

Simpson Outlines Work for Project



ECBID Manager Craig Simpson at the CBDL Board Meeting on May 15.

East Columbia Basin Irrigation District (ECBID) Manager Craig Simpson visited the CBDL Board at their last meeting to discuss work now that Bureau of Reclamation Director Lorri Lee signed the Record of Decision (ROD) for the Odessa Subarea Special Study. Simpson said they will follow the ROD's recommendation to implement the Preferred Alternative 4A.

The District's Board of Directors has discussed the implementation of the Odessa Subarea Special Study Program during their Development Committee and Board Meetings. Craig Simpson said during meetings it was recognized the District is in contract negotiations with the USBR for the delivery of Lake Roosevelt Incremental Releases Program (LRIRP) water and Coordinated Conservation

water for replacement of groundwater supplies in the Odessa Subarea. With the ROD signed, the Board chose to authorize the staffing of a Development Coordinator, Geographic Information Systems Technician and Seasonal Engineering Technician to begin the process of providing a partial solution to some of the groundwater depletion in the Odessa Subarea Aquifer. Simpson said ECBID is expecting to hire additional staff in the future as design, construction and contracting needs are required. The Board has also designated offices within the Othello Watermaster Building as the Development Office where most of the Odessa-related staff will work.

ECBID is currently working on compliance documents and designs for East Low Canal
SEE SIMPSON PAGE 3

League Promotes Project in D.C.

*By Mike Schwisow,
CBDL Government Affairs*

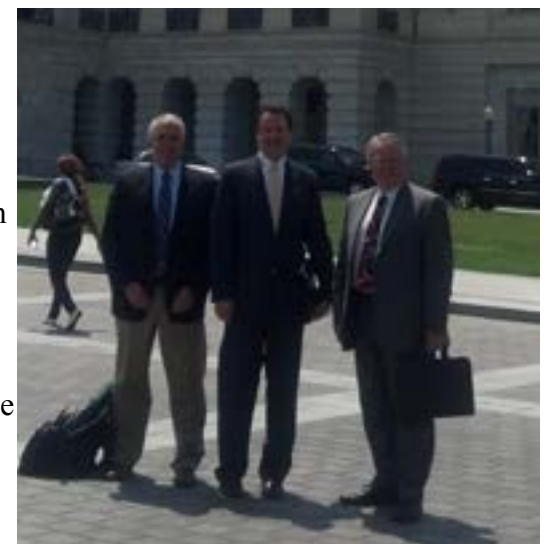
A Columbia Basin Development League lead group visited Washington DC in May to update

Washington Congressional delegation offices and Administration officials on progress being made to provide Columbia Basin Project water to replace deep wells in the Odessa Subarea. This year

the delegation included Vicky Scharlau and Mike Schwisow the CBDL's Executive Director and Government Relations Director; Chris Voigt, Executive Director of the Washington State Potato Commission and Derek Sandison, Director of Ecology's Office of Columbia River.

Delegation members, after the long Odessa Subarea Special Study environmental review and evaluation process, were pleased to be able to talk about the major step forward marked by the signing of the Record of

SEE ADVOCACY PAGE 3



From left, Director of Ecology's Office of Columbia River Derek Sandison, Executive Director of the Washington State Potato Commission Chris Voigt, and CBDL Director of Government Relations Mike Schwisow in D.C.

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David Stevens, Wilson Creek
William Wagoner, Quincy
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STAFF

Vicky Scharlau, Executive Director
Mike Schwisow, Director of Government Affairs



FROM the CHAIR:



Milt Johnston, Ellensburg

With the U.S. Bureau of Reclamation signing the Record of Decision for the Odessa Subarea Special Study, the East Colum-

bia Basin Irrigation District has started to prepare for expanding the East Low Canal and the work needed to be done in the Odessa Subarea. ECBID Manager Craig Simpson has been coming to our CSDL Board meetings to discuss what the irrigation district is up to now that they have permission for project expansion.

To prepare for the upcoming work ECBID is hiring three new staff positions and have been able to fill two of those positions already. A Development Coordinator and Engineering Technician have

been hired to the ECBID staff and Simpson is still in the process of hiring a Geographic Information Systems Technician. All of these positions will be involved with the Columbia Basin Project.

The CSDL Board of Trustees is excited to see progress happening with the project.

I am excited about the progress everyone has made on solving the Odessa Sub-Area problem. Remember this is a marathon, not a sprint, but I am gratified by the progress that has been made.

