

# Monthly Briefing

*A Summary of the Alliance's Recent and Upcoming Activities and Important Water News*

## The Future Of Reclamation

It Could Hinge On National Academy Report And Rural Water Bill

A long-awaited report from the National Research Council of the National Academy of Sciences (NAS) that assesses the U.S. Bureau of Reclamation (Reclamation) has been published.

At the same time, legislation is pending to create new rural water supply and loan guarantee programs.

In the coming New Year, it is possible that both endeavors may play a significant role in influencing how Reclamation does business.

**THE NAS REPORT**, entitled "Managing Construction and Infrastructure in the 21st Century Bureau of Reclamation", assesses challenges faced by Reclamation and offers recommendations about how Reclamation can best address them.

The draft report was published just two weeks after the U.S. Senate passed the Rural Water Supply Act of 2005 (S. 895).

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## Winter Offers A Mixed Water Supply Outlook

As the 2005 calendar year comes to an end, Western irrigators are looking to the skies with hopes that the coming three months – when the majority of precipitation usually occurs in the West – will provide a good supply of water for 2006.

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## ANNUAL MEETING THEME

# Keeping The Family In Farming

Mark your calendars! The 18<sup>th</sup> Annual Meeting and Conference of the Family Farm Alliance will be held March 2-3, 2006, at the Monte Carlo Resort and Casino in Las Vegas (NEVADA).

The theme of the 2006 conference is "Keeping the Family in Farming." The two-day event will feature irrigators and water policy experts from throughout the Western United States and Washington, D.C.

**THIS YEAR'S THEME** derives from discussions that arose at last year's annual meeting, where Western farmers and ranchers recounted stories of farming operations that were disappearing because of increased competition and uncertainty arising from growing urban and perceived environmental water needs.

"In the big picture, urbanization and competition for water supplies are driving Western farmers off the land at a time when American food production in general is following other industries off-shore in search of lower costs," said Pat O'Toole (WYOMING), President of the Alliance. "Traditional farms and ranches are disappearing, and next year this country will become a net importer of food for the first time in our history. This year's conference will show how federal, state, and local policymakers are trying to address shifting and growing water demands that have a real impact on family farmers and ranchers."

Former U.S. Senator Malcolm Wallop has been invited to deliver the keynote speech to the conference on March 2. The Senator, who has built a reputation as a tireless promoter of individual freedom and small government, now chairs Frontiers of

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# Annual Meeting Program Highlights

- A panel of Western governors has been invited to highlight key water resources challenges in their respective states.
- Water managers from Arizona, California, Colorado and Texas will be featured on a panel entitled "The Changing Face of Western Agriculture: Addressing the Ag-to-Urban Shift".
- The recent National Academy of Sciences report on the role of the Bureau of Reclamation in the 21st Century will be explained by representatives of the NAS committee, Reclamation, and national water associations.
- New Assistant Interior Secretary Mark Limbaugh will outline the Interior Department's agenda.
- Reclamation Roundtable – Bureau Commissioner John Keys III and the five regional directors of Reclamation will again discuss hot Western water issues.
- Washington Insider's Panel -- Joe Raeder moderates this annual conference tradition that features majority and minority staffers from key congressional water committees.
- Kent Heidt (Houston Engineering) will provide a workshop on GIS applications in water resources management.

## 'KEEPING THE FAMILY IN FARMING' WILL THEME ALLIANCE EVENT

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of Freedom, a non-profit organization he established in January 1995 after retiring from the Senate.

Its agenda includes preservation of property rights and reform of the Endangered Species Act.

"We really have an outstanding program coming together," said Alliance Executive Director Dan Keppen (OREGON). "One of the great things about the

Family Farm Alliance Annual Meeting and Conference is the opportunity it afford to bring water users and purveyors face to face with policy makers and others involved with Western water in such important and informal ways."

**THE EXCITING MONTE** Carlo Resort and Casino, in the heart of the Las Vegas Strip, will again be the Annual Meeting's venue.

Super-saver registration is ending.

"Register by December 29 and you will save yourself \$30," Keppen said.

For conference registration information, please contact Jane at (707) 998-9487 or [ffameeting@aol.com](mailto:ffameeting@aol.com).

You will also find complete registration materials and Annual Meeting and Conference details on the Alliance's informative website, [www.familyfarmalliance.org](http://www.familyfarmalliance.org).

## WINTER'S WESTERN PRECIPITATION OUTLOOK IS A MIXED BAG

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While water users in the Pacific Northwest and parts of the Rocky Mountains are already seeing higher-than-normal rain and snowfall levels, recent data and forecasts developed by the National Oceanic and Atmospheric Administration reflect more pessimistic prospects in the Southwest and southern plains.

