From:
 Les Perkins

 To:
 JWMCC Exhibits

 Subject:
 Testimony on SB 5530

Date: Friday, May 19, 2017 7:49:33 AM
Attachments: Ways and Means Letter 2017.pdf
FID Project Information.docx

Good Morning,

I would like to submit the attached documents as testimony for today's hearing.

Thank you,

Les Perkins

Manager

Farmers Irrigation District

Direct: 541.490.4062 Office: 541.387.5261



• 1985 Country Club Road, Hood River, OR 97031 Phone (541)-386-3115 Fax (541)-386-9103 www.fidhr.org

May 18, 2017

To: Co-Chair Girod, Co-Chair Holvey, and Members of the Joint Ways and Means Subcommittee on Capital Construction:

I am writing as both a Hood River County Commissioner who has worked on water resource planning for 17 years and as an irrigation district manager. I strongly support the State of Oregon's investment in water resources as outlined in the Governor's proposed 2017-2019 Budget. Investments in Oregon's water infrastructure benefit a wide range of stakeholders and provides economic, environmental, and community benefits for generations to come.

I would like to specifically call out what I feel are very important key requests for funding for the Oregon Water Resources Department:

- Feasibility Studies: Additional grant funding (\$2 million in lottery bonds) for the Water Conservation, Reuse, and Storage program, created by SB 1069 in 2008
- Water Supply Projects: Additional grant funds (\$30 million in lottery bonds) for the Water Supply Development Account, created by SB 839 in 2013

The Hood River Basin has invested heavily over the past 30 years in improving water infrastructure as well as restoring river functions and the associated habitat. This is not an easy or inexpensive endeavor. In the past 30 years, our Basin has invested well over \$100 million in improving water infrastructure to be more efficient with our water as well as decreasing our energy use while also increasing production of low impact hydro power. We still have a lot of work to do but our efforts have yielded massive dividends. Our agriculture sector (representing \$300 million in economic activity) has dependable and secure water, the river has more flow for fish, and our community relies less on outside power production while producing more power locally. Our Basin was able to utilize OWRD funding to complete a highly detailed Basin Study outlining the projects that will allow us to adapt to climate variability and weather droughts while still protecting in-stream uses. This study has provided our Basin with the tools we need to make good decisions based on sound data.

Our basin, and Farmers Irrigation District (FID) in particular, have depended on funding sources like the ones provided by OWRD in order to plan for and build good projects. FID has utilized both the SB 1069 funding for feasibility studies as well as the SB 839 funding to build a pipe project and to expand our reservoir. In 2016, we utilized the SB 839 funding to replace 2.2 miles of old, leaking pipe and by 2018 we will have completed a reservoir expansion project. We could not have built either of these important projects without the funding provided through SB 839. Four of our five irrigation districts in the Hood River Basin applied for funding through this program. Statewide, the demand far exceeded the available funding.

I have attached a one page summary of the projects we've completed recently and are currently working on. Know that these projects are not unique to our Basin. There are similar, very important projects ready to be built all around the state. These projects will provide an excellent return on the investment from the State.

Thank you for your consideration,

Les Perkins

Manager, Farmers Irrigation District and Hood River County Commissioner

Farmers Irrigation District Reservoir Expansion and Pipeline Project Hood River, Oregon

SINCE 1874

Project Funding Overview:

Farmers Irrigation District (FID) leverages a combination of Federal and State funding programs to implement district infrastructure projects. FID focuses on infrastructure projects that improve energy and water efficiency, decrease operations and maintenance costs, and improve water reliability.

Implementation of the Reservoir Expansion and Pipeline project utilizes a combination of grant and loan funds from the Oregon Water Resources Department (OWRD) Water Supply Development Account and the Environmental Protection Agency's Clean Water State Revolving Loan Fund (CWSRF) administered by the Oregon Department of Environmental Quality, in addition to FID funds.

2016 Lowline Pipeline Project:

In 2016, FID replaced 2.2 miles of 30 year old, badly leaking, 37 inch metal pipeline. This section of pipeline is located in a remote area, traversing steep hillsides. Using a combination of OWRD grant funds and CWSRF loan funds, 2.2 miles of new 30 inch fused HDPE pipe was installed, saving between 1.5 and 3 cfs of water. The final project cost was \$1,193,909.00 with \$800,000.00 coming from OWRD grants and \$393,909.00 coming from CWSRF loan funds.

This project will improve operational efficiency, keep more water in Greenpoint Creek, and improve reliability of water delivery. FID executed an Allocation of Conserved Water agreement with OWRD in conjunction with this project.

2017 and 2018 Upper Kingsley Reservoir Expansion Project:

In 1937, FID constructed two reservoirs, an upper reservoir with a 715 acre foot capacity and a lower reservoir with a 288 acre foot capacity. These reservoirs serve the uppermost portion of the District and in drought years, farmers are put on a rotation in order to ensure there is enough water to get through the entire growing season.





This fall, FID will begin an expansion of the Upper Kingsley Reservoir. The expansion project will increase the water surface elevation by 11 feet, allowing storage of an additional 650 acre feet of water. This additional storage will ensure that farmers in the upper part of the District will have enough water to irrigate their crops, even in a drought year. The additional stored water will also provide operational flexibility within FID's system so that less live stream flow will be needed in the late summer, when water in stream is most valuable.

The Upper Kingsley Reservoir Expansion will be funded with a \$2.2 million grant from OWRD and up to \$2 million in loan funds through CWSRF. The reservoir expansion project will provide environmental, operational, and agricultural benefits.

Funding Program Benefits:

The combination of low interest loan and grant funds allow irrigation districts like FID to build water infrastructure projects that have lasting benefits to the District, the agricultural community, the local economy, and the environment. Over the last 30 years, FID has invested over \$50 million in infrastructure projects like these resulting in greatly improved water reliability, decreased water loss, decreased energy consumption, increased energy production, and improved stream flow.

Contact:

Les Perkins - Manager, Farmers Irrigation District 1985 Country Club Road Hood River, OR 97031 www.fidhr.org