

**Montrose Settlements Restoration Program Trustee Council  
Summary  
July 13, 2004 Trustee Council Meeting  
Carlsbad, California**

The following primary and alternate Trustee Council members were present:

Patty Velez	CDFG	Julie Yamamoto	CDFG
Jim Haas	USFWS	Andy Yuen	USFWS
Suzanne Goode	CDPR	Jen Boyce	NOAA
Kate Faulkner	NPS		
Jonathan Clark	CSLC		

Also attending:

Greg Baker	MSRP Staff	Katherine Pease	NOAA OGC
Dave Witting	MSRP Staff	Kathy Verrue-Slater	CDFG
Annie Little	MSRP Staff	Rob Ricker	NOAA/ DAC
Milena Viljoen	MSRP Staff	Steve Kellogg	URS (contractor)
Scott Sobiech	USFWS		

Trustee Council Business

A reminder was provided on the September 2004 due date for submission of final 2003 cost documentation. We'll utilize the accounting firm under contract to NOAA, Cotton and Company, to perform an accounting review of the cost packages so the Trustee cost subcommittee (Katherine, Kathy, and Jim) may focus their review on other areas. Agencies should provide three copies of their complete packages to Greg Baker. No agency indicated a problem with meeting the commitment.

We discussed comments on the draft TC meeting summary from May 5&6, 2004; CA DFG had submitted specific requests for changes. We agreed upon change that would appropriately characterize the discussions; conditioned on those changes, the Council approved the meeting summary. Greg will make the changes and circulate the final version, and place it in the record.

Resolution 04-2 for additional stable isotope work by USFWS, originally circulated and signed in May, needed to be changed to reflect that funding should be derived from funds previously transferred to USFWS in 2003 rather than from new funds. The original version had never been placed into the administrative record. The corrected version was circulated and signed on July 13<sup>th</sup>, and this final version will be placed into the record.

The MOU for the Montrose Trustee Council needs updating. In particular, the Council is interested in addressing provisions for appointment of alternate representatives and provisions for proxy representation when members cannot attend meetings. The current version requires designation of alternates and does not address assignment of proxy. Katherine will copy and paste applicable provisions clipped from other MOUs, run them by Kathy and Chuck McKinley, and then circulate them with recommendations to the entire Council for consideration; we should discuss preferred provisions and next steps in creating a new MOU at the next meeting. Several Council representatives indicated a preference that designation of alternate representatives be optional rather than mandatory, and all felt it important to provide provisions for assigning proxies.

Greg reported that the review of settlement accounts by Cotton and Company was in progress; planned to have definitive balances on settlement accounts by the next TC meeting. Katherine reported as follow-up from the last meeting that it did not appear to be possible to place restoration funds into an alternative, higher yielding account such as an insurance account or annuity as a means of paying for restoration work over an extended set of years. Jonathan and Katherine also briefed the Council on initial

investigation into placing settlement funds into a pooled investment account administered by the State Lands Commission, such as is being done for the Bolsa Chica restoration.

### Other News

Milena presented proposed redesign of the MSRP web site, including a new, simpler URL ([www.montrosere restoration.gov](http://www.montrosere restoration.gov)) and new design incorporating a "splash" page leading to the existing NOAA-hosted site. The existing NOAA site has gone live ([www.darp.noaa.gov/southwest/montrose](http://www.darp.noaa.gov/southwest/montrose)); we hope to have the new URL and splash page up and running within the next couple of months. There were no questions or concerns raised.

