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Lower Colorado Region

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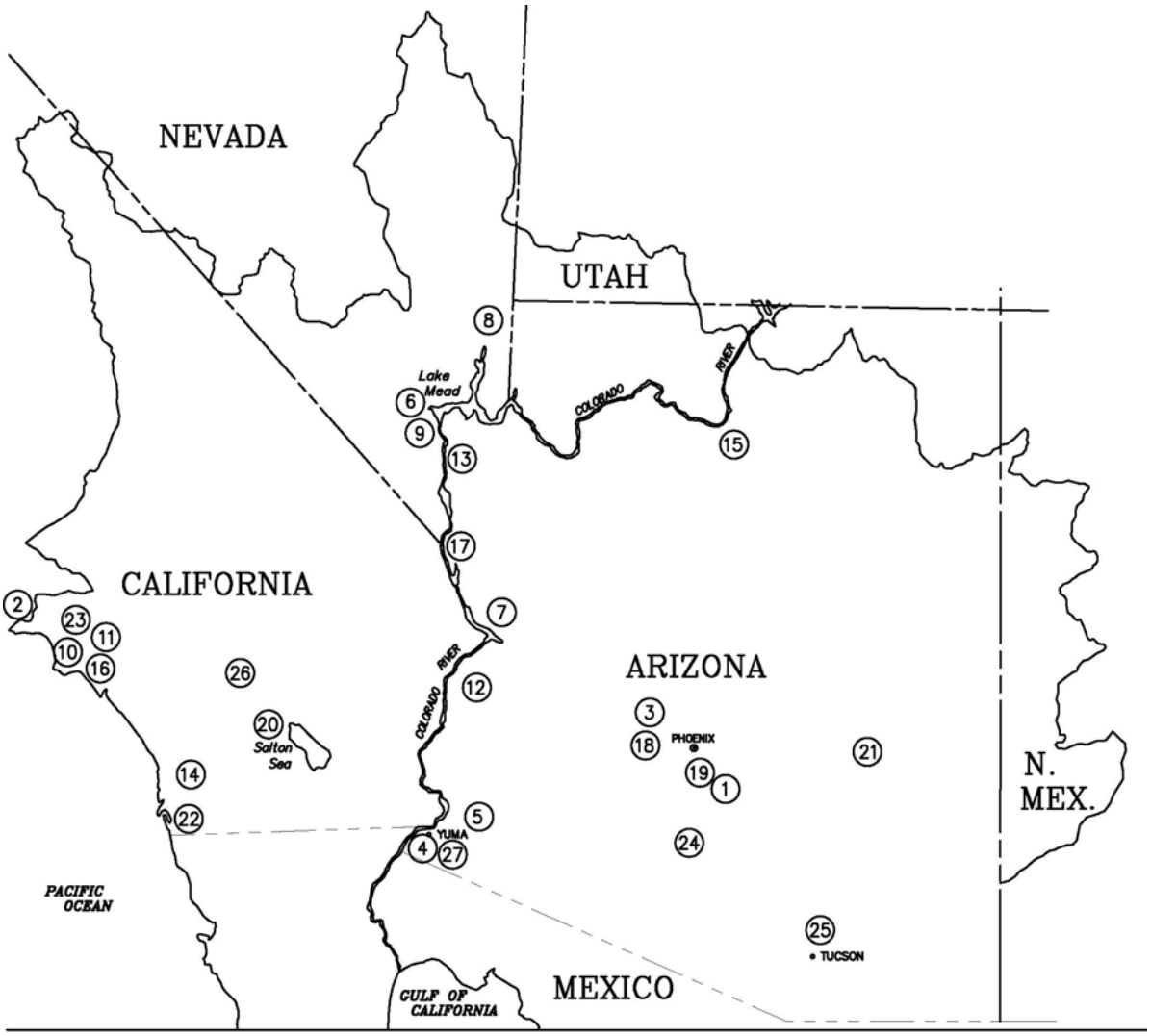

LEGEND

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SCALE OF MILES

KEY MAP

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

LOWER COLORADO REGION
FY 2008

LOWER COLORADO REGION PROJECTS/PROGRAMS
MAP KEY

1. Ak Chin Indian Rights Settlement Act Project
2. Calleguas Municipal Water District Recycling Project
3. Central Arizona Project
4. Colorado River Basin Salinity Control Project (Title I)
5. Colorado River Front Work/Levee System
6. Colorado River Water Quality Improvement Program
7. Endangered Species Conservation/Recovery Program
8. Halfway Wash Project/Study
9. Lake Mead/Las Vegas Wash Program
10. Long Beach Area Water Reclamation Project
11. Long Beach Desalination Research and Development Project
12. Lower Colorado River Investigations Program
13. Lower Colorado River Operations Program
14. North San Diego County Area Water Recycling Project
15. Northern Arizona Investigations Program
16. Orange County Regional Water Reclamation Project, Phase I
17. Parker-Davis Project
18. Phoenix Metropolitan Water Reclamation and Reuse Program
19. Salt River Project
20. Salton Sea Research Project
21. San Carlos Apache Tribe Water Settlement Act
22. San Diego Area Water Reclamation Program
23. San Gabriel Basin Project
24. South/Central Arizona Investigations Program
25. Southern Arizona Water Rights Settlement Act
26. Southern California Investigations Program
27. Yuma Area Projects

LC Programs Not Shown on Map:

Bureauwides Programs

FY 2008 Lower Colorado Region Budget Summary
($ in thousands)

Project Name	FY 2007 Request	FY 2008							
		Water & Energy	Land Mgmt.	Fish & Wildlife	Facility Operations	Facility Maint.	FY 2008 Request	Other Fed/ Non-Fed	Total Program
Ak Chin Indian Water Rights Settlement Act Project	7,920				8,700		8,700	0	8,700
Calleguas Municipal Water Dist Recycling Project	990	900					900	10,844	11,744
Colorado River Basin - Central Arizona Project	27,203	26,369	592		218		27,179	496	27,675
Colorado River Basin Salinity Control - Title I	10,566				1,648	7,793	9,441	100	9,541
Colorado River Front Work & Levee System	5,495	3,312					3,312	12,139	15,451
Colorado River Water Quality Improvement Program	183	210					210	0	210
Endangered Species Conservation/Recovery Project	786			770			770	300	1,070
Fort McDowell Settlement Act	396						0	0	0
Halfway Wash Project/Study	198	175					175	175	350
Lake Mead/Las Vegas Wash Program	476	900					900	485	1,385
Long Beach Area Water Reclamation Project	743	600					600	4,608	5,208
Long Beach Desalination R/D Project	0	250					250	3,150	3,400
Lower Colorado River Investigations Program	297	236					236	236	472
Lower Colorado River Operations Program	17,028	7,436		7,982			15,418	8,076	23,494
North San Diego County Area Wtr Recycling Project	1,238	1,500					1,500	417	1,917
Northern Arizona Investigations Program	297	385					385	170	555
Orange County Regional Water Reclamation Project	1,238	1,500					1,500	0	1,500
Parker Davis Project	0						0	14,701	14,701
Phoenix Metropolitan Wtr Reclamation & Reuse Project	198	200					200	200	400
Salt River Project	297		360		240		600	402	1,002
Salton Sea Research Project	743	300					300	0	300
San Carlos Apache Tribe Water Settlement Act	297	310					310	0	310
San Diego Area Water Reclamation Program	3,465	3,450					3,450	8,549	11,999
San Gabriel Basin Project	743	700					700	35,488	36,188
South/Central Arizona Investigations Program	1,074	855		60			915	915	1,830
Southern Arizona Water Rights Settlement Act Project	4,713	4,445					4,445	6,232	10,677
Southern California Investigations Program	406	190					190	190	380
Tres Rios Wetlands Demonstration	223						0	0	0
Yuma Area Projects	22,732	1,652			5,945	15,312	22,909	50	22,959
Total - Water and Related Resources	**109,945**	**55,875**	**952**	**8,812**	**16,751**	**23,105**	**105,495**	**107,923**	**213,418**

FY 2007 column reflects the President's budget request level.

LOWER COLORADO REGION
FY 2008 OVERVIEW

FY 2007 Request	FY 2008 REQUEST FOR WATER AND RELATED RESOURCES					
	Water & Energy	Land Management	Fish & Wildlife	Facility Operations	Facility Maintenance	**Total Program**
$109,945,000	$55,875,000	$952,000	$8,812,000	$16,751,000	$23,105,000	$105,495,000

The Bureau of Reclamation Fiscal Year (FY) 2008 Request for the Lower Colorado Region for Water and Related Resources totals $105.5 million. This is a decrease of $4.5 million from the FY 2007 Request.

The Lower Colorado Region encompasses all of the lands drained by rivers flowing into the Pacific Ocean along the coast of California south of the Tehachapi mountains and all of the lands drained by the Colorado River south of Lee Ferry, Arizona. This includes most of Arizona, the extreme western portion of central New Mexico, the southwestern corner of Utah, southern Nevada, and southern California.

With management responsibility for the Lower Division of the Colorado River, the Lower Colorado Region encounters many of the controversies and pressures that characterize water resources management throughout the arid southwestern United States. These issues include increasing water requirements for urban use, Indian trust needs, and endangered species. Water for urban uses is a major issue as the two fastest growth areas in the United States, Las Vegas and Phoenix, and the Nation's largest metropolitan area, southern California, are located within the Lower Colorado Region. Reclamation facilities within the Lower Colorado Region deliver over 9 million acre-feet of water annually to customers for irrigation, municipal and industrial, and other uses; and to meet the United States' treaty obligations to Mexico. Reclamation facilities also provide flood control along the Colorado River benefiting Arizona, California, Nevada, and Mexico.

Reclamation operates and maintains three hydroelectric plants on the lower Colorado River, which can provide approximately 6.5 million megawatt-hours of energy, during normal to higher water years, and closer to 5.6 million megawatt-hours of energy during drier years to users in Arizona, California, and Nevada. Maximum powerplant capacity totals 2,454 megawatts.

Critical goals for the region include fulfilling Interior's water master role on the lower Colorado River; maintaining Colorado River operations to fulfill water delivery and power generation commitments while achieving compliance with the Endangered Species Act; continuing construction of the Central Arizona Project; and increasing water supplies through water conservation, water quality improvement, and water reuse programs.

Water and Energy Management and Development - This activity is funded at $55.9 million, which is a $2.9 million decrease from the FY 2007 request. The decrease is due to the completion of the work to repair the severe erosion immediately upstream from the Needles-Topock Settling Basin in the Colorado Front Work and Levee System. The Title XVI programs also show a reduction due to revised funding schedules, which may cause some projects to be delayed from prior construction schedules.

Funding of $26.4 million for the Central Arizona Project will accomplish several objectives: continuing construction of the Indian distribution systems; continuing work to protect native fish in the Gila and Santa Cruz river basins; and completing environmental impact statement mitigation commitments and endangered species work at Roosevelt Dam. Construction on the Indian distribution systems focuses on

the Gila River Indian Community system, Sif Oidak system, and San Carlos Apache system. Construction of Indian distribution systems is now the largest component of the Central Arizona Project program. Work also continues to prepare the project for the implementation of the Arizona Water Settlements Act in January 2010.

The Colorado River Front Work and Levee System funding of $3.3 million continues activities to modify the reservation main outlet drain. This level of funding will continue development of design alternatives and environmental compliance activities to improve river stability, prevent erosion, and reduce sediment transport along the Colorado River channel. Work will continue on the Lower Colorado River Drop 2 Storage reservoir. It is anticipated that significant non-Federal funds will be provided for the reservoir construction.

The Lake Mead/Las Vegas Wash Program funding of $900,000 will continue work on hydraulic features in the wash to reduce erosion and allow the re-establishment of wetlands and other off-channel improvements. In FY 2006 the appropriation ceiling for this program was increased by $10 million to $20 million.

The Lower Colorado River Operations Program of $7.4 million covers all of the work necessary to carry out the Secretary's direct statutory responsibility to act as water master for the lower Colorado River. These responsibilities include the river's water management issues, implementing the California 4.4 water plan, and limiting water users to their legal entitlements. The development of shortage guidelines for the lower Colorado River and associated environmental impact statement will be completed and the Record of Decision signed.

The San Carlos Apache Tribe Water Settlement Act program of $310,000 will continue. The Settlement Act, authorized in 1992, requires Reclamation to serve as the lead environmental agency for work associated with the development of the San Carlos Apache Tribe's water supply. Much of the environmental surveys and mitigation measures will be in environmentally sensitive areas of the Gila River system.

The Southern Arizona Water Rights Settlement Act Program of $4.4 million begins Farm Extension planning and design of laterals and related distribution system components. Pre-construction engineering and right of way acquisition for the Farm Extension will be completed.

The funding of Title XVI water reclamation and reuse programs in the region is budgeted at $9.1 million. The water reuse program is a major tool to help California meet its increasing water needs, while its use of Colorado River water is maintained at its allocation of 4.4 million acre-feet. These funds will be used to continue to provide cost sharing for these projects. At the proposed funding level, construction will continue on six projects: Calleguas Municipal Water District Recycling Project, Long Beach Area Water Reclamation Project, North San Diego County Area Water Recycling Project, Orange County Regional Water Reclamation Project - Phase I, San Diego Area Water Reclamation Project, and San Gabriel Basin Project. Work will continue on designs for the Phoenix Metropolitan Water Recycling Project. Also included is a request for $250,000 for the Long Beach Area Desalination Research and Development Project, which will continue work on the feasibility study and pilot plant that has been funded through write-in appropriations since FY 2002. This work is testing the feasibility of a new method of seawater desalination that has been developed by the Long Beach Water Department. If successful, this method will provide significant savings to the cost of seawater desalination projects. Reclamation has been actively involved in the technical aspects of this project. With the limited funding provided at the recommended program level, there is a significant funding shortfall and project sponsors will continue to

press for major increases in funding.

The four Investigation Programs contain funding of $1.7 million for 25 studies. The North Central Arizona Water Supply, Los Angeles Basin County Watershed, and San Jacinto Watershed (Mystic Lake) studies will be completed. Four studies, Moenkopi Runoff Recharge and Recovery Study, Globe Miami San Carlos Water Study, Salt River Valley Water Analysis and Resource Study, and San Diego River Watershed Assessment Study will begin. Each study addresses a critical water management issue within its basin. Eighteen studies will continue.

