds. Sources of match will come from OWEB grants, American Rescue Plan Act Funds, and in-kind contributions from partners.

To conclude, for the NFPP Program no match is required. However, NFPP seeks to maximize partner leveraging of investments by securing 50 percent of project costs from partners and this is considered in project review and ranking. ODFW does not anticipate a need for additional FTE for this funding opportunity.

## **Agency Action**

This funding opportunity and process to select projects for NFPP funds is for the award period in Federal Fiscal Year 2023. The Notice of Funding Opportunity was issued by USFWS on November 17, 2022, and a letter of intent was due January 10,2023 to Regional USFWS staff, which ODFW submitted. The Regional offices then submit a final prioritized list of projects to national headquarters offices with a capped list of projects by February 20, 2023 for review by the Department of Interior. The Department of Interior makes final announcements of funded projects by April 2023 . Successful applicants would then be invited to apply by December 2023 to complete their final contract agreement to receive NFPP funds. Projects must be completed, and funding must be spent within two years. If grant funding is awarded, ODFW anticipates making a future request for federal funds expenditure limitation to spend the funding.

### **Action Requested**

ODFW requests approval to submit four federal grant applications totaling \$1,890,000 to the U.S. Fish and Wildlife Service National Fish Passage Program.

#### **Legislation Affected**

Curtis & Milia

None

Sincerely,

Curtis Melcher Director