Annie reported on meeting with SF Zoo as follow-up to the last TC meeting. She discussed a memo from the Zoo that provided a counter proposal to the message we'd carried to them that we intended to end the MSRP funding of their captive breeding and incubation programs next year since we could obtain bald eagle chicks from the wild in California for substantially less than the current cost of our support of the Zoo. The Zoo proposed continuing their association with MSRP by providing bald eagle chicks from their captive breeding program on a pay-per-chick basis. The Council discussed pros and cons of each approach (obtaining chicks from the wild vs. ACC, along with however many we obtain from incubation of eggs laid on Catalina), and agreed that we should reply to the Zoo that we would commit in 2005 only to taking up to 10 bald eagle chicks from their program on a pay-per-chick basis at a rate of \$4,000 per chick. Other aspects of the Zoo's proposal (e.g. outreach) would be considered later in the general 2005 budget. Annie will seek from IWS a better estimate than the rough one they provided for the costs of obtaining chicks from the wild in California. We will proceed under an assumption that we're obtaining chicks for fostering on Catalina from incubation and from ACC, but we'll have as a potential backup option should those avenues fall through the possibility of obtaining chicks from the wild in California for the 2005 season, assuming we can get the necessary permits in place in time. Annie will convey these decisions to the Zoo and IWS.

Fish studies update: Dave reported on delays and issues in obtaining data of acceptable quality from Battelle; the lab is having difficulty meeting our strict QA/QC requirements, and there are issues to resolve on lipid analysis. Dave and Greg will work to ensure that we rectify problems and only pay for acceptable products.

### Restoration Planning

Greg recapped the status of the development of the RP. The detailed descriptive write-ups on the Tier 2 evaluations are still being edited by staff. In addition to the detailed evaluation write-ups for each project, the staff recommended that the Council consider employing a decision analysis approach proposed by URS as an aid to systematically evaluate and rank projects. The approach was demonstrated using Seabird projects as an example.

The suggested decision analysis still depends upon assigning high, medium, and low ratings for each project/ criterion based upon evaluation of scientific data and professional judgment but it incorporates a means of numerically weighting the importance of each criterion to improve the ability to objectively distinguish project preferences. It also provides a means of plotting project ratings against estimated costs to further distinguish project preferences. No final decision was made on the approach; the Council representatives asked for more time to consider it and provide recommendations to staff. Dave Witting will distribute an Excel file to all TC members and alternates so that they could more thoroughly examine the approach and consider alternative assignments of weights and ratings for projects. We will follow-up on this item with a conference call on July 28<sup>th</sup> at 1 PM. Comments including proposed alternatives for weighting criteria should be transmitted by individual TC representatives to the entire group prior to that conference call.

Patty questioned whether criteria were missing from the specific list of Tier 2 criteria handed out and presented in the decision analysis. Greg explained that previously the TC had seen a Tier 2 criteria list that included another factor, Public Health and Safety. The staff did not list and rate it in this analysis

because they did not feel it would help in distinguishing project preferences; instead it was implicitly incorporated into the Environmental Acceptability criterion in the proposed method. Also, the staff didn't explicitly deal with two other cost sub-factors: opportunities for shared funding and potential for duplicate funding. The staff's sense was that these factors entailed a great deal of uncertainty and thus they didn't add value as an objective distinguishing factor. Comments on the table distributed describing the Tier 2 criteria and ratings may also be discussed on the July 28<sup>th</sup> conference call.

### Seabirds

We discussed specific seabird restoration projects in the demonstration of the decision analysis approach. As shown, the evaluation leads us to a subset of projects having the highest ranking among them all. Since one project in particular, restoring seabirds to San Miguel, rates very high but may be so costly that it precludes funding several others, it was suggested that we will likely need to choose whether to fund three or four different high ranking but less costly projects, or one or two more costly projects. No specific conclusion was reached at this meeting on which projects would be designated "preferred" in the draft RP.

### Bald eagles

The Council discussed the bald eagle "decision tree" portraying different available options for bald eagle restoration under different potential scenarios for the NCI study, and which options should be put forward in the draft RP as the Trustees' preferred alternative. With respect to the Catalina bald eagle program, the Council concluded that regardless of the eventual outcome of the NCI study, we will propose as our preferred option in the draft RP that we not continue the current funding of egg manipulation/ incubation/ chick fostering as a means of intervening to maintain bald eagles on Catalina despite the continued exposure of the birds to injurious levels of DDTs and PCBs. Since the draft RP will not be publicly reviewed and made final before the 2005 breeding season, we will fund the program for 2005; however we will provide notice to IWS that funding from the TC may be discontinued after 2005, subject to the final outcome in the RP.