Funding proposed for the Colorado River Water Quality Improvement Program and the Halfway Wash Project/Study totals $385,000. The Halfway Wash Project Study continues the investigation of an off-stream water storage site on the Virgin River. The Colorado River Water Quality Improvement Program continues to monitor and investigate the salinity sources in the Region and identifies sources of pollution entering the Colorado River from the Las Vegas Wash.

The Salton Sea Project is funded at $300,000 to deal with issues surrounding the Salton Sea. Since 1992, there has been increasing concern due to the sudden deaths of large numbers of fish and migratory birds and increasing salinity. The California Department of Water Resources is required to propose a preferred alternative for the restoration of the sea to the California legislature by December 2006. Reclamation also has a Congressional requirement to prepare a feasibility report by December 2006. Both reports are expected to be released in the spring of 2007 to ensure adequate review and coordination of the reports. Reclamation will continue coordination with the California Department of Water Resources and the Salton Sea Authority and the development and study of a pilot saline shallow water habitat complex.

Land Management and Development - Funding for this activity totals $952,000, which is a $15,000 increase from the FY 2007 request. The Central Arizona Project funding of $592,000 is proposed for the continued development of trails along the aqueduct and for land management of those project lands associated with portions of the project for which there are no operating entities or facilities.

Salt River Project funding of $360,000 continues stewardship of the Federal interest in project lands dealing with rights-of-way, leases, and permits. Work will continue to improve recreation facilities to provide safe public use and access.

Fish and Wildlife Management and Development - This activity is funded at $8.8 million, which is a $1.7 million decrease from the FY 2007 request. The decrease is due to a revised schedule for creating and restoring habitat for covered wildlife species within the Lower Colorado River Operations Program.

The Endangered Species Conservation and Recovery Project will fund environmental initiatives at $770,000. The terrestrial and aquatic habitat of threatened and endangered species will be enhanced.

Funding for the environmental portion of the Lower Colorado River Operations Program is $8.0 million. Funding for the third year of the long-term Multi-Species Conservation Program provides the necessary funding for compliance with Section 7 of the Endangered Species Act regarding Reclamation's river operations. This level of funding is required to continue the reasonable and prudent alternatives and measures contained in the Fish and Wildlife Service's biological opinion on Reclamation's lower Colorado River operations and maintenance program. The non-Federal partners will match the Federal funds on a 50/50 basis.

Facility Operations - This activity is funded at $16.8 million, a $1.2 million increase from the FY 2007

request. The increase is mostly due to the increased water prices for deliveries in the Ak Chin Indian Water Rights Settlement Act Project. Water rates are increasing faster then the normal inflationary rate. Funds were realigned to the Salt River Project from the Examination of Existing Structures Program. The remainder of the increase relates to contracts to be awarded to help modernize administration of the river.

This activity also includes funding of $8.7 million for delivery of water to the Ak Chin Indian Community under the Ak Chin Water Rights Settlement Act.

Funding of $218,000 for the Central Arizona Project will continue administrative efforts associated with non-Indian distribution systems including amending contracts to comply with changes directed by the Arizona Water Settlements Act.

Funding of $1.6 million will continue operation of drainage wells and bypass facilities for the Colorado River Basin Salinity Control Program - Title I, which assures that water delivered to Mexico continues to meet salinity requirements defined by Minute 242 of the Mexican Treaty.

Salt River Project funding of $240,000 continues activities resulting from the transfer title of the Blue Ridge Dam and Reservoir to the United States. The Arizona Water Settlements Act authorized this transfer.

Funding of $5.9 million for the Yuma Area Projects will continue: necessary river management; well inventory and operations; flood and drainage control oversight; operation of all fish and wildlife facilities along the river; and land use operations including land conversion, unauthorized use, and structures inventory. Efforts to control the Salvinia Molesta, an invasive plant, will also continue. These efforts include research into new eradication and control techniques.

Water and power users fund the Parker-Davis Project under agreements executed in 1999 which provide all of the funding necessary to assure continued operation of the project's dams and powerplants.

Operation and management of facilities completed under the Southern Arizona Water Rights Settlement Act are funded by the Bureau of Indian Affairs from a Cooperative Fund established by the act.

Facility Maintenance and Rehabilitation - The activity is funded at $23.1 million, which is a $1.1 million decrease from the FY 2007 request. The majority of the decrease is due to a reduced level of effort in maintenance of the research features and systems, reduced efforts to meet the desalting plant readiness, and the elimination of funding for exploring alternatives to operating the Yuma Desalting Plant. A reduced level of effort for bankline maintenance activities will occur in Yuma Area Projects.

Within this activity, water and power users will continue to fund the Parker-Davis Project under agreements executed in 1999. These agreements cover all maintenance costs including a generating unit rewind and major equipment replacements.

The $7.8 million proposal for the Colorado River Basin Salinity Control Program - Title I, will continue to maintain the Yuma Desalting Plant.. This includes maintenance of the Bypass Drain, the Protective and Regulatory Pumping Unit, as well as the equipment and structures of the plant.

Funding of $15.3 million for the Yuma Area Projects meets ongoing infrastructure maintenance needs on the Colorado River, including dredging to restore the river channel behind Laguna Dam to improve flows and restore sediment trap efficiency.

Planned Accomplishments in FY 2008 include delivery of 9 million acre-feet of water in three states and the Country of Mexico. On the Central Arizona Project the O'Donnell Creek, and Rock Creek fish barriers are scheduled for completion. Several studies are planned to be completed: the North Central Arizona Water Supply Study in the Northern Arizona Investigations Program; and the Los Angeles Basin County Watershed Study and the San Jacinto Watershed Water Quality, Supply, and Enhancement Study in the Southern California Investigations Program. Lower Basin Shortage Guidelines will be completed with the preparation and publication of a final Environmental Impact Statement and Record of Decision. In addition, the following projects are scheduled to be either completed or partially completed in FY 2008, resulting in an increase of 90,860 acre-feet of additional available water: the Gila River Indian Community (Central Arizona Project); the Orange County Groundwater Replenishment System Project (Orange County Regional Water Reclamation Project); the El Monte Operable Unit Westside and Eastside Projects and the La Puente Project (San Gabriel Basin Project); the San Gabriel Valley Groundwater Remediation, Phases 2 and 4 (San Gabriel Basin Restoration); and the Olivenhain Northwest Quadrant Project (North San Diego County Area Water Recycling Project).

Planned Accomplishments in FY 2007 include delivery of 9 million acre-feet of water in three states and the Country of Mexico. On the Central Arizona Project the Bonita Creek fish barrier is scheduled for completion. The control system to remotely operate the wells along the United States and Mexican borders will be completed. The Tres Rios Wetlands Demonstration and Fort McDowell Settlement Act programs are scheduled to be completed. In addition, the following projects are scheduled to be either completed or partially completed in FY 2007, resulting in an increase of 8,300 acre-feet of additional available water: the Encina Basin Carlsbad Project (North San Diego County Area Water Recycling Project); and the San Xavier Rehabilitation Project (Central Arizona Project/Southern Arizona Water Rights Settlement Act Project).

Accomplishments in FY 2006 included the delivery of over 9 million acre-feet of water in three states and the Country of Mexico. Several studies are completed: the Lower Basin Salinity Management Study in the Lower Colorado River Investigations Program; and the Shallow Passive Seawater Barrier Study and the Southern California Water Recycling Initiative in the Southern California Investigations Program. In addition, the following projects were either completed or partially completed in FY 2006, resulting in an increase of 13,050 acre-feet of additional available water: the San Elijo Water Reclamation Program (North San Diego County Area Water Recycling Project); the San Diego Black Mountain Ranch (San Diego Area Water Reclamation Program); the San Gabriel Valley Groundwater Remediation, Phase 3 (San Gabriel Basin Restoration); and the San Xavier Rehabilitation Project (Central Arizona Project/Southern Arizona Water Rights Settlement Act Project).

WATER AND RELATED RESOURCES REQUEST BY MISSION AREA

TOTAL WATER AND RELATED RESOURCES REQUEST BY MISSION AREA						
Fiscal Year	Resource Use - Water	Resource Use - Energy	Resource Protection	Recreation	Serving Communities	Total
FY 2007	$98,170,000	$0	$11,236,000	$539,000	$0	$109,945,000
FY 2008	$104,414,000	$0	$489,000	$592,000	$0	$105,495,000

Resource Use - Water (Deliver Water Consistent with Applicable State and Federal Law) - The amount being requested is $104.4 million which is a $6.2 million increase from FY 2007, which is due to the realignment of the region's Colorado River Basin Salinity Control Project - Title I and Colorado River Water Quality Improvement Program with the Resource Use section of the Department's FY 2007 - FY 2012 Strategic Plan. Of the $104.4 million, $39.9 million is for activities associated with operating and maintaining a safe and reliable water infrastructure, $20.8 million is for activities associated with effective water management to optimize supply, $8.7 million is for activities associated with addressing environmental/resource stewardship concerns, and $34.9 million is for activities associated with the completion of construction projects to increase delivery infrastructure and water availability.

Resource Use - Energy (Manage or Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value - Hydropower) - The amount being requested is $0, as funding for major dams and power plants have been moved off budget either through the development of customer funding agreements or legislation. This funding approach allows for the day-to-day power operations and maintenance of all hydroelectric power facilities within the region, which directly impact various performance measures and targets for Reclamation.

Resource Protection (Watersheds, Landscapes, and Marine Resources), (Biological Communities), and (Cultural and Natural Heritage Resources) - The amount being requested $489,000 which is a $10.7 million decrease from FY 2007. The decrease is due to the realignment of the region's Colorado River Basin Salinity Control Project - Title I and Colorado River Water Quality Improvement Program to the Resource Use section of the Department's FY 2007 - FY 2012 Strategic Plan. The $489,000 is for activities associated with invasive species.

Recreation (Improve the Quality and Diversity of Reclamation Experiences and Visitor Enjoyment on DIO Lands) - The amount being requested is $592,000 which is a $53,000 increase from FY 2007.

Serving Communities (Improve Protection of Lives, Resources, and Property) - The amount being requested is $0. The activities captured under this mission area of the Department's FY 2007 - FY 2012 Strategic Plan are associated with law enforcement activities at the Hoover Dam facility only and are off budget as indicated above.

FY 2008 Planned Accomplishments

The Lower Colorado Region plans to continue to meet water and power contracts while balancing a range of competing water demands. Key performance goals for the Region for FY 2008 include:

End Outcome Goal: Deliver Water Consistent with Applicable State and Federal Law, in an Environmentally Responsible and Cost-Efficient Manner

- ***Deliver Water.*** The Lower Colorado Region expects to deliver 9,000,000 acre-feet of water to fulfill contractual obligations while addressing other resource needs.

- ***Reliability.*** The Lower Colorado Region expects to maintain 100 percent of the water facilities within the Region in fair to good condition as measured by the Facility Reliability Rating.

- ***Increased Supply.*** In FY 2008, the Region expects to complete or partially complete a variety of projects that will have the potential to provide 90,860 acre-feet of increased water supply.

End Outcome Goal: Manage of Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value - Hydropower

- ***Achieve Cost Efficient Power Generation*:** The Lower Colorado Region will strive to meet or beat the industry forced outage average to ensure reliable delivery of power.

- ***Reliability.*** The Lower Colorado Region expects to maintain 100 percent of the power facilities within the Region in fair to good condition as measured by the Facility Reliability Rating.

FY 2007 Planned Accomplishments

End Outcome Goal: Deliver Water Consistent with Applicable State and Federal Law, in an Environmentally Responsible and Cost-Efficient Manner

- ***Deliver Water.*** The Lower Colorado Region expects to deliver 9,000,000 acre-feet of water to fulfill contractual obligations while addressing other resource needs.

- ***Reliability.*** The Lower Colorado Region expects to maintain 100 percent of the water facilities within the Region in fair to good condition as measured by the Facility Reliability Rating.

- ***Increased Supply.*** In FY 2007, the Region expects to complete or partially complete a variety of projects that will have the potential to provide 8,300 acre-feet of increased water supply.

End Outcome Goal: Manage of Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value - Hydropower

- ***Achieve Cost Efficient Power Generation*:** The Lower Colorado Region will strive to meet or beat the industry forced outage average to ensure reliable delivery of power.

- ***Reliability.*** The Lower Colorado Region expects to maintain 100 percent of the power facilities within the Region in fair to good condition as measured by the Facility Reliability Rating.

FY 2006 Accomplishments

End Outcome Goal: Deliver Water Consistent with Applicable State and Federal Law, in an Environmentally Responsible and Cost-Efficient Manner

- ***Deliver Water.*** The Lower Colorado Region delivered 9,841,000 acre-feet of water to fulfill contractual obligations while addressing other resource needs. In FY 2006, the Region successfully continued efforts with the implementation of the Real Time River Measurement and Accounting System.

- ***Facility Reliability.*** The Lower Colorado Region maintained 100 percent of the high and significant hazard dams and associated facilities in fair to good condition as measured by the Facility Reliability Rating.

- ***Increased Supply.*** In FY 2006, the Region completed or partially completed several projects that have the potential to provide 13,050 acre-feet of increased water supply.

End Outcome Goal: Manage of Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value - Hydropower

- ***Achieve Cost Efficient Power Generation***: The Lower Colorado Region beat the industry forced outage average rating with a remarkably low rating of 0.12 percent.

- ***Facility Reliability.*** The Region maintained a fair to good condition as measured by the Facilities Reliability Rating on the power facilities (Hoover Dam, Parker Dam, and Davis Dam) located within the Lower Colorado Region.

End Outcome Goal: Improve the Quality and Diversity of Recreation Experiences and Visitor Enjoyment on DOI Lands

- ***Enhance Partnerships.*** The Lower Colorado Region was successful in maintaining community partnerships on 89 percent of recreation areas.