Upcoming Important Dates:

July 21-27: Agri-Business Week, Central Washington University

August 21: CSDL Executive Committee meeting, Moses Lake

August 22: Water Day

September 18: CSDL Board of Trustees meeting, 6-8 p.m. Moses Lake

What's in This Issue?

Curious who gets water when the project is done? Check out page 3.

East Columbia Basin Irrigation District hired a new Development Coordinator. Who is it? Check out page 5.

Which CSDL Board Member is standing in front of the Grand Coulee Dam? Check out page 5.

2013 Member List is on page 4.

For an outreach story by CSDL Director of Government Relations Mike Schwisow see page 6.

For information on water price, value and cost, see page 7.

East Columbia Basin Irrigation District is looking to fill positions. See page 8.

For the quote of the month see page 8.

Columbia Basin Project Water: Who Gets It?

East Columbia Basin Irrigation District Manager Craig Simpson said the ECBID Board has recognized there are questions related to contracting, eligibility, seasonal water transfers, cost, and Regression Risk Analysis implications from landowners interested in Columbia Basin Project irrigation water for groundwater replacement. He said discussions with the Bureau of Reclamation and Washington State Department of Ecology have been ongoing to determine the answers to the issues.

Primary criteria for eligibility to receive project irrigation water include lands with a qualifying State issued groundwater permit or certificate, inclusion in the CBP within the District boundaries, suitable land

classification to receive CBP irrigation water and the ability to enter into a Water Service Contract with the District.

ECBID said they are gathering GIS (Geographical Information System) information from the Bureau of Reclamation and Washington State Department of Ecology to create a database specifying the lands that are initially eligible to receive CBP irrigation water under the available programs. Once the data is compiled, eligible landowners will be contacted and provided with additional groundwater replacement information and a questionnaire regarding the programs begin pursued. Contact ECBID at (509) 488-9671 with questions.

Advocacy:

Decision by Reclamation Regional Director Lorri Lee. Completion of the environmental review for the selected preferred alternative means the project is ready to build subject to availability of funds.

Meetings were held with Congressman Doc Hastings and his staff; Congresswoman Cathy McMorris Rodgers' Legislative Director Melanie Steele; Jaime Shimek, Senior Policy Advisor to Senator Patty Murray; and Paul Wolfe, Legislative Assistant for Senator Maria Cantwell. Delegation members were thanked for their ongoing support and for securing funding necessary to complete the OSSS.

The group also met with Sam Ricketts, Director of Governor Inslee's Washington DC office and staff with the Senate Energy and Natural Resources Water and Power Subcommittee and Senate Appropriations Energy and Water Development Subcommittee who have jurisdiction over Columbia Basin Project issues and budgets in the Senate.

The group met with top Administration officials: Department of Interior Assistant Secretary for Water & Science Anne Castle and Bureau of Reclamation Commissioner Michael Connor. That meeting also included Reclama-

tion top budget officer and the liaison for the Pacific Northwest Region.

The group urged continued support for the effort now that the study is complete and the project is ready to build. The message included that the Washington Legislature is considering a major investment in East Low Canal facilities with close to \$32M proposed in both the House and Senate versions of the Capital Budget. This funding will go a long way to completing the expansion of the East Low Canal, but the delegation members and administration were asked to consider Federal funding beginning in Federal Fiscal Year 2015 to help finish canal widening. Once the State funded work is complete the amount needed to complete the project will be clearer.

Another topic discussed by the group is the Columbia River Treaty 2014-2024 Review which is currently underway. The point was made that if the treaty is to be opened for negotiation with Canada, ample provision must be made for future out of river water supply. The current treaty focuses on power and flood control and current discussions are also including environmental issues. The Columbia River Basin has tremendous potential for expanded

irrigated agricultural production that will insure U.S. food security and help address global food demands. The group conveyed that those issues need to be on the table in any future Columbia River Treaty negotiations.

Bonneville Power Administration and Army Corps Engineers expect to have a draft recommendation for the State Department out for review early this fall.



From left Department of Ecology Office of Columbia River Derek Sandison, Congressman Doc Hastings, CSDL Director of Government Relations Mike Schwisow, and CSDL Executive Director Vicky Scharlau.

Simpson:

widening as an early action project in preparation for potential funding that may allow construction to begin this fall. Simpson said they are bringing in a temporary engineer to put the plans and speculations for the project assuming some portion of the budget amount

is passed by State Legislature.

With the ROD signed, the District has also contracted with SDM Advisors and Foster-Pepper to assist the District in securing financing for construction of the improvements necessary to convey and deliver the Columbia

Basin Project irrigation water for groundwater replacement in the OSSS area. Simpson said the Washington State Water Resources Association advocated and secured a new state law to assist ECBID in the development of Local Improvement Districts (LID), which

is one potential financing option.