According to the National Drought Mitigation Center, soils have continued to dry out from Arizona into Texas and the lower Mississippi Valley. Combined October-November rainfall totaled less than 60% of normal for most of this region. Rainfall has been less than 40% of normal from northeast New Mexico to northern Texas and into Oklahoma and east Texas. Updated drought forecasts indicate enhanced risk for drought development across Oklahoma, north Texas, and eastern New Mexico, as well as over southern Arizona. Agricultural conditions continued to worsen across Texas and eastern Oklahoma, where range and pasture lands, oats, and winter wheat stands have suffered. In parts of Kansas and in the Republican River Valley of Nebraska, very low stream flow levels are being observed.

Things are looking much better in the Northwest and into the northern Rockies, including western Wyoming. More limited improvement is foreseen in central Wyoming, with little change expected in the eastern part of the state and Nebraska. According to the *Denver Post*, three years of well-timed snowfall, record stream flows and water conservation

have raised the levels of reservoirs and significantly improved Colorado's water prospects since the 2002 drought. Today, statewide reservoirs are about 200,000 acre-feet from being full. A year ago, the gap was nearly three times as great.

In Idaho, while conditions have improved in the Panhandle, the rest of the state remains abnormally dry. In Montana, dry conditions were mitigated in the central part of the state and along the southern border with Wyoming, aided by good snows this water year (since October 1).

Cool temperatures and plentiful precipitation fell along much of the West Coast in early December. Heavy precipitation in central and east-central California has reduced drought conditions somewhat in the San Joaquin Valley and has helped snowpack conditions in the Sierra Nevada from Lake Tahoe to Yosemite National Park. The favorable precipitation has also led to continued improvement along the coastal ranges of Oregon and Washington.

A number of reservoirs will continue to measure below-normal storage in the Northwest despite recent rain and snow. However, as winter officially approaches, the water outlook for Oregon agriculture is looking good with recent heavy snowfall in the higher elevations.

"We are off to a great start," says Jon Lea, hydrologist with the U.S. Department of Agriculture's Natural Resources Conservation Service in Portland.

# Water 2025 Grants Presented

Commissioner of Reclamation John Keys III seems to relish handing out money that is going to be used to develop good and solid water management projects.

The Commissioner was all smiles December 2 during a Tulare (CALIFORNIA) ceremony as he presented a \$300,000 Water 2025 Challenge Grant to the Tulare Irrigation District, a Central Valley Project contractor.

**THE TULARE GRANT** was one of 43 projects in 13 Western states to be awarded a portion of some \$9.9 million in Water 2025 Challenge Grants.

“If we can stretch our water supplies, the better off we are,” said Keys. “The program you have in mind is something we believe in — getting a better handle on the delivery of your water. It’s a good project.”

Using a program-maximum \$300,000 grant and \$470,000 in local district funding, TID plans significant upgrades in its water operations infrastructure to better manage its CVP-Friant Division and Kaweah River water and, as a result, increase deliverable supplies to growers. An annual savings of 25,000 acre-feet is anticipated.

**THE WATER 2025 PROGRAM** began in 2003.

It was directed at developing ways to prevent chronic water supply problems and conflicts from facing many communities in the years ahead.

The Family Farm Alliance has taken an active interest not only in the program but in providing information and positive suggestions on potential water projects.

**IN THE FISCAL YEAR 2006** Energy-Water Appropriations Spending Bill recently passed by Congress, the U.S. Bureau of Reclamation received only \$5 million for Water 2025, a full \$15 million below the FY 2005 spending.

On the House side, Water 2025 was apparently zeroed out because of concerns regarding program authorization.



*Smiles are much in evidence as Commissioner of Reclamation John Keys III presents a \$300,000 Water 2025 Challenge Grant to Central California’s Tulare Irrigation District. From left are TID Directors Dave Martin, David Bixler and Rick Borges; Commissioner Keys; U.S. Bureau of Reclamation Mid-Pacific Regional Director Kirk Rodgers; TID General Manager J. Paul Hendrix; and Director Scott Rogers.*

## USBR Challenge Grants For '05

### Arizona

Yuma County Water Users Association, \$300,000.

### California

Bard Water District, Winterhaven, \$229,680.  
Coachella Valley Water District, \$300,000.  
Contra Costa Water District, \$137,582.  
Imperial Irrigation District, \$300,000.  
Soquel Creek Water District, \$109,395.  
Stockton East Water District, \$150,255.

### Colorado

Grand Valley Irrigation Company, \$200,367.  
Groundwater Management Subdistrict, Greeley, \$300,000.  
West Divide Water Conservation District and Silt Water Conservancy District, Silt, \$203,435.

### Idaho

Lewiston Orchards Irrigation District, \$181,218.  
Preston Whitney Reservoir Company, \$300,000.

### Nebraska

Bostwick Irrigation District, \$300,000.

### New Mexico

City of Las Cruces, \$86,350.  
Elephant Butte Irrigation District, \$300,000.

### Oklahoma

Lugert-Altus Irrigation District \$300,000.

### Oregon

East Fork Irrigation District, \$300,000.  
Grants Pass Irrigation District, \$16,538.  
Swalley Irrigation District, \$182,609.  
Three Sisters Irrigation District, \$300,000.  
Vale Oregon Irrigation District \$300,000.