Lower Colorado Region Performance Table

RESOURCE USE

End Outcome Goal: Deliver Water Consistent with Applicable State and Federal Law, in an Environmentally Responsible and Cost-Efficient Manner

Outcome Measures	Type	2004 Actual	2005 Actual	2006 Plan	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	Change from 2007 to 2008	Long-term Target 2012	Comments
End Outcome Measures: **Water Delivery:** Acre-feet of water delivered consistent with applicable substantive and procedural requirements of Federal and State water law **(SP)** **UEM.4.0.1**	A	10.06 maf	8.854 maf	9 maf	9.841 maf	9 maf	9 maf	9 maf	0 af	9 maf	Targets beginning FY06 are based on a 10-year re-evaluation of water delivery (due to impacts of drought and unusual weather conditions).
Reliability: Amount of acre-feet of restricted capacity **(SP)** **UEM.4.0.2**	A	4,692 af	4,692 af	0 af	0 af	0 af	0 af	0 af	0 af	0 af	
Reliability: Percent of water facilities that do not receive Federal or State notices of violation under environmental requirements as defined by Federal and State law **(SP)** **UEM.4.0.3**	A	100% (10/10)	100% (10/10)	90% (9/10)	100% (10/10)	90% (9/10)	90% (10/11)	83% (10/12)	0%	83% (10/12)	Performance targets and number of facilities have been modified due to the realignment of the region's Title I Salinity Program facilities being included in this measure based upon the Department's FY 2007 – FY 2012 Strategic Plan.

Budget and Performance Integration

Outcome Measures	Type	2004 Actual	2005 Actual	2006 Plan	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	Change from 2007 to 2008	Long-term Target 2012	Comments
Cost Effectiveness: Percent change in cost to operate and maintain water storage infrastructure compared to (over) the five-year rolling average **(SP/PART) UEM.4.0.4**	A	N/A	N/A	Baseline Year	Baseline Year	N/A	Baseline Year	TBD	N/A	TBD	Reclamation developed methodology on this goal in June FY 2006 and is currently refining the methodology will continue to test that methodology in FY07. Out year targets will be based on the results of the test.
Intermediate Outcome Measure **Operate and Maintain Safe and Reliable Water Infrastructure** **Facilities Reliability:** Water infrastructure is in fair to good condition as measured by the Facilities Reliability Rating **(SP) UIM4.1.01.a1 UIM4.1.01.a2**	A	100% (18/18)	100% (18/18)	100% (18/18)	100% (19/19)	100% (18/18)	100% (19/19)	100% (19/19)	0%	100% (21/21)	The total number of facilities reported for this measure have been updated to reflect the newly acquired Blue Ridge Dam, as well as the addition of facilities funded by the region' Title I – Salinity Program that are now aligned to the Resource Use section of the Department's FY 2007 – FY 2012 Strategic Plan.
Intermediate Outcome Measure **Effective Water Management to Optimize Supply** Improvement in water supply (acre-feet per year) resulting from management agreements and partnerships **UIM.4.2.1**	A	N/A	N/A	N/A	N/A	N/A	Baseline Year	TBD	N/A	TBD	FY 2007, 2008 & FY 2012; New Department Strategic Plan affects this measure. Unit of measure will change from "instruments (agreements, partnerships, mgt options)" to "acre feet". The new measure definition and targets are currently under development by Reclamation.

Budget and Performance Integration

Outcome Measures	Type	2004 Actual	2005 Actual	2006 Plan	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	Change from 2007 to 2008	Long-term Target 2012	Comments
Intermediate Outcome Measure **Address Environmental/ Resource Stewardship Concerns** **Requirements:** Percent of environmental audit findings and reviews addressed **(SP) UIM.4.3.1** *(Note: Percent of findings will be corrected within one year of the audit results; pertain to both water and hydropower facilities)*	A	100% (5/5)	100% (22/22)	95% (19/20)	100% (20/20)	80% (13/16)	80% (14/18)	80% (14/18)	0%	80% (14/18)	The performance targets (amount of environmental audit findings) is strictly a projection based upon an average of historical findings, and will be updated appropriately once specific data is available (which is at the beginning of each FY). Findings are identified at the beginning of each FY.
Intermediate Outcome Measure **Complete construction projects to increase delivery infrastructure and water availability** **Increased Supply:** Potential acre-feet made available through completion of projects **(SP/PART) UIM.4.4.1**	A	69,220 af	31,280 af	13,050 af	13,050 af	41,800 af	8,300 af	90,860 af	+82,560 af	0 af	Performance targets have been modified due to revised expected completion dates.

Budget and Performance Integration

Outcome Measures	Type	2004 Actual	2005 Actual	2006 Plan	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	Change from 2007 to 2008	Long-term Target 2012	Comments
Construction	C/F	49,000 af	0	500 af	500 af	2,000 af	2,000 af	10,000 af	+8,000 af	0	Performance targets have been modified due to revised expected completion dates.
Non-Reservoir **(SP)**	C/F	1,800 af	500 af	8,000 af	8,000 af	12,000 af	0	13,800 af	+13,800 af	0	Performance targets have been modified due to revised expected completion dates.
Reservoir **(SP/PART)** (A-F of new storage)	C/F	0	0	0	0	0	0	0	0	0	
Title XVI **(SP)**	C/F	18,420 af	30,780 af	4,550 af	4,550 af	27,800 af	6,300 af	67,060 af	+60,760	0	Performance targets have been modified due to revised expected completion dates.
Rural Water **(SP)**	C/F	0	0	0	0	0	0	0	0	0	
Salinity **(SP)**	C/F	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
O&M **(SP)**	C/F	0	0	0	0	0	0	0	0	0	
Completed Conveyance Systems: CFS-Miles for reporting Construction under PART	C/F	0	0	0	0	0	250 cfs	230 cfs	0	0	
Construction (**PART**)	C/F	0	0	0	0	0	0	0	0	0	

Outcome Measures	Type	2004 Actual	2005 Actual	2006 Plan	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	Change from 2007 to 2008	Long-term Target 2012	Comments
Rural Water	C/F	0	0	0	0	0	0	0	0	0	
Salinity	C/F	0	0	0	0	0	0	0	0	0	
Title XVI	C/F	0	0	0	0	0	0	0	0	0	
RESOURCE USE **End Outcome Goal:** Manage or Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value (Hydropower)											
End Outcome Measures: **Provide for access:** Number of megawatts of hydropower delivered annually **UEM.3.0.1**	**A**	--	--	--	--	N/A-	2,012 mw	2,012 mw	0	2,012 mw	New measure in 2007
Responsible Development: Percent of time in forced outage **(SP)** **UEM.3.0.2**	A	Reported Reclamation-wide only by Denver Office	Reported Reclamation-wide only by Denver Office	2.5%	0.12%	2.5%	1.9%	1.9%	0%	1.9%	Prior to FY06, this goal was reported on a Reclamation-wide basis. Targets by Region begin with FY06 Enacted to reflect the decision to report this goal at the regional level where work is performed and accountable. FY07 target changed from 2.5% forced outage rate to 1.9% forced outage factor.
Appropriate Value: Percent of base operation and maintenance (O&M) costs for power, compared to the 5-year rolling average cost, expressed as $/MW **UEM.3.0.3**	**A**	--	--	Reported by Denver Office as a Reclamation-wide target only.	Reported by Denver Office as a Reclamation-wide target only.	Reported by Denver Office as a Reclamation-wide target only.	Reported by Denver Office as a Reclamation-wide target only.	Reported by Denver Office as a Reclamation-wide target only.	--	Reported by Denver Office as a Reclamation-wide target only.	This goal is reported on a Reclamation-wide basis.

Budget and Performance Integration

Outcome Measures	Type	2004 Actual	2005 Actual	2006 Plan	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	Change from 2007 to 2008	Long-term Target 2012	Comments
Intermediate Outcome Measure **Operate and Maintain Reliable, Safe and Secure Power Facilities** **Facility Reliability:** Power Facilities are in fair to good condition as measured by the Facilities Reliability Rating **(SP) UIM.3.1.1**	A	100% (3/3)	100% (3/3)	100% (3/3)	100% (3/3)	100% (3/3)	100% (3/3)	100% (3/3)	0%	100% (3/3)	
Intermediate Outcome Measure **Improve Power Generation Management to Maximize Supply** Percent of time that Bureau of Reclamation hydroelectric generating units are available to the interconnected Western electrical system during daily peak summer demand periods **(SP) UIM.3.2.1**	A	--	--	97.5%	97.70%	97.5%	97.5%	97.5%	0%	97.5%	Targets for FY06 and outyears were established during the fourth quarter of FY05. FY07 regional target adjusted based on FY06 actuals and projected planned generator outages scheduled in FY07. Target adjustments may also need to occur in the out years pending negotiations with power customers.
Perform a comprehensive, periodic or annual review at each required facility in Reclamation yearly. **(PART)**	A	3	3	3	3	3	3	3	0	3	
Percent regional capacity affected by poor power train components (PART)	A	2.68%	7.29%	7.29%	0%	2.68%	0%	0%	0%	0%	Performance targets have been modified based upon accomplishments reported in FY 2006. Future performance targets will be determined after review and evaluation of Facility Condition Assessments conducted in FY 2007 and FY 2008.

RECREATION

End Outcome Goal: Improve the Quality and Diversity of Recreation Experiences and Visitor Enjoyment on DOI Lands

Outcome Measures	Type	2004 Actual	2005 Actual	2006 Plan	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	Change from 2007 to 2008	Long-term Target 2012	Comments
Intermediate Outcome Measure **Improve Capacities to Provide Recreation, Where Applicable** Percent of priority recreation facilities that meet applicable accessibility standards **(SP)** **RIM.1.2.2**	A	36% (6/17)	37% (6/16)	37% (6/16)	50% (8/16)	37% (6/16)	50% (8/16)	50% (8/16)	0%	50% (8/16)	Performance targets have been modified based upon successful accomplishments in FY 2006.
Intermediate Outcome Measure **Provide for and Receive Fair Value in Recreation** Percent of customers satisfied with the value for fee paid **RIM.1.5.1** (MP Region only)	**A**	--	--	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Intermediate Outcome Measure Percent of recreations fee program receipts spent on fee collection **RIM.1.5.2** (MP Region only)	**A**	--	--	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

RESOURCE PROTECTION

End Outcome Goal: Improve Health of Watersheds, Landscapes, and Marine Resources that are DOI Managed or Influenced in a Manner Consistent with Obligations Regarding the Allocation and Use of Water

Budget and Performance Integration

Outcome Measures	Type	2004 Actual	2005 Actual	2006 Plan	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	Change from 2007 to 2008	Long-term Target 2012	Comments
Intermediate Outcome Measure **Restore Watersheds and Landscapes** Salinity Control: Tons of salt loading prevented **PIM.1.1.13** (UC Region only)	A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
End Outcome Goal: Sustain Biological Communities on DOI Managed and Influenced Lands and Waters in a Manner Consistent with Obligations Regarding the Allocation and Use of Water											
End Outcome Measures: **Invasive Species:** Percent of baseline acres infested with invasive plant species that are controlled **PEM.2.0.4**	A	43% (12.5/29)	68% (20/30)	42% (12.5/30)	83.7% (25.12/30)	42% (12.5/30)	42% (12.5/30)	42% (12.5/30)	0%	TBD	Acres to be treated are identified at the beginning of each FY. FY07 and outyear targets are estimated.
RESOURCE PROTECTION **End Outcome Goal:** Protect Cultural and Natural Heritage Resources											
End Outcome Measure: **Cultural Resources:** Percent of cultural resources or sites on DOI inventory in good condition **PEM.3.0.4**	A	71% (5/7)	83% (5/6)	100% (6/6)	100% (6/6)	100% (6/6)	100% (6/6)	100% (6/6)	0%	100% (6/6)	
SERVING COMMUNITIES **End Outcome Goal:** Improve Protection of Lives, Resources, and Property											
End Outcome Measure: Public Safety and Security **Law Enforcement:** Percent Reduction in Part I offenses **SEM.1.0.4**	A	--	--	--	--	--	N/A	N/A	--	N/A	This is a new performance measure for Reclamation beginning in January 2007. The SSLE Office will be the responsible reporting office for this measure.

Budget and Performance Integration

Outcome Measures	Type	2004 Actual	2005 Actual	2006 Plan	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	Change from 2007 to 2008	Long-term Target 2012	Comments
Law Enforcement: Percent reduction in Part II offenses (excluding natural, cultural and heritage resource crimes) that occur on DOI lands or under DOI jurisdiction **SEM.1.0.5**	A	--	--	--	--	--	Baseline Data	TBD – Based upon baseline data	--	Baseline Data	This is a new performance measure for Reclamation beginning in January 2007. Performance targets will be established.
Law Enforcement: Percent reduction of natural, cultural and heritage resource crimes that occur on DOI lands or under DOI jurisdiction **SEM.1.0.6**	A	--	--	--	--	--	Baseline Data	TBD – Based upon baseline data	--	Baseline Data	This is a new performance measure for Reclamation beginning in January 2007. Performance targets will be established.
Intermediate Outcome **Improve Public Safety and Security and Protect Public Resources from Damage** ***Intermediate Outcome Measure*** Percent of incidents/ investigations closed for Part I, Part II and natural, cultural and heritage resources offenses **SIM.1.2.4**	A	--	--	--	--	--	Baseline Data	TBD – Based upon baseline data	--	Baseline Data	This is a new performance measure for Reclamation beginning in January 2007. Performance targets will be established.

Budget and Performance Integration

Cost and Performance Information

The Lower Colorado Region integrates performance and budget through a variety of approaches and processes.

Program managers review and utilize historical program costs and data, along with future work expectations when developing annual work plans and budget requests. Annual program work plans/budget requests are entered into an automated database which aligns projected work and budget requests to the Department's Strategic Plan and Reclamation's performance goals. The automated system also allows for the appropriate Activity Based Cost (ABC) code to be identified for each work plan/activity. The automated work plan database system was modified to assist program managers and budget staff in identifying the link between the budget requests and the agency's role and contribution with the Department's Strategic Plan.

Quarterly, senior and program management, along with budget staff throughout the Region, meet to review budget program and GPRA performance accomplishment and discuss ABC output reporting data. Internal program accomplishment goals are also identified within the Region. Program and performance and budget shortfalls are addressed and necessary actions are discussed to address any concerns identified.

On a monthly basis, obligation and expenditure reports are distributed to senior/program managers and budget staff to provide a continual awareness of program status. This information is also available to all employees within the Region via the Financial Management Office's intranet site. Monthly ABC cost information and quarterly GPRA performance reports for the Region are also posted on the intranet site.

The Region continues efforts to implement ABC management. The Region ensures that all financial data has been coded with the appropriate ABC codes, and a variety of processes within the Region have been modified to ensure compliance with ABC coding. As previously stated, monthly ABC cost reports are posted on the Region's internal website, as well as routine ABC output activity data reports as an avenue to provide current ABC data to program managers and budget staff. ABC activity leads have been identified within the Region for all appropriate ABC codes/activities to provide guidance and assistance in reporting activity output data which began in FY 2005.

