



April 3, 2023

Chair Ken Helm
House Committee on Agriculture,
Land Use, Natural Resources, and Water
Oregon State Legislature
900 Court St. NE, Salem Oregon 97301

Testimony in Support of House Bill 3124

Thank you, Chair Helm, and Vice Chair Owens for introducing HB 3124 and my appreciation to the House Committee on Agriculture, Land Use, Natural Resources, and Water for holding a hearing on this legislation. My name is Julie O'Shea and I am the Executive Director at Farmers Conservation Alliance, located in Hood River. I am testifying on behalf of Farmers Conservation Alliance in support of the drought relief package.

Farmers Conservation Alliance, commonly referred to as FCA, is a non-profit organization that works with irrigation districts throughout Oregon to develop and implement irrigation modernization projects that result in multiple benefits for irrigation districts, farmers, watersheds, and local communities. As part of this work, FCA has helped districts across the state leverage an estimated \$300 million in federal funding over the past 7 years.

The recent passage of federal legislation, including the Infrastructure Investment & Jobs Act, commonly referred to as IIJA or BIL, and the Inflation Reduction Act, also known as IRA, has created massive opportunities at the federal level to modernize critical infrastructure, including aging irrigation systems to improve water deliveries and enhance drought resiliency. For example, the Bureau of Reclamation has been allocated a combined \$12 billion from the BIL and IRA to help address drought and modernize aging infrastructure across the Western United States. Another example is at USDA's Natural Resources Conservation Service which received \$500 million for the Watershed & Flood Prevention Operations program in the BIL and \$20 billion from the IRA for the agency's various conservation programs to implement climate smart projects that benefit agriculture and forests. Much of this funding will become available over the course of several years, which is why it is important that Oregon allocate match funding to leverage sources of federal funding.

The \$58 million in match, or cost share, funding included in HB 3124 is a fantastic investment in irrigation modernization that will go a long way to unlocking federal dollars that districts around the state have already contracted for but can't access until non-federal match is secured. Just from the projects that FCA is involved with, irrigation modernization projects in the upcoming 2023-2025 biennium will need \$20.5 million in state match to unlock \$48 million in federal funds. That means each state dollar put towards these projects leverages \$2.3 dollars from the federal government, which is a pretty good return on investment. Not to mention that these projects will be supporting local economies through construction jobs and providing direct benefits to agricultural producers and the

environment by improving drought resiliency, enhancing food security, restoring habitat, and protecting public safety.

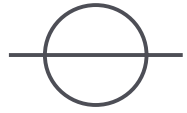
In addition, numerous irrigation districts around the state are currently in various stages of project planning development, but have not contracted for federal funds yet. However, there is a good chance many of these districts will be in a position to break ground in the coming biennium and having available match funds will be key to ensuring districts can move forward with multi-beneficial projects without hesitation.

I would also like to highlight the importance of the \$12 million that is included in the package for irrigation modernization regardless of match requirement. One of the key challenges to getting projects started is securing enough funding to do project analysis, planning, and engineering. If Oregon wants to maintain a continuous stream of multi-benefit modernization projects around the state, then early planning funds are absolutely critical.

I would also like to voice my support for the \$5 million in the package allocated for the Klamath Irrigation District and \$1 million for the Rogue River Valley Irrigation District projects. The funding for the Klamath Irrigation District is vital for the pre-development and planning efforts to modernize the A Canal. As some of you know, the A Canal is the primary source of water for nine irrigation districts and some of the country's first wildlife refuges. However, the canal snakes its way through the City of Klamath Falls and has not been modernized in over a century. It poses a serious risk to residents, businesses, and the Klamath Falls community. The Bureau of Reclamation has said it will start the design and engineering work for the project and then pass it off to the Klamath Irrigation District to undergo NEPA, Cultural Review, Permitting, and stakeholder engagement. The funding from the state will be incredibly helpful to ensure that the rest of the planning can move forward when the time comes. The funding for the Rogue Valley project would help build the necessary infrastructure required to deliver water to Upper Klamath Basin and fulfill senior water claims in the Klamath Basin.