### South Dakota

Belle Fourche Irrigation District, \$125,000.

### Texas

Brownsville Irrigation District, \$300,000.  
Cameron County Irrigation District No. 2, San Benito, \$300,000.  
City of El Paso Utilities Water Service Board, \$165,000.  
City of McAllen Public Utility, \$186,168.

### Utah

Ashley Valley Reservoir Company, \$300,000.  
Bear River Small Irrigators Inc., \$123,184.  
Davis and Weber Counties Canal Company, \$245,599.  
Duchesne County Water Conservancy District, \$162,790.  
Metropolitan Water District of Salt Lake and Sandy, \$300,000.  
Payson City and Strawberry Highline Canal \$300,000.  
Sandy City, \$300,000.

Sevier River Water Users Association, \$247,540.  
Springville Irrigation District, \$91,300.  
Washington County Water Conservation District, St. George, \$224,940.  
Wellsville-Mendon Conservation District, \$215,998.

### Washington

Model Irrigation District No. 18, Spokane, \$224,354.  
Roza Irrigation District, \$300,000.  
Selah-Moxee Irrigation District, \$300,000.  
Sunnyside Division Board of Control, Sunnyside Valley Irrigation District, \$300,000.

### Wyoming

Casper - Alcova Irrigation District, \$108,000.

# The Academy's Key Findings

Key recommendations offered up in the NAS report, and supported by the Family Farm Alliance, include:

- An in-depth review and analysis of Reclamation's Denver (COLORADO) Technical Service Center (TSC) should be conducted to identify how the TSC should be structured for maximum efficiency. Alternative means should be developed for funding the staff and operating costs necessary for maintaining core TSC competencies, thereby reducing the proportion of engineering service costs reimbursable by customers.
- Reclamation's workforce should be sized to maintain the critical core competencies and technical leadership but to increase outsourcing of much of the engineering and laboratory testing work. Reclamation should establish an agency-wide policy on the appropriate types and proportions of work to be outsourced to the private sector.
- Reclamation should assist its customers in their efforts to address economic constraints by adapting repayment requirements that ease borrowing requirements and extend repayment periods;
- Project managers should have professional certification and experience commensurate with their responsibilities.
- Reclamation should develop a consistent process for evaluating project planning and the accuracy of cost estimates.

## FUTURE OF RECLAMATION MAY HINGE ON NAS REPORT

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S. 895 was introduced in April 2005 by Senator Pete V. Domenici (R-NEW MEXICO), and currently has nine cosponsors from eight Western states. The Senate Energy Committee held a hearing on the bill in May and approved it in October with strong bipartisan support. On November 16, the full Senate approved S. 895. The outlook in the House is not clear because no similar legislation has been introduced there.

**WESTERN WATER** users have identified positive and negative aspects of the rural water legislation. The Family Farm Alliance earlier this year formally expressed support for provisions providing loan guarantees for major operations and maintenance work, but it also expressed concern that a Rural Water Supply program would divert resources from Reclamation's core mission.

However, sponsors of the bill and Reclamation, which supports S.895, argue that the legislation would *prevent* rural water supply projects from becoming a drain on Reclamation resources that are now devoted to core mission activities. The legislation would accomplish this by establishing a formal program with strong criteria that would weed out questionable and uneconomic projects.

It is likely that House committee hearings will take place early next year on both S. 895 and the NAS report.

The NAS Committee was asked last year by the Interior Department to

provide the assessment. The committee is comprised of academics, agency officials, and engineers from the private and public sector, and is chaired by Dr. James K. Mitchell, Professor Emeritus at Virginia Polytechnic Institute.

"Successful accomplishment of Reclamation's current mission in the 21<sup>st</sup> century is impacted, and in some cases dominated by several new realities," Dr. Mitchell wrote in the report preface.

The reality check noted by Mitchell is addressed in the report and includes environmental factors, American Indian water rights, rural water needs, urbanization, increasing budget constraints, a broader set of stakeholders, an aging workforce, and an aging infrastructure.

**RECLAMATION'S** customers are initially pleased with the NAS report's findings.

"Family farmers, ranchers and irrigation districts are the ones who pay most of the costs of maintaining and

modernizing Reclamation projects," said Harvey Bailey, who works 1,100 acres of citrus crops in Orange Cove (CALIFORNIA). "We want to see Reclamation operate in the most cost-effective way possible, and it looks like this new report can help us move toward that goal."

**THE REPORT'S** observations and recommendations are generally consistent with views expressed by Western irrigators represented by the Alliance.

"Based on an initial review of this report, it looks like the NAS Committee heard our concerns," said Alliance Executive Director Dan Keppen (OREGON), who presented a similar Alliance case study to the Committee for consideration last June in Washington.

The final NAS report will form the topic of a panel discussion at the Family Farm Alliance Annual Meeting on March 3, 2006 in Las Vegas.

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