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August 4, 2003

## **MEMORANDUM**

**TO:** Council Members

**FROM:** Mark Fritsch

**SUBJECT:** Recommendation on final design and cost for Methow Valley Irrigation District Rehabilitation Project - #1996-034-01

### **Action**

The Methow Valley Irrigation District (MVID) has requested capital funds in the amount of \$957,583 to address passage and screening problems at the MVID East Side Canal Site on the Methow River and at the MVID West Side Canal Site on the Twisp River, by the construction of a traveling belt fish screen and rotating drum screen respectively (see Attachment 1). In an effort to meet the construction window this fall the MVID is requesting the Council to take action at your meeting in August.

### **Recommendation**

Council staff recommends that the construction of the traveling belt fish screen (\$421,106 for the MVID East Side Canal Site on the Methow River) and rotating drum screen (\$516,477 for the MVID West Side Canal Site on the Twisp River) be approved not to exceed a total cost of \$957,583. It is also understood that all Operation and Maintenance costs for the new screens will be assumed by MVID and that any other phases associated with the project would be defined in the anticipated subbasin plan. The staff recommendation is conditioned on Bonneville funding this work with Fiscal Year 2003 capital funds.

### **Background**

The Methow Valley Irrigation District (MVID) was organized in the early 1900s to supply water for agricultural production. MVID is comprised of two main canals. The West Canal diverts water from the Twisp River, and the East Canal diverts water from the Methow River. The District is currently required to provide 12 cfs to the Barkley ditch on the east diversion on the Methow River.

Funding from Bonneville was approved by the Council in 1996 as a part of a regional package of passage improvement and water quantity restoration projects. Bonneville committed a balance of \$2.8 million to the Washington Department of Ecology to an initial project scope of a pressurized irrigation delivery system (design and construct - \$1.3 million), compensating landowners (\$1.5 million) who would be excluded from the irrigation district so that they could install wells and complying with NMFS passage requirements.

The development of the project is outlined in the following.

- 1998 - Upon completion of the Environmental Assessment by Bonneville in 1998, the MVID had an advisory vote of the preferred alternative (A), which called for converting a smaller portion of the district's canals within an enclosed pipe system supplied by wells in continuity with the river. Under this scenario some members chose to be excluded from the district with the understanding that they would be compensated from Bonneville funds on an acreage-based formula for the cost of installing or upgrading existing well.

The MVID Board made two critical decisions. First they signed a Consent Decree with NMFS to resolve a complaint filed by NMFS in 1999 concerning alleged illegal ESA "take". The Consent Decree specified both actions and options for reaching compliance. If particular milestones are not met, enforcement options articulated in the Consent Decree include MVID shutting the irrigation system until compliance is achieved.

Second, the MVID voted to not move forward with the pressurized pipe system because it did not believe the terms and conditions could be met. Reasons included O&M costs that MVID deemed too high, not accepting what Ecology planned to put forward as a tentative water right determination, concern for lost habitat and riparian zones among other issues.

- 2001 – BPA hired a facilitator to gather consensus with all concerned agencies and the MVID on issues ranging from re-meshing of screens to resolving wasteful water practices, removing physical barriers to improve fish passage and to improve instream flows.
- 2002 - At the completion of facilitation and several consequent meetings with various involved parties, a new project description was developed that would satisfy all involved parties. This new project included replacing screens and diversions on both the Twisp and Methow rivers, rehabilitation of critical portions of canals and at some agreed upon low summer flow switching from the Twisp diversion to a new pump station on the Methow. To assist in developing a recommended flow as part of the ESA consultation process BPA hired a consultant to review a 1992 IFIM study on the Twisp and make a flow recommendation.

In the interim, Bonneville has come upon very critical funding shortages and does not see supporting critical funding that would have assisted the MVID in long-term Operation and Maintenance of a new pump station on the Twisp. In addition, NOAA fisheries and MVID have been unable to agree on a trigger flow for switching to a pump station and

the MVID feels that a low trigger flow will affect their future water rights on the Twisp River.