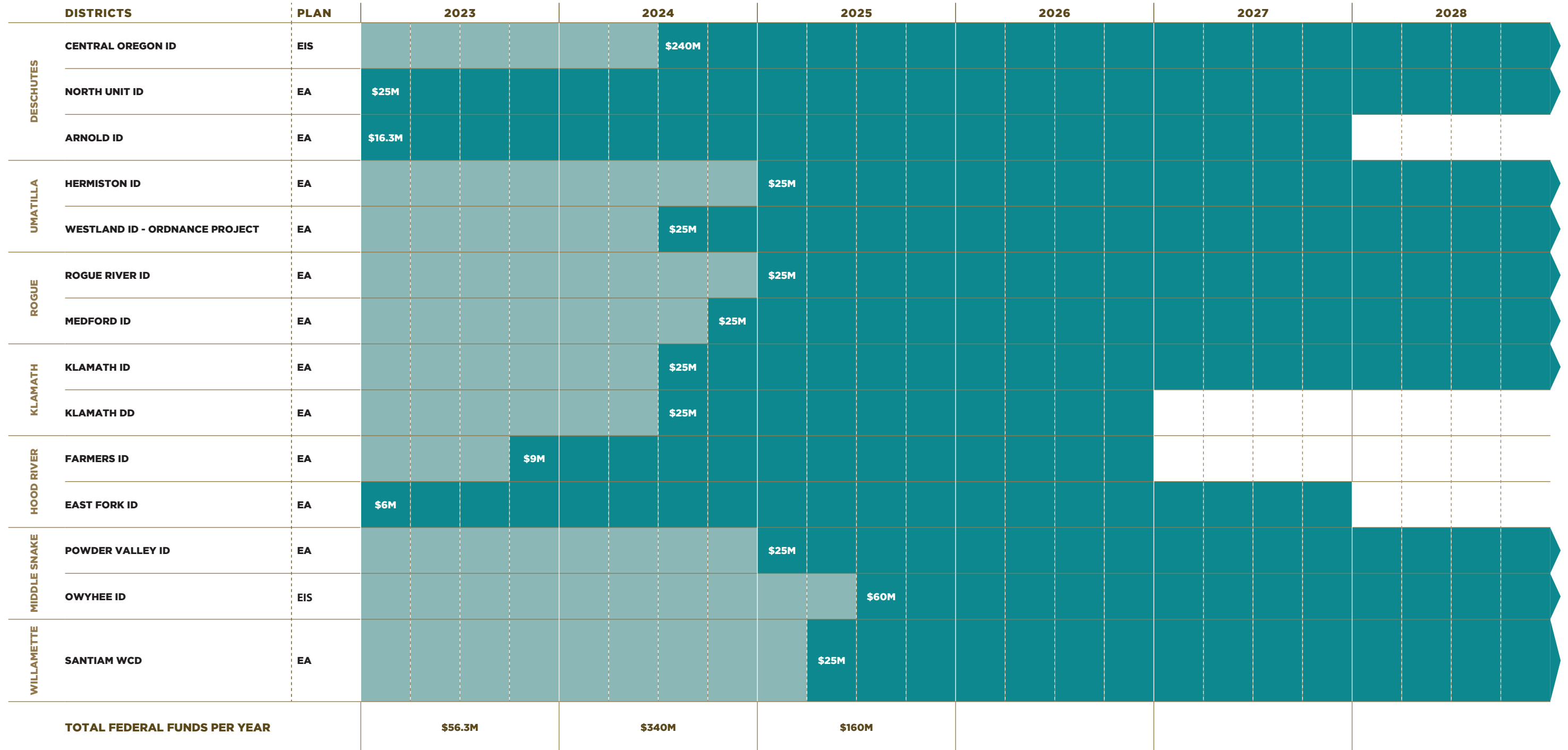
Finally, included with this testimony is a chart showing all the districts that FCA is working with in some capacity as they undergo the watershed planning process or have recently received an authorized watershed plan. The estimated amount of federal funds available to these projects once they are authorized is over \$556 million, which will require \$178 million in match from non-federal sources. There is also a map that shows all of the watershed plans around the state that are in the planning stages, have received authorization, or are undergoing construction and a short description of each project.

