

Monthly Briefing

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



Mike Ryan

Mike Ryan Now Heading Great Plains

By KENT HEIDT

Family Farm Alliance Member

Michael (Mike) Ryan took over duties as the Regional Director of the Great Plains Region as of July 1.

National Water Resource Association's 2005 Western Water Seminar was an opportune time for the Montana Water Resource Association (MWRA) to welcome Ryan to the Great Plains Region.

MWRA took the opportunity to host
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Alliance Report Helps Assess USBR's Future

How the U.S. Bureau of Reclamation should serve the West in future years is getting a great deal of attention and the Family Farm Alliance has had an important role in the effort.

Alliance Executive Director Dan Keppen on June 23 in Washington, D.C. presented a report entitled *"The Bureau of Reclamation's Capability to Fulfill Its Core Mission: The Customer's Perspective."*

THE ALLIANCE report was given to the National Research Council (NRC) Board on Infrastructure and the Constructed Environment.

Nine individual case studies for irrigation districts served by six Reclamation projects in five Western states were included in the Alliance report.

"The Family Farm Alliance was very pleased to be asked to participate in such a constructive process," Keppen said.

HE SAID THE NATIONAL Resource Council Board has been asked by the Interior Department to provide an independent assessment of Reclamation's design and build functions.

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.

"The five months in which the Alliance was engaged in this process were well spent," Keppen said. "The final NRC report may form a basis for future federal policy development. Members of the committee appeared to be very well informed about the concerns expressed by Western irrigators."

Alliance comments and concerns voiced by the National Water Resources Association were very similar and focused on:

- Aging infrastructure.

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Former Alliance Chief Confirmed By Senate

Former Family Farm Alliance President Mark Limbaugh (IDAHO) has been confirmed by the Senate as the Interior Department's new Assistant Secretary.

Limbaugh served as Alliance President from March 2000 through January 2002 when he joined the Bush administration as Deputy

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THE ALLIANCE

Colorado Ag Official Joins Advisory Panel

Sheldon Jones, Deputy Commissioner for the Colorado Department of Agriculture, is the newest member of the Family Farm Alliance Advisory Committee. Jones served as the Director of the Arizona Department of Agriculture from 1997-2002. He has been active in local, regional, national and international forums promoting agriculture. Jones also served previously on the Alliance Advisory Committee while working as Executive Director with the Agri-Business Council of Arizona, a trade association of agriculture irrigation and power districts. Earlier in his career, Jones was a commercial lender for Colorado farmers and cattle ranchers for 14 years. His knowledge of production agriculture comes from first-hand experience as a 130,000-acre cattle rancher in Payson (ARIZONA). For 20 years, Jones helped operate the family enterprise that included the SA Ranch and Bar J Bar Ranch.



Sheldon Jones

Alliance Provides Issue Updates

Three Family Farm Alliance leaders on August 4 attended a meeting in Red Bluff (CALIFORNIA) of the Tehama-Colusa Canal Authority to present an overview of issues in which the Alliance is engaged. Taking part in the meeting were Bill Kennedy (OREGON), Alliance Chairman of the Board; Judy Brown (CALIFORNIA), Secretary; and Dan Keppen (OREGON), Executive Director.

Earlier Dates Set For Annual Meeting

Family Farm Alliance members will again be meeting in Las Vegas (NEVADA) next March but a little earlier than has been the case for the past few years.

MARCH 2-3, 2006, are the dates selected for the Alliance's 18th Annual Meeting and Conference. The Alliance's Board of Directors and Advisory Committee will meet on March 1.

The popular Monte Carlo Resort and Casino, located in the heart of the famed Las Vegas Strip, will again be the Annual Meeting's venue. Details will be announced this fall.

Energy Bill Wants Look At Storage

A provision in the final version of the Energy Act of 2005 could lead to new appraisals of long dormant water storage projects across the West.

The Family Farm Alliance worked closely with Congressional staff members last spring in an effort to back federal legislation aimed at possibly pumping new life, or at least renewed scrutiny, into previously authorized studies.

HOUSE WATER AND POWER Subcommittee Chairman George Radanovich (R-CALIFORNIA) made the proposal.