- 2003 - Given all of the above history and uncertainty of funding for this project, Bonneville agreed to fund compensation for excluded members from FY 03 funds and recommended that the MVID develop a new proposal for out-year funding for a revised project scope to replace screens and diversions only.
- April 2003 - The Methow Valley Irrigation District (MVID) requested a change in scope from an enclosed pipe system to an upgraded replacement fish screens that will address passage and screening problems at the MVID East Side Canal Site on the Methow River and at the MVID West Side Canal Site on the Twisp River.
- May 7, 2003 The Council approved the change in scope for the construction of diversion screens, not to exceed \$995,706<sup>1</sup>, subject to the review of the Council at completion of final design. The approval is conditioned with the understanding that there is an agreement provided by Bonneville, Methow Valley Irrigation District, Bureau of Reclamation and the Washington Department of Ecology regarding the final designs and costs associated with the screen replacement. In addition, the Council requested that the balance of the existing capital commitment remain available for the resolution of the water quantity improvement elements of the original project scope.

To date approximately \$900,000 has been spent by Bonneville and WDOE funds for on-farm efficiencies (e.g. lateral pipe replacement), pre engineering studies, facilitation and environmental analysis. In Fiscal Year 2003 approximately \$1,000,000 has been committed to pay compensation to excluded members.

### **Analysis**

Conditions placed on this project by the Council action in May seem to have been met. The final costs have been refined and the anticipated construction cost is \$957,583. Information received from Bonneville on August 1, 2003 (see Attachment 2) anticipates expenditures of \$421,106 for the MVID East Side Diversion Canal Fish Screen Replacement Structure<sup>2</sup>, \$516,477 for the MVID West Diversion Canal Screen Modification<sup>3</sup>, and \$20,00 for additional ESA work regarding the Biological Assessment. Additional information received from Bonneville included the following.

- “Agreement in Principle” between the Methow Valley Irrigation District, Bonneville Power Administration, Bureau of Reclamation, Washington Department of Fish and Wildlife, and Washington Department of Ecology.

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<sup>1</sup> The proposed project will address passage and screening problems at the MVID East Side Canal Site on the Methow River and at the MVID West Side Canal Site on the Twisp River. Upgraded replacement fish screens will be constructed at both locations to assure compliance with current NMFS and WDFW criteria. The existing diversion structures at both locations will also be upgraded to provide both improved fish passage and reduced needs for instream O&M work. Conceptual costs associated with these improvements on the east and west diversion canals, based on maximum screen capacity, will range from \$715,706 to \$995,706.

<sup>2</sup> Vertical Traveling Belt Fish Screen

<sup>3</sup> Rotating Drum Screens

- MVID Fish Screen Project Schedule
- Project Funding/Spending History
- Project Background Information

As part of the conditional approval associated with the scope change in May, the Council requested that the balance of the existing capital commitment remain available for the resolution of the water quantity improvement elements of the original project scope. This condition was based on the concerns raised by the Yakama Nation (YN). Follow-up discussions between Council and Bonneville staffs and Paul Ward (Fisheries Program Manager, Yakama Nation) cause us to recommend that excess funds should be returned to the overall fish and wildlife program budget.

Informal information received from Bonneville indicates that it would anticipate that the capital cost associated with this project would be taken from Fiscal Year 2004 capital funds (i.e. capital construction and MVID member compensation). However, the staff believes that the present and ongoing deferral of a large number of land acquisition projects across the basin to Fiscal Year 2004 for capital funding calls into question the ability to also fund this Methow project with Fiscal Year 2004 capital funds. The staff does not believe that it is prudent to count on sufficient Fiscal Year 2004 funds to be available to cover those land acquisitions, other capital projects moving through the program, and the Methow project as well. Without a greater level of certainty about Fiscal Year 2004 capital funding availability, the staff believes that the funding for this capital project should be provided with Fiscal Year 2003 funds.

A decision to proceed with the construction associated with the proposal is time sensitive. The work window is this fall so that the screens can be in place prior to the 2004 irrigation season in order to comply with the consent decree agreed to with NOAA Fisheries.

Based on the information and the long history of this project Council staff recommends that this request to construct the traveling belt fish screen (\$421,106 for the MVID East Side Canal Site on the Methow River) and rotating drum screen (\$516,477 for the MVID West Side Canal Site on the Twisp River) be approved not to exceed a total cost of \$957,583. It is also understood that all Operation and Maintenance costs for the new screens will be assumed by MVID and that any other phases associated with the project would be defined in the anticipated subbasin plan. The staff recommendation is condition with the understanding that Bonneville needs to fund this request from the Fiscal Year 2003 capital funds<sup>4</sup>.

