

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.

Richard Erickson Receives Honorary Membership

Dick Erickson, former Columbia Basin Irrigation District Manager joined the January meeting of the League Trustees to receive an honorary life membership in the League. Dick, along with Shannon McDaniel, former South Columbia Basin Irrigation District Manager, and Bill Gray, former U.S. Bureau of Reclamation Columbia-Cascades Area Manager were 2014 recipients of the honor at the League’s annual meeting in



Orman and Dick Erickson with Honorary Life Member award

November, but Dick was not able to accept the honor in person last November.

Congratulations to Dick on his years of service!

Basis of Negotiation Underway With Reclamation

The East Columbia Basin Irrigation District (ECBID) holds a Master Water Service Contract from the Bureau of Reclamation that permits the District to deliver water to landowners. The Master Water Service Contract expires in 2020. Extension or renewal of that contract is critical to ECBID’s ability to secure financing on future project development, should it become necessary. Recently, it was learned that Reclamation cannot do an extension, but they can renew the contract, and a Basis of Negotiation (BON) is being developed within Reclamation that will allow Reclamation to communicate with ECBID on the subject of renewal.

ECBID Awards Bid for Lind Coulee Siphons

East Columbia Basin Irrigation District (ECBID) Directors, at a late January board meeting, awarded a bid for the construction of two of the remaining five siphons necessary to complete the East Low Canal (ELC) improvements portion of the Odessa Ground Water Replacement Program (OGWRP). The Directors authorized staff to complete the pro-

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From The Chair

Orman Johnson

February marks the last full month for annual Columbia Basin Project repair and maintenance before water begins to fill the canals again in March. The winter season has passed quickly for the number of projects underway, but crews have been hard at work, and a great deal of progress has been made. In addition to continued work to expand East Low Canal as part of the Odessa Ground Water Replacement Program, attention in all three Columbia Basin Project irrigation

districts has been directed to other critical efforts to keep Project water flowing efficiently and safely during the growing season. And, Reclamation has also acknowledged the importance of Project maintenance with inclusion of the Columbia Basin Project in their budget request as well as some increases in fees passed on to landowners and water users. This month's newsletter touches on the topic of operations and maintenance and the sources of funds that make O&M possible.

ECBID Awards Bid for Lind Coulee Siphons *Continued from page 1*

cess of contracting with the apparent low bidder, Rotschy, Inc. of Vancouver, WA, with a bid of just under \$13.6 million.

The two siphons are the largest element to be funded with the current \$26 million grant provided to ECBID by Ecology's Office of the Columbia River. The grant funding was allocated in the 2013-15 Capital Budget enacted by the Washington Legislature. The bid offering drew responses from eight bidders whose bid amounts were tightly grouped reflecting the current competitive public works contracting environment. The winning bid amount also continues with the trend of OGRWP implementation costs coming in significantly below Reclamation engineer's estimates. One reason for this is the very conservative estimating and high contingencies Reclamation applies to projects as a matter of policy. Similar results were seen with the estimates and bidding on the Weber Coulee Complex siphons and on the work ECBID has been undertaking to widen the ELC.

Another major element of the ELC portion of OGWRP has been earthwork associated with widening the canal itself. ECBID has brought on additional canal maintenance workers and engineers and acquired heavy equipment necessary to carry out this portion of the project "in house". During the 2013-14 construction season over a million cubic yards of earth were taken out of a 13 mile stretch of the ELC. The remaining 31 miles are the focus for the current construction season. Reclamation has cooperated by authorizing ECBID to modify their facility using State grant funding. ECBID has been able to stretch the grant funding and cut administrative time and costs by performing the work directly providing more bang for the buck.

The trend of bids coming in below estimates is expected to have a positive impact on the overall OGWRP benefit/cost ratio. Development of a project benefit/cost ratio is part of the Office of Management & Budget planning requirement Reclamation must meet to be eligible for funding by Congress. A recalculation of the benefit/cost ratio, which the CBDL is advocating, will help improve the chances of securing Federal funding for the remainder of the ELC improvement portion of the Project. The final Odessa Subarea Study Record of Decision issued by Reclamation reflected a benefit/cost ratio just above 1.0 which makes obtaining Federal funding practically impossible. Recalculating the cost side of the equation to reflect actual costs will provide a more realistic and favorable ratio.