Thank you for reviewing my testimony today. I am happy to be a resource and answer any questions you may have. You may contact me at Julie.oshea@fcasolutions.org or BJ Westlund at BJ.westlund@fcasolutions.org if you have additional questions.



OR Watershed Plan Projects

Funding the National Resource Conservation Service's PL-566 Program is a crucial resource for the implementation of irrigation modernization projects across Oregon. However, the PL-566 program requires a 25% non-federal match. The chart below presents a timeline of projects currently in development around Oregon, how much funding they will be eligible to receive through PL-566, and the match that will be required.



PHASES: (A) Pre-Development (B) PIFR (C) Planning (D) Ready for Funding

TOTAL PL-566 FUNDS: \$556.3M

TOTAL MATCH FUNDS: \$178M

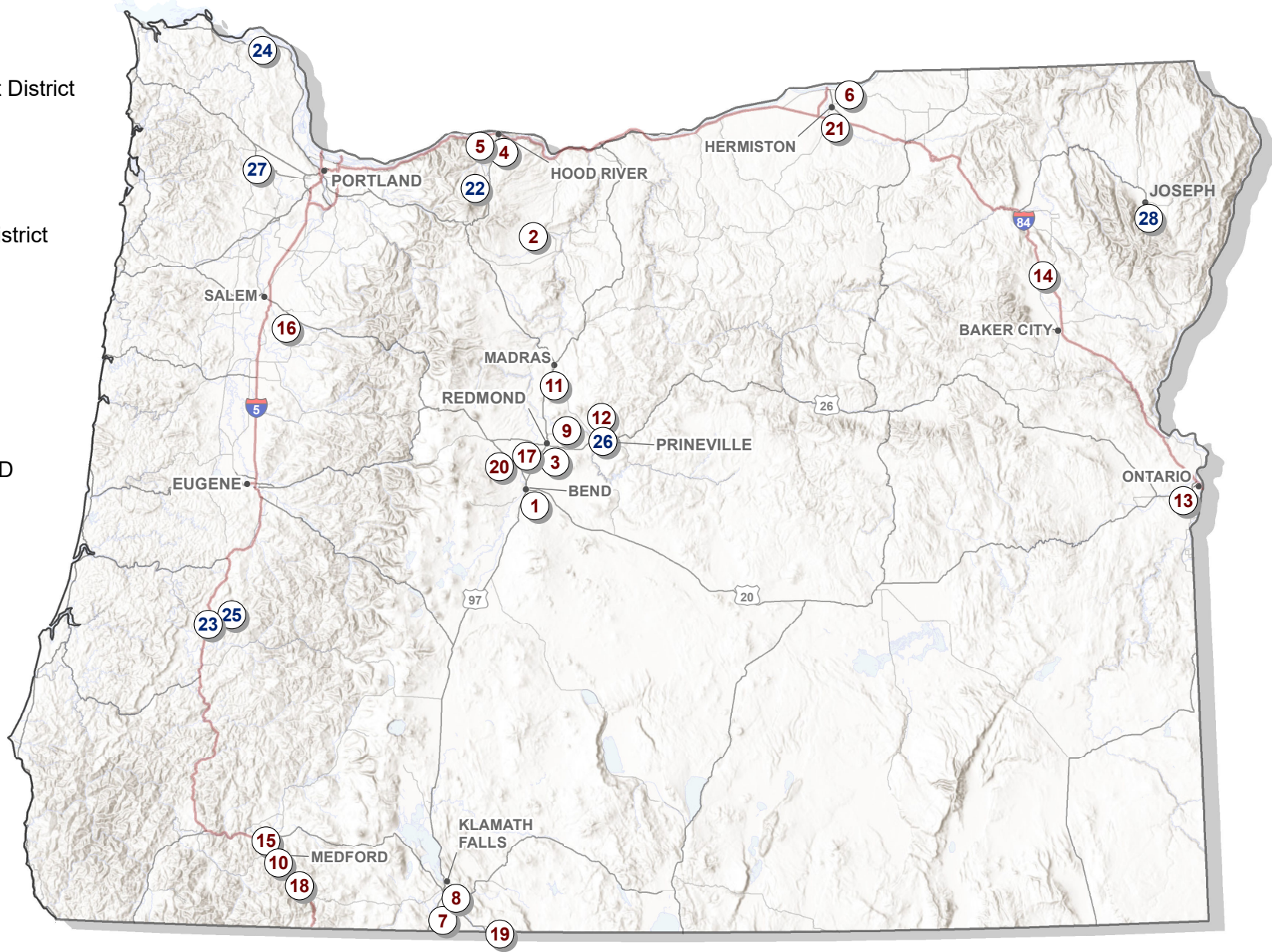
Oregon Watershed Planning Projects

FCA-NRCS Partner Projects

- 1. Arnold ID
- 2. Badger Improvement District
- 3. Central Oregon ID
- 4. East Fork ID
- 5. Farmers ID
- 6. Hermiston ID
- 7. Klamath Drainage District
- 8. Klamath ID
- 9. Lone Pine ID
- 10. Medford ID
- 11. North Unit ID
- 12. Ochoco ID
- 13. Owyhee ID
- 14. Powder Valley WCD
- 15. Rogue River Valley ID
- 16. Santiam WCD
- 17. Swalley ID
- 18. Talent ID
- 19. Tulelake ID
- 20. Tumalo ID
- 21. Westland ID

NRCS Projects

- 22. Clear Branch Dam
- 23. Cooper Creek Dam
- 24. LCWRCP*
- 25. Plat I Dam
- 26. Prineville
- 27. Tualatin Valley ID
- 28. Wallowa Lake Dam