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<sup>4</sup> As of August 3, 2003 capital cost is at \$7,723,616.

**Attachment 1: Letter received on April 25, 2003 from Methow Valley Irrigation District requesting scope change for Project 1996-034-01.**

Methow Valley Irrigation District  
P.O. Box 860  
Twisp, WA 98856  
-  
Telephone – (509) 997-MVID

August 4, 2003

Mr. Doug Marker  
The Northwest Power Planning Council  
851 S.W. Sixth Avenue  
Suite 1100  
Portland, Or. 98204-1348

Dear Mr. Marker,

Since the Northwest Power Planning Council's approval of the Methow Valley Irrigation District's revised rehabilitation plan, the Bureau of Reclamation has completed final design and cost estimates for screening diversions on the Twisp and Methow Rivers.

It is the District's desire to implement the screening project scheduled for completion prior to the 2004 season in order that we be compliant with a consent decree agreed to with NOAA Fisheries, and therefore request funding approval as outlined in the attached "Agreement in Principal".

With the Council's support, the District has thus far significantly reduced diversions as a result of exclusion of lands from the district and replaced most of our lateral line distribution system gaining further efficiencies. We look forward to working with the Council through the balance of the rehabilitation plan and achieving even greater benefit to fish and wildlife while maintaining a viable and efficient irrigation facility.

We thank the Council for its support.

Sincerely,

Vaughn Jolley, Chairman of the Board  
Methow Valley Irrigation District

**Attachment 1: Agreement in Principle, Construction Cost Estimate, Funding and Budgetary Information regarding Project 1996-034-01 (Bonneville August 1, 2003).**

**Agreement in Principle  
Between**

The Methow Valley Irrigation District, Bonneville Power Administration, Bureau of Reclamation, Washington Department of Fish and Wildlife, and Washington Department of Ecology

*All participating entities understand that this is not a binding commitment but it is their intent to proceed as described below.*

**Background:**

This agreement arises from ongoing efforts to implement a project that will address fish screen replacements at the MVID East Side Canal site on the Methow River and at the MVID West Side Canal Site on the Twisp River.

On April 30, 2003, The Northwest Power Planning and Conservation Council staff recommended a revised scope of work for Methow Valley Irrigation District (MVID) Rehabilitation Project #1996-034-01. The MVID has requested a change in the current project scope and sufficient funding to cover screen replacements on their Methow and Twisp River Diversions. The Washington Department of Ecology (Ecology) for this project.

The project schedule is driven by a Consent Decree negotiated between NOAA Fisheries and MVID. This Consent Decree dictates that the MVID screens be in place by the beginning of the 2004 irrigation season.

Council staff recommended approval of the scope change provided that BPA, MVID, Bureau of Reclamation (Reclamation) Washington Department of Fish and Wildlife (WDFW), and Ecology agree in principle regarding the final designs and costs associated with screen replacements.

**The Methow Valley Irrigation District** will work with all agencies as needed to complete designs, permitting and screen construction. In addition as a cost share MVID will assume Operation and Maintenance costs for the new screens when they are completed.

**The Bureau of Reclamation**, working with the WDFW Yakima Construction Shop and the MVID, will design replacement screens. These designs will include associated drawings, contract specifications, and other supporting documentation as necessary. When complete, Reclamation will supply BPA or its representative all specifications, documentation, and drawings necessary for construction of both screens. As needed,

Reclamation will also provide BPA or its representative technical assistance relating to designs and construction and technical assistance to BPA or its representatives in meeting Federal permitting requirements. Reclamation will provide technical assistance in acquiring State permits to MVID.

**Bonneville Power Administration**, upon approval of project funding, agrees to prepare construction contracts for both sites using engineering specifications provided by Reclamation. These contracts will be awarded by BPA to match a construction schedule that will complete screen installation by May 2004. BPA will complete all NEPA and ESA consultation requirements for the projects.