Questions and comments regarding the OSSS program, LRIP and Coordinated Conservation implementation can be directed to Simpson at (509) 488-9671 or by e-mail.

2013 Member List

Sustaining

JR Simplot Co

Leadership

ConAgra Foods/Lamb Weston

Premier

Lindsay Corporation

Washington State Potato Commission

Major

City of Othello

Connell 76 LLC

Evergreen Implement

Warden Hutterian Brethren

Underwriter

Adams County Commissioners

Zirkle Fruit Company

Supporter

McCain Foods USA Inc

McGregor Company

RDO Equipment Co

S & C Ranching Inc

Corporate

Ag World Support Systems

Connell Grain Growers

David & Rose Stevens

Johnson Agriprises/Johnson-

Reaugh Partnership

Lincoln County Commissioners

Nelson Irrigation Corp

Ritzville Warehouse Co/Odessa

Trading Co/Ag Tech Services

Stahl Hutterian Brethren

Valley Fruit Orchards LLC

Members

501 Consultants Inc

77 Double Bar Ranch

A Randal Dickinson

Adams County Water Conservancy Board

Ag Ventures NW

AGRI/Com Appraisals

Alan Voise

Allogare LLC

Anderville Farms Inc-Mattawa

Animal Medical Center Inc

Arlie & Aurora Updegrave

Art Prior

AV Labs Inc

Avista

B&R Farms Inc

Basic American Foods

Bee Dee Farms Inc

Bernard Erickson

Big Bend Ag Appraisals

Black Sands Irrigation District

Bly Ranches Inc

BR Bair Farms Inc

Bradley A Greenwalt

Bruce & Diana Carlson Inc

Bruce LePage

Burk Wahluke Enterprises-Donald

Burk

Burk Wahluke Enterprises-Douglas

Burk

Canyon Crest Farms

Carpenter McGuire & DeWulf PS

Cecelia J Quirk

Cegnar Company

Central Bonded Collectors

CH2M Hill

Claasen Farms

Columbia Agricultural Consultants Inc

Crop Production Services

Dale Walker

Dan Piper Farm

Dano Law Firm PS

Darrel A Kulm Ranches Inc

David J Andrews

David J Greenwalt

Don Beus

Donald J Stucky

Duncan Crane Service Inc

Earthbourne Resources Inc

East Basin Ag LLC

East Columbia Basin Irrigation District

EL & JH Ray Farms LLC

Finagele Farms Inc

Fode Farms Inc

Frank & Elin Miannecki

Franklin County Commissioners

Franz Ranch Inc

Frick Farms

Friehe Farms

Gavilon Grain dba Union Elevator

Glen Bair Farms

Grange Supply Company of

Odessa

Grant County EDC

Grant County PUD

Haricot Farms Inc/Central Bean Co

HDR Engineering Inc

Hendrix Farms LLC

Horning Bros LLC

Hovde Orchards LLC

Irrigation Specialists

Irrigators Inc

J&E Schafer Farms Inc

J&S Myers Inc

Jacklin Seed by Simplot

Janett & Associates LLC

Jay & Kathy Scrupps, JV

Jon & Sharon Fink

JTE Farms

J-U-B Engineers Inc

Jubilant LLC

K&D Farms Inc

Kagele Family Farms LLC

L&L Ag Production LLC

Lad Irrigation Co

Larsen Farms Inc

LaVerne Truman

LC Farms Inc

Leffel Otis & Warwick PS

Lenwood Farms Inc

Leroy & Shirley Welch

Lindcrest Ranch

Lynn Pittman Farms

Malinda Zilliox

Margaret Franz-Robinson

Mark Booker

Marlin Hutterian Brethren

Marvin and Neil JV

Mary Shinn

Mead & Hunt Inc

Merle Gibbens

Mike LaPlant

Milton D Johnston

Mona M Freriks

Moody Family

Moses Lake Irrigation & Rehabilitation District

Nancy Franz

National Frozen Foods Corporation - Quincy

Neil Fink

Northwest Ag Plastics Inc

Northwest Farm Credit Services

NuChem

Odessa Dental Clinic

P&P Farms

Pacific Northwest Waterways Association

Palmer Lake Ranches

Patty Kagele Farms Inc

Perkins & Zlatich CPA PS

Phillips Family Farms LLC

Phillips Ranch Corp

Piper Ranch-Steve Piper

Pomeroy Farms

Port of Pasco

Port of Royal Slope

Port of Warden/Grant County District #8

Qualls Agricultural Laboratory Inc

Quincy Columbia Basin Irrigation District

R&L St Hilaire LLC

Radach Farms Inc

RAFCO Inc

Representative Joe Schmick

Representative Susan Fagan

Rexxon Inc

Richard A LeMargie

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ECBID Hires Development Coordinator



Levi Johnson, ECBID Development Coordinator

Levi Johnson has been hired to fill a new Development Coordinator position for the East Columbia Basin Irrigation District (ECBID). As Development Coordinator, Johnson will assist with the implementation of the Odessa groundwater replacement solutions and East District Columbia Basin Project development in general. Johnson's previous job was at the East Columbia Basin Irrigation District as a Staff Engineer.

