

MARCH 2015 NEWSLETTER

Volume 5, Issue 3

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.

Potato Leaders Visit Washington

The Potato Industry Leadership Institute (PILI) class of 2015 included 27 potato growers and industry representatives from across the US. The annual program is administered by National Potato Council (NPC) and the U.S. Potato Board (USPB). These groups identify and train the next generation of industry leaders. This year, from February 18-25, participants traveled from potato growing regions across the country to attend eight days of industry training and professional development.



Dave Solem, SCBID (L) and Craig Simpson, ECBID (R), speak at a Potato Industry Leadership Institute tour stop.

The group kicked off in Spokane, where they received an overview of local and national potato industry issues, including some of the challenges beyond the production sector.

Craig Simpson, Manager, East Columbia Basin Irrigation District and Dave Solem, Manager, South Columbia Basin Irrigation District provided attendees with an overview of the three Columbia Basin Project irrigation districts and private/public partnerships formed under the Odessa Ground Water Replacement Project. The Columbia Basin Development League helped to facilitate their involvement. Participants also visited Grand Coulee Dam and the John Keys Pumping Station which provide the irrigation water to support potato production in Washington State.

Family Farm Alliance Conference Focuses on Drought, ESA Alice Parker, CBDL Trustee

The Family Farm Alliance Annual Conference "A New Road Map of

Western Water Policy" was held in Las Vegas in mid-February with over 200 attending. The main focus of the conference was on conservation and the Endangered Species Act. The continuing drought in the west was a frequent topic.

Reports from the Southwest showed the severity of the drought in the area. Farmers are very concerned about the availability of enough

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From The Chair Orman Johnson

In February, the East Columbia Basin Irrigation District (ECBID) sent a letter to Dawn Wiedmeier, Bureau of Reclamation Columbia-Cascades Area Manager, updating her on East Low Canal improvements. The subject of the letter was the actual financing costs associated with the implementation of the Odessa Subarea Special Study Preferred Alternative (OSSS) to deliver surface water within the Columbia Basin Project area where, previously, groundwater was the source of irrigation. Endorsed by Reclamation in 2012 and, ultimately, incorporated into the Odessa Ground Water Replacement Program (which also includes Lake Roosevelt Incremental Releases and Coordinated Conservation), efforts to implement the OSSS are now underway and are proving more economical than originally estimated.

The Reclamation process for evaluating projects like the OSSS is necessarily prescriptive and conservative. This is the result of previous experiences where Reclamation project costs were underestimated and projects had cost overruns during construction. Large contingencies are now added to project costs to avoid that circumstance, which negatively affects the benefit/cost ratio. There are no corresponding contingencies on the benefit side.

However, experience with the construction of the Weber Coulee Siphons, completed in 2012, demonstrated a very competitive construction environment. And, construction of the Lind Coulee Siphons, as part of the OSSS, is also demonstrating significant cost savings compared to the far higher estimates used to compile the OSSS. A recalculation of the benefit/cost ratio using actual expenditures versus theoretical estimates plus contingencies would put the Odessa Ground Water Replacement Project in a more competitive position.

It should be noted that ECBID figures remain estimates but they are based on actual costs as they are incurred. In light of the cost savings being realized, ECBID requested that Reclamation revisit its projected benefit-cost calculations for the Odessa Subarea development.

In some cases, actual costs are 45% - 75% of Reclamation's projected costs. Additional savings will likely be observed as other projects are undertaken. The amount we farmers will have to repay is still great, but it is better than first estimated, and hopefully manageable. We need to thank ECBID for all that they have accomplished and encourage them to continue achieving greater savings.

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Reminder: Emphasize Canal Safety

This month, as water returns to the Columbia Basin Project canals so does the temptation to play in or around the water. Remember, drowning is the second leading cause of childhood deaths nationally.

Canals are private property and it is considered trespassing when entering without permission. The average irrigation canal is 7-10 feet deep. The water flows fast and is cold, and the canal banks are nearly vertical, making it almost impossible to get out if you fall in. Irrigation canals may have undertows and turbulence that could drag even a strong swimmer under water. Debris and other hazards not visible make canals a dangerous place. Plus, even dry canals are not safe because there is no way to know when water may be released and you may be trapped by a surge of water.