* Lower Columbia Watershed Regional Conservation Partnership

Oregon Watershed Planning Projects Summary

Farmers Conservation Alliance – NRCS Partner Projects

1. **Arnold ID:** Arnold Irrigation District is currently seeking authorization for a Watershed Plan-EA. The project will install 11.9 miles of pipe and install two SCADA systems to improve operational efficiency over the course of 6 years. Additionally, 88 turnouts will be upgraded to pressurized delivery systems. The project will save 30.6 cfs of water, put 20.4 cfs of water back in stream, conserve 80.8K kWh/year in energy, improve water quality, and improve 52 miles of the Deschutes River.
2. **Badger ID:** Badger Irrigation District has recently begun the process of developing a Preliminary Investigative Findings Report (PIFR). The extent of the studied alternatives is yet to be determined.
3. **Central Oregon ID:** Central Oregon Irrigation District is in the process of constructing the second phase of their Watershed Plan-EA Smith Rock King Way Project. COID is also working to draft an EIS, with the goal of completing the piping of the District's Pilot Butte Canal (PBC). Piping the PBC is projected to save 126 cfs of water and conserve 2.6M kWh/year in energy.
4. **East Fork Irrigation District:** East Fork Irrigation District is in the process of implementing the first phase of their Watershed Plan-EA. The completion of the first phase will realize 6.1 cfs of water savings, 15.4 miles of pipe installed, and 614 MWh/year of energy conserved.
5. **Farmers ID:** Farmers Irrigation District (FID) is in the process of developing their Plan-EA. The project would install 4.7 miles of buried pipe; six SCADA systems to improve the control of water diversions and flows; sediment control measures; and expand a forebay to decrease operational spills. The project would improve water delivery reliability to FID irrigators; conserve and protect up to 5.7cfs in the Hood River; reduce discharges of operational spills, improving water quality; reduce FID's operation and maintenance costs; and reduce sediment content in irrigation water.
6. **Hermiston ID:** Hermiston Irrigation District is in process of developing their Watershed Plan-EA. The complete extent of the project is unclear at this time, but will involve piping 20 miles of the open B-canal, benefiting 247 patrons and saving 5 cfs of water.
7. **Klamath Drainage District:** Klamath Drainage District is beginning the process of developing their Watershed Plan-EA. The full extent of the project is currently unknown as it is in early planning stages.
8. **Klamath Irrigation District:** Klamath Irrigation District is beginning the process of developing their Watershed Plan-EA. The full extent of the project is currently unknown as it is in early planning stages.
9. **Lone Pine ID:** Lone Pine Irrigation District is in process implementing their Plan-EA. The project involves realigning the current conveyance system with a 10.9-mile, gravity-pressurized pipe system. Included in the redesign is a proposed crossing of the Crooked River upstream from the antiquated suspension bridge crossing that is presently used. In addition, the District will decommission approximately 9.7 miles of the existing system. In total, 45 turnouts would be upgraded to pressurized delivery systems. The District is currently piping the system laterals and plans to begin piping the Main Canal in Fall 2022.
10. **Medford ID:** Klamath Drainage District is beginning the process of developing their Watershed Plan-EA. The full extent of the project is currently unknown as it is in early planning stages.
