



U.S. Department of the Interior  
Office of the Secretary  
Office of Communications  
1849 C Street NW  
Washington DC 20240  
202-208-6146 phone  
202-208-5133 fax

## Interior Recovery News Release

### FOR IMMEDIATE RELEASE

Date: April 15, 2009  
Contact: Joan Moody  
(202) 208-6416

## **Secretary Salazar Announces \$260 Million in Economic Recovery Investments to Help California Address Long-Term Water Supply Challenges and Devastating Drought Conditions**

*Water-Related Economic Investments Total \$1 Billion in the West*

**SACRAMENTO, CA** – Today, at a press conference with Governor Arnold Schwarzenegger and California congressional leaders, Secretary of the Interior Ken Salazar announced the Department of the Interior will invest \$1 billion under the American Recovery and Reinvestment Act of 2009 (ARRA) in America's water infrastructure to create jobs and get the economy moving again. Overall, the Department of the Interior will manage \$3 billion in investments as part of the recovery plan signed by the President to jumpstart our economy, create or save jobs, and put a down payment on addressing long-neglected challenges so our country can thrive in the 21<sup>st</sup> Century.

Of the \$1 billion that Interior's Bureau of Reclamation is investing in water projects across the country, \$260 million will go to projects in California that will expand water supplies, repair aging water infrastructure, and mitigate the effects of a devastating drought the state is currently experiencing. An additional \$135 million is available for grants for water reuse and recycling projects; California is emerging as a leader in the development of these projects and is expected to also significantly benefit from this funding.

“In the midst of one of the deepest economic crises in our history, Californians have been saddled with a drought that is putting tens of thousands of people out of work and devastating entire communities,” said Secretary Salazar. “President Obama's economic recovery plan will not only create jobs on basic water infrastructure projects, but it will help address both the short- and long-term water supply challenges the Golden State is facing. From boosting water supplies and improving conservation to improving safety at our dams, these shovel-ready projects will make a real and immediate difference in the lives of farmers, businesses, Native American Tribes and communities across California.”

Secretary Salazar, who earlier in the day toured the Sacramento Delta with Governor Schwarzenegger, announced that more than 30 Bureau of Reclamation water infrastructure projects will be funded in California under the ARRA, including:

- \$40 million for immediate emergency drought relief in the West, focused on California. These investments will allow for the installation of groundwater wells to boost water supplies to agricultural and urban contractors, the facilitation of the delivery of Federal water to Reclamation contractors through water transfers and exchanges, and the installation of rock barriers in the Sacramento Delta to meet water quality standards during low flows;
- \$109.8 million to build a screened pumping plant at the Red Bluff Diversion Dam to protect fish populations while delivering water to agricultural users irrigating approximately 150,000 acres;
- \$22.3 million to address dam safety concerns at the Folsom Dam near Sacramento, which is currently among the highest risk dams in the country for public safety;
- \$8.5 million to repair water-related infrastructure at Folsom Dam;
- \$20 million for the Contra Costa Canal to protect water supplies for 500,000 Californians and to build fish screens to restore winter-run Chinook salmon and the endangered Delta smelt;
- \$4.5 million to restore the Trinity River and honor the Federal government's responsibility to the Native American Tribes;
- \$26 million for Battle Creek Salmon/Steelhead Restoration project, which will help restore fisheries that support thousands of jobs in northern California.
- \$4 million to the Bay Delta Conservation Plan for conveyance systems to move Central Valley Project and State Water Project water, habitat restoration and adaptive management;
- \$4 million to broaden scientific knowledge of Klamath River sedimentation for future management decision-making;
- \$20.7 million in smaller water infrastructure and related projects across California.

With an array of projects identified by stakeholders as critical, the Bureau of Reclamation worked through a rigorous merit-based process to identify investments that met the criteria put forth in the Recovery Act: namely, that the project addresses the Department's highest priority mission needs; generates the largest number of jobs in the shortest period of time; and creates lasting value for the American public.