**The Washington Department of Fish and Wildlife (WDFW)** has agreed to release State Building Construction Bond funds in the amount of \$275,000 directly to the WDFW Yakima Construction shop for metal fabrication of the screens, miscellaneous metal work, and their installation for this project contingent on the remaining project being funded through Bonneville Power Administration. Therefore, costs for screen fabrication have been removed from the cost estimates below. WDFW will also provide BPA or its representative technical assistance regarding screening facility design, and critical design review.

**The Washington Department of Ecology (WDOE)** understands that both screen facilities will be operable between 10 and 30 cfs AND that the current Operational limit for East Side Diversion is 24 cfs, based on Order DE 02WRCCR-3950, and current Operational limit for West Side Diversion is 29 cfs, based on Order DE 02WRCCR-3950, both are currently under appeal.

#### East Diversion Canal Fish Screen Replacement Structure

- Vertical Traveling Belt Fish Screen

Through ongoing discussion between Reclamation, MVID, and WDFW, the parties have agreed that a **Traveling Belt Fish Screen** is the best option for the Methow River East Diversion Fish Screen. This option involves placing a structure with vertical traveling belt fish screens in the canal at the location of the current screens. The design flow for the new vertical traveling belt fish screen is 10 to 30 cfs, and will be designed to meet current state and Federal fish screening criteria. The fish screen is sized to be capable of delivering a 30 cfs flow<sup>5</sup> during the low flow condition for the 90 percent exceedance flow in the Methow River.

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<sup>5</sup> Operational limit is 24 cfs, based on Order DE 02WRCCR-3950

## Construction Cost Estimate – MVID EAST

|      | MVID East Fish Screen Replacement       |     |      |             | 7/22/03      |
|------|-----------------------------------------|-----|------|-------------|--------------|
|      | Preliminary Construction Cost Estimate  |     |      |             | pmm          |
|      | BPA Costs Only                          |     |      |             |              |
|      |                                         | Est |      | Unit        |              |
| Item | Description                             | Qty | Unit | Price       | Amount       |
|      |                                         |     |      |             |              |
| 1    | Mob and Demob                           | 1   | LS   | \$16,273.95 | \$16,273.95  |
| 2    | Diversion & Care & Dewatering           | 1   | LS   | \$10,000.00 | \$10,000.00  |
| 3    | Clearing and Grubing                    | 0.5 | acre | \$5,000.00  | \$2,500.00   |
| 4    | Remove and dispose of existing concrete | 1   | LS   | \$10,000.00 | \$10,000.00  |
| 5    | Excavate for Structures                 | 600 | CY   | \$11.00     | \$6,600.00   |
| 6    | Excavate for Pipe Trenches              | 400 | CY   | \$11.00     | \$4,400.00   |
| 7    | Site Excavation                         | 75  | CY   | \$11.00     | \$825.00     |
| 8    | Backfill for Structures                 | 300 | CY   | \$7.00      | \$2,100.00   |
| 9    | Compacting Backfill for Structures      | 300 | CY   | \$8.00      | \$2,400.00   |
| 10   | Backfill for Pipe Trenches              | 350 | CY   | \$7.00      | \$2,450.00   |
| 11   | Compacting Backfill for Pipe Trenches   | 350 | CY   | \$8.00      | \$2,800.00   |
| 12   | Riprap                                  | 100 | CY   | \$65.00     | \$6,500.00   |
| 13   | Bedding                                 | 30  | CY   | \$32.00     | \$960.00     |
| 14   | 4" Gravel Surfacing                     | 500 | SY   | \$6.00      | \$3,000.00   |
| 15   | 30 Inch Diameter Fish Return Pipe       | 210 | LF   | \$70.00     | \$14,700.00  |
| 16   | Seeding for Erosion Control             | 1   | LS   | \$2,000.00  | \$2,000.00   |
| 17   | Concrete in Structures                  | 130 | CY   | \$900.00    | \$117,000.00 |
| 18   | Embedded Metalwork                      | 1   | LS   | \$5,000.00  | \$5,000.00   |
| 19   | 36" x 48" Slide Gates                   | 3   | EA   | \$4,000.00  | \$12,000.00  |
| 20   | Electrical System                       | 1   | LS   | \$15,000.00 | \$15,000.00  |
| 21   | Fencing                                 | 350 | LF   | \$35.00     | \$12,250.00  |
| 22   | Construction Management                 |     |      |             | \$57,500     |
|      | Subtotal:                               |     |      |             | \$306,258.96 |
|      |                                         |     |      |             |              |
|      | Allowance for unlisted items            | 10% |      |             | \$30,625.90  |
|      |                                         |     |      |             |              |
|      | Subtotal                                |     |      |             | \$336,884.85 |
|      |                                         |     |      |             |              |
|      | Contingencies                           | 25% |      |             | \$84,221.21  |
|      |                                         |     |      |             |              |
|      | Total Construction Cost                 |     |      |             | \$421,106.06 |