QCBID Panel Repair Efficient, Cost-Effective

Quincy Columbia Basin Irrigation District (QCBID) awarded a bid to West Company to replace 24 panels on the Main Canal upstream from Pinto Ridge Road. Half of the panels failed during the last irrigation season, and the other half were compromised by a sink hole underneath them. Repairs must occur before the start of the 2015 irrigation season to prevent further damage and avoid the possibility of a disruption in water delivery during the season.

The Main Canal is a Reserved Works (operated and maintained by the Bureau of Reclamation). However, the Bureau of Reclamation contracted with QCBID for the cost-saving benefits and efficiency QCBID can provide.

QCBID's geographical proximity to the project site is a logical benefit. Additionally, due to the regularity with which the district provides administrative oversight and crews for similar projects, the district has streamlined a process that takes less time and incurs less overhead than what Reclamation could otherwise achieve.

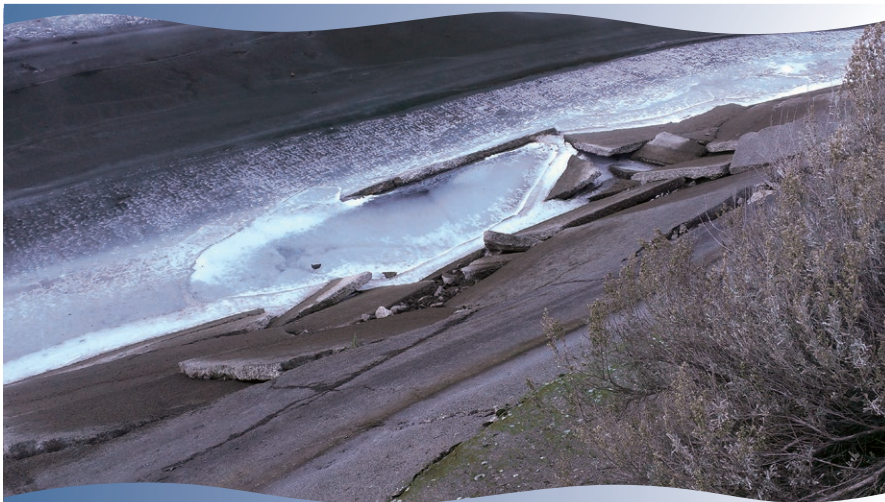
The end result is a benefit to each Columbia Basin Project irrigation district, because their Reserved Works Budget is impacted less. Thus, landowners' and water users' assessments and charges are impacted less.

The contractor will remove the existing concrete, fill voids with

gravel, compact each area, and re-pour the panels. The window of opportunity for the project is extremely limited. Ice from residual water in the canal must thaw enough for the water to be pumped out. In some areas, there is six feet of water under the ice. All work must be complete before mid-March.



Panels needing replacement on the Main Canal upstream from Pinto Ridge Road.



UPCOMING EVENTS

CBDL Trustee Meeting- Tuesday, March 17, 2015

2:00 p.m. – 4:00 p.m.

Big Bend Community College

ATEC Building, Hardin Room (#1837)

7611 Bolling St NE, Moses Lake, WA

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The League's website offers the choice to pay membership online.

New members can also sign up at the site.

Offering the ability to sign up online is just another way we are trying to better serve our members.

Go to www.cbdl.org for more information.

Assessments and Charges Keep CBP Operational

In light of aging infrastructure, continued maintenance and timely response to repair needs is critical to ongoing Columbia Basin Project operations. Below, the League provides a summary overview of how the irrigation fees landowners and water users pay get put to use within the Project. The League used 2015 East Columbia Basic Irrigation District (ECBID) assessments and charges as an example. Below are excerpts from a January notice to ECBID landowners and water users.