The \$1 billion announced by Secretary Salazar today will go to programs including:

- Meeting Future Water Supply Needs (including Title XVI water recycling projects and rural water projects) – \$450 million
- Improving Infrastructure Reliability and Safety – \$165 million
- Environmental and Ecosystem Restoration – \$235 million
- Water Conservation Initiative (Challenge Grants) – \$40 million
- Green Buildings – \$14 million

- Delivering water from the Colorado River to users in central Utah under the Central Utah Project Completion Act - \$50 million
- Emergency drought relief in the West, primarily in California - \$40

“President Obama and this Department have ambitious goals to build America’s new energy future, to protect and restore our treasured landscapes, to create a 21st Century Youth Conservation Corps,” added Salazar. “These Bureau of Reclamation projects will help us fulfill these goals while helping American families and their communities prosper again.”

Secretary Salazar has pledged unprecedented levels of transparency and accountability in the implementation of the Department of the Interior’s economic recovery projects. The public will be able to follow the progress of each project on [www.recovery.gov](http://www.recovery.gov) and on [www.interior.gov/recovery](http://www.interior.gov/recovery). Secretary Salazar has appointed a Senior Advisor for Economic Recovery, [Chris Henderson](#), and an Interior Economic Recovery Task Force. Henderson and the Task Force will work closely with the Department of the Interior’s Inspector General to ensure that the recovery program is meeting the high standards for accountability, responsibility, and transparency that President Obama has set.

###

# RECLAMATION

*Managing Water in the West*

## **Investment Projects for the Bureau of Reclamation**

**American Recovery and Reinvestment Act**

**April 14, 2009**



**U.S. Department of the Interior  
Bureau of Reclamation**

## Overview

Funds from the American Recovery and Reinvestment Act (ARRA) will allow the Bureau of Reclamation (Reclamation) to make significant contributions to the recovery and stabilization of the economy of the United States in a short time period. Selected projects are itemized in the attached tables. The majority of funds allocated to Reclamation will be expended by the end of 2010. Nearly all funds will be spent by the end of 2011.

Reclamation is a contemporary water management agency with programs, initiatives, and activities that assist the 17 western states, Native American Tribes, local communities, and others to meet water needs and balance the multitude of competing uses of water in the West. Established in 1902, Reclamation is best known for the dams, power plants, and canals it constructed in the West, including Hoover Dam on the Colorado River and Grand Coulee Dam on the Columbia River.

Reclamation is the largest wholesaler of water in the country, bringing water to more than 31 million people, and providing one out of five Western farmers with irrigation water for 10 million acres of farmland that produces 60% of the nation's vegetables and 25% of its fruits.

Reclamation places great emphasis on fulfilling its water delivery obligations, and is engaged in water conservation, water recycling and reuse, and developing partnerships with its customers, states, and Native American Tribes. Together with its myriad of stakeholders, Reclamation is finding ways to bring together the variety of interests to address the competing needs for America's limited water resources.

## What were the criteria?

Approximately \$2 billion of potential Reclamation projects were submitted to the Commissioner's Office for ARRA funding consideration. In selecting the \$945 million of projects to be funded, Reclamation used a multi-tiered, merit-based evaluation process that considered:

- (1) ARRA general objectives (e.g. preserve and create jobs, and invest in infrastructure) and Department of the Interior policy objectives (e.g., improving energy efficiency and assisting Native Americans);
- (2) Priorities specific to Reclamation as required by the ARRA and its Conference Report and as established by the Department;

- (3) Reclamation's overall program priorities; and
- (4) Criteria for selection of projects within individual program investment areas.

In addition, the ARRA set minimum funding requirements for three programs:

- At least \$10 million for canal inspections in urban areas
- At least \$126 million for water reclamation and reuse
- At least \$60 million for rural water projects with an emphasis on water intakes and water treatment facilities

Reclamation's overall program priorities were reflected in the general criteria and considerations:

- Priority was given to stimulus activities which, through the acceleration of construction already underway, would achieve more efficient construction schedules, probable cost reductions, and an earlier realization of project benefits than would otherwise be the case.
- Priority was given to funding a relatively small number of large construction projects reflecting the Department's priorities and because of the challenges to accommodate these projects within annual budget limitations and mitigate the impact of this additional workload on staff available to process procurement and financial assistance agreements staff.
- The use of stimulus funding was balanced across program investment areas to achieve the Department's policy priorities and to ensure the continued delivery of project benefits, the operation and maintenance of projects in a safe and reliable manner, the protection of the health and safety of the public and Reclamation employees, and compliance with environmental requirements and opportunities for ecosystem restoration.