## MVID West Diversion Canal Diversion Screen Modification

- Rotating Drum Screens

Through ongoing discussion between Reclamation, MVID, and WDFW, the parties have agreed that **rotating drum screens** are the best option for the MVID West Diversion

(Twisp River). The limitations of the existing facility do not allow for significant utilization of the existing structure or screens.

The designs flow for the new rotating drum screens is 10 to 30 cfs, and will be designed to meet current state and Federal fish screening criteria. The fish screen is sized to be capable of delivering a 30 cfs flow<sup>6</sup> during the low flow condition for the 90 percent exceedance flow in the Twisp River.

### Construction Cost Estimate – MVID West

|      |                                          | Est  |      | Unit        |              |
|------|------------------------------------------|------|------|-------------|--------------|
| Item | Description                              | Qty  | Unit | Price       | Amount       |
|      |                                          |      |      |             |              |
| 1    | Mob and Demob                            | 1    | LS   | \$22,500.00 | \$22,500.00  |
| 2    | Diversion & Care & Dewatering            | 1    | LS   | \$10,000.00 | \$10,000.00  |
| 3    | Clearing and Grubing                     | 0.25 | acre | \$5,000.00  | \$1,250.00   |
| 4    | Demolition of existing concrete          | 50   | CY   | \$200.00    | \$10,000.00  |
| 5    | Excavate for Structures                  | 300  | CY   | \$11.00     | \$3,300.00   |
| 6    | Excavate for Pipe Trenches               | 20   | CY   | \$11.00     | \$220.00     |
| 7    | Backfill for Structures                  | 240  | CY   | \$7.00      | \$1,680.00   |
| 8    | Compacting Backfill for Structures       | 240  | CY   | \$8.00      | \$1,920.00   |
| 9    | Backfill for Pipe Trenches               | 20   | CY   | \$7.00      | \$140.00     |
| 10   | Compacting Backfill for Pipe Trenches    | 20   | CY   | \$8.00      | \$160.00     |
| 11   | Riprap                                   | 30   | CY   | \$65.00     | \$1,950.00   |
| 12   | Bedding                                  | 15   | CY   | \$32.00     | \$480.00     |
| 13   | 4" Gravel Surfacing                      | 260  | SY   | \$6.00      | \$1,560.00   |
| 14   | Fish Return Pipe, PVC                    | 25   | LF   | \$60.00     | \$1,500.00   |
| 15   | Rock Weirs                               | 2    | LS   | \$3,000.00  | \$6,000.00   |
| 16   | Seeding for Erosion Control              | 1    | LS   | \$2,000.00  | \$2,000.00   |
| 17   | Timber Stoplogs                          | 1    | LS   | \$500.00    | \$500.00     |
| 18   | Concrete for Fish Screen/Ladder/Spillway | 200  | CY   | \$900.00    | \$180,000.00 |
| 19   | Excavation in Canal                      | 1000 | CY   | \$20.00     | \$20,000.00  |
| 20   | Misc. Metalwork Embed                    | 1    | LS   | \$15,000.00 | \$15,000.00  |
| 21   | 42" x 48" Slide Gates                    | 3    | EA   | \$4,400.00  | \$13,200.00  |
| 22   | Electrical System                        | 1    | LS   | \$20,000.00 | \$20,000.00  |
| 23   | Fencing                                  | 170  | LF   | \$28.00     | \$4,760.00   |
| 24   | Construction Management                  |      |      |             | \$57,500     |
|      | Subtotal:                                |      |      |             | \$375,620    |
|      | Allowance for Unlisted items             | 10%  |      |             | \$37,562     |
|      | Subtotal                                 |      |      | :           | \$413,182    |
|      | Contingencies @                          | 25%  |      |             | \$103,295    |
|      | Total Construction Cost                  |      |      |             | \$516,477    |