Play it safe; stay away from the canals.

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Family Farm Alliance Conference ... Continued from page 1

water to keep their citrus groves alive. Speakers showed slides of the low water in Lake Mead and Lake Powell. The entire Colorado River system is experiencing drought creating low flows.

Speakers included Deputy Secretary of Interior Mike Connor and a roundtable discussion from the five Regional Directors of Reclamation: Directors Lorri Lee, Pacific Northwest Region; Terry Fulp, Lower Colorado Region; David Murrillo, Mid-Pacific Region; Michael Ryan, Great Plains Region and Acting Director Regional Reed Murray, Upper Colorado Region. Emphasis was placed on the successes in their specific regions. The panel was moderated by Lowell Pimley, Reclamations Deputy Commissioner of Operations.

The Washington DC panel featured staff of key congressional water committees: Kiel Weaver, House Committee on Natural Resources, Majority; Matt Strickler, House Committee on Natural Resources, Minority; and Chris Kearny, Senate Committee on Energy and Natural Resources, Majority. Pete Modoff, of Senator Maria Cantwell's office, was also on the panel. The Endangered Species Act was a central topic of discussion.

Speakers from the Navajo tribes presented on "Tribes and Water Users Working Together."

Jean Sagouspe representing the Center of Environmental Science, Accuracy and Reliability (CESAR) spoke. He was instrumental in establishing the Family Farm Alliance and is now instrumental in the formation of CESAR plans which will advocate for balance in the ESA and the laws applied fairly and equally.

Dave Smith, Coordinator of Intermountain West Joint Venture, from Missoula spoke on the Symbiotic Relationship between Waterfowl Management and Western Irrigated Agriculture. He recognized the value of irrigated agriculture and the benefits it provides for waterfowl.

Climate change was the topic addressed by Ernie Shea, President of Solutions from the Land, from Lutherville, Maryland. He suggested visiting www.sfldialogue.net for information on North America Climate Smart

UPCOMING EVENTS

CBDL Board of Trustees Meeting – Wednesday, April 22, 4:00 p.m. – 6:00 p.m. Simplot, Wheeler Road, Moses Lake

CBDL Trip to Olympia – Week of March 23

CBDL Trip to Washington D.C. – Week of April 27

Ag Alliance.

Other topics and panel discussions included the Colorado River Conservation Pilot Program.

Congress Concerned About Protecting Water Rights

Ian Lyle, Water Strategies LLC

Members of the Columbia Basin Development League know that the protection of water rights is of the utmost importance to water users. A key part of CBDL's mission is the protection of the water rights associated with the Columbia Basin Project. As the demand for water grows, these rights will become increasingly important.

In recent years the United States Forest Service has issued proposals that concern water right holders. These proposals--the Proposed Directive on Ski Area Water Rights and the Proposed Directive on Groundwater Resource Management--could compromise individual water rights and extend federal jurisdiction into an area of governance historically managed by the states. The Forest Service has been criticized by a number of water user groups for these proposals.

The Proposed Directive on Ski Area Water Rights, while focused on ski areas, would set a precedent that could have implications for other water users. It would place restrictions on the use of a privately owned water right as a condition of a special use permit. The Forest Service's Proposed Directive on Groundwater Resource Management would expand the Agency's jurisdiction over groundwater management and, as noted by the Western Governors Association, could be construed to assert Forest Service ownership of state groundwater.

Water users received some good news relating to the Proposed Directive on Groundwater during a U.S. Senate Energy and Natural Resources Committee hearing on February 26. At the hearing Forest Service Chief Tom Tidwell announced that they were placing the contentious Groundwater Management Directive on hold. Chief Tidwell also indicated that the Forest Service was in the process of reaching out to western states to address a number of concerns. Chief Tidwell's comments came in response to a question from Senator Cory Gardner.