He said new water storage facilities might hold potential for significant amounts of new hydroelectric power.

Radanovich was quoted in *Greenwire* as saying, "The idea of the Reclamation study is to get a handle on all of the water storage projects so we can see how much hydroelectric generating possibilities might be there. It may be a great energy source as we're looking for new domestic energy production."

THE U.S. BUREAU OF RECLAMATION would have to report to Congress, within 90 days after the bill is signed into law, the status of all pending water storage projects that the agency has been authorized to study.

The Bureau must report whether the study was completed and how much money was spent. A report must also be made of both the water storage and hydropower potential is for each project, whether each project was found feasible and what the cost of construction might be.

Beneficiaries would need to be listed and environmental impacts of each project would need to be assessed. Other factors that might interfere with each project must be analyzed.

"WE BELIEVE THAT IT IS POSSIBLE to meet the needs of cities and the environment without sacrificing Western irrigated agriculture. To achieve that goal, we must expand the water supply in the West. The recent Energy Bill provisions provide encouragement that Congress is paying more attention to this critical issue," Family Farm Alliance Executive Director Dan Keppen said.

The study requirements are contained within Section 1840 of the Energy Act of 2005.

A Bill To Boost Rural Supplies

Water Issue Is Vital But Alliance Worries About USBR Impacts

A rural water supply bill pending in the Senate includes a number of potentially significant financial advantages for vast reaches of the West but the Family Farm Alliance has concern there might be unintended consequences within the U.S. Bureau of Reclamation.

The bill, S. 895, would direct the Secretary of the Interior to establish a rural water supply program in the 17 states served by the Bureau to provide a clean, safe affordable, and reliable water supply to rural residents.

The bill is authored by Senator Pete V. Domenici (R-NEW MEXICO) and eight co-sponsors.

“THE FAMILY FARM ALLIANCE strongly supports the loan guarantee provisions of S. 895 as they relate to major operation and maintenance expenditures on Bureau of Reclamation projects, and we appreciate the effort to meet rural domestic water supply needs,” Family Farm Alliance Executive Director Dan Keppen said in a letter to Senator Domenici.

“However, we are concerned that adding a rural water supply component to the Bureau of Reclamation’s mission will draw resources away from Reclamation’s core mission – providing water and power to irrigation customers and maintaining existing infrastructure,” Keppen said. He said the Alliance wants to be helpful, constructive and supportive in helping the Senator improve the bill.

Issues addressed by the Domenici bill are critical, Keppen said, because of the “inability of many rural communities to afford to build or repair water supply facilities.”

SUCH SITUATIONS also call attention to one of the principal points recently made to the National Research Council Board on Infrastructure and the Constructed Environment — that many Reclamation facilities are approaching the end of or are past the design life of the facilities. Many such facilities need to be replaced with modern designs that provide for greater water management efficiency.

“Sound business practices dictate that this existing infrastructure and the water supply provided by these facilities, be protected and preserved prior to the dedication of scarce funds to the development of new supplies,” Keppen said.

Keppen said that by making it easier for local agencies to meet their financial responsibilities, S. 895 would help protect the federal investment in the West’s water supply infrastructure.

He cautioned that the proposed loan guarantee program “would be helpful in many cases, but it probably will not work in every case, or at least not be itself. Other measures may be necessary.”

Preliminary studies and full feasibility studies under the proposed legislation would have an impact on the Bureau’s capabilities unless budgets are increased, the Alliance warned.

ON THE OTHER HAND, said Keppen, the Alliance “believes S. 895 is positive, promising legislation that can be further improved through revisions that will appeal to the Western irrigators who form the core for many rural communities in the West.”

ALLIANCE ADVISES RESOURCE COUNCIL ON USBR’S FUTURE

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- Operation and maintenance costs and the primary Reclamation mission to adequately maintain existing infrastructure.
- Reclamation costs and overhead.
- The need for new water supply projects.

OTHER KEY FINDINGS of the Alliance study:

- Reclamation frequently demands that it design work on water projects.
- Cost estimates prepared by Reclamation for proposed work are often significantly higher than reasonably anticipated costs.
- Irrigation districts complain of unsatisfactory contract management by Reclamation staff, and generally question the technical

abilities of Reclamation staff, particularly new hires.