Finally, Reclamation applied, or will apply, evaluation criteria specific to several individual programs (e.g., dam safety projects, water reclamation and reuse projects, the Secretary's Water Conservation Initiative, infrastructure repairs and replacements) to prioritize projects within each of those programs.

Details regarding the project selection process can be found in "Evaluation and Selection Criteria for Recommended Projects," attached.

## **How the money will be spent**

Selected projects will bring water to rural communities and Indian country and will stretch scarce water supplies through reuse and recycling and through water conservation. Significant sums will be devoted to opportunities for environmental and ecosystem restoration. Other funding will immediately address the rehabilitation of aging infrastructure. Some of the money will be used for emergency response to the devastating repercussions of the current drought in

California. These efforts will contribute to the long-term sustainability of water and natural resources.

## **Meeting future water supply needs**

- Total funding: \$450.9 million

### ***Water reclamation and reuse***

Projects providing for the reclamation and reuse of wastewater and naturally impaired ground and surface waters will receive \$135 million. These projects are constructed and owned by non-Federal sponsors -- uniting local communities with the U.S. government to provide change, growth and a future for energy efficiency, clean water and environmental stewardship in a broad range of areas. Individual projects will be selected in accordance with criteria listed in Attachment One of "Evaluation and Selection Criteria for Recommended Projects."

### ***Rural water***

Reclamation will spend \$200 million on construction of rural water projects with an emphasis on water intakes and water treatment plants. This means projects authorized by Congress will deliver water much sooner than would otherwise be the case. Young children in Montana and North and South Dakota will have clean, safe drinking water in their homes and schools in Native American and other communities.

## **Infrastructure reliability and safety**

- Total funding: \$164.6 million

### ***Canal inspections***

In many areas, Reclamation's projects were originally constructed in unpopulated locales. With the population growth in the West, some of these locations are now housing developments and towns. With the safety of the people in these areas in mind, Reclamation will use \$10 million to inspect canals in urban areas using both aerial and onsite procedures.

### ***Folsom Dam safety***

Reclamation will use \$22.3 million to accelerate the construction of a safety of dams risk reduction at Folsom Dam in California. It includes construction of spillway gate pier modifications to resist seismic loadings. This project is a key element of the comprehensive set of risk reduction actions to protect the people of Sacramento.

## ***Aging infrastructure***

Water delivered and power produced with Reclamation facilities are crucial contributors to our western economy. The challenge of completing major repairs to Federally-owned aging infrastructure has been an important topic in recent years. Investments in infrastructure reliability will create immediate construction, engineering and scientific jobs. More than \$130 million has been slated for high-priority infrastructure repair and replacement projects across many Reclamation facilities across the West.

## **Environmental/ecosystem restoration**

- **Total funding: \$236.3 million**

Reclamation works to meet the increasing water demands of the West while protecting the environment. Reclamation has an established role in restoring aquatic habitat that was impacted by historic development, and is working on a number of large cooperative restoration programs. ARRA funds will support projects with a goal to make the western United States rivers, streams and estuaries environmentally healthy while continuing to provide water supply benefits. Projects funded by ARRA will focus on programs in California, Washington, Nevada, Arizona and Oregon.

## **Green buildings**

- **Total funding: \$13.5 million**

Going hand-in-hand with projects for environmentally improved waterways is the need for green building renovations and construction. Funds from the ARRA will contribute to a green office building in Nevada, incorporating natural lighting, energy efficient fixtures, heating and cooling systems and water efficient plumbing systems. The project meets new GSA standards for energy efficiency.

## **Water Conservation Initiative**

- **Total funding: \$40 million**

One of the most cost-effective ways to increase operational flexibility in water-short areas of the West is through water conservation and improved efficiency. Reclamation's competitively selected grants as part of its water conservation initiative – formerly known as Challenge Grant Program for Water Marketing and Efficiency Grants – will be awarded with a priority on meeting economic recovery goals. Reclamation allocated \$40 million to compliment the Secretary's Water Conservation Initiative.