ECBID Manager Craig Simpson said they were fortunate to have a well-qualified group of applicants to choose from for the position. Johnson previously worked for

ECBID as a staff engineer. Johnson started his new position June 17. He will continue to contribute to the design of the East Low canal expansion work being undertaken in preparation for fall construction (if funding allows). Simpson said this work will continue for Johnson until a replacement for his staff engineer position has taken over.

Any questions related to the East District groundwater replacement activities will be directed to Craig Simpson until Johnson takes over the point of contact when he has had the opportunity to become more familiar with the District's efforts.

2013 Member List, Continued

Richard Erickson

Richard Quirk

Richard Stevens

RJ Circle Farms Inc

Robert A Marble

Rod Rottinghaus Farms

Roger Gish

RP Stucky Properties LLC

SAC Enterprises Inc

Sackmann Law Office

SC Communications Inc

Schibel Farms Inc

Schlagel Farms

Schneider Farms - Pasco LLC

Schroeder Law Offices PC

Seed-Rite Inc

SideB Inc

Skone Irrigation Warden/Pasco

South Columbia Basin Irrigation District

Spectrum Communications Inc

State Senator Mark Schoesler

Su-Co Land & Cattle Inc

Sunset Farms Inc

Sutter Kunkle & Thompson PS

Templin Farm Service

Tippett Company of Washington LLC

Tom Dent Aviation

Tom Downs Farms

Treat Farms

Underhill Farms Inc

Vernon C Phillips

Wacker Farm

Wajer Farms Inc

Washington Association of Wheat Growers

Washington Association of Wine Grape Growers

Washington Fruit & Produce

Washington State Water Resources Association

Washington Trust Bank

William Johns

William Riley

Windy Prairie Inc

Partner Members

Grand Coulee Dam Area Chamber of Commerce

Greater Connell Area Chamber of Commerce

Moses Lake Chamber of Commerce

Pasco Chamber of Commerce

Ritzville Area Chamber of Commerce

The Start of it All



Jeff Schibel in front of Grand Coulee Dam, one of the largest structures ever built by mankind.

CBDL Provides Odessa Study Briefing for Lake Roosevelt Forum

By Mike Schwisow, CSDL Government Affairs

The Columbia Basin Development League was invited to pinch hit for Ecology's Office of Columbia River Director Derek Sandison last week. Mike Schwisow, League Government Relations Director made a presentation on the progress of the Odessa Subarea Special Study project during a recent Lake Roosevelt tour organized by the Lake Roosevelt Forum. Lake Roosevelt is a key facility for the Columbia Basin Project. Reclamation holds a State of Washington water right certificate to store 6.4 million acre feet of water in the reservoir on

the Columbia River. Irrigation project operations are integrated with the other multiple use purposes of the CBP including power generation, flood control and recreation. The Lake Roosevelt Forum's mission statement is to establish a dialog based on trust and respect of all views that seek common ways to protect and preserve the quality of the environment and enhance the quality of life as they relate to the lake and economies of the region. The backdrop for Forum activities is the unique and distinct needs of Lake Roosevelt, which resulted from creating a reservoir to support operational capacity at Grand Coulee

Dam. Two Indian tribes, federal agencies, state agencies and four counties have specific interests in the management of the lake. Individually and collectively, they seek to meet a diverse set of environmental, economic and cultural needs. The Lake Roosevelt Forum's website is at: <http://www.lrf.org/> The presentation provided an opportunity to do additional outreach and network with a group of stakeholders that share an interest that is critical to the operation of the Columbia Basin Project.

Outreach Continues



CBDL members visiting Columbia Bank in Ritzville to continue their outreach efforts.

