



STAFF REPORT

MEETING DATE: 8/27/2019 **PREPARED BY:** Eric Klann
SECTION: Council Business **DEPARTMENT:** Public Works
CITY GOAL: Position City for the Future, Fiscal Responsibility
SUBJECT: Authorization to apply for incidental take permit

REASON FOR CONSIDERATION:

The City of Prineville and eight local irrigation districts have recently completed the development of a Habitat Conservation Plan (HCP) related to several threatened wildlife species. A HCP is a required part of an application for an Incidental Take Permit, a permit issued under the United States Endangered Species Act (ESA) to private entities undertaking projects that might result in the destruction of an endangered or threatened species.

BACKGROUND:

With completion of the HCP, the application for an Incidental Take Permit shall be made.

FISCAL IMPACT:

As shown in the attached document, the City of Prineville will initially contribute \$5,467 to a Crooked River Conservation fund annually. This cost will increase in the future as related to inflation.

RECOMMENDATION:

Authorization of staff to apply for an Incidental Take Permit to the U.S. Fish and Wildlife Service and the National Marine Fisheries Service.

Recommended Motion: The City Council hereby authorizes Eric Klann on behalf of the City of Prineville, to sign applications for incidental take permits as provided for under section 10 of the Endangered Species Act. These applications have been prepared pursuant to the proposed Habitat Conservation Plan, which was prepared with the assistance of Biota Pacific Environmental Sciences, Inc., on behalf of the City and the irrigation districts making up the Deschutes Basin Board of Control. The applications will be submitted to the U.S. Fish and Wildlife Service and the National Marine Fisheries Service for further review and processing by both Services.

Deschutes Basin Habitat Conservation Plan – Commitments and Costs

City of Prineville

August 2019

COMMITMENTS

The City of Prineville will have shared responsibility for one conservation measure under the DBHCP.

- **Conservation Measure CR-4:** The City will be one of three Permittees contributing to the Crooked River Conservation Fund. The City’s initial contribution to the fund will be \$4,000 per year. This will increase over time to keep pace with inflation.

COSTS

The estimated cost to the City for implementation of the DBHCP is \$5,467 per year (Table 1). This includes contribution to the Crooked River Conservation Fund, staff time for compiling and reporting data on compliance, and the City’s contribution to contractor costs for preparing the joint annual report.

Table 1. Estimated costs to City of Prineville for implementation of the Deschutes Basin HCP.

One-time Capital Costs	Average Annual Expenditures					
	Habitat Funds	Operations Staff Labor	Admin Staff Labor	Contract Services (monitoring)	Contract Services (reporting)	Total Annual Expenditures
\$0	\$4,000	\$0	\$734	\$0	\$733	\$5,467

IMPLICATIONS TO CITY OPERATIONS

The DBHCP will have no effect on the operations of the City.

Measure CR-4: Crooked River Conservation Fund

Within 6 months after issuance of the Incidental Take Permits, and no later than March 1 of each year thereafter for the term of the Permits, OID, NUID and the City of Prineville will contribute a combined total of \$8,000 annually to the Crooked River Conservation Fund. This amount will be adjusted annually for inflation in direct proportion to the change in annual average Consumer Price Index for all urban consumers (CPI-U), West Region, all items, Base Period 1982-84=100, published by the Bureau of Labor Statistics. Individual permittee contributions to the fund will be as specified in Table CR-4.

The fund may be used for activities that support DBHCP conservation measures and/or benefit the covered species within the Crooked River subbasin. Any use of the fund must be approved by USFWS and NMFS after consultation and coordination with OID, NUID and the City of Prineville.

Water purchased from OID patrons with the Conservation Fund for temporary instream leasing may be stored in Ochoco Reservoir or Prineville Reservoir, as appropriate, and released at any time during the OID legal irrigation season (February 1 through November 30) determined by USFWS and NMFS.

Table CR-4. District and City responsibilities for contributing to the Crooked River Conservation Fund.

Permittee	Proportional Responsibility Based on Total Fund Amount (assumes annual increase in fund based on CPI)		
	Total Amount \$8,000	Total Amount \$8,001 to \$12,000	Total Amount > \$12,000
City	\$4,000	\$4,000	One-third of total
OID	\$4,000	\$4,000	One-third of total
NUID	\$0	Amount over \$8,000	One-third of total