The Council further agreed that we should continue periodic monitoring all of the Channel Island bald eagle pairs regardless of the outcome of the NCI study. Funds should be identified in the RP for continued monitoring and also to continue active restoration of bald eagles in the NCI (should the NCI study indicate that the birds can successfully breed).

With continued monitoring, it was suggested that we may in the future (e.g. 10 years) find that exposures have declined to a level that would allow bald eagles to successfully breed on Catalina. The Council considered but decided against proposing in the draft RP that we set aside a dedicated reserve of funding for out-year active restoration of bald eagles on Catalina; instead, it was agreed that after several years of implementation of the overall restoration program, we should re-evaluate funding priorities and at that time bald eagle restoration on Catalina may be reconsidered if merited by monitoring results.

Based upon the above agreements, the Council agreed to propose the following allocation of funding for bald eagle restoration in the draft RP:

Cost for concluding NCI study and Catalina program:	\$4.2 M
Funds for continued monitoring throughout the Channel Islands:	\$1.0 M
Funds for continued active restoration in NCI should the FS have a positive outcome:	\$1.0 M

Thus, the RP will propose a total of \$6.2 M of available restoration funding be allocated to bald eagles at this point. This differs from the \$10 M proposed at the May 6<sup>th</sup> meeting. The Council agreed that the additional \$3.8 M that had been allocated to bald eagles should instead be allocated to seabird / peregrine restoration. The Council further agreed that if the results of the NCI feasibility study demonstrate that bald eagles cannot successfully breed on their own in the NCI, the additional \$1.0 M of bald eagle funds no longer needed for active restoration should also be re-allocated to seabird / peregrine restoration. Thus, the amount previously proposed for seabird / peregrine restoration, \$3 M, will be

increased to \$6.8 M, with a contingency that it may further increase to \$7.8 M depending on the results of the NCI study.

### Fish/ Fishing

Dave explained analysis he's conducted on the potential for measurable benefits to salt water fishing from wetlands restoration and MPAs. Using California halibut as the species of commonly sought after fish that is most dependent upon coastal estuaries at a critical life stage, he estimated the amount of such habitat that would be needed to see a measurable increase in production of adult halibut in coastal waters and concluded that the acreage would be in the tens of thousands, far more than what would be practicably achievable. Thus, while acknowledging wetlands significant and broad benefits to the aquatic and overall ecology of the region, wetland restoration would not appear to generate the targeted recreational/ subsistence fishing benefits one could achieve with appropriately designed and constructed fishing reefs. MSRP staff recommends that wetlands restoration be identified in the draft RP as a "less preferred" option.

Rob cautioned against implying a need to demonstrate a population-level benefit in the draft RP. Jim and Patty raised the question of other fish species that may benefit from wetlands restoration such as spotted sand bass, but in the end agreed that even assuming the benefits to coastal fishing extended beyond halibut as a single species, it appeared that there was low likelihood of demonstrating measurable improvements to coastal fishing from wetlands restoration, and thus agreed that we identify wetlands restoration as a less preferred option. Kathy recommended that we clearly emphasize in the draft RP that the reason we identify wetlands restoration as less preferred stems from our mandate to link restoration to the specific injury to fishing, to distinguish why other wetlands restoration efforts should not be viewed in the same light. Dave stated that the analysis in the draft RP should leave the door open for future consideration of wetlands restoration; upon reevaluation of the overall RP several years into implementation it may make sense to reconsider funding such efforts.