The League continued outreach efforts last month visiting the Washington Bankers Association, Sterling Bank in Moses Lake, Bank of America in Spokane, the Odessa Chamber, Agribusiness Council in Spokane and Columbia Bank in Ritzville. Next month the League is planning on taking their outreach efforts to Inland Power and Light, and to Agri-

Business Week at Central Washington University in Ellensburg. Board Member Heath Gimmetad has also offered to set a meeting with Washington Trust Bank in Moses Lake. Since February the League has been engaged in these outreach efforts to provide fact-based updates on the Columbia Basin project and the Odessa Special Study.

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It's easy, affordable, and a great way to reach nearly 2,000 contacts with interests in the Columbia Basin.

For rates and information, visit www.cbdl.org

Understanding the Relationship Between Water Price, Value, Cost

Washington State University-Extension recently distributed a fact sheet on understanding the relationship between water price, value, and cost. CBDL staff provided a summary below:

- Reallocating water from one use to another inevitably has costs and benefits, precisely because it is a scarce and valuable resource.
- o Market price: determined simultaneously by the cost to produce the good and how much consumers value it...the amount the producer and consumer exchange for the good
- o Value: the difference between the market price of the goods sold and total cost of producing the goods at the chosen scale of production
- Water Markets: The simple model of a competitive market does not apply well to water and water resource allocation because

- o of the fluidity of water
- o Water rights tend to define the right to use water, but do not assign ownership
- o Water right holders often oppose the development of water markets because they are concerned the third-party will not be accounted for
- o Social costs and benefits from water use extend beyond the private costs and benefits borne and acquired by individual decision makers in use and in transactions
- Demand and Supply of Water and their Relationship to Benefits and Costs: for water resources in general, the state maintains ownership of water in the state, in trust for use by its citizens.
- o State grants the right to use property owned by someone else
- o Water rights are based on a seniority system
- o If a water rights holder

chooses to sell or lease his or her water right to someone else, then the seller can be thought of as a supplier. If a farmer wanted to sell the usage of his or her water rights, the value would be based on the additional profit gained by sharing the water, relative to not sharing. When a sale occurs, it means both the buyer and the seller are better off than before.

- Importance of Water Rights for Aligning Costs, Value and Price: When rights are clear and transactions are relatively straight forward, market prices accurately reflect the full opportunity costs and values of the goods or resources being traded
- o Acquisition and enforcement of secure water rights take a great deal of effort
- o The key to making the most of our water resources is to continue to create and redefine water



management institutions. Institutions can facilitate the movement of water to its highest valued use to the extent that market prices reflect these values

Board, Staff, at Work



From left, CBDL Board Member Jake Wollman Jr., CBDL Executive Director Vicky Scharlau, and CBDL Chair Milt Johnston at the May Board meeting.

Save the Date:
2013 Annual Conference

Mark your calendar for the 2013 Columbia Basin Development League annual conference, Thursday, November 7. If you have suggestions for conference topics, let us know: sara@cbdl.org

CBDL Now Offering Membership Online

The League's website is now offering the choice to pay membership online. New members can also sign up at the site. If you like printing out a form and sending it in the mail with a check that's still an option. Offering the ability to sign up online is just another way we are trying to better serve our members.

To sign up visit the Columbia Basin Development League website at cbdl.org.

ECBID Hiring Staff Engineer and GIS/IT Technician

East Columbia Basin Irrigation District is looking for a Staff Engineer to perform civil engineering work related to designing, planning, reviewing and inspection of District operated and maintained facilities. They are also looking for applicants for a GIS/IT Technician position. This consists

of developing, implementing, operating, and maintaining the District's GIS system and assisting with configuring, troubleshooting, and maintaining a LAN. Both positions close on July 5, at 5 p.m.

For more information and applications for either job visit cbdl.org.

Agri-Business Week

Columbia Basin Development League is a sponsor for this year's Agri-Business Week and will include an opportunity for the League to provide a presentation at the late July event on Washington Water Needs: A Focus on Regional Impacts. Other sponsors include Washington State Potato Commission, McGregor, Simplot, Darigold, and Washington Grain Commission.

This presentation is part of a series that included input by Syngenta, Evergreen Implement, and Anderson Hay & Grain. Agri-Business Week is a program for high school students to learn what it takes to be in the business of feeding the world.

During this week students are responsible for launching a new product, where they will make choices that save people's lives, compete for a new building contract, or find ways to increase the profits of client organizations. This year Agri-Business Week is July 21-27 and is held at Central Washington University.

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“SHALLOW MEN BELIEVE IN LUCK.
STRONG MEN BELIEVE IN CAUSE AND
EFFECT.”

- *Ralph Waldo Emerson*



Since 1964, we have supported the Columbia Basin Project and its future development. We protect its water rights and educate the public on the renewable resource and multiple-purpose benefits of the project.