

December 20, 2006

Mark Walker  
Director of Public Affairs  
Northwest Power & Conservation Council  
851 SW 6th Avenue, Suite 1100  
Portland, Oregon 97204-1348

Dear Mark,

We appreciate the past consideration given to us by the Northwest Power and Conservation Council (Council) and welcome this additional opportunity to address the issues raised by the Independent Scientific Review Program regarding our ongoing project 199101901, Hungry Horse Mitigation / Flathead Lake. As the Council directed us to do, we have revised our FY07-09 project proposal and made every effort to address the issues raised by the ISRP. We attempted to better explain the importance of this project and to document its many successes. Because we were constrained by the proposal format and its character limitations, we have included a supplement to this letter that more thoroughly explains the history of this project. We hope a reading of the supplement will remove the misunderstanding related to this project. The supplement lists a summary of our accomplishments over the past 15 years, explains the role of monitoring, explains the progression of research projects that have built the knowledge base that facilitates effective mitigation, and illustrates many of our habitat initiatives.

The ISRP provided these comments in their first review:

- 1) *"The project has expended more than \$1 million in just the past three years, and few results were provided."*
- 2) *"the results provide no basis to assess progress in these original and expanded goals and objectives", and "This project needs to be justified based on results."*
- 3) *"If efforts to improve escapement to the spawning grounds are successful there should be a tendency for parent numbers to increase along the curve (relating parents and offspring) described for the improved habitat conditions. The funding agency needs to be confident that strategies and methods exist for obtaining these data."*

The ISRP based a "do not fund" recommendation on the above three comments. On the first comment, they were simply misinformed. Annual funding for the last rate case was approximately \$143,000. The ISRP may have confused past funding with our request for the next rate case which is for a total of nearly \$1 million for the three year case. These additional funds are for restoration of acquired lands. As for the second and third comments, we interpreted them to mean we had not provided sufficient description of results or project-accomplishments in the current proposal. Accordingly, in our

response to the ISRP we provided eight pages of detailed results in addition to those provided in the original proposal.

The ISRP then provided these follow-up comments in their second review:

4) *“However, there still is no evidence of progress in meeting the initial goals and objectives regarding biological response to habitat initiatives. They do provide some assessment of trends in fish populations in Flathead Lake, but there is no effort to tie these trends to the habitat program”.*

5) *“Indicating a willingness to adjust the M&E to address the ISRP's concerns would have been helpful”.*

6) *“With regard to all the road restoration work, it is true that population-level improvements will take several generations to be apparent; however, monitoring fish presence above an improved road crossing is quite achievable and could yield a rough estimate of increased potential productivity if you knew how many miles of stream were now available”.*

We interpret comment #4 to mean that the ISRP is looking not just for results in the form of work-products, but for specific quantities of biological change resulting from specific changes in habitat. We, of course, are striving for the same outcome. We have quantified some of those changes, while others we have chosen not to quantify and consider photo-point documentation to suffice. In our first response we requested that the ISRP provide us guidance regarding where quantitative documentation is necessary, otherwise one would have to interpret the ISRP comments to indicate that all activities must be monitored in detail. We respectfully suggest that to monitor all activities would be excessively expensive, time-consuming, and in the end would not provide useful information. In addition, this is not a standard we see being applied to all projects.

This project is responsible for substantial positive biological change that may not have been evident in the project proposal. In addition, projects that primarily improve water quality may not cause measurable biological change. For example, Dayton Creek, tributary to Flathead Lake, had a legacy of poorly designed and maintained road crossings that frequently failed during peak flow events resulting in unnatural sediment plumes into Flathead Lake (see figure). We have cooperatively upgraded three of four problem sites with County staff, and are confident that these damaging events will no longer occur. We documented these activities by photo points, and did not collect project-specific biological data because we consider it impossible to tie quantifiable biological change to these improvements. It is this type of project that we referred to in our response to the ISRP when we resisted their direction to monitor all activities. We are very willing to adjust M&E, especially if we get direction from the ISRP, and the additional funding that would be necessary. We have better explained our M&E in the changes we made to the proposal.



Comment #6 further illustrates this point. We agree that monitoring the removal of a fish passage barrier in an important spawning tributary is achievable and worthwhile. Many of our projects have been to upgrade crossings that were failing, or to reduce total road densities in important tributaries supporting native trout. In these cases we do not think it is feasible or worthwhile to attempt to measure increased productivity.

We select and tailor our monitoring protocols to each habitat project. In larger projects we collect a suite of baseline measures to be periodically replicated after the completion of the improvement in habitat. In most cases we quantify both fish and macroinvertebrate abundance. We may choose to measure physical parameters within the project site, as well as many biological parameters collected at the basin-level that are intended to integrate changes in habitat throughout the basin, including those conducted by other agencies. Regrettably, we did not sufficiently elaborate on these methods and results in our initial proposal, but have now made these modifications.

We would like to take this opportunity to elaborate on some of the reasons that efforts to quantify biological responses can be problematic:

**1) Delayed biological responses**

Population increases generally result from improved reproduction and/or survival which may require years or generations to be expressed.

**2) Scale and cost effectiveness**

We conduct many small-scale habitat improvements that we consider to have universal acceptance as being ecologically beneficial. These projects may not generate increases in fish populations that can be cost effectively gathered, or that can be isolated from other factors affecting fish abundance.

**3) Hierarchy of limiting factors**

Most of our habitat projects target native fishes. The CSKT have been leaders in responding to introduced predators that impede or prevent recovery of target fish populations. For example, predation by lake trout caused the failure of the kokanee recovery program in Flathead Lake. We are presently striving to reduce lake trout in Flathead Lake as the critical first step in the mitigation program. We have been very successful with a publicly accepted and cost-effective program that has grown rapidly (see supplement). We must reduce the effect of this bottleneck before habitat improvement projects can achieve their potential.

**4) Ecosystem benefits**

Many of our projects are intended to have ecosystem benefits that will also benefit target fish species, but are not quantifiable. Dayton Creek is one of these cases.

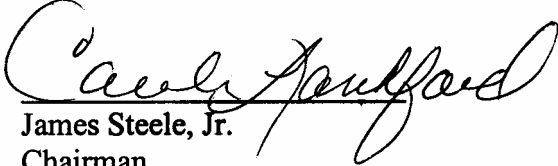
**5) Only implementation projects create direct biological responses**

About 75% of our funding is used for monitoring and research. These tasks are critical to the overall program, but do not generate direct biological responses. After accounting for indirect costs, this project rarely spends more than \$25,000 per year implementing habitat initiatives. We think our accomplishments have been substantial, especially in the context of this small budget.

We do not wish these comments to be construed as meaning that we wish to dilute the standard for evaluating projects, or that we aren't fully receptive to recommended modifications to our project. We think a dialogue on these reviews should benefit all involved. We look forward to a positive working relationship with the ISRP and a productive future mitigating hydropower impacts on the Flathead Indian Reservation.

Thank you for your time and consideration.

Respectfully,

A handwritten signature in cursive script, appearing to read "James Steele, Jr.", written in black ink over a horizontal line.

James Steele, Jr.

Chairman

Confederated Salish & Kootenai Tribes