ABC cost data proved beneficial in providing cost data for the Region in the development of a newly proposed PART and GPRA replacement measure for the Operations and Maintenance Program. The Region will continue efforts with ABC/Management by beginning analysis of ABC cost reporting and ABC output activity data, as well as providing awareness to managers on the availability of the ABC cost and activity data.

Budget and Performance Integration

The Region conducts routine benchmarking studies on well fields within the Yuma Area Office and adjusts operational methods as appropriate to ensure operations are cost efficient and comparable with other like facilities. The information and data obtained through the benchmarking process is analyzed and reviewed by senior management on a regular basis to improve well operations.

The Region has also implemented the Department's Fleet Management Plan, as outlined by Reclamation, which will provide more accountability of vehicle cost to replace and purchase new equipment, as well as provide improved reporting of expenditures. The Fleet Management Plan resulted in all Reclamation transportation vehicles being placed in the working capital fund to allow a collaborative use approach to provide better utilization of these vehicles.

Ak Chin Indian Water Rights Settlement Act Project

LOCATION: Ak Chin Indian Reservation, Pinal County, Arizona.

DESCRIPTION/JUSTIFICATION: The Ak Chin Settlement Act facilities delivery of Colorado River water through the Central Arizona Project to 16,000 acres of irrigated lands on the Ak Chin Indian Reservation. The Act requires that this water be delivered at no cost to the Ak Chin Community.

AUTHORIZATION: P.L. 95-328, Settlement of Ak Chin Water Rights Claims, July 28, 1978, P.L. 98-530; The Ak Chin Indian Water Rights Settlement Act, October 19, 1984, P.L. 106-285; Ak Chin Water Use Amendments Act of 1999, October 10, 2000; and P.L. 108-451, Arizona Water Settlements Act, December 10, 2004.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Facility Operations	$7,920,000	$8,700,000
Request	$7,920,000	$8,700,000
Non-Federal	0	0
Prior Year Funds	953	0
Total Program	$7,920,953	$8,700,000
Prior Year Funds/Non-Federal	(953)	0
Total Reclamation Allotment	$7,920,000	$8,700,000

WORK PROPOSED IN FY 2008:

Facility Operations - Continues the operation and maintenance functions and repairs to the delivery canal associated with the delivery of 87,200 acre-feet of Central Arizona Project water to the Ak Chin Community. The increase in funding request is due to a higher price per acre-foot for water deliveries.

Reclamation Request **$8,700,000**

SEE APPENDIX FOR: Obligation by Function for Operating Projects

Calleguas Municipal Water District Recycling Project

LOCATION: This project is located in Ventura County, California.

DESCRIPTION/JUSTIFICATION: This project consists of planning, designing, and constructing regional water recycling projects that include wastewater reclamation and reuse, brackish groundwater recovery, and regional salinity management projects. A total of ten specific projects are planned resulting in annual recycling or recovery of a total of 51,470 acre-feet of water in order to reduce the region's dependence on imported water supplies.

AUTHORIZATION: P.L. 102-575 - Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act, October 30, 1992; and P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, October 9, 1996.

COMPLETION DATA: As of September 30, 2006, this project is 44 percent completed. The project is scheduled for completion in 2013, a delay of 3 years from that shown in the FY 2007 Budget Justifications, due to a revised construction schedule.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$990,000	$900,000
Request	$990,000	$900,000
Non-Federal	13,671,000	10,844,000
Prior Year Funds	1,838	0
Total Program	$14,662,838	$11,744,000
Prior Year Funds/Non-Federal	(13,672,838)	(10,844,000)
Total Reclamation Allotment	$990,000	$900,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$20,000,000	$8,852,997	$990,000	$900,000	$9,257,003
Adjustments 1/	93,990,000	15,587,000	13,671,000	10,844,000	53,888,000
Total	$113,990,000	$24,439,997	$14,661,000	$11,744,000	$63,145,003

1/ Includes cost-sharing of $93,990,000 from Calleguas Municipal Water District.

Construction Cost Allocation and Methodology

Allocation	FY 2007	FY 2008
Municipal and Industrial Water	$90,775,000	$113,990,000
Total	$90,775,000	$113,990,000

METHODOLOGY: The methodology of cost allocation has not been modified from last year. The increase of $23,215,000 is due to updated cost estimates, all of which will be applied to the non-Federal share.

APPROPRIATION CEILING: P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, imposed a ceiling of $20,000,000. The Federal obligation is $20,000,000 which does not exceed the appropriation ceiling.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development - Continues work on construction of a regional water recycling project in the Calleguas Municipal Water District service area.

	$11,744,000
Non-Federal - Calleguas Municipal Water District	(10,844,000)
	900,000

Reclamation Request **$900,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2007
Project Repayment for FY 2008
Status of NEPA Compliance

Colorado River Basin Project
Central Arizona Project

LOCATION: The Central Arizona Project is located in Maricopa, Pima, Gila, La Paz, Mohave, Coconino, Yavapai, and Pinal Counties of Arizona; San Bernardino County, California; Clark County, Nevada; Grant County, New Mexico; and Kane and Washington Counties, Utah. The transmission lines serve both power and water development portions of the project. They are located in Coconino, Mohave, Yavapai, and Maricopa Counties, Arizona; Kane and Washington Counties, Utah; Clark County, Nevada; and San Bernardino County, California. The Non-Indian Distribution Systems are located in Maricopa, Pinal, and Pima Counties, Arizona.

DESCRIPTION/JUSTIFICATION: The Central Arizona Project is a multipurpose water resource development and management project which provides irrigation, municipal and industrial water, power generation, flood control, outdoor recreation, environmental enhancement, and sediment control. In addition, the project will provide delivery of tribal homeland water, partial settlement of Indian water rights claims, and economic benefits accruing from leasing of Indian agricultural water rights to municipal entities. It will provide a partial replacement water supply to 417,773 acres of irrigable lands, which consists of 280,873 acres of non-Indian agricultural land and up to 136,900 acres of reservation land. In addition, there is up to 764,276 acre-feet of water provided annually for direct municipal and industrial use. The water demand was re-estimated in the 1996 Water Supply Study and, beginning in FY 1997, incorporated into the official cost allocation. In 2000, the water supply delivery estimates were modified to reflect the agreements reached under the settlement negotiations. Benefits to recreation, flood, and sediment control are provided. The sediment control benefits associated with Buttes Dam, Middle Gila Division have been indefinitely deferred. The maximum benefits for recreation will be realized upon completion of the recreation development associated with Tucson area. Benefits for flood and sediment control were realized upon completion of the modified Theodore Roosevelt Dam in 1996 along with the power benefits associated with the completed New Waddell Dam. In addition, a power entitlement of 546,750 kilowatts is available to the project through terms of the Navajo Project Participation Agreement.

AUTHORIZATION: P.L. 89-72, Federal Water Project Recreation Act of 1965, July 9, 1965, as amended by P.L. 102-575 - Title XXVIII, Reclamation Recreation Management Act, October 30, 1992; P.L. 90-537, Colorado River Basin Project Act, September 30, 1968; P.L. 97-293 -Title II, Southern Arizona Water Rights Settlement Act of 1982, October 12, 1982; P.L. 97-373, Amend Colorado River Basin Project Act, December 20, 1982; P.L. 100-512, Salt River Pima Maricopa Indian Community Water Rights Settlement Act, October 20, 1988; P.L. 101-628, Fort McDowell Indian Community Water Rights Settlement Act of 1990, December 28, 1990; P.L. 102-497, To Make Technical Amendments to Certain Indian Statutes, October 24, 1992; P.L. 102-575 - Title XXXVII, San Carlos Apache Tribe Water Rights Settlement Act of 1992, October 30, 1992, as amended; P.L. 102-575 - Title XXXIX, Siphon Repair and Replacement, October 30, 1992; P.L. 103-434 - Title I, Yavapai-Prescott Indian Water Rights Settlement, October 31, 1994; P.L. 108-447, Division C, Consolidated Appropriations Act of 2005, December 8, 2004; and P.L. 108-451, Arizona Water Settlements Act, December 10, 2004.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water and Improve the Quality and Diversity of Recreation Experiences.

COMPLETION DATA: Initial operation of the Navajo Generating Station began on May 31, 1974. Initial operation of the last (third) generating unit began April 30, 1976. Initial water via the Hayden-Rhodes Aqueduct was delivered to the Phoenix metropolitan area in 1985. Initial water delivery was made to users of the Fannin-McFarland Aqueduct and to users in Pinal County in 1986. Initial water delivery to the Ak-Chin Indian Community was made in June 1987. Water deliveries to northern Pima County were made in 1989 and were made to the Tucson area in August 1992.

Water delivery to the Salt River Pima Maricopa Indian Community began in July 1997. Title III of the Arizona Water Settlements Act, the Southern Arizona Water Rights Settlement Amendments Act of 2004 revised the completion date from July 12, 1993 to January 1, 2009, for the Schuk Toak District and January 1, 2016 for the San Xavier District of the Tohono O'Odham Nation. Notice was given to the Tohono O'Odham Nation on September 25, 1992, that the Central Arizona Project aqueduct was capable of making canal side water deliveries. Water deliveries to the Schuk Toak District began in June 2000. Partial water deliveries to the existing San Xavier Farm began in January 2001. Full deliveries to the existing farm are scheduled to begin in 2007. Fort McDowell Indian Community pre-settlement planning activities, authorized under the Central Arizona Project, were completed in September 1991. Construction of their delivery system was accomplished under the Small Reclamation Projects Act, as required by the Fort McDowell Indian Community Water Rights Settlement Act of 1990, P.L. 101-628. The Yavapai-Prescott Indian Community's water settlement was ratified October 31, 1994. This resulted in a water right allocation exchange agreement dated December 28, 1995, between the cities of Scottsdale, Prescott, and Nogales; Cottonwood Water Works; Mayer Domestic Water Improvement District; Rio Rico Utilities; and Camp Verde Water System, Inc. Under the agreement, any financial compensation for the Community's water allocation may only be used towards water development. The Gila River Indian Community delivery and distribution system is under construction. The Community has progressively completed system components resulting in staged water deliveries beginning in 2005, with full deliveries sometime after 2015. Firm water delivery dates for the remaining Indian communities (Sif Oidak, San Carlos-Apache, Pascua Yaqui, Camp Verde, and Tonto Apache) will be determined when planning is complete.

Water deliveries to the Non-Indian Distribution Systems were made to Harquahala Valley Irrigation District in 1985; Tonopah Irrigation District and Chaparral City Water Company in 1986; and New Magma Irrigation and Drainage District in 1987. Full deliveries were made to Queen Creek, San Tan, and Chandler Heights Citrus Irrigation Districts in 1989. Full deliveries were made to Maricopa-Stanfield and Hohokam Irrigation and Drainage Districts in 1990. The Central Arizona Irrigation and Drainage District was capable of receiving full deliveries in February 1991.

As of September 30, 2006, the Central Arizona Project is 84 percent complete. The percentage of completion is less then that shown in FY 2007 Budget Justifications due to an increase in the total estimated costs. The percent complete is a composite of the Central Arizona Project, Water and Power Development, and the Non-Indian Distribution Systems.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$26,410,000	$26,369,000
Land Management and Development	640,000	592,000
Facility Operations	153,000	218,000
Request	$27,203,000	$27,179,000
Non-Federal	723,000	496,000
Prior Year Funds	15,994	0
Total Program	$27,941,994	$27,675,000
Prior Year Funds/Non-Federal	(738,994)	(496,000)
Total Reclamation Allotment	$27,203,000	$27,179,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Lower Colorado River Basin Development Fund 1/	$4,507,822,545	$3,338,521,854	$26,949,000	$26,825,000	$1,115,526,691
Non-Indian Distribution Systems 2/	240,951,222	240,951,222	0	0	0
Project Total	$4,748,773,767	$3,579,473,076	$26,949,000	$26,825,000	$1,115,526,691
Adjustments 3/	848,614,143	696,773,171	683,000	456,000	150,701,972
Total Costs	$5,597,387,910	$4,276,246,247	$27,632,000	$27,281,000	$1,266,228,663

1/ Represents total Federal obligations financed under authority of section 309(a), P.L. 90-537, Colorado River Basin Project Act for the Lower Colorado River Basin Development Fund, as amended by P.L. 108-451, Arizona Water Settlements Act.

2/ Represents total Federal obligations financed under authority of section 309(b), P.L. 90-537, Colorado River Basin Project Act, as amended by P.L. 97-373.

3/ This amount includes $2,529,000 for Central Arizona Project and $-71,982 for the Non-Indian Distribution Systems for transfer of property; $229,845,000 contributions provided on modified Plan 6 by local entities; $12,396,911 for recreation provided by Maricopa County; $29,935,000 by cost-sharing recreation partners for Tucson Terminal Storage and the aqueduct recreation; $59,433,863 for non-cash contributions provided by the repayment entities for the Non-Indian Distribution Systems; $985,000 advanced by the State of Arizona for advance planning work; $861,838 provided by Maricopa County for construction of Castle Hot Springs Road; $638,478 provided by Salt River Project for the upgrade to the Theodore Roosevelt Dam Power plant; and $300,000 contributed by the State of New Mexico for drilling at Conner dam site. The city of Tucson's

contribution of $84,039 for the Tucson Pipeline is included, as is the Central Arizona Water Conservation District's contribution of $98,645 for a modification of the New River Siphon replacement along with $45,713,000 in non-Federal construction by Central Arizona Water Conservation District for deficiency work for the Aqueduct, Permanent Operating Facilities and New Waddell Dam. The adjustment also includes $96,458 reimbursable municipal and industrial interest during construction for the Non-Indian Distribution Systems for Chaparral City Water Company, Queen Creek Irrigation District, Chandler Heights Citrus Irrigation District, and San Tan Drainage District. Interest during construction on the Lower Colorado River Basin Development Fund is $318,820,691 for municipal and industrial, and $146,948,202 for commercial power.