“Operations and maintenance (O&M) assessments are used by the East Columbia Basin Irrigation District to pay the costs to operate, maintain and administer the irrigation and drainage facilities operated by the District and includes payments to the Bureau of Reclamation for pumping and power costs at Grand Coulee Dam. For 2015 the weighted average O&M assessment is \$62.89 per acre, an increase of \$4.27 over 2014, which is a 7.28% increase. O&M costs for Reserved Works (those facilities operated and maintained by USBR) constitute \$3.67 of the increase and are the result of a Diversion Rate set by the Bureau of Reclamation. Reserved Works include the Main Canal, John Keys Pump-Generating Plant, Dry Falls, Pinto, O’Sullivan, and Grand Coulee Dams. Diversion rates are set for five year periods, 2015 being the first year under the new rate setting. The increase applies to all irrigable land classes.”

The ECBID notice also highlighted two other fees with specific purposes.

1. ECBID “collects an Emergency Reserve charge to provide a backup fund for unforeseen events such as large canal breaks, catastrophic equipment break downs, etc. For 2015, as for many past years, this charge is a 1% surcharge in addition to the O&M assessment for each parcel and each water service contract.”

2. Funds used for the original construction of the Columbia Basin Project were federal funds intended to be repaid to the federal government by the landowners and water users in the Project. Thus, information about the construction assessment was included in the ECBID notice.

“Construction assessments are collected by the District and forwarded to the U.S. Bureau of Reclamation to make the annual repayment for the irrigators’ portion of the original construction of the Columbia Basin Project. These assessments vary by irrigation block determined by the repayment year. Each block repays over a 50 year period with the first year beginning 10 years after water became available to that block. The construction assessment due each year is adjusted upward or downward by the combination of the ten year averages of ‘the normal price index factor’ and ‘the normal agricultural parity ratio factor.’ The values of these factors are provided to the

Bureau of Reclamation by USDA. The 2015 index decreased from the 2014 ratio of 125%. The index for 2015 is 107%.” The assessment ranges from \$1.49 to \$5.37 depending on land class and irrigation block.

“Blocks 40, 41, 42, and 49 have met their repayment obligation. The following are projected Block payout years for repayment obligations:

Block	Payout Year
43	2015
44	2016
45	2017
421, 47	2018
401, 46	2019
48	2028
461	2034

President’s Budget Proposal FY2016 Outlook

By John Crotty and Ian Lyle, Water Strategies LLC

On February 2, President Obama released his FY2016 budget request. The request identifies a total of \$1.1 billion for the Bureau of Reclamation (Reclamation).

Most—\$805.2 million—of that total is designated for Reclamation’s Water and Related Resources account, including:

- *Water and Energy Management and Development (\$215.6 million),*
- *Land Management and Development (\$37.6 million),*
- *Fish and Wildlife Management and Development (\$114.1 million),*
- *Facility Operations (\$249.7 million), and*
- *Facility Maintenance and Rehabilitation (\$188.0 million).*

Funding for the Columbia Basin Project is included in Reclamation’s overall budget request. The budget request for the Columbia Basin Project is roughly \$3.8 million more than the FY2015 enacted level. Of note is the request for facility maintenance and rehab in the Basin Project. The request is nearly double the FY2015 enacted level. Reclamation attributes the increase to “the scope and complexity of Replacement, Additions, and Extraordinary Maintenance activities scheduled for FY 2016, particularly rehabilitation of the Leavenworth surface water intake rehabilitation and the numerous pump generating plant activities.”

[See the details on page 5](#)

President's Budget Proposal ... *Continued from page 4*

Activity	FY 2015 Enacted	FY 2016 President's Budget
Water and Energy Management and Development	\$910,000	\$874,000
Land Management and Development	2,940,000	3,300,000
Fish and Wildlife Management and Development	25,000	26,000
Facility Operations	3,547,000	3,921,000
Facility Maintenance and Rehabilitation	3,649,000	6,689,000
Enacted/Request	\$11,071,000	\$14,810,000
Non-Federal	15,816,000	15,718,000
Other Federal - BPA Direct Funding	121,366,000	126,158,000
Other Federal - BPA Sub-agreement	15,668,000	33,872,000
Other Federal - BPA Small Capital	4,909,000	2,511,000
Other Federal - BPA Multipurpose Direct Funding	3,772,000	20,032,000
Prior Year Funds	0	0
Total Program	\$172,602,000	\$213,101,000
Prior Year Funds/Non-Federal/Other Federal	(161,531,000)	(198,291,000)
Total Reclamation Allotment	\$11,071,000	\$14,810,000

Bringing water to the Odessa aligns with the Administration's priority of "assuring . . . secure water supplies." With that in mind, Reclamation will need to add a line item to its Pacific Northwest Region budget in order to help secure future federal funds for the Odessa project. CBDL is working diligently to achieve this goal and realize the completed vision for the Columbia Basin Project.