Congressman Scott Tipton has also announced his intention to reintroduce the Water Rights Protection Act. This legislation attempts to address concerns with both the Proposed Directive on Groundwater and the Proposed Directive on Ski Area Water Rights. The Water Rights Protection Act passed the House of Representatives with bipartisan support last year but was not acted on by the Senate. It is expected that Congressman Tipton will reintroduce this legislation in March.

The tables below illustrate both actual and estimated cost savings.

Reclamation Estimates for Implementation of OSSS to serve 70,000 Acres

(not including Lake Roosevelt Incremental Releases and Coordinated Conservation Acres)

	Description	Reclamation Estimates
OSSS Modified Partial Preferred Alternative 4A	Est. Capital and Financing Costs	\$734 million
	Est. Acres Served	70,000
	Est. Cost	\$10,500/ac
ELC Improvements	Est. Lind Coulee Siphon 1 and 2 Construction	\$21 million
	Est. East Low Canal Widening Cost	\$3-\$5/C.Y. (Est. cost of using a Contractor)

East Columbia Basin Irrigation District Actuals and Estimates for Implementation of Odessa Ground Water Replacement Program to serve 87,000 Acres (including Lake Roosevelt Incremental Releases and Coordinated Conservation)

	Description	ECBID Estimates
Global Odessa Subarea Development	Est. Capital and Financing Costs	\$675 million
	Est. Acres Served	87,000
	Est. Cost	\$7,800/ac
ELC Improvements	Actual Lind Coulee Siphon 1 and 2 Construction	14.9 million
	Est. East Low Canal Widening Cost	\$1.8/C.Y.

Legislative Update – Irrigation Districts Continue To Seek Economical Efficiency

Mike Schwisow, Government Affairs Director

The 2015 Washington Legislative Session reached the half way mark in early March as the House and Senate spent the first eleven days of the month in floor session acting on bills originating in the respective bodies. The House of Origin cutoff on March 11 moves the session along and narrows the number of bills that are still "alive."

The supplemental operating budget was sent to the Governor early this session. The budget is balanced against a revenue forecast from the Economic and Revenue Forecast Council which by law makes four forecasts each year. The bill moved the first forecast for the year from March to February which will allow legislators an earlier start on negotiations to reach a final operating budget. The House and Senate alternate who puts their proposal on the table first with the House leading off this year. Even with an earlier start to the process, it is believed there remains a long road ahead to a final budget. The House is calling for new revenue and the Senate stands firm that the State can meet its needs with the 8.6% increase in revenue the current tax system will produce.

The Washington State Water Resources Association (WSWRA) is working on four bills this session. Irrigation district law is some of the oldest in

Legislative Update... Continued from page 4

the Revised Code of Washington with the first enabling act going back to the first session of the Washington Legislature following statehood in 1890. Districts, through WSWRA, work to keep the statutes up to date with current practices to maintain efficient water operations. Bills this session address diverse topics including, public records access, budget hearing requirements, easement holder notice in foreclosures, review of property division actions affecting conveyances and Shorelines Management Act jurisdiction on irrigation facilities. Irrigation districts are special purpose local governments with a large footprint on the landscape of Washington which gives the WSWRA a wide range of issues to address from water law to public employment and contracting to environmental law. Ideas for legislation are brought to the Association by member districts and the Board then sets the agenda for the session.

Of particular interest to Columbia Basin Project stakeholders is HB 2046, introduced by Representative Tom Dent of Moses Lake. It clarifies statute by providing that irrigation return flows aren't "streams" and that a gully that was dry before irrigation can't be made a "stream" by adding irrigation water. The need for the bill was brought to WSWRA by the Columbia Basin Project irrigation districts in response to cities and counties working on Shoreline Master Plan updates. The Shorelines Management Act requires local governments to adopt a Master Plan and regulate shoreline development on streams with a mean annual flow greater than 20 cfs.

Even though they operate from March to October, many canals have a mean annual flow greater than 20 cfs. It's pretty easy to tell that the conveyance side of Columbia Basin Project (CBP) facilities are not natural streams. The rub comes on the return flow / wasteway side of the system. Often, operational spill and drainage can be conveyed by using the natural topography provided in the region by the Ice Age floods. Decades of irrigation have many of these wasteways now flowing year-round, and often they look like natural streams.

