

Fiscal Highlights

Carp-Processing Plant at Utah Lake? - Ivan D. Djambov

The carp removal at the Utah Lake is deemed very important element towards recovering the endangered June Sucker. Over the years, the Species Protection Program at the Department of Natural Resources (DNR) has partnered with the the federal Bureau of Reclamation to fund the carp removal efforts at the lake. As federal funding appeared to be drying up, the state program has been looking for new ways to find funds in order to continue to pay for the carp-removal efforts.

In FY 2012, the program explored the feasibility of building a carp-processing facility on the Utah Lake shore. The facility was to process the removed carp into fish meal, and then to market and sell the product to fisheries. The hope was that this enterprise would be generating profit, which would be used to offset the costs of carp removal. The initial search for private investors for this project did not produce any results.

The program manager asked the internal auditors of DNR to do a cost-benefit analysis and determine if it would be a good idea for the state to build and run this operation. The recommendation was that the state should not invest in the project. Among the the concerns listed by the auditors were the high risk of the investment and the unknown costs.

During the 2013 General Session, a request for \$2.95 million for building the Utah Lake's fish-meal plant was presented to the Natural Resources, Agriculture, and Environmental Quality Appropriations Subcommittee. The Legislature did not fund this proposal.

In the spring of 2013, the Utah Lake Commission and the Species Protection Program issued Request of Proposal (RFP) to provide "information regarding the financial and ecological feasibilities of two options; removal and disposal of carp at local landfill(s)/composting facility(ies) and removal and conversion of carp into marketable fish meal through the development of a fish meal processing plant at the lake."

There was only one applicant, and the contract was awarded to ENVIRON International Corporation, headquartered in Seattle, Washington. The cost for the study is estimated to be approximately \$50,000. The funding will be split between restricted funds from DNR and Bureau of Reclamation. The results of the study will be provided by the end of October 2013.