<sup>6</sup> Operational limit is 29 cfs, based on Order DE 02WRCR-3950

**FY 2003/2004 FUNDING REQUEST TO NORTHWEST POWER PLANNING  
AND CONSERVATION COUNCIL  
AND  
COFUNDING COMMITMENTS**

| <b><u>Type of Expenditure</u></b>                                | <b><u>From Bonneville Power Administration Funds</u></b> |
|------------------------------------------------------------------|----------------------------------------------------------|
| MVID East Side Diversion Canal Fish Screen Replacement Structure | \$421,106                                                |
| MVID West Diversion Canal Screen Modification – Drum Screen      | \$516,477                                                |
| Additional ESA work needed                                       | <u>\$ 20,000</u>                                         |
| <b>Total FY 04 Funding Requested from BPA</b>                    |                                                          |
|                                                                  | <b>\$957,583</b>                                         |

**Co funding**

| <b><u>Type of Expenditure</u></b>                                               | <b><u>From Methow Valley Irrigation District Funds</u></b> |
|---------------------------------------------------------------------------------|------------------------------------------------------------|
| MVID East Side Annual Operation and Maintenance on Traveling Belt Screens       | \$ 8,300                                                   |
| MVID West Diversion Canal Screen Annual Operation and Maintenance – Drum Screen | \$ 4,230                                                   |

| <b><u>Type of Expenditure</u></b>                                                | <b><u>From Washington Department of Fish and Wildlife</u></b> |
|----------------------------------------------------------------------------------|---------------------------------------------------------------|
| State Building Construction Bond funds directly to WDFW Yakima Construction Shop |                                                               |
| Metal fabrication of screens, miscellaneous metal work, and their installation - | \$275,000                                                     |

### **MVID FISH SCREEN PROJECT SCHEDULE**

| <b><u>Tasks</u></b>                                                                                                                                      | <b><u>Responsible Entity</u></b> | <b><u>Target Date for Completion</u></b> | <b><u>Status</u></b>                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|------------------------------------------|-------------------------------------------------|
| <b><u>PLANNING AND DESIGN</u></b>                                                                                                                        |                                  |                                          |                                                 |
| Select Construction Specifications                                                                                                                       | Reclamation                      | July 15, 2003                            | Reclamation and BPA have agreed on CSI Format   |
| Draft Drawings and Specifications                                                                                                                        | Reclamation                      | August 8, 2003                           |                                                 |
| <b><u>R-O-W</u></b>                                                                                                                                      |                                  |                                          |                                                 |
| Complete Title Search to define ROW                                                                                                                      | Reclamation/MVID                 | August 31, 2003                          |                                                 |
| R-O-W confirmed and plotted on site plans                                                                                                                | Reclamation/MVID                 | August 31, 2003                          |                                                 |
| <b><u>Final Drawings &amp; Specifications</u></b>                                                                                                        | Reclamation                      | September 5, 2003                        |                                                 |
| BPA issues contract with Montgomery Watson Harza for Constructibility Review with Project Management and Construction to follow project funding approval | BPA                              | August 15, 2003                          |                                                 |
| Obtain Power and Conservation Council Funding Recommendation                                                                                             | MVID/BPA/Reclamation             | August 13, 2003                          | Package ready for council review August 1, 2003 |
| Complete Biological Assessment (BA) for project                                                                                                          | BPA                              | September 1, 2003                        |                                                 |
| Consultation – Obtain BO                                                                                                                                 | BPA/NOAA Fisheries               | September 30, 2003                       |                                                 |
| Design Review Meeting                                                                                                                                    | All Parties                      | Mid-September 2003                       | Upon approval of funding                        |
| Review Status and Coordinate Permit requirements                                                                                                         | Reclamation/BPA                  |                                          | On-going                                        |
| Complete NEPA                                                                                                                                            | BPA                              | October 1, 2003                          |                                                 |
| Constructibility Review – MWH will review construction drawings and specification developed by BOR for construction bid.                                 |                                  | August 15, 2003                          |                                                 |
| MVID with technical assistance from Reclamation obtain construction permits and complete documentation to start construction                             |                                  |                                          | Ongoing                                         |
| Begin Construction of screen replacement Structures                                                                                                      | MWH                              | October 1, 2003                          |                                                 |