Last year Grant County updated their Master Plan and, at the request of Reclamation, did not include Sand Hollow Wasteway. When the plan went to Ecology who has the last say, Sand Hollow Wasteway was added to the plan. It drains about 35 square miles and runs downhill through a culvert under Hwy. 26. That culvert required emergency repair recently. Since it is a CBP facility, and not a natural stream, it is a Quincy Columbia Basin Irrigation District responsibility. But, the District was still required to spend time and money getting a Shorelines permit. Ecology and WSWRA worked together to come up with a solution which is HB 2046. This bill is an example of how districts are working to keep their operations efficient and economical for landowners.



CBDL Membership Online

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.

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QUOTE OF THE MONTH

"We suffer more often in imagination than in reality."

--Seneca,

philosopher and dramatist

LOOKING BACK

Excerpts from "Economic Development of the Columbia Basin Project Compared With Neighboring Dryland Area" by Arthur W. Peterson, Extension Economic Specialist, WSU, January, 1966

"There are presently 1,029,000 acres of irrigable land in the Columbia Basin Project for which development is now contemplated....Irrigation water first became available in 1948 through the system constructed by the Bureau of Reclamation. By 1964 the irrigation system was almost 50 percent completed. With less than half of the irrigable land receiving water and most of the presently irrigated areas still in the development stages, the economy of the Project is expected to continue its rapid development. This report is a review of the economic growth within the Project area, and a comparison of this growth with a neighboring dryland region.

The Comparison area includes Lincoln County, and that part of Adams County not in the Project area...It was chosen because of its basic similarity to the Columbia Basin Project area except for irrigation. The natural resources of the Comparison area, how3ver, are superior and more in productive than the resources of the Project area. The annual precipitation in the Project area is about 8 inches versus 13 inches in the Comparison area. Soils are also more productive, on average, in the Comparison area than in the Columbia Basin Project. It is estimated that the Project area would be only 20 percent as productive as the Comparison area n an equivalent acreage cropland basis without irrigation development.

This report is a cooperative effort of the United States Department of Interior, Bureau of Reclamation, and the Washington State University Cooperative Extension Service..."

Some Indicators of Economic Growth

"The construction of Project works and the establishment of new irrigated farms in the Project area provided opportunities for businessmen and industrial workers to meet the demands of the new farming economy. As the farm production increased, construction of facilities for handling the crops and livestock was necessary, developing even more job opportunities. After 15 years of irrigation, growth was evident in every major economic indicator...In contrast, the growth of these same economic indicators in the Comparison area has been nominal or shown a decrease.

A further comparison of the irrigated farm economy with the dryland farm economy per unit of cropland is shown in Table 1. In general, about 17 times as many people are supported from the same area of cropland in the irrigated region as in the dryland wheat-summer fallow region. As would be expected, the number of businesses, workers, and other measures of business activity are closely related to the population density. The property tax base was only six times as great in the irrigated as in the dryland region. This probably indicates a lag in assessed valuations because of the immaturity of the Columbia basin area, but it is also likely that public services can be furnished more efficiently in the irrigated region where the population is 17 times as dense as it is in the comparison area. Either the costs of public services will be lower, or the services better, or both may occur."

Indicator	Project Area	Comparison Area	Ratio
	Per 10,000 Acres of Cropland		
Population	1,900	110	17 to 1
Business establishments	48.1	2.8	17 to 1
Workers <u>1</u> /	480	22	22 to 1
Wages	\$2.17 Mill.	\$.11 Mill.	20 to 1
Property tax base <u>2</u> /	\$2.57 Mill.	\$.40Mill.	6 to 1
Postal Receipts	\$16,700	\$960	17 to 1
Retail Sales Tax Collections	\$112,000	\$6,470	17 to 1
Business & Occupation Tax Collections	\$25,100	\$1,320	19 to 1
Federal Income Tax Payments	\$714,400	\$41,300	17 to 1

Table 1. Economic Indicators per 10,000 acres of Cropland, Columbia Basin Project Area and Comparison Area

Sustaining

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