

# ARNOLD



## IRRIGATION DISTRICT

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August 29, 2022

Oregon Water Resources Commission  
Director Tom Byler

725 Summer Street NE  
Suite A  
Salem, OR 97301-1271

Dear Chair Reeves, Members of the Commission and Director Byler:

Arnold Irrigation District (AID), in sponsorship with USDA's Natural Resources Conservation Service (NRCS) and the Deschutes Basin Board of Control (DBBC), is implementing a multi-phase project to modernize its infrastructure and intends to begin piping the Arnold Main Canal this coming winter. The AID Main Canal project will pipe 11.9 miles in four phases and conserve 32.5 cfs (11,098 AF) of Deschutes River water per year. As with similar NRCS sponsored projects with the DBBC in Central Oregon, the conserved water benefits North Unit Irrigation District in the irrigation season and Deschutes winter flows below Wickiup Reservoir.

AID has secured 75% of the total project construction costs from NRCS through the PL-566 program (\$23,091,000) and has applied to various State programs to secure the necessary 25% non-federal match of \$7,909,000. The Final Watershed Plan – Environmental Assessment has been sent to Washington, DC for anticipated approval early fall of this year and a FONSI determination for the project has been issued.

In April 2022, AID applied to the Oregon Water Resources Department (OWRD) Water Supply and Development grant program for a critical share of the non-federal match at \$2 million for Phase 1. Unfortunately, after joining AID just last fall, I was unaware that the District did not have a current Agricultural Water Management and Conservation Plan (AgWMCP), and per statutes for the grant program the application could not be accepted for consideration, even though the plan itself is voluntary and not otherwise required. AID has since updated its AgWMCP and a final order was issued on July 15, 2022.

On July 1, 2022, I submitted a request to Director Byler for consideration of a "second window" for grant applications in 2022 as only four applications had been accepted by OWRD and there are still considerable program funds available for projects this year. There does not appear to be any restriction in statute or rule that prevents OWRD from providing a second application period.

Director Byler replied to my request on July 21, 2022 and informed me that due to staffing constraints and a lengthy regulatory process OWRD would not provide for a second solicitation this year. This decision has now put the capability of AID to move forward with Phase 1 this year in jeopardy. Lack of state funding could cause detrimental delays and loss of federal funding for our project.

2022 presents the third year in a row that AID has had to turn off water to its patrons in the middle of the summer and this year is the earliest turn off in the District's 117 year history. It is critical for the main canal project to begin this winter and prepare for the next irrigation season as there is no end in sight for the continued drought. AID patrons have already experienced significantly reduced crop yields and have reduced or sold off their livestock to just get by to date.

AID respectfully requests the Commission direct OWRD to move forward with a second solicitation as soon as possible. AID has applied to other state sponsored programs for funding, but even if awarded, still leaves the amount of funding needed at \$1.5 million and can only be met by the Water Supply and Development grant program. Opening a second grant cycle would allow projects like ours to apply for critical funding needed to move forward, leverage current federal investment opportunities, and maximize available state resources for the program in the current biennium.

Thank you for your consideration.

Sincerely,



Steve Johnson  
District Manager

*Attachments:*

*July 1, 2022 Letter Steve Johnson to Director Byler*

*July 21, 2022 Letter Director Byler to Steve Johnson*