



Options for Financing Public Projects

State Monies Available for Infrastructure Projects



DEPARTMENT OF
ECOLOGY
State of Washington

Office of Columbia River

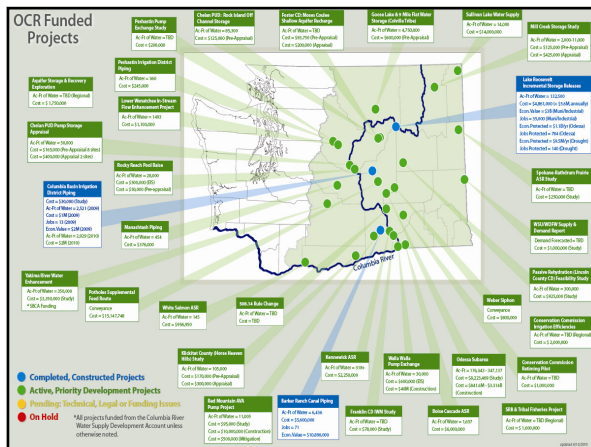


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Columbia River Basin Water Management (Development) Act - 2006

- Ecology directed to aggressively pursue development of new water supplies for both instream and out-of-stream uses.
- Significant investment in new storage and conservation
 - Capital: authorization for bonds of up to \$200 million
 - Operating: \$2.1 million and 15 FTEs
- 2/3 of funds for study & construction of new storage & pump exchanges.
 - 1/3 of new storage for improving streamflows to benefit fish
 - 2/3 of new storage for new out-of-stream uses
- 1/3 of funds for all other water supply projects
- Legislative reporting on conservation and future water supply & demand

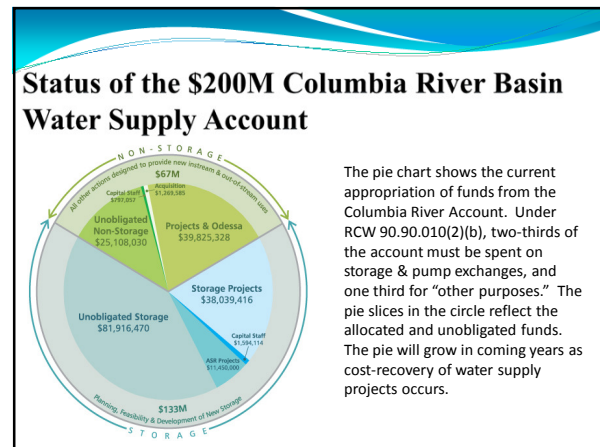
OCR Funded Projects



Completed, Constructed Projects

- **Completed, Constructed Projects**
- **Active, Priority Development Projects**
- **Pending Technical, Legal or Funding Issues**
- **On Hold** - All projects funded from the Columbia River Water Supply Development Account unless otherwise noted.

Status of the \$200M Columbia River Basin Water Supply Account




The pie chart shows the current appropriation of funds from the Columbia River Account. Under RCW 90.90.010(2)(b), two-thirds of the account must be spent on storage & pump exchanges, and one third for "other purposes." The pie slices in the circle reflect the allocated and unobligated funds. The pie will grow in coming years as cost-recovery of water supply projects occurs.

Cost Recovery Authority - (SSHB 1803)

- May enter into water service contracts with applicants receiving water to recover all or a portion of the cost of water supply development.
 - Does not include staff time expended on developing the water supply.
- May receive power revenue through water service contracts for power generated by water supply development.
- May deny an application if the applicant does not enter into a water service contract.
- May adopt rules describing the methodology as to how charges will be established.
 - Water service contracts with federal agencies are not required to be established by rule.

Revenue Recovery Account

- The Columbia River Basin Water Supply Revenue Recovery Account is created in the state treasury.
- All receipts from direct appropriations from the legislature, revenue from water service contracts, or moneys directed into the account from any other sources must be deposited in the account.



Lake Roosevelt Incremental Storage Releases



Ecology's Office of Columbia River is working with the U.S. Bureau of Reclamation (Reclamation) to release additional water from Lake Roosevelt behind Grand Coulee Dam. The releases will lower the lake by an additional foot in normal water years and 1.8 feet during drought years. The water will be used to benefit municipal/industrial supply, the Odessa Subarea interruptible water right holders and instream flows.

- Quantity:** 25,000 ac-ft
- Cost:** \$35 Million
- Cost per ac-ft:** \$35 + Periodic inflationary adjustments
- Term:** 40 year renewable water service contract
- Location:** Lake Roosevelt
- Partner:** US Bureau of Reclamation
- Economic Benefits:**
 - M&I Water - 35,000 jobs, \$3 Billion Increase
 - Protects – 780 Jobs, \$53 Million in Annual Income
- Hardship:** 2% of median household income for public entities.

Sullivan Lake Water Supply Project



14,000 ac-ft of water that was previously released in winter will be released in summer when it is needed most. The Office of Columbia River will make a one-time payment of \$14 million to facilitate the annual releases. This project is one of the few water supply development opportunities available in northeast Washington.

- Quantity:** 14,000 ac-ft
- Cost:** \$14 Million
- Cost per ac-ft:** \$50
- Term:** 30 year no-interest water service contract
- County:** Pend Oreille
- Economic Benefits:** \$1.4 Billion added to tax base
- Hardship:** 2% of median household income for public entities.

Red Mountain AVA Pump Project



The project will move the Kennewick Irrigation District (KID) diversion point on the Yakima River from Prosser to Kiona, and water savings from efficiency improvements and past land use changes to provide water for additional wine grape acreage and Yakima River stream flows.

- Quantity:** 11,005 ac-ft
- Cost:** \$11 Million
 - \$10 Million for construction and
 - \$1 Million for mitigation
- Cost Recovery:**
 - \$5 Million to OCR via 20-year LID
 - \$5 Million to KID
- County:** Western Benton County
- Partner:** Kennewick Irrigation District
- Economic Benefits:**
 - \$9.2 Million Annually
 - 103 jobs added
 - 1,785 new acres irrigated

Questions?