

RECLAMATION

Managing Water in the West

Investment Projects for the Bureau of Reclamation

American Recovery and Reinvestment Act

April 14, 2009



**U.S. Department of the Interior
Bureau of Reclamation**

Overview

Funds from the American Recovery and Reinvestment Act (ARRA) will allow the Bureau of Reclamation (Reclamation) to make significant contributions to the recovery and stabilization of the economy of the United States in a short time period. Selected projects are itemized in the attached tables. The majority of funds allocated to Reclamation will be expended by the end of 2010. Nearly all funds will be spent by the end of 2011.

Reclamation is a contemporary water management agency with programs, initiatives, and activities that assist the 17 western states, Native American Tribes, local communities, and others to meet water needs and balance the multitude of competing uses of water in the West. Established in 1902, Reclamation is best known for the dams, power plants, and canals it constructed in the West, including Hoover Dam on the Colorado River and Grand Coulee Dam on the Columbia River.

Reclamation is the largest wholesaler of water in the country, bringing water to more than 31 million people, and providing one out of five Western farmers with irrigation water for 10 million acres of farmland that produces 60% of the nation's vegetables and 25% of its fruits.

Reclamation places great emphasis on fulfilling its water delivery obligations, and is engaged in water conservation, water recycling and reuse, and developing partnerships with its customers, states, and Native American Tribes. Together with its myriad of stakeholders, Reclamation is finding ways to bring together the variety of interests to address the competing needs for America's limited water resources.

What were the criteria?

Approximately \$2 billion of potential Reclamation projects were submitted to the Commissioner's Office for ARRA funding consideration. In selecting the \$945 million of projects to be funded, Reclamation used a multi-tiered, merit-based evaluation process that considered:

- (1) ARRA general objectives (e.g. preserve and create jobs, and invest in infrastructure) and Department of the Interior policy objectives (e.g., improving energy efficiency and assisting Native Americans);
- (2) Priorities specific to Reclamation as required by the ARRA and its Conference Report and as established by the Department;

- (3) Reclamation's overall program priorities; and
- (4) Criteria for selection of projects within individual program investment areas.

In addition, the ARRA set minimum funding requirements for three programs:

- At least \$10 million for canal inspections in urban areas
- At least \$126 million for water reclamation and reuse
- At least \$60 million for rural water projects with an emphasis on water intakes and water treatment facilities

Reclamation's overall program priorities were reflected in the general criteria and considerations:

- Priority was given to stimulus activities which, through the acceleration of construction already underway, would achieve more efficient construction schedules, probable cost reductions, and an earlier realization of project benefits than would otherwise be the case.
- Priority was given to funding a relatively small number of large construction projects reflecting the Department's priorities and because of the challenges to accommodate these projects within annual budget limitations and mitigate the impact of this additional workload on staff available to process procurement and financial assistance agreements staff.
- The use of stimulus funding was balanced across program investment areas to achieve the Department's policy priorities and to ensure the continued delivery of project benefits, the operation and maintenance of projects in a safe and reliable manner, the protection of the health and safety of the public and Reclamation employees, and compliance with environmental requirements and opportunities for ecosystem restoration.

Finally, Reclamation applied, or will apply, evaluation criteria specific to several individual programs (e.g., dam safety projects, water reclamation and reuse projects, the Secretary's Water Conservation Initiative, infrastructure repairs and replacements) to prioritize projects within each of those programs.

Details regarding the project selection process can be found in "Evaluation and Selection Criteria for Recommended Projects," attached.

How the money will be spent

Selected projects will bring water to rural communities and Indian country and will stretch scarce water supplies through reuse and recycling and through water conservation. Significant sums will be devoted to opportunities for environmental and ecosystem restoration. Other funding will immediately address the rehabilitation of aging infrastructure. Some of the money will be used for emergency response to the devastating repercussions of the current drought in

California. These efforts will contribute to the long-term sustainability of water and natural resources.

Meeting future water supply needs

- Total funding: \$450.9 million

Water reclamation and reuse

Projects providing for the reclamation and reuse of wastewater and naturally impaired ground and surface waters will receive \$135 million. These projects are constructed and owned by non-Federal sponsors -- uniting local communities with the U.S. government to provide change, growth and a future for energy efficiency, clean water and environmental stewardship in a broad range of areas. Individual projects will be selected in accordance with criteria listed in Attachment One of "Evaluation and Selection Criteria for Recommended Projects."

Rural water

Reclamation will spend \$200 million on construction of rural water projects with an emphasis on water intakes and water treatment plants. This means projects authorized by Congress will deliver water much sooner than would otherwise be the case. Young children in Montana and North and South Dakota will have clean, safe drinking water in their homes and schools in Native American and other communities.

Infrastructure reliability and safety

- Total funding: \$164.6 million

Canal inspections

In many areas, Reclamation's projects were originally constructed in unpopulated locales. With the population growth in the West, some of these locations are now housing developments and towns. With the safety of the people in these areas in mind, Reclamation will use \$10 million to inspect canals in urban areas using both aerial and onsite procedures.

Folsom Dam safety

Reclamation will use \$22.3 million to accelerate the construction of a safety of dams risk reduction at Folsom Dam in California. It includes construction of spillway gate pier modifications to resist seismic loadings. This project is a key element of the comprehensive set of risk reduction actions to protect the people of Sacramento.