Construction Cost Allocation and Methodology

Allocation	FY 2007	FY 2008
Irrigation 1/	$1,482,396,738	$1,507,134,420
Power	670,142,301	672,853,798
Municipal and Industrial Water	1,467,221,399	1,461,605,053
Recreation	157,663,134	162,239,157
Environmental Enhancements 2/	288,000	288,000
Flood Control	122,176,565	122,643,916
Non-Indian Distribution Systems 3/	300,409,561	300,409,561
Indian Distribution Systems 4/	699,944,000	735,064,000
Other 5/	146,019,710	145,904,005
Unallocated Costs 6/	472,701,163	489,246,000
Total	$5,518,962,571	$5,597,387,910

1/ FY 2008 includes $1,048,942,050 for costs allocated to Indian irrigation which is eligible for deferral under the Leavitt Act and $458,192,370 which is allocated to non-Indian irrigation and is reimbursable.

2/ Environmental enhancement is one of the originally authorized project purposes under Title III, Section 301(a) of P.L. 90-537.

3/ Includes all costs associated with the Non-Indian Distribution Systems. These costs are not allocated as part of the allocation procedure, but are assigned directly to the entities constructing and repaying these facilities. Systems include those for municipal use, $4,524,173 and ten irrigation districts, $295,885,388.

4/ Indian Distribution Systems is listed separately because water may be used for irrigation, domestic, municipal, and industrial purposes on the reservations in accordance with the Secretary's Decision published March 24, 1983.

5/ Includes non-reimbursable costs of $44,329,188 for cultural resources as authorized under Section 7 of the Archeological and Historic Preservation Act of 1974 (P.L. 93-291), $3,500,000 for Pima County flood and erosion control near the city of Marana, and $50,911,629 non-reimbursable siphon repair costs as authorized under Title XXXIX of P.L. 102-575. Also, includes prepaid costs of $985,000 for the State of Arizona, $963,000 for contributed investigation costs, $900,277 for the Colorado River Division studies, $861,838 from Maricopa County, Arizona, $638,478 from Salt River Project for Reclamation to evaluate increasing power generation at the Theodore Roosevelt, $300,000 from the State of New Mexico, $84,039 from the City of Tucson for the Tucson pipeline, Maricopa County recreation cost share of $12,396,911, recreation partners

cost share of $29,935,000 for Tucson Reliability and Hayden-Rhodes and Tucson aqueducts, and $98,645 from Central Arizona Water Conservation District for New River Siphon modification.
6/ Includes costs of $419,276,000 for the Middle Gila Division and Upper Gila Division which will be allocated when all the beneficiaries and repayment entities are identified and functions determined. Also includes $69,970,000 for the Drainage Division. P.L. 108-451 provides funding for the ultimate construction of the Upper Gila Division at a minimum of $66 million and a maximum of $128 million, if certain conditions are met and the State of New Mexico decides to move forward with a New Mexico Unit of the CAP. Construction of the Middle Gila and Drainage divisions has been deferred indefinitely.

METHODOLOGY: The allocation process was recently reviewed, resulting in no change to the methodology. The same methodology was used for cost allocation as that presented in the FY 2007 Budget Justifications. The following is a summary of impacts on individual allocations:

Irrigation increased $24,737,682 primarily due to allocating more water for Indians which increased costs allocated to irrigation.
Power increased $2,711,497 as a result of joint costs allocated to power.
Municipal and Industrial water decreased $5,616,346 primarily due to lower interest during construction.
Recreation increased $4,576,023 due to a revised estimate of the remaining recreation associated with the project.
Environmental Enhancement did not change.
Flood Control increased $467,351 due to an increase in the joint costs allocated to Theodore Roosevelt Dam.
Non-Indian Distribution Systems did not change.
Indian Distribution Systems increased $35,120,000 due to revised estimate for the indexed future costs for Indian distribution systems.
Other decreased $115,705 due to decreased cost estimates for cultural resource mitigation and recreation cost share for the Tucson Reliability and aqueduct features of the project.
Unallocated Costs increased $16,544,837 due to indexing to October 2007 projected prices.

OTHER INFORMATION:
Water Allocations: A final notice of allocation of project water for Indian irrigation use was published in the Federal Register on October 18, 1976. On December 1, 1980, the Secretary announced a modified allocation and raised the Indian's priority for receiving water. The modified allocation also increased the amount of project water allocated as Indian Priority water to 309,828 acre-feet. The Secretary approved the allocation of project water to non-Indian irrigation users, municipal and industrial water users, and Indian users on February 10, 1983. On November 28, 1990, the Fort McDowell Indian Community Water Rights Settlement Act was passed that authorized the Secretary to convert Harquahala Valley Irrigation District's original Central Arizona Project agricultural priority water to an Indian priority water of up to 33,251 acre-feet. Upon conversion action the Indian Priority water increases to 343,079 acre-feet. Ten contracts providing water to 12 Indian communities have been executed. Settlement negotiations concerning operations and repayment of the Central Arizona Project resulted in a Stipulated Settlement filed with the Federal Court May 9, 2000. The Arizona Water Settlements Act, P.L. 108-451 was signed into law December 10, 2004. This Act provides the final allocation of CAP water anticipated as part of the Stipulated Settlement of up to 667,724 acre feet under contract with Arizona Indian Tribes or available to the Secretary of Interior for future assignment to Arizona Indian Tribes. Similarly, up to
764,276 acre feet is under contract or available to non-Indian municipal and industrial entities, the Arizona Department of Water Resources, and non-Indian Agricultural entities. Pursuant to Section 106 of the Arizona Water Settlements Act, the Secretary signed the master agreement providing for reallocation of CAP water in conformance with P.L. 108-451 on September 20, 2006.

Water Service Contracts: The Secretary approved a water service subcontract form in July 1983 and by the Central Arizona Water Conservation District in November 1983. There are currently six non-Indian agricultural water subcontracts which represent 46 percent of the non-Indian irrigation water. Twelve of the original allottees of Non-Indian irrigation districts have declined the subcontracts. The New Magma Irrigation and Drainage District had its subcontract terminated under a plan approved by the United States Bankruptcy Court in 1995. There are currently 56 municipal and industrial water service subcontracts. These subcontracts account for 555,031 acre-feet or 89 percent of the total M&I water. In March 1991, the State of Arizona provided recommendations to the Secretary for uncontracted water. On February 5, 1992, the Secretary published in the Federal Register the final notice reallocating 29.3 percent of the project water supply which was allocated to non-Indian agricultural uses, but not yet contracted. Draft contracts were developed by Reclamation but never offered due to independent and unapproved contract actions taken by the Central Arizona Water Conservation District. The Arizona Department of Water Resources sent a recommendation to the Secretary of the Interior on January 20, 2000, to allocate the remaining current unallocated municipal and industrial priority water to various municipal and industrial entities within the State. The Arizona Water Settlements Act, P.L. 108-451 provides final allocations for CAP water supplies to Arizona Indian Tribes and non-Indian entities as described above. The Act also provides for amendments to CAP contract and subcontracts to provide permanent service contracts with initial delivery terms of at least 100 years. The Tohono O'odham Nation CAP water delivery contract was amended pursuant to the Arizona Water Settlement Act and was executed on May 5, 2006. The Gila River Indian Community's CAP water delivery contract was amended pursuant to the Arizona Water Settlement Act and was executed on May 15, 2006.

Power: The Colorado River Basin Project Act provided for the Secretary of the Interior to enter into an agreement with non-Federal interests, whereby the Federal government acquired the right to 24.3 percent of the power produced at the non-Federal Navajo Generating Station. The agreement also includes the delivery of power and energy over the transmission facilities to delivery points within the Central Arizona Project area. Capital improvements of approximately $101.8 million for new sulfur dioxide scrubbers reduced visibility degradation pollution. These became operational in August 1999.

Plan 6: The Central Arizona Project, as originally authorized, included Orme Dam and Reservoir. In 1984, Plan 6 replaced this regulatory storage component of the Central Arizona Project. Plan 6 originally included New Waddell Dam, Modified Theodore Roosevelt Dam, and Cliff Dam. In June 1987, Cliff Dam was deleted from Plan 6 by mutual agreement with the State, the Secretary, Congressional, and environmental interests. The funding agreement was amended in October 1987, to reflect the deletion of Cliff Dam from Plan 6. Construction of all Plan 6 facilities, including Safety of Dams, is substantially complete. The funding agreement was amended again on December 21, 1993, to reassign the water rights and repayment obligation of the Hohokam Irrigation and Drainage District to the Plan 6 city participants to satisfy the Cliff Dam water entitlement. Section 4(a) of the Salt River Pima-Maricopa Indian Community Water Rights Settlement Act of October 1988, P.L. 100-512, provided the Community with 7,000 acre-feet of storage space from the cities' share of the new conservation space behind Theodore Roosevelt Dam. This decreased the cities' contribution by $1,208,000. This portion of Theodore Roosevelt Dam was federally funded in FY 1995 from Reclamation's Indian Water Rights Settlement Act Project, reducing the CAP share of the cost.

Siphons: After a 1987 corrosion monitoring program, Reclamation determined that six Hayden-Rhodes siphons contained defects that could cause failures. Reclamation studies determined that the principle causes of the siphon deterioration were defective wire used to reinforce the concrete pipe and incomplete encasement of the prestressing wire with portland cement slurry and mortar coating. Reclamation's Contracting Officer rendered a Final Decision on September 28, 1995, concluding the contractor was liable to the government for the siphons' distress and demanded reimbursement of $39.5 million for the repair and

replacement costs. The contractor appealed the Final Decision to the Interior Board of Contract Appeals.

On June 8, 1999, the Judge issued a decision denying the contractor's Motion for Partial Summary Judgment. The hearing began on November 6, 2000. On January 4, 2001, the judge issued an order staying trial proceedings pending the parties' attempts to resolve the appeals through mediation. The parties reached a preliminary agreement on February 2, 2001, contingent on approvals from Reclamation, the contractor and primary subcontractor and their insurers. The settlement agreement, approved by the Interior Board of Appeals Judge on January 28, 2003, provided for payment to be made to the Bureau of Reclamation for $10,000,000. The settlement has been paid in full and an order dismissing the appeals with prejudice has been issued. Repairs have been substantially completed on the siphons. The total cost to repair all six siphons is estimated at $101.8 million. Title XXXIX, Siphon Repair and Replacement, of P.L. 102-575, October 30, 1992, made 50 percent of the siphon repair costs non-reimbursable.

Gila River Biological Opinion Litigation: On April 20, 1994, pursuant to Section 7 of the Endangered Species Act, the U.S. Fish and Wildlife Service issued its final Biological Opinion on the transportation and delivery of Central Arizona Project water to the Gila River Basin. The Opinion concluded that long-term deliveries of Central Arizona Project water would jeopardize the continued existence of four native threatened or endangered fish species. In order for the project to avoid the likelihood of jeopardizing the continued existence of these species, the U.S. Fish and Wildlife Service identified several reasonable and prudent alternatives that Reclamation would be required to implement. The measures include construction of fish barriers, public education programs, fish monitoring, and long-term funding for research and conservation actions.

On March 7, 1997, the Southwest Center for Biological Diversity filed a lawsuit in U.S. District Court in Phoenix, Arizona, alleging the Opinion was inadequate and both Reclamation and the U.S. Fish and Wildlife Service were in violation of the Endangered Species Act. On August 24, 1997, both lawsuits against the Secretary were consolidated.

The District Court ruling on September 26, 2000, denied in part and granted in part the Southwest Center for Biological Diversity's motion. The court ruled the reasonable and prudent alternatives were not arbitrary and capricious, but the amendments to the Opinion issued by U.S. Fish and Wildlife Service to grant more time for Reclamation to implement the Reasonable and Prudent Alternatives were arbitrary and capricious, and therefore directed Reclamation to re-initiate consultation. The court further ruled Reclamation was in violation of Section 9 because "take" of listed species was imminent, and the "take" was attributable to project water deliveries. However, the Court found the Southwest Center for Biological Diversity's request for injunctive relief, "to sever the water connections between the Central Arizona Project and the habitat of listed species" too vague. The consultation was completed on April 17, 2001. Reclamation agreed to implement additional fish barriers to aid in the conservation of native fishes. These barriers must be completed in 5-year increments staged over the next 15 years from the date of the re-negotiation. In addition, Reclamation agreed to allow the U.S. Fish and Wildlife Service to add administrative costs to the native fish conservation and non-native fish eradication measures. The Reasonable and Prudent Alternatives from the 1994 Opinion will continue to be implemented. The parties agreed on a stipulation of final judgment and the Court issued its final order on June 12, 2001.

Southwestern Willow Flycatcher Litigation: Reclamation initiated formal consultation with the U.S. Fish and Wildlife Service on potential impacts from operation of the Modified Roosevelt Dam on the endangered southwestern willow flycatcher in September 1995. On January 8, 1996, Reclamation was sued by the Southwestern Center for Biological Diversity which alleged that Reclamation should supplement its 1990 environmental assessment on Modified Roosevelt Dam due to newly identified impacts to the flycatcher.

On March 12, 2000, the Federal judge ruled on the Southwestern Center for Biological Diversity's motion for summary judgment. The court concluded that the U.S. Fish and Wildlife Service fully complied with the requirements under the Endangered Species Act. The court further concluded that Reclamation did not act arbitrarily or capriciously in its evaluation of alternatives in the 1996 environmental assessment and that Reclamation did not violate the National Environmental Policy Act.

APPROPRIATION CEILING: Appropriations authorized are $4,300,305,000 (October 2007). The comparable Federal obligation is $4,507,822,545 which exceeds the appropriation ceiling by more than the amount of contingencies included in the obligation. Legislation to provide additional appropriation ceiling would be needed to complete the total project as authorized. Current estimated commitments are within the existing ceiling due to the indefinite deferral of $376,783,000 for the Middle Gila Division and Drainage System.

The Non-Indian Distribution Systems authorized by Section 309(b) of P.L. 90-537 and P.L. 97-373 were completed in FY 1997. The final Federal obligation is $240,951,222. The authorized ceiling at the time of substantial completion was $347,466,000 (October 1996).