- Reclamation has demonstrated an unwillingness to document the basis for accounting of construction, NEPA work, and other cost estimates.
- Districts do not have recourse to fully understand and engage with Reclamation in decision-making and related cost estimates.
- Water users have in some cases noted significant Reclamation over-staffing of meetings or work on projects.
- Reclamation needs to improve "turn-around" times for design work or decisions.

“DESPITE THESE NEGATIVE findings, Western water users also point to evidence that Reclamation staff

members from regional and area offices can and do play a key role in helping to find the right path to make multi-agency processes and projects work,” said Keppen.

“When strong relationships are developed between Reclamation employees (especially in area or regional offices) and local water users, cooperative and innovative solutions can be reached,” he said.

Keppen added, “I would like to thank the dozens of irrigators, district managers, consultants, agency staff and attorneys who contributed to the development of this report.”



To read the Alliance’s report, please visit www.familyfarmalliance.org.

RYAN BECOMES USBR'S GREAT PLAINS REGIONAL DIRECTOR

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a reception for Ryan on July 21 in Big Sky (MONTANA). This provided the opportunity for individuals to meet and greet Ryan and to welcome him to the region.

Assistant Interior Secretary Mark Limbaugh also attended the reception just prior to his formal Senate confirmation that occurred July 22.



Chatting with Mike Ryan (right), the new U.S. Bureau of Reclamation Great Plains Regional Director during the recent National Water Resources Association meeting in Big Sky (Montana) are Family Farm Alliance Advisory Committee Member Norm Haak (left) and Rick Anderson.

RYAN IS A NATIVE of Deer Lodge (MONTANA) and referred to his return to Billings as a personal homecoming. Ryan actually started his full-time career in Billings in 1985,

after he earned a Bachelor of Science Degree at Montana State University-Bozeman. He previously served as the Northern California Area Manager at Shasta Lake (CALIFORNIA).

His capability to manage technically complicated and controversial issues was demonstrated during his tenure as Chairman of the Trinity Management Council which was tasked with developing and implementing the Trinity River Restoration Program and advising the Secretary of the Interior on Trinity River anadromous fishery restoration issues. Several of Ryan's work activities have been recognized by the Family Farm Alliance as examples of successful partnerships with project beneficiaries.

During the MWRA Board meeting the afternoon on July 21, Ryan discussed his commitment to work in the interest of partnership on the variety of critical issues existing in the Great Plains Region. This includes the issue of aging infrastructure, a topic that was a continuing theme throughout the 2005 Western Water Seminar.

THE GREAT PLAINS REGIONAL OFFICE is located in Billings (MONTANA) and is responsible for Reclamation activities in all or parts of nine states extending from the Canadian border adjoining Montana and North Dakota to the south of Texas.

The region manages more than 150 major water storage and delivery structures associated with 80 reservoirs. Over 1,000 water service and repayment contracts are administered for the region's projects. The region's 21 power plants generate over three billion kilowatt hours of electricity each year. Recreation use of the region's reservoirs averages more than 14 million visits annually.

Those of us in the Family Farm Alliance welcome Ryan to his new position as Regional Director, Great Plains Region and wish continued success as he takes on his new job's challenges.

SENATE CONFIRMS FORMER ALLIANCE PRESIDENT MARK LIMBAUGH

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Commissioner of the U.S. Bureau of Reclamation.

Alliance President Pat O'Toole (WYOMING) said that the organization is honored and proud of Limbaugh's rapid rise within the Interior Department.

"Mark Limbaugh has shown a strong commitment to the principles of cooperative conservation and has been a key member of Interior's team addressing critical western water issues," said Interior Secretary Gale A. Norton. "He now will be able to carry his ethic of collaboration and stewardship to the

wider arena of the Department's water and science issues."

Limbaugh formerly served as Payette

River Watermaster in Idaho and for 13 years managed an 800-acre family farm.

By profession, he is an accountant.

FAMILY FARM ALLIANCE

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