## **BPA PROJECT 1996-034-01**

### METHOW VALLEY IRRIGATION DISTRICT REHABILITATION PROJECT

### **FUNDING/SPENDING HISTORY**

August 2003

#### **Original 1999 Project Budget**

| <b>Objectives</b>                      | <b>WDFW</b>      | <b>WDOE</b>        | <b>BPA</b>         | <b>Total Project Funds</b> |
|----------------------------------------|------------------|--------------------|--------------------|----------------------------|
| Technical Assist. & Engineering Design |                  | \$300,000          |                    | 300,000                    |
| Construction                           | \$275,000        | \$1,900,000        | \$1,331,271        | 3,506,271                  |
| MVID Member Compensation               |                  |                    | 1,500,000          | 1,500,000                  |
| <b>Totals</b>                          | <b>\$275,000</b> | <b>\$2,200,000</b> | <b>\$2,831,271</b> | <b>5,306,271</b>           |

**PROJECT SPENDING 1996 TO 2003**

| <b>Type of Expenditure</b>                                                                  | <b>BPA Expenditures</b> |
|---------------------------------------------------------------------------------------------|-------------------------|
| Reimbursement to WDOE for construction on Lateral Replacement Project                       | \$ 442,023              |
| Environmental Studies <b>not charged directly to project but absorbed through EF&amp;W</b>  | \$ 176,215              |
| Power Council approved Facilitation for all parties                                         | \$ 46,364               |
| Conceptual Water Conservation Plan                                                          | \$ 183,452              |
| Install Satellite Telemetry Gauges at both Twisp and Methow Diversion                       | \$ 29,920               |
| MVID attorney fees for participation and review of agreement developed through Facilitation | \$ 30,000               |
| Technical Review of Methow Basin IFIM Study                                                 | \$ 17,441               |
| <b>FY 03 BPA Funding Committed through December 31, 2003 (Excluded Member compensation)</b> | <b>\$1,000,000</b>      |
| <b>Total BPA Funds Spent and Committed through 12/31/03</b>                                 | <b>\$1,925,415</b>      |

**Type of Expenditure****Expenditures****Washington Department of Ecology**

Water Supply Facility Plan and Design, Test/Production Wells  
Engineering Design Work for Laterals and Lateral Replacements

**\$900,000**

**Type of Expenditure****Methow Valley Irrigation District**

Materials for screen remeshing

**\$ 8,800**

Attorney Fees, Professional Services, Legal Ads, Equipment, Copies  
Director Travel, Silver Spill, Disallowed Laterals, Facilitation Travel,  
Settlement Obligation

**\$414,183.51**

**Type of Expenditure****Washington Department of Fish & Wildlife**

Labor to install screen remeshing to meet NMFS requirements

**\$ 2,900**

**TOTAL PROJECT SPENDING TO DATE (ALL PARTIES)**

**\$3,251,298.51**

**FY 2003/2004 ADDITIONAL FUNDING REQUEST TO NORTHWEST POWER PLANNING  
AND CONSERVATION COUNCIL  
AND  
COFUNDING COMMITMENTS**

| <b>Type of Expenditure<br/>Funds</b>                             | <b>From Bonneville Power Administration</b>              |
|------------------------------------------------------------------|----------------------------------------------------------|
| MVID East Side Diversion Canal Fish Screen Replacement Structure | <b>\$421,106</b> (See attached Agreement<br>for details) |
| MVID West Diversion Canal Screen Modification – Drum Screen      | <b>\$516,477</b> (See attached Agreement<br>for details) |
| Additional ESA work needed                                       | <b><u>\$20,000</u></b>                                   |
| <b>Total FY 04 Funding Requested from BPA</b>                    | <b>\$957,583</b>                                         |