11. **North Unit ID:** North Unit Irrigation District is in process of developing their Watershed Plan-EA. The project would convert 27.5 miles of open laterals to pipelines and construct four 1,000-cubic-yard retention ponds at the terminal ends of 4 laterals to eliminate discharges of tailwater spills into natural waterbodies. The project would improve water delivery reliability to NUID irrigators, reduce NUID's operation and maintenance costs, reduce irrigators' electricity costs from pumping, and eliminate discharges of tailwater into natural waterbodies, improving water quality.

12. **Ochoco ID:** Ochoco Irrigation District is scheduled to begin implementing the first phase of their Watershed Plan-EA in 2023. When complete the project will have installed 19.2 miles of pipe, created 266 jobs, and benefited two threatened species of fish.
13. **Owyhee ID:** Owyhee Irrigation District recently completed a Preliminary Investigative Findings Report (PIFR). The alternatives outlined in the report focus on agricultural water management through improved water delivery reliability and water conservation along District infrastructure. The measures described in the alternatives include the installation of SCADA systems, piping open conveyances, and rehabilitating various siphons throughout the District's infrastructure.
14. **Powder Valley Water Control District:** Powder Valley Water Control District is beginning the process of developing their Watershed Plan-EA as well as a Preliminary Investigative Findings Report (PIFR). The full extent of the project is currently unknown as it is in early planning stages.
15. **Rogue River ID:** Rogue River Irrigation District is beginning the process of developing their Watershed Plan-EA. The full extent of the project is unknown, but will include the Joint System Canal, a crucial conveyance that connects Rogue River ID and Medford ID.
16. **Santiam WCD:** Santiam Water Control District is beginning the process of developing their Watershed Plan-EA. The full extent of the project is currently unknown.
17. **Swalley ID:** Swalley Irrigation District is in process of implementing their Plan-EA. To date they have laid 5 miles of pipe and dedicated 3 cfs of water back instream. The District plans to begin piping its Main Canal in Fall 2023.
18. **Talent ID:** Talent Irrigation District recently began the Preliminary Investigative Finds Report (PIFR) focusing on the need to modernize the system to meet multiple public benefits.
19. **Tulelake ID:** Tulelake Irrigation District recently completed a Preliminary Investigative Findings Report (PIFR). The alternatives outlined in the report focus on agricultural water management through improving water management options, increasing energy efficiency on District infrastructure, and conserving water along District infrastructure. The measures described in the alternatives include the installation of SCADA systems, installation of pumping stations, and converting open conveyances to pressurized pipe, which would reduce District operation and maintenance costs, enhance water delivery reliability, and support wildlife community and migratory bird habitat through improving water deliveries to the Tule Lake National Wildlife Refuge and the Lower Klamath National Wildlife Refuge.
20. **Tumalo ID:** Tumalo Irrigation District is in process of implementing their Plan-EA. The project involves piping 1.9 miles of canals and 66.9 miles of laterals of the district's system. Additionally, existing turnouts would be upgraded to pressurized delivery systems with additional turnouts added and three pressure-reducing valves (PRV) will be installed to alleviate high system pressure. To date, the District has laid 21.6 miles of pipe, saved 13 cfs of water, conserved 859 MWh/year via upgraded deliveries, and benefited over 180 patrons.
21. **Westland ID:** Westland Irrigation District is in process of developing their Watershed Plan-EA for the Ordnance Project in conjunction with Umatilla County. The full extent of the project is still being determined but will ultimately improve district infrastructure to yield a more efficient system, benefiting over 250 producers in Umatilla County.