Aging infrastructure

Water delivered and power produced with Reclamation facilities are crucial contributors to our western economy. The challenge of completing major repairs to Federally-owned aging infrastructure has been an important topic in recent years. Investments in infrastructure reliability will create immediate construction, engineering and scientific jobs. More than \$130 million has been slated for high-priority infrastructure repair and replacement projects across many Reclamation facilities across the West.

Environmental/ecosystem restoration

- **Total funding: \$236.3 million**

Reclamation works to meet the increasing water demands of the West while protecting the environment. Reclamation has an established role in restoring aquatic habitat that was impacted by historic development, and is working on a number of large cooperative restoration programs. ARRA funds will support projects with a goal to make the western United States rivers, streams and estuaries environmentally healthy while continuing to provide water supply benefits. Projects funded by ARRA will focus on programs in California, Washington, Nevada, Arizona and Oregon.

Green buildings

- **Total funding: \$13.5 million**

Going hand-in-hand with projects for environmentally improved waterways is the need for green building renovations and construction. Funds from the ARRA will contribute to a green office building in Nevada, incorporating natural lighting, energy efficient fixtures, heating and cooling systems and water efficient plumbing systems. The project meets new GSA standards for energy efficiency.

Water Conservation Initiative

- **Total funding: \$40 million**

One of the most cost-effective ways to increase operational flexibility in water-short areas of the West is through water conservation and improved efficiency. Reclamation's competitively selected grants as part of its water conservation initiative – formerly known as Challenge Grant Program for Water Marketing and Efficiency Grants – will be awarded with a priority on meeting economic recovery goals. Reclamation allocated \$40 million to compliment the Secretary's Water Conservation Initiative.

Emergency drought relief

- **Total funding: \$40 million**

Portions of the western United States, California in particular, are currently experiencing historic drought conditions, which will have devastating effects through both the direct loss of farm and farm-related jobs and through economic losses due to lessened agricultural production. Under the Reclamation States Emergency Drought Relief Act of 1991, and other authorities, Reclamation will fund emergency drought relief projects that can quickly and effectively mitigate the consequences of the current drought by making the greatest quantities of water available for areas that are hardest hit.

Bureau of Reclamation
American Recovery Reinvestment Act
(\$ in Thousands)

Category	States	Project Cost
Meet Future Water Supply Needs (MFWSN)		
Title XVI Water Recycling Projects (ARRA Minimum=\$126M)	Various	135,000
Rural Water Projects (ARRA Minimum=\$60M)		
Garrison Diversion Unit	ND	59,000
Mni Wiconi	SD	20,000
Fort Peck/Dry Prairie	MT	40,000
Lewis & Clark	SD, IA, MN	56,500
Rocky Boys/North Central Montana	MT	20,000
Perkins County	SD	4,500
Rural Water Subtotal		<u>200,000</u>
Animas-LaPlata Project - Accelerate Construction	CO, NM	12,120
Central Arizona Project - Gila River Indian Community	AZ	36,800
San Carlos Irrigation and Drainage District	AZ	11,950
Potholes Supplemental Feed Route - Columbia Basin Project	WA	5,000
Weber Siphon Complex - Columbia Basin Project	WA	50,000
Meet Future Water Supply Needs TOTAL		<u><u>450,870</u></u>
Infrastructure Reliability & Safety (IRS)		
Canal Inspections - Urban Areas (ARRA Minimum=\$10M)	Various	10,000
Folsom Dam Safety - Accelerate Construction	CA	22,300
Flatiron Penstock Recoating - Colorado Big Thompson Project	CO	14,000
Leavenworth Water System - Columbia Basin Project	WA	18,100
Yuma Area Projects	AZ, CA, NV	36,250
Construct Life Safety Code Improvements	Various	5,015
Construct ADA Compliance Improvements	Various	6,923
Infrastructure Reliability & Safety ALL OTHERS		51,998
Infrastructure Reliability & Safety TOTAL		<u><u>164,586</u></u>
Environmental / Ecosystem Restoration (EER)		
CALFED - Battle Creek Salmon/Steelhead Restoration Project.	CA	26,000
CALFED - Bay-Delta Conservation Plan	CA	4,000
Red Bluff Fish Passage - Central Valley Project	CA	109,814
Klamath River Sedimentation Sampling/Analysis	OR, CA	4,000
Trinity River Restoration - Central Valley Project	CA	4,500
Contra Costa Fish Screen - Central Valley Project	CA	20,000
Yakima River Basin Water Enhancement Project - Benton	WA	17,300
Yakima River Basin Water Enhancement Project - Sunnyside	WA	21,500
Deschutes Ecosystem Restoration	OR	3,855
Lower Colo.River Multi Species Conservation Implementation, LCR Operations Prog.	CA, AZ, NV	2,525
Roza Roller Gate for Fish Passage - Yakima Project	WA	5,000
Colorado River Basin Salinity Control Projects (Title II)	Various	10,000
Environmental / Ecosystem Restoration ALL OTHERS		7,800
Environmental / Ecosystem Restoration TOTAL		<u><u>236,294</u></u>
Green Buildings		
Boulder Canyon Operating Office (BCOO)	NV	13,500
Water Conservation Initiative (Challenge Grants)		
	Various	40,000
Emergency Drought Relief		
	CA focus	40,000
Administration		
	Various	4,750
GRAND TOTAL		<u><u>950,000</u></u>