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

Regulatory Storage Division - New Waddell Dam - Completes archival research on the historic Solo Springs Ranch. Completes public education on the history of ranching at Lake Pleasant Regional Park. Decrease due to completion of activity. $72,000

Theodore Roosevelt Dam - Completes recording water rights to the new conservation space in the reservoir and updating the Water Control Manual, final activities to comply with Section 7 Biological Opinion for the endangered southwestern willow flycatcher, and program administration. Decrease due to completion of activity. 86,000

Total Regulatory Storage Division 158,000

Upper Gila Division - Continues to collect and evaluate technical, environmental, and cultural resource issues to assist New Mexico in determining the feasibility of a constructed project. 250,000

Tucson Reliability Division - Continues preliminary design, including sizing and siting, of the NW reservoir and the associated NEPA work, issues of cost, repayment, operation, and recreational opportunities. Continues coordination and liaison on policy and institutional issues with the CAWCD, Towns of Oro Valley and Marana, Metropolitan Domestic Water Improvement District, and Flowing Wells Irrigation District for the Northwest Tucson Reliability Reservoir relating to the direct delivery alternative for using CAP water. Continues working on coordination with the City of Tucson to provide a reliability feature for the city's approximate 140,000 acre-feet per year allocation of Central Arizona Project water. 491,000

Indian Distribution Division - Begins construction of Pima Lateral Bridges on Reaches BW-1A and BW-1B of the Pima Maricopa Irrigation Project; begins investigation associated with the delivery of CAP water to the Yavapai Apache reservation. Continues support of the Tonto Apache Tribe's evaluation of delivery system alternative; continues field exploration program and project design for the San Carlos Apache Tribe water delivery system; continues support activities performed on the Gila River Indian Community Pima Maricopa Irrigation Project which includes engineering and design, cultural resource and environmental compliance, project management and administration, as well as Reclamation oversight; continues NEPA/EIS activities associated with the San Carlos Apache water delivery system; and continues to provide overall program administration for all Tribal programs for the implementation of the CAP Indian Distribution Division. Completes design and NEPA activities associated with the Sif Oidak water conveyance system; completes design, NEPA and cultural resource activities, and right of way acquisition associated with the San Xavier farm extension; completes construction of San Tan Laterals on the Pima Maricopa Irrigation Project. 21,140,000

Other Project Costs - Program Administration - Continues project management activities for the consolidated Central Arizona Project. These activities include implementation of the stipulated settlement agreement, and preparation of reports on the entire project to meet congressional and departmental requirements relating to the project's overall construction program, and workers compensation associated with injuries incurred during the construction of Central Arizona Project. Increase is due to activities associated with Arizona Water Settlements Act. 1,085,000

Curation Facilities - Continues refinement of archaeological database, public education and outreach program, and curation management, training, and oversight for the Huhugam Heritage Center repository. 609,000

Native Fish Protection - Begins construction on the West Fork Oak Creek fish barrier. Continues working with the U.S. Fish and Wildlife Service to meet legal requirements under the Section 7 Biological Opinion for the Gila and Santa Cruz Rivers including non-native fish eradication, native fish conservation, and the education and information program. Begins and completes construction of the O'Donnell Creek and Rock Creek (Tonto Creek drainage) fish barriers. 2,636,000

Total Other Project Costs 4,330,000

Subtotal, Water and Energy Management and Development **$26,369,000**

Land Management and Development -

Recreation Development - Of the recreational development originally authorized under the project, continues park development at Reach 11 with the City of Phoenix, trail development with Pima County, and park development with the town of Marana. 912,000

Non-Federal Non-Cash Participation - City of Phoenix, Pima County, Marana (456,000)

456,000

Land Management - Continues land management activities for those project lands associated with completed portions of the project for which there is no operating entity or facilities. These activities include coordination with the Bureau of Land Management to return excess withdrawn lands; review of applications, monitoring individual reserve funds, mandatory reports, and record management actions; as well as, cultural resource administration and field reviews. 63,000

Recreation Management - Continues the technical analysis to stabilize the turf quality caused by using reclaimed water at the recreation facilities in the Reach 11 retention basin. Continues sponsorship of the

"CAST (Catch A Special Thrill) for Kids" fishing day at Lake Pleasant. Continues work on improving the safe usage and design of the projects public recreational facilities in Phoenix, Arizona. 73,000

Subtotal, Land Management and Development **592,000**

Facility Operations -
Distribution Systems - Continues revision of repayment and water allocation contracts with distribution system entities to comply with the Arizona Water Settlements Act. Continues reviewing crop census reports, monitoring water district reserve funds, determining interest for non-agricultural water use and co-mingling fees, performing municipal and industrial conversion actions, collection actions on delinquent payments, and other administrative actions. Continues performing engineering reviews on relocation of facilities and executing land use encroachment agreements. 258,000
Non-Federal Cash Contributions: Various (40,000)
218,000

Subtotal, Facility Operations **218,000**

Reclamation Request **$27,179,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2007
Land Certification
Obligations by Function for Operating Projects
Status of NEPA Compliance
Status of Water Service and Repayment Contracts
Summary of Irrigation Investments

Colorado River Basin Salinity Control Project – Title I

LOCATION: This project is located in southwestern Arizona in Yuma County and southeastern California in Imperial County.

DESCRIPTION/JUSTIFICATION: The project activities include maintaining the Yuma Desalting Plant; maintaining the U.S. Bypass Drain and the Mexico Bypass Drain; ensuring desalting/replacement obligations are minimized; and maintaining Mexican Treaty salinity requirements.

The project provides for the enhancement and protection of the quality of water available in the Colorado River for the United States and the Republic of Mexico and to comply with the requirements of Minute 242 approved August 30, 1973, under the 1944 Treaty with Mexico. In executing the plan to reduce the quantity and improve the quality of Wellton-Mohawk Division drainage so the majority of it can be credited toward treaty deliveries, several measures were implemented: (1) construction of the Yuma Desalting Plant; (2) construction of the bypass drain in the United States and Mexico; (3) implementation of the Wellton-Mohawk Irrigation Efficiency Improvement Program; (4) Wellton-Mohawk acreage reduction; (5) Painted Rock Reservoir land acquisition and operation schedule modification; (6) construction of the Main Outlet Drain Extension Siphon; and (7) fish and wildlife mitigation measures.

AUTHORIZATION: P.L. 93-320, Colorado River Basin Salinity Control Act, Title I, June 24, 1974; and P.L. 96-336, Amend Colorado River Basin Salinity Control Act, September 4, 1980.

COMPLETION DATA: As of September 30, 2006, the project was 92 percent complete. The Protective and Regulatory Pumping Unit and associated features were completed in FY 1979; 14 wells and associated features on the Protective and Regulatory Pumping Unit were completed in FY 1979; the Coachella Canal Unit Replacement was completed in FY 1984; an additional 7 wells and associated features were completed in FY 1984; and the remainder of the wells and associated features will be completed as required. The Desalting Complex Unit was completed in FY 1991 and test operation of the main facility was completed and production of desalting water began in FY 1992. In FY 1993, the Yuma Desalting Plant was placed in ready reserve status and will continue to operate at this level for the near future. Construction of the remaining features associated with the Yuma Desalting Complex Unit will be completed as necessary and a new completion date will be determined.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water. This project was realigned in the 2008-2010 strategic plan revision.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Facility Operations	$1,886,000	$1,648,000
Facility Maintenance and Rehabilitation	8,680,000	7,793,000
Request	$10,566,000	$9,441,000
Non-Federal	100,000	100,000
Prior Year Funds	11,790	0
Total Program	$10,677,790	$9,541,000
Prior Year Funds/Non-Federal	(111,790)	(100,000)
Total Reclamation Allotment	$10,566,000	$9,441,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$453,075,000	$413,826,847	$0	$0	$39,248,153
Adjustments	715,000	715,000	0	0	0
Total	$453,790,000	$414,541,847	$0	$0	$39,248,153

Construction Cost Allocation and Methodology

Allocation	FY 2007	FY 2008
Irrigation	$45,938,000	$45,938,000
Mexican Treaty	407,688,000	407,688,000
Other [1/]	164,000	164,000
Total	$453,790,000	$453,790,000

[1/] Nonreimbursable preauthorization investigations costs (P.L. 92-149).

METHODOLOGY: The methodology of cost allocation has not been revised.

APPROPRIATION CEILING: Ceiling calculation will no longer be prepared until such time as there is a need to construct additional Yuma Desalting Plant facilities. The authorized ceiling was $547,290,000 (October 2003) and the comparable estimated total Federal obligation was $453,790,000. The ceiling authorization is adequate to cover the project as currently proposed.

OTHER INFORMATION: Reclamation is currently proceeding along three paths regarding the Yuma Desalting Plant operations. Reclamation will continue to maintain the Plant in a "ready-reserve" status and correct design deficiencies as funds become available. With adequate funding, the Plant could be ready for long-term operation at full capacity within 4 years. Reclamation will continue a demonstration program to test the viability of paying holders of Colorado River water delivery contracts to voluntarily forbear use of water on a temporary basis as funds become available.

A public planning process for identifying and evaluating alternative possibilities for Bypass Drain flow replacement or recovery has been initiated. As part of this process, Reclamation is readying the plant for demonstration operation at about 10 percent of full capacity beginning in early 2007. This demonstration

is designed to meet multiple objectives including evaluating actual operability, showing the use of current technologies, validating cost estimates, improving overall plant readiness, and measuring any environmental impacts. On October 26, 2005, Reclamation provided a report to Congress, which discussed these alternatives in detail.

WORK PROPOSED FOR FY 2008:

Facility Operations - Continues collection and analysis of required data to enable Reclamation to satisfy its obligations under the Colorado River Basin Salinity Control Act. Continues efforts to ensure drainage flows from the Wellton-Mohawk Irrigation and Drainage District are minimized, thereby, reducing the Federal desalting and/or replacement obligation. Continues salinity accounting at the Northern International Boundary and Imperial Dam, as required by the U.S. Mexico Water Treaty. Continues operation of portions of the Yuma Desalting Plant and the A-22 sludge disposal facility. This includes the electrical, compressed air, sewage disposal, and distribution systems, as well as, associated Main Outlet Drain Extension intake and discharge equipment. Continues activities required to purify feed-water to the Yuma Desalting Plant. Continues Pilot System 1 operation in support of all research testing conducted at the Water Quality Improvement Center, including equipment operation, data collection, and performance of high recovery reverse osmosis tests. **$1,648,000**

Facilities Maintenance and Rehabilitation - Continues efforts to ensure the Yuma Desalting Plant can operate for treaty and other Federal requirements. These efforts include long-term maintenance of essential Yuma Desalting Plant infrastructure and facilities. Maintains the A-22 sludge disposal facilities and ramps and operational functions of the Yuma Water Quality Improvement Center research features and systems. Performs quality assurance activities of plant readiness. Ensures appropriate environmental compliance is initiated and maintained. Preserves the potable water source treatment system. Continues work associated with transfer of technology to entities other than Reclamation on a cost-shared or cost-reimbursed basis through testing at the Yuma Water Quality Improvement Center, designated a National Center for Water Treatment Technology. Continues research technology and methods to reduce operating costs at the Yuma Desalting Plant and exploration of new technology to keep the Yuma Desalting Plant viable as a tool to address future water resource needs. The decrease in funding is due to less effort required for maintenance of the research features and systems and reduced funding for exploring alternatives to operating the Yuma Desalting Plant. 6,195,000

Non-Federal: Water Users - Yuma Water Quality Improvement Center (100,000)

6,095,000

Continues upgrades to the Main Outlet Drain, Main Outlet Drain Extension, Drainage Pump Outlet Channels, and Bypass Drain which function to control salinity levels in the Colorado River and dilute saline drainage water. Continues routine maintenance of the United States and Mexico sections of the Bypass Drain, Protective and Regulatory Pumping Unit, and mitigation features constructed under the Title I authority. Continues a program to improve plant readiness and correct design deficiencies to meet ready response requirements. The increase in funding is due to additional maintenance costs associated with desalting plant readiness. 1,698,000

Subtotal, Facilities Maintenance and Rehabilitation **7,793,000**

Reclamation Request **$9,441,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2007
Obligation by Function for Operating Projects
Project Repayment for FY 2008

Status of NEPA Compliance
Status of Water and Repayment Contracts
Summary of Irrigation Investments

Colorado River Front Work and Levee System

LOCATION: This project is located in Mohave, La Paz, and Yuma Counties in western Arizona; Riverside, San Bernardino, and Imperial Counties in southeastern California; and Clark County in southern Nevada.

DESCRIPTION/JUSTIFICATION: The Colorado River Front Work and Levee System extends approximately 700 river miles from Lee's Ferry, Arizona (the division point between the upper and lower Colorado River Basins), to the International Boundary between the United States and Mexico. Colorado River Front Work and Levee System is a drainage and minor construction program to control floods, improve navigation, and regulate the flows of the Colorado River. The lower Colorado River requiring maintenance extends about 280 river miles from Davis Dam to the border, and transverses three wildlife refuges, five Indian reservations, and six irrigation districts. For administrative purposes, this reach of the river has been divided into ten operational divisions. These divisions, starting at Davis Dam and proceeding in order downstream, are: Mohave Valley, Topock Gorge, Havasu, Parker, Palo Verde, Cibola, Imperial, Laguna, Yuma, and Limitrophe. Major project facilities include the offstream Senator Wash Dam and Reservoir, a pump generating plant, access roads, water crossing facilities, armored banklines, and flood control levees.

The project regulates the meandering river channel by the use of bankline structures with riprap protection or a riprap protected dredge channel. Settling basins for trapping sediment have been built upstream from Topock Bridge and Laguna Dam. Water salvage activities along the lower Colorado River include controlling the size of open water areas, selective clearing of phreatophytes, draining the river valley, and establishing deeper backwater areas. Major groundwater control and recovery programs have been undertaken by development of well fields and conveyance systems in the South Gila and Yuma valleys and on the Yuma Mesa.

AUTHORIZATION: P.L. 585, Colorado River Front Work and Levee System Adjacent to Yuma Project, March 3, 1925; P.L. 560, Colorado River Front Work and Levee System, January 21, 1927; P.L. 697, Amend Colorado River Front Work and Levee System Act, July 1, 1940; P.L. 469, Amend Colorado River Front Work and Levee System Act, June 28, 1946; P.L. 85-389, Amend Colorado River Front Work and Levee System Act, May 1, 1958; P.L. 99-450, Colorado River Floodway Protection Act, October 8, 1986; and P.L. 109-432, Division C, Title III, White Pine County Conservation, Recreation and Development Act of 2006, December 20, 2006.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$5,495,000	$3,312,000
Request	$5,495,000	$3,312,000
Non-Federal	0	12,139,000
Prior Year Funds	0	0
Total Program	$5,495,000	$15,451,000
Prior Year Funds/Non-Federal	0	(12,139,000)
Total Reclamation Allotment	$5,495,000	$3,312,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$195,448,000	$118,338,515	$5,495,000	$3,312,000	$68,302,485
Adjustments 1/	46,400,000	1,400,000	0	12,139,000	32,861,000
Total	$241,848,000	$119,738,515	$5,495,000	$15,451,000	$101,163,485

1/ Adjustments include contributions of $1,400,000 from the State of California for California channel riparian restoration; and discussions are expected to occur with interested parties on cost-sharing of $45,000,000 from non-Federal parties for the Lower Colorado River Drop 2 Storage Reservoir.