NRCS Projects

22. **Clear Branch Dam:** Middle Fork Irrigation District Clear Branch Dam Rehabilitation aim is to ensure the continued provision of a clean, dependable water supply and an improved water distribution system for the irrigation of up to 8000 acres in the Upper Hood River Valley in Hood River County, Oregon. The project is focusing on structural modifications necessary to extend life of service for another 50-100 years.

23. **Cooper Creek Dam:** Constructed in 1969 with the primary purpose of flood protection. This dam is now classified as high hazard by the State of Oregon and USDA-NRCS. The purpose of this project, which is in the planning phase, is to provide continued flood prevention to the communities downstream of the dams and to meet current design standards, while maintaining the other authorized purposes established for each structure.
24. **LCWRCP:** Lower Columbia Watershed Regional Conservation Partnership led by the Columbia Soil and Water Conservation District is a watershed protection project located in Columbia and Clatsop Counties, Oregon. The purpose of this project is to advance recovery of Endangered Species Act (ESA) listed fish species, through localized enhancement and restoration of watershed processes, and prioritizing restoration activities that also address habitat conditions.
25. **Plat I Dam:** Constructed in 1966 with the primary purpose of flood protection with irrigation. This dam is now classified as high hazard by the State of Oregon and USDA-NRCS. The purpose of this project, which is in the planning phase, is to provide continued flood prevention to the communities downstream of the dams and to meet current design standards, while maintaining the other authorized purposes established for each structure.
26. **Prineville:** City of Prineville has requested assistance through PL83-566 to develop a Preliminary Investigative Findings Report (PIFR). The project focuses on the addition of two new aquifer storage and recovery (ASR) wells to increase the availability of water for present and future municipal and industrial use.
27. **Tualatin Valley ID:** Tualatin Valley Irrigation District has requested assistance through PL83-566 to develop a Preliminary Investigative Findings Report (PIFR). The modernization projects they hope to accomplish include replacing old, failing pipelines with modernized pipeline materials to conserve water and improve system efficiencies.
28. **Wallowa Lake Dam:** Wallowa Lake Irrigation District is sponsoring the project to address the dam safety issues associated with the 103-year-old structure. The project will rehabilitate the structure to ameliorate safety concerns, increase irrigation water supply (the dam has been operating at reduced storage since the 1990's), and other possible municipal benefits. Improved infrastructure will allow ensure the dam is able to meet its agreement of releasing up to 5000 acre-feet (AF) of water annually, 4500 AF of which is dedicated to in-stream flows.