The President's budget request is an important document but with republicans controlling both the House and the Senate it will be modified. Congressional intention to make changes was made clear by Senate Budget Committee Chairman Mike Enzi. On February 3, during a hearing examining the President's budget request, Chairman Enzi expressed concern with the overall budget proposal in reference to spending and the debt and stated that: "these were not the numbers I was looking for." The House Budget Committee has also scheduled hearings to review the President's budget request. In addition, coming weeks will see the House Natural Resources Committee and Senate Energy and Natural Resources Committee hold hearings on the budgets within their jurisdiction, including the Reclamation budget request.

The budget landscape facing water users should become clearer by April. The Congressional Budget Act sets out a budget timeline that the House and Senate have indicated they will adhere to. Under this timeline both the House and Senate are directed to complete the initial consideration of a budget resolution by April 15 with reconciliation of the two proposals set for June 15. Once spending levels are approved as part of a budget resolution, they will still need to be allocated through the approval of an appropriations bill. Throughout this process we will focus our efforts on pursuing the goals and objectives of the Columbia Basin Development League.

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QUOTE OF THE MONTH

"Teams win; individuals don't."

--Fran Tarkenton,

Entrepreneur and former NFL quarterback

LOOKING BACK

Bureau Of Reclamation Reports: Basin Crop Production Valuation Hits New High February, 11, 1960 *(Reprinted exactly as published.)*

Value of crop production in the Columbia Basin Project hit a new high of \$32 million on 3,843 farm units during the past year, an increase of 19 per cent over the previous year, the Bureau of Reclamation reported yesterday.

A total of 266,590 acres were irrigated and used for crops by 2,319 farmers in the Project.

Average per acre value was \$121.90.

The number of farm units using water for crop production increased six per cent from 1958 while irrigated acre was increased 12 per cent.

The annual report indicated that the farm cost-price squeeze continued, resulting in a national parity ratio of 80 for 1959, and at this ratio the purchasing power of farmers' dollar was the lowest since 1939. For the first time in the history of the project, alfalfa hay, representing 17.3 per cent of total gross returns, led the parade in producing the highest gross value of listed crops on the report. Alfalfa represented 52,197 acres and yielded an average of 4.7 tons-per-acre for an average price of \$23 per ton. The yields were lower than 1958 due to cool weather responsible for light first cuttings, and we weather for call cuttings.

Beans, despite several production difficulties, ranked second in gross returns. Beans totaled 56,488 acres and yielded 17.4 cwt. per acre for an average price of \$5.52. They were 16.7 per cent of the gross returns.

Other top crops and their percentage of the gross total included: Sugar beets, 12.5 per cent; wheat 10.5; potatoes (late) 10.3; potatoes (early), 8.7; corn, 7.1; and peas (seed, 2.4 per cent.

Potato prices approximately were 40 per cent above those realized in 1958 and provided gross returns for crops of about \$7 per acre above those of the previous year. Yields of peas and small grains were good in 1959, and the quality of the crops was above average, according to the report.

beets, spuds, other truck crops) utilized 15 per cent, while medium Extensive crops (hay, pasture, other forages) accounted for 44 per cent of the land cropped last year, and intensive crops (sugar intensity crops (beans, peas, field corn, mint) occupied 41 per cent of the irrigated crop land.

Livestock enterprises continued to grow in popularity, the report said, citing examples such as beef cattle feeding, hogs, and chickens as more numerous than in previous years. A slight upward trend was noted in dairy cow numbers.

The report also cited many production hazards which affected Basin farming, namely, a cold spring, damaging May frosts, strong April and May winds which blew seeds from the ground and filed laterals with silt, and a moist harvest season. Common mosaic, a virus disease, was cited for affecting the bean crops.

LOOKING BACK

From Reclamation Archives:

December 12, 1935. At the dam's official concrete pour, Washington governor Clarence D. Martin tips the concrete bucket.



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