APPROPRIATION CEILING: None.

WORK PROPOSED FOR FY 2008

Water and Energy Management and Development - Begins coordination and preparation of cost share agreements, documentation for environmental compliance, and appropriate permits for construction of a small storage reservoir along the Gila Gravity Main Canal to conserve water, provide additional water storage, and increase Reclamation's ability to manage water deliveries. Continues activities to modify the Reservation Main Outlet Drain, this will allow for proper drainage discharge into the Colorado River to prevent elevated groundwater levels and agricultural damage. Continues to explore and develop concepts to minimize flood water impacts on Reclamation facilities, rural populations, and agricultural facilities in the Gila Valley affected by high water elevations from the Gila River. Continues to develop design alternatives and environmental compliance activities to improve river stability, prevent erosion and reduce sediment transport along the Colorado River channel. The decrease is due to completion of work to repair the severe erosion immediately upstream from the Needles-Topock Settling Basin. $1,767,000

Continues work on the Lower Colorado River Drop 2 Storage Reservoir located along the All-American Canal in southern Imperial County California. It will capture and save operational spill water and improve Reclamation's ability to manage water deliveries. The reservoir would contain approximately 8,000 acre-feet of storage, with a potential water savings of about 70,000 acre-feet per year. The increase is due to pursuing anticipated cost-sharing. 13,684,000
Non-Federal: Lower Colorado River Drop 2 Storage Reservoir (12,139,000)
1,545,000

Reclamation Request **$3,312,000**

Colorado River Water Quality Improvement Program

LOCATION: This project is located in the Colorado River Basin upstream of Imperial Dam in the States of Arizona, California, and Nevada in the Lower Colorado Region.

DESCRIPTION/JUSTIFICATION: The purpose of this program is to develop a comprehensive, cost-effective program for water quality improvement and salinity control in the Colorado River Basin in cooperation with the Basin States and other Federal agencies.

The Colorado River is the major source of water for the southwestern United States and the Republic of Mexico. Salinity and other contaminants cause about $750 million per year in damages to domestic, industrial, and agricultural users. The Federal Government is involved in the program because of its vast ownership of saline lands in the Basin and the existence of salinity and other contaminants found in the River. Reclamation leads the program because most of the cost-effective opportunities to control salinity and other contaminants involve improvements in irrigation efficiency and water conservation. Prevention is much more cost-effective than treating water after the salt and related contaminants enter the river system. In addition, increased concentrations of residual pharmaceuticals, fertilizers, pesticides, and personal care products are impacting the quality of limited water supplies in the lower Colorado River. For this reason, Reclamation has initiated the evaluation of effects of municipal effluent to the lower Colorado River.

AUTHORIZATION: P.L. 93-320, Colorado River Basin Salinity Control Act, June 24, 1974; P.L. 98-569, Colorado River Basin Salinity Control Act Amendment, October 30, 1984; and P.L. 104-298, Water Desalination Act, August 1, 1996.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water. This project was realigned in the 2008-2010 strategic plan revision.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$183,000	$210,000
Request	$183,000	$210,000
Non-Federal	0	0
Prior Year Funds	1,571	0
Total Program	$184,571	$210,000
Prior Year Funds/Non-Federal	(1,571)	0
Total Reclamation Allotment	$183,000	$210,000

Investigation Costs: Initiation: FY 1972 Completion: Ongoing

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$10,500,000	$8,983,112	$183,000	$210,000	$1,123,888
Adjustments	198,808	198,808	0	0	0
Total	$10,698,808	$9,181,920	$183,000	$210,000	$1,123,888

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development - Continues Las Vegas Wash, Palo Verde Irrigation and Drainage District, and Colorado River monitoring of salinity levels and other contaminants for impacts on water quality in the lower Colorado River. Continues to evaluate the effects of urbanization on the lower Colorado River. Continues to conduct program verification, monitoring, evaluation, and coordination activities.

Reclamation Request **$210,000**

Endangered Species Conservation/Recovery Project

LOCATION: Projects are located at various sites within the Lower Colorado Region in Arizona, southern California, and southern Nevada.

DESCRIPTION/JUSTIFICATION: This program provides for the development and implementation of projects for the stewardship of endangered, threatened, proposed, and candidate species that are resident or migratory to habitats within the Lower Colorado Region. The principal threatened and endangered species and their habitat include the razorback sucker, bald eagle, southwestern willow flycatcher, Flat-tailed horned lizard, Virgin River chub, bonytail chub, Yuma clapper rail, woundfin minnow, and the Pima pineapple cactus. Specific activities include the establishment of a refugia for endangered fishes on the Lower San Pedro River Preserve; riparian/marshland improvement and demographic studies for several endangered bird species; reproductive ecology of the Pima Pineapple cactus; and nestwatch programs for the bald eagle in central Arizona.

AUTHORIZATION: P.L. 93-205, Endangered Species Act of 1973, December 28, 1973, as amended.

COMPLETION DATA: These actions are taken to maintain and improve existing resident populations or localized critical habitats for migrating species within areas under Reclamation's jurisdiction within the lower Colorado River corridor and the Gila River Basin. An ultimate completion date for these actions cannot be determined. These stewardship actions will continue for as long as Reclamation manages lands, water, and power operations within the Lower Colorado Region.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Fish and Wildlife Management and Development	$786,000	$770,000
Request	$786,000	$770,000
Non-Federal	300,000	300,000
Prior Year Funds	8,803	0
Total Program	$1,094,803	$1,070,000
Prior Year Funds/Non-Federal	(308,803)	(300,000)
Total Reclamation Allotment	$786,000	$770,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	N/A	$26,090,330	$786,000	$770,000	N/A
Adjustments 1/	N/A	6,007,000	300,000	300,000	N/A
Total	N/A	$32,097,330	$1,086,000	$1,070,000	N/A

1/ Non-Federal and other Federal cost-sharing: U.S. Bureau of Land Management, U.S. Fish and Wildlife Service, Arizona Game and Fish Department, U.S. Forest Service, Salt River Project, and U.S. Department of Defense.

APPROPRIATION CEILING: N/A.

WORK PROPOSED FOR FY 2008:

Fish and Wildlife Management and Development -

Area Office Endangered Species Activities & Program Administration - Continues work on outreach programs at all area offices to do initial investigations into endangered species conservation and recovery projects with Federal, non-Federal, and state agencies. Continues regional endangered species coordination and management activities. $390,000

Bald Eagle Activities - Continues annual winter flights and occupancy-reproductive assessment, helicopter surveys, nestwatch activities, and participation on the Southwestern Bald Eagle Management Committee. Data collected from these activities has been used in biological assessments and in Section 7 consultations. Reclamation's support is critical in efforts to de-list the Arizona bald eagle population and in post de-listing monitoring. 425,000
Non-Federal - Various (300,000)
125,000

Flat Tailed Horned Lizard Study - Continues field data collection in accordance with the Flat Tailed Horned Lizard Rangewide Management Study. Specific data include surveys to determine population and distribution in both designated management areas and known occupied habitat. Data serves to provide guidance for the conservation and management of sufficient habitat to maintain existing populations of the lizards. 60,000

Pima Pineapple Cactus Research/Habitat Enhancement - Continues the study of the reproductive ecology of the Pima pineapple cactus, as well as investigating the effects of fire and grazing on the cactus. Research includes conducting surveys in Mexico and southern Arizona, and investigating transplant techniques. 50,000

San Pedro River Native Fish Pond - Continues activities at an existing 3-acre pond on the Nature Conservancy's San Pedro River Preserve. Work includes monthly water quality sampling and the monitoring of stocked fish. The pond is being used to rear endangered razorback suckers and serve as refugia for other imperiled native fishes. 45,000

Southwestern Willow Flycatcher Conservation and Recovery - Continues surveys of the southwestern willow flycatcher within the Gila River basin and its tributaries. Survey data will assist in meeting management unit objectives in the Recovery Plan. Opportunities for conservation easements, forbearance agreements during times of drought, and riparian fencing will be pursued. 100,000

Reclamation Request **$770,000**

Halfway Wash Project

LOCATION: The project is located in Clark County, Nevada.

DESCRIPTION/JUSTIFICATION: The objective of this study is to evaluate the potential for diverting and treating water from the Lower Virgin River. The Virgin Valley Water District (District) is interested in investigating the potential for capturing and using Virgin River water. The District has completed an Integrated Water Resource Plan, which is a report on future population, water demand growth, and diversion options from the silt-laden Virgin River. Water resources in the northeastern portion of Clark County, Nevada, are becoming very scarce. The Mesquite area, served by the Virgin Valley Water District, is the fastest-growing small city in the United States.

Current plans are to capture Virgin River water through horizontal wells in the riverbed. Since the water quality is poor and the silt content high, this supply of water cannot be used for drinking and irrigation. Horizontal collector wells, or Ranney Wells, are the preferred diversion option due to the high sediment load of the Virgin River. Water pumped from the wells would induce seepage from the river, and the silt would be deposited in the river alluvium.

The District and Reclamation analyzed the river's water quality to determine the most cost-effective treatment method for the heavy silt and sediment content in the river. This year-long effort was conducted by utilizing Reclamation's mobile pilot water treatment lab. The concluding report recommended a specific water treatment plan for the Virgin River water.

The District installed a test well and observation wells at the confluence of Halfway Wash and the Virgin River. Plans to conduct pump tests to determine aquifer characteristics have been delayed due to flooding of the Virgin River in 2005. The flood events destroyed some of the observations wells, and the District was not able to replace the wells and begin pump tests until late 2006. Once the pump tests are conducted, a prototype horizontal collector well (Ranney Well) would be installed and tested to determine its effectiveness as a means to divert river water for municipal and agricultural use.

A full-scale pilot treatment plant then would be designed, installed, and tested by the District for 1 year to simulate treatment processes at full-scale water extraction production. Under existing authority, Reclamation may participate in the treatment process performance testing phase, not construction of the treatment plant.

AUTHORIZATION: Reclamation Act of 1902, June 17, 1902; and P.L. 74-46, Soil and Moisture Conservation Act, April 27, 1935 (16 U.S.C. 590a-590i).

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$198,000	$175,000
Request	$198,000	$175,000
Non-Federal	198,000	175,000
Prior Year Funds	937	0
Total Program	$396,937	$350,000
Prior Year Funds/Non-Federal	(198,937)	(175,000)
Total Reclamation Allotment	$198,000	$175,000

Investigation Costs: Initiation: FY 2002 Completion: 2011

COST-SHARING: Virgin Valley Water District and/or Southern Nevada Water Authority

	Total Estimated Cost 1/	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$3,700,000	$2,273,378	$198,000	$175,000	$1,053,622
Adjustments	3,700,000	452,638	198,000	175,000	2,874,362
Total	$7,400,000	$2,726,016	$396,000	$350,000	$3,927,984

1/ The study has been extended by 3 years with an increase of $600,000 equally shared by Reclamation and the partner. The increase in cost and time is due to the reinstallation of four monitoring wells that were lost during severe flooding in early 2005 and actual cost of installing the prototype horizontal collector well being higher than originally estimated.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development - Continues to develop and test production potential of prototype Ranney Well. Continues to analyze the water quality data in preparation for participating in the design of a full-scale pilot reverse osmosis water treatment plant. Continues report preparation which refines future water development infrastructure plans based on findings from previous years.

$350,000

Non-Federal - Virgin Valley Water District and/or Southern Nevada Water Authority (175,000)

175,000

Reclamation Request **$175,000**

Lake Mead/Las Vegas Wash Program

LOCATION: Clark County, Nevada.

DESCRIPTION/JUSTIFICATION: The Las Vegas Wash plays an important role in environmental and water resource issues in Southern Nevada. Approximately 25 percent of the Las Vegas Wash is managed by Reclamation. Historically, the Las Vegas Wash was an ephemeral stream carrying storm flows from the Las Vegas Valley to the Colorado River and Lake Mead. Urban development over the past 60 years has resulted in continuous treated wastewater discharges that resulted in the formation of the wetlands that helped remove nutrients from these wastewater flows. However, as the rate of these discharges increased, erosion also increased, gradually destroying the existing natural treatment systems and wildlife habitat.

Today, the Las Vegas Wash is a perennial stream with flows that consist of four components: treated wastewater, storm water, urban runoff, and shallow groundwater. Accelerating erosion, declining water quality, and loss of wildlife habitat are some of the more pressing issues. Over the years, it is estimated that 11 million cubic yards of sediment and more than 1,700 acres of wetlands have been lost due to erosion. Because of the increased channelization and flows, as well as contaminated shallow groundwater, there are many problems to be resolved including reduction of erosion, improvement of water quality, and restoration of the natural treatment systems and wildlife habitat.

Due to the Federally-owned land in the Las Vegas Wash, and the impact of drainage from this land to the Colorado River and Lake Mead, Reclamation has an interest in maintaining and improving water quality. Reclamation also built the Robert B. Griffith Project (formerly the Southern Nevada Water Project), and outflows from that project affect the Las Vegas Wash.

The purpose of this project is to develop and implement a management strategy for the Las Vegas Wash, to improve water quality, and reduce the salinity and sediment transport in the Wash, while providing environmental enhancement and recreational opportunities. To date, ten of 22 grade control structures have been built. Four were constructed by Reclamation. These, along with bank stabilization activities, have reduced the volume of sediment transported. Reclamation continues to assist in construction, revegetation efforts, scientific studies, and research.

AUTHORIZATION: P.L. 74-46, Soil and Moisture Conservation Act, April 27, 1935; P.L. 106-541, Water Resources Development Act of 2000, December 11, 2000; and P.L. 109-103, Energy and Water Development Appropriations Act, 2006, Section 115, November 19, 2005.