**Co Funding**

| <b><u>Type of Expenditure</u></b>                                               | <b><u>From Methow Valley Irrigation District Funds</u></b> |
|---------------------------------------------------------------------------------|------------------------------------------------------------|
| MVID East Side Annual Operation and Maintenance on Traveling Belt Screens       | <b>\$ 8,300</b>                                            |
| MVID West Diversion Canal Screen Annual Operation and Maintenance – Drum Screen | <b>\$ 4,230</b>                                            |

| <b><u>Type of Expenditure</u></b>                                                | <b><u>From Washington Department of Fish and Wildlife</u></b> |
|----------------------------------------------------------------------------------|---------------------------------------------------------------|
| State Building Construction Bond funds directly to WDFW Yakama Construction Shop |                                                               |
| Metal fabrication of screens, miscellaneous metal work, and their installation - | <b>\$275,000</b>                                              |

## Background –

The Methow Valley Irrigation District (MVID) was organized in the early 1900s to supply water for agricultural production. MVID is comprised of two main canals. The West Canal diverts water from the Twisp River, and the East Canal diverts water from the Methow River. The District is currently required to provide 12 cfs to the Barkley ditch on the east diversion on the Methow River.

- 1998 - Upon completion of the Environmental Assessment by Bonneville in 1998, the MVID had an advisory vote of the preferred alternative (A), which called for converting a smaller portion of the district's canals within an enclosed pipe system supplied by wells in continuity with the river. Under this scenario some members chose to be excluded from the district with the understanding that they would be compensated from Bonneville funds on an acreage-based formula for the cost of installing or upgrading existing well.
- 2000 - A new group, the Methow Valley Canal Associates, consisting of representatives who were sure to remain in the district after reconfiguration, was formed to protest the actions of the Board. Among other items, the Canal Associates alleged that Board members would benefit directly through the compensation plan and thus had a conflict of interest in their decision making. By June of 2000, a lawsuit filed by the Canal Associates was settled. Terms included voting in a new board. This board was elected from members who would still be part of the MVID after its reconfiguration.

The newly elected MVID Board made two critical decisions shortly after their election. First they signed a Consent Decree with NMFS to resolve a complaint filed by NMFS in 1999 concerning alleged illegal takes. The Consent Decree specified both actions and options for reaching compliance. If particular milestones are not met, enforcement options articulated in the Consent Decree include MVID shutting the irrigation system until compliance is achieved.

Second, the MVID voted to not move forward with the pressurized pipe system because it did not believe the terms and conditions could be met. Reasons included O&M costs that MVID deemed too high, not accepting what Ecology planned to put forward as a tentative water right determination, concern for lost habitat and riparian zones among other issues.

- 2001 – BPA hired a facilitator to gather consensus with all concerned agencies and the MVID on issues ranging from remeshing of screens to resolving wasteful water practices, removing physical barriers to improve fish passage and to improve instream flows.
- 2002 - At the completion of facilitation and several consequent meetings with various involved parties a new project description was developed that would appease all involved parties. This new project included replacing screens and diversions on both the Twisp and Methow rivers, rehabilitation of critical portions of canals and at some agreed upon low summer flow switching from the Twisp diversion to a new pump station on the Methow. To assist in developing a recommended flow as part of the ESA consultation process BPA hired a consultant to review a 1992 IFIM study on the Twisp and make a flow recommendation.

In the interim Bonneville has come upon very critical funding shortages and does not see supporting critical funding that would have assisted the MVID in long-term Operation and Maintenance of a new pump station on the Twisp. In addition, NOAA fisheries and MVID have been unable to agree on a trigger flow for switching to a pump station and the MVID feels that a low trigger flow will affect their future water rights on the Twisp River.

- 2003 - Given all of the above history and uncertainty of funding for this project Bonneville agreed to fund compensation for excluded members from FY 03 funds and recommended that the MVID develop a new proposal for outyear funding for a revised project scope to replace screens and diversions only.

The 2000 Biological Opinions have placed the Methow as a crucial performance area for the Bureau of Reclamation relating to passage. The Bureau of Reclamation has assisted in developing preliminary cost estimates for upgrading screens and replacing diversions on both the Methow and Twisp Rivers. The Bureau of Reclamation is only able to fund design work and technical assistance on this new proposal. Therefore a proposal is being presented to the Power Council that would allow the MVID to meet the NOAA fisheries consent decree and for the Bureau to receive credit under their responsibilities under the Biological Opinions. In addition if this proposal is approved Bonneville would receive credit under these Biological Opinions for RPA's identified above.