Dave also presented evaluation of the MPA option and the rationale (similar to wetlands) why it should be proposed in the draft RP as less preferred. Kate suggested that the MPA evaluation write-up should also be carefully worded so as not to misconstrue the benefits of MPAs, nor to inappropriately draw upon generalizations that don't apply to the Channel Islands MPAs. For instance, the benefits to fishing should be evaluated on the basis of available scientific studies rather than anecdotal information from fishermen; and the loss of prior fishing grounds within the boundaries of the MPAs should correctly characterize the situation for the specific sites selected for the Channel Islands MPAs.

After discussion, the Council generally endorsed (subject to review of the actual write-ups) the approach of identifying in the draft RP two preferred fishing restoration options, constructed reefs/ associated access improvements and public education/ outreach; and two less preferred restoration options, wetlands and MPAs.

It was agreed that the next Trustee Council meeting would be held from 8:30-4 in Long Beach on September 1, 2004.

The meeting adjourned at 3:59 PM.

**July 28<sup>th</sup> Trustee Council Conference Call (Follow-up to the July 13<sup>th</sup> Meeting)  
Draft Summary**

The following primary and alternate Trustee Council members were on the call. (NOTE: only five of the six Trustee agencies were represented; CSLC was unable to make the call. Recommendations described below do not constitute full TC approval.)

Patty Velez	CDFG	Julie Yamamoto	CDFG
Jim Haas	USFWS	Andy Yuen	USFWS
Suzanne Goode	CDPR		
Kate Faulkner	NPS		
Bill Conner	NOAA		

Also on the call:

Greg Baker	MSRP Staff	Scott Sobiech	USFWS
Dave Witting	MSRP Staff	Kathy Verrue-Slater	CADFG
Annie Little	MSRP Staff	Rob Ricker	NOAA/ DAC
Milena Viljoen	MSRP Staff		

Prior meeting minutes

No further changes recommended to the May 5,6<sup>th</sup> meeting summary. Some minor suggestions made for the July 13<sup>th</sup> meeting summary; these have been incorporated. A note was added to clarify that we will continue to take steps to keep open the option of obtaining bald eagle chicks from the wild in California (i.e. ask IWS to refine their cost estimate, initiate permitting work), though we are primarily relying on the SF Zoo and IWS's incubation on Catalina to produce chicks for the 2005 Catalina fostering effort.

Peregrine falcons

Annie discussed a draft decision tree for peregrine falcon restoration options for the Southern Channel Islands, and a summary of the current distribution of known/ suspected pairs throughout the Channel Islands. Those Trustees present agreed with the staff recommendation to propose in the draft RP that the Trustees' preferred option for peregrine restoration should be natural recovery with monitoring. Kate pointed out a need to make consistent the use of the terms "Southern Channel Islands" and "Catalina" in the decision tree. Jim asked if Annie could obtain information from the 1992 survey of peregrines in the Channel Islands to aid in evaluating recovery trends.

Decision analysis

We discussed and agreed that decision analysis was useful as a tool in aiding the evaluation of and selection of the Trustees' preferred restoration projects. Those Trustees present further agreed that presentation of preferred and non-preferred projects should be described in the draft RP itself in a manner similar to other recent RPs, i.e. through written explanation of why certain projects were preferred over others based on how they stack-up comparatively against the criteria (rather than creating a numerical scheme). We further discussed the relative importance of the five criteria and among those Trustees present, the following order (from highest to lowest importance) was recommended: Nexus, Resource Benefits, Feasibility, Environmental Acceptability, Ecosystem Benefits. The criterion "Ecosystem benefits" was previously titled "Multiple benefits"; we agreed that this criterion should be renamed to reduce confusion and more clearly convey this criterion's chief purpose: to distinguish between projects that do/ do not employ an ecosystem approach to restoration (i.e. making improvements on an ecological level rather than taking actions that have an isolated effect on a specific resource).

Bill Conner indicated that the NOAA NEPA office is likely to require that the RP/ EIS present more than just a no action and preferred alternative, but instead present a broader range of alternatives. MSRP staff will take this into consideration in developing the internal (Trustee Council) draft document.