COMPLETION DATA: As of September 30, 2006, this project is 55 percent complete.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water and Sustain Biological Communities.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$476,000	$900,000
Request	$476,000	$900,000
Non-Federal	256,000	485,000
Prior Year Funds	4,153	0
Total Program	$736,153	$1,385,000
Prior Year Funds/Non-Federal	(260,153)	(485,000)
Total Reclamation Allotment	$476,000	$900,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$20,000,000	$10,993,999	$476,000	$900,000	$7,630,001
Adjustments 1/	10,770,000	6,565,529	256,000	485,000	3,463,471
Total	$30,770,000	$17,559,528	$732,000	$1,385,000	$11,093,472

1/ Includes cost-sharing from the Clark County Flood Control District, Clark County Department of Parks and Recreation, Southern Nevada Water Authority, Las Vegas Valley Water District, Clark County Sanitation District, City of Henderson, and City of Las Vegas. P.L. 106-541, Section 529, calls for a minimum of 35 percent in non-Federal cost-share. The table was modified to reflect actual cost-share received at the 35 percent level.

APPROPRIATION CEILING: P.L. 109-103, Energy and Water Development Appropriations Act, 2006, Section 115, November 19, 2005 increased the appropriation ceiling from $10,000,000 to $20,000,000. The comparable Federal obligation is $20,000,000.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development - Continues partnerships with representatives of local, state, and Federal agencies, to control erosion in the Las Vegas Wash, which in turn will prevent wetland degradation and provide habitat diversity. Continues implementation of the Comprehensive Adaptive Management Plan developed by the Las Vegas Wash Coordination Committee, which identified 44 action items for the long-term management of the Las Vegas Wash. Continues bank stabilization work as designed by the Southern Nevada Water Authority. Continues natural resource assessments and water quality monitoring. The increase is due to the appropriation ceiling being raised which was constraining prior year requests. $1,385,000

Non-Federal - Various (485,000)

900,000

Reclamation Request **$900,000**

Long Beach Area Water Reclamation Project

LOCATION: This project is located in Los Angeles County, California.

DESCRIPTION/JUSTIFICATION: This project consists of two units:

The Alamitos Barrier Reclaimed Water Project will ultimately recycle about 8,000 acre-feet per year in lieu of imported water. Facilities will be constructed so that tertiary treated water from the existing Long Beach Water Reclamation Plant can be treated to advanced levels that can be used for groundwater injection into seawater intrusion barriers. Phase 1 was completed in 2005, and Phase 2 is scheduled to begin construction in 2009.

The City of Long Beach Recycled Water System Expansion Project will construct an expansion of an existing distribution system that allows the use of recycled water throughout the city. The expansion consists of pumps, pipes, storage facilities, and control systems that would increase use of recycled water from 4,585 acre-feet per year to 16,677 acre-feet per year (including the Alamitos Barrier project).

AUTHORIZATION: P.L. 102-575 - Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act, October 30, 1992, and P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, October 9, 1996.

COMPLETION DATA: As of September 30, 2006, the project is 52 percent complete. Alamitos Barrier Reclaimed Water Project is scheduled for completion in 2011. City of Long Beach Recycled Water System Expansion Project is scheduled for completion in 2009.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$743,000	$600,000
Request	$743,000	$600,000
Non-Federal	4,941,000	4,608,000
Prior Year Funds	8,628	0
Total Program	$5,692,628	$5,208,000
Prior Year Funds/Non-Federal	(4,949,628)	(4,608,000)
Total Reclamation Allotment	$743,000	$600,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$19,076,000	$9,856,998	$743,000	$600,000	$7,876,002
Adjustments 1/	57,228,000	28,281,000	4,941,000	4,608,000	19,398,000
Total	$76,304,000	$38,137,998	$5,684,000	$5,208,000	$27,274,002

1/ Includes cost-sharing of $30,675,000 from the Water Replenishment District of Southern California for the Alamitos Barrier Reclaimed Water Project; and $26,553,000 from the city of Long Beach for the City of Long Beach Recycled Water System Expansion Project.

Construction Cost Allocation and Methodology

Allocation	FY 2007	FY 2008
Municipal and Industrial Water	$75,996,000	$76,304,000
Total	$75,996,000	$76,304,000

METHODOLOGY: The methodology of cost allocation has not been modified from last year. The increase of $308,000 is due to updated cost estimates, 25 percent of which will be applied to the Federal share, and 75 percent of which will be applied to the non-Federal share.

APPROPRIATION CEILING: P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, imposed a ceiling of $20,000,000. The comparable Federal obligation is $19,076,000, which does not exceed the appropriation ceiling.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

City of Long Beach Recycled Water System Expansion Project - Continues work for construction of additional facilities to recycle water within the city of Long Beach. $5,208,000

Non-Federal - City of Long Beach (4,608,000)

600,000

Reclamation Request **$600,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2007
Project Repayment for FY 2008
Status of NEPA Compliance

Long Beach Desalination Research and Development Project

LOCATION: This project is located in Los Angeles County, California.

DESCRIPTION/JUSTIFICATION: Determine the feasibility of a new method of seawater desalination that uses existing membrane technology. A pilot plant will be constructed and operated to determine feasibility, and if successful, a demonstration unit will be constructed.

AUTHORIZATION: P.L. 102-575 - Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act, October 30, 1992, and P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, October 9, 1996.

COMPLETION DATA: As of September 30, 2006, the project is 23 percent complete. Project is scheduled for completion in 2014.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$0	$250,000
Request	$0	$250,000
Non-Federal	0	3,150,000
Prior Year Funds	114	0
Total Program	$0	$3,400,000
Prior Year Funds/Non-Federal	(114)	(3,150,000)
Total Reclamation Allotment	$0	$250,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$20,000,000	$4,599,498	$0	$250,000	$15,150,502
Adjustments 1/	68,998,000	7,513,000	0	3,150,000	58,335,000
Total	$88,998,000	$12,112,498	$0	$3,400,000	$73,485,502

1/ Includes cost-sharing of $68,998,000 from the City of Long Beach.

Construction Cost Allocation and Methodology

Allocation	FY 2007	FY 2008
Municipal and Industrial Water	N/A	$88,998,000
Total	N/A	$88,998,000

METHODOLOGY: This project was not presented in the FY 2007 Budget Justifications.

APPROPRIATION CEILING: P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, imposed a ceiling of $20,000,000. The comparable Federal obligation is $20,000,000, which does not exceed the appropriation ceiling.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

Long Beach Desalination Research and Development Project - Continues work to determine the feasibility of a new method of seawater desalination that uses existing membrane technology, including the evaluation of a pilot plant. The increase is due to the fact that this will be the first year that funds will be requested for this important research project that could significantly reduce the cost of seawater desalination. This project has received nationwide publicity, and Reclamation has received positive accolades for being involved in this partnership with the City of Long Beach.

	$3,400,000
Non-Federal - City of Long Beach	(3,150,000)
	250,000

Reclamation Request **$250,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2007
Project Repayment for FY 2008
Status of NEPA Compliance

Lower Colorado River Investigations Program

LOCATION: The Colorado River area starting at Lee's Ferry, Arizona, to the Mexican border, including Coconiño, Mojave, La Paz, and Yuma Counties in Arizona; Clark County in Nevada; and San Bernardino, Riverside, Los Angeles, San Diego, Orange, and Imperial Counties in California.

DESCRIPTION/JUSTIFICATION: The objective of this ongoing program is to focus on the resolution of problems that arise from competing and often conflicting uses of the lower Colorado River. The river provides critical habitat to several endangered species and is the main source of water for agriculture, municipal use, industrial use, and power production to Arizona, southern California, southern Nevada, and the Mexican States of Sonora and Baja California. It is also an important recreational resource for residents of Arizona, California, and Nevada and a traditional cultural and economic resource for Native American tribes throughout the same region.

As demand has continued to escalate in the heavily populated and/or rapidly growing areas of southern California, southern Nevada, and northern and central Arizona, so have concerns about the availability, quality, and allocation of Colorado River water. Recently, drought conditions in southern California have depleted or diminished local supplies and imported supplies from northern California. Imported supplies from the Colorado River are also stressed from drought conditions on the watershed. Moreover, concerns about effects of water management on the river ecosystem have grown as new projects are undertaken to ensure water deliveries to these states and Mexico.

In recent years, several large metropolitan areas in the Lower Colorado Region have suffered episodes of stage 3 power outages resulting in rolling blackouts. There are several issues contributing to the problem, including deregulation of the power industry in California, increased demand, and reluctance to build new generating facilities.

The Power Evaluations Study would investigate Reclamation's opportunities to enhance power generating capabilities and review the timeliness of previous power generation enhancement studies. A review of the current power markets would be included to explore opportunities for Reclamation to provide greater assistance in the optimization of power generation and distribution in the southwestern United States where power shortages have become a concern for many citizens.

Management of the lower Colorado River by Reclamation is multi-faceted and includes, but is not limited to, water conservation, drought management, environmental restoration and enhancement, maintenance and preservation of natural treatment systems, salinity management practices, brine management and disposal, technology transfer, preservation of rural water supplies, seawater desalination, wastewater reclamation and reuse, power production, and recreation. Investigations undertaken in this program seek to facilitate cooperation and interface between entities that use lower Colorado River water in an effort to resolve conflicts.

AUTHORIZATION: The Reclamation Act of 1902, June 17, 1902; P.L. 93-320, as amended, Colorado River Basin Salinity Control Act of June 24, 1974; and P.L. 93-375, Sec. 9, Solar Hydro Feasibility Study Authorization, October 3, 1980.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$297,000	$236,000
Request	$297,000	$236,000
Non-Federal	297,000	236,000
Prior Year Funds	18,413	0
Total Program	$612,413	$472,000
Prior Year Funds/Non-Federal	(315,413)	(236,000)
Total Reclamation Allotment	$297,000	$236,000

COST-SHARING: Partners for the Brine Management Study include the Metropolitan Water District of Southern California, Santa Ana Watershed Project Authority, City of San Diego, San Diego County Water Authority, City of Los Angeles, California Department of Water Resources, South Orange County Wastewater Agency, Orange County Sanitation District, Sanitation Districts of Los Angeles County, Big Bear Area Regional Wastewater Agency, West Basin and Central Basin Municipal Water Districts, Arizona Department of Water Resources, City of Phoenix, City of Tucson, Southern Nevada Water Authority, Las Vegas Valley Water District, and the City of Las Vegas. Partners for the Colorado River Comprehensive Watershed Study include Bullhead City, Lake Havasu City, Needles, Blythe, Parker, Mohave County, and La Paz County. Partners for the Power Evaluations Study include California Department of Water Resources, Pacific Gas and Electric, San Diego Gas and Electric, Southern California Edison, other private utility companies, the California Public Utilities Commission, Nevada Power, and the Electric Power Research Institute.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

Brine Management Study – Continues to gather data with Reclamation's partners to create a regional issue sensitivity analysis. Each office would finalize and prioritize alternatives based on criteria established in plan of study. Alternative approaches to resolving the issues as identified by the analysis would continue. Special attention would be given to approaches which afford opportunities for managing brine concentrates in an economic and environmentally acceptable manner. Decrease is due to revised work schedule.

(FY 2005 - FY 2010)	$152,000
Non-Federal - Various	(76,000)
	76,000

Colorado River Comprehensive Watershed Study - Continues partnership with local, State, and Federal entities to refine and operate a water quality database for lower Colorado River communities. Continues collaboration with states and other entities along the river in the collection, evaluation, and use of water quality data. Continues conducting a comprehensive sampling program for nitrate, total suspended solids, and total dissolved solids in surface and ground water where water quality information is not readily available. Continues to gather information, in addition to wastewater needs and assessment, on water quality and health concerns. The study has been delayed 2 years due to work scheduling. Increase is due to revised work schedule.

(FY 2004 - FY 2012)	228,000
Non-Federal - Various	(114,000)
	114,000

Power Evaluations Study - Continues collecting data on new power generation technologies and combining new sources with current generation facilities. Continues dialogue with Federal, State, private partners, and power marketing entities to explore alternatives to optimize power generation and distribution. Evaluates, prioritizes, and compiles best alternatives for power users to consider implementing to achieve greater efficiencies. Study has been delayed 1 year due to work scheduling.
Increase is due to revised work schedule.

(FY 2003 - FY 2010)	92,000
Non-Federal - Various	(46,000)
	46,000

Reclamation Request	**$236,000**

Lower Colorado River Operations Program

LOCATION: All areas within the Lower Colorado Region boundaries.

DESCRIPTION/JUSTIFICATION: The Secretary of the Interior, acting through the Bureau of Reclamation, has the unique role of *"water master"* for the lower Colorado River. As water master, the Secretary has comprehensive authority to manage and operate the lower basin of the Colorado River. The Secretary's unique status with relation to the management of the Colorado River stems from a combination of Federal and state statutes, interstate compacts, court decisions and decrees, contracts, an international treaty with Mexico, operating criteria, and administrative decisions. Collectively these authorities are known as the Law of the River, which controls the allocation and operation of the Colorado River. Through the Lower Colorado River Operations Program (LCROP), Reclamation performs water master responsibilities on behalf of the Secretary. This role is based primarily on responsibilities delegated by Congress in the Boulder Canyon Project Act of 1928 and specific requirements of the Supreme Court Decree in *Arizona v. California* which requires the Secretary of the Interior to administer and carry out functions related to the use of Colorado River water by entities in the lower basin states of Arizona, California, and Nevada. LCROP includes river operations, water service contracting and repayment, accounting ("Decree Accounting"), and oversight of hydropower activities. The Boulder Canyon Project Act and subsequent water delivery contracts executed over the past 70 years provide that there shall be essentially no charge for the delivery of Colorado River water in the Lower Basin; therefore, Federal appropriations are required to carry out the water master responsibilities.

The program also includes work resulting from Endangered Species Act consultations and compliance with environmental statutes such as the National Environmental Policy Act. On April 4, 2005, the Secretary of the Interior, and over fifty non-Federal partners signed program documents to implement the Lower Colorado River Multi-Species Conservation Program (MSCP). The U.S. Fish and Wildlife Service issued a Biological Opinion and Permit resulting from Sections 7 and 10 consultations providing long-term (50-years) compliance for flow and non-flow federal actions and non-federal covered activities in the historical flood plain of the lower Colorado River, from Lake Mead to the southerly International Boundary with Mexico. The MSCP provides compliance for 26 state and Federal special status species (6 Federally listed species). Implementation of this program will include the spawning and rearing of an estimated