## **Emergency drought relief**

- **Total funding: \$40 million**

Portions of the western United States, California in particular, are currently experiencing historic drought conditions, which will have devastating effects through both the direct loss of farm and farm-related jobs and through economic losses due to lessened agricultural production. Under the Reclamation States Emergency Drought Relief Act of 1991, and other authorities, Reclamation will fund emergency drought relief projects that can quickly and effectively mitigate the consequences of the current drought by making the greatest quantities of water available for areas that are hardest hit.

**Bureau of Reclamation**  
**American Recovery Reinvestment Act**  
(\$ in Thousands)

<b>Category</b>	<b>States</b>	<b>Project Cost</b>
<b>Meet Future Water Supply Needs (MFWSN)</b>		
Title XVI Water Recycling Projects (ARRA Minimum=\$126M)	Various	135,000
Rural Water Projects (ARRA Minimum=\$60M)		
Garrison Diversion Unit	ND	59,000
Mni Wiconi	SD	20,000
Fort Peck/Dry Prairie	MT	40,000
Lewis & Clark	SD, IA, MN	56,500
Rocky Boys/North Central Montana	MT	20,000
Perkins County	SD	4,500
Rural Water Subtotal		<u>200,000</u>
Animas-LaPlata Project - Accelerate Construction	CO, NM	12,120
Central Arizona Project - Gila River Indian Community	AZ	36,800
San Carlos Irrigation and Drainage District	AZ	11,950
Potholes Supplemental Feed Route - Columbia Basin Project	WA	5,000
Weber Siphon Complex - Columbia Basin Project	WA	50,000
<b>Meet Future Water Supply Needs TOTAL</b>		<u><u>450,870</u></u>
<b>Infrastructure Reliability &amp; Safety (IRS)</b>		
Canal Inspections - Urban Areas (ARRA Minimum=\$10M)	Various	10,000
Folsom Dam Safety - Accelerate Construction	CA	22,300
Flatiron Penstock Recoating - Colorado Big Thompson Project	CO	14,000
Leavenworth Water System - Columbia Basin Project	WA	18,100
Yuma Area Projects	AZ, CA, NV	36,250
Construct Life Safety Code Improvements	Various	5,015
Construct ADA Compliance Improvements	Various	6,923
Infrastructure Reliability & Safety ALL OTHERS		51,998
<b>Infrastructure Reliability &amp; Safety TOTAL</b>		<u><u>164,586</u></u>
<b>Environmental / Ecosystem Restoration (EER)</b>		
CALFED - Battle Creek Salmon/Steelhead Restoration Project.	CA	26,000
CALFED - Bay-Delta Conservation Plan	CA	4,000
Red Bluff Fish Passage - Central Valley Project	CA	109,814
Klamath River Sedimentation Sampling/Analysis	OR, CA	4,000
Trinity River Restoration - Central Valley Project	CA	4,500
Contra Costa Fish Screen - Central Valley Project	CA	20,000
Yakima River Basin Water Enhancement Project - Benton	WA	17,300
Yakima River Basin Water Enhancement Project - Sunnyside	WA	21,500
Deschutes Ecosystem Restoration	OR	3,855
Lower Colo.River Multi Species Conservation Implementation, LCR Operations Prog.	CA, AZ, NV	2,525
Roza Roller Gate for Fish Passage - Yakima Project	WA	5,000
Colorado River Basin Salinity Control Projects (Title II )	Various	10,000
Environmental / Ecosystem Restoration ALL OTHERS		7,800
<b>Environmental / Ecosystem Restoration TOTAL</b>		<u><u>236,294</u></u>
<b>Green Buildings</b>		
Boulder Canyon Operating Office (BCOO)	NV	13,500
<b>Water Conservation Initiative (Challenge Grants)</b>		
	Various	40,000
<b>Emergency Drought Relief</b>		
	CA focus	40,000
<b>Administration</b>		
	Various	4,750
<b>GRAND TOTAL</b>		<u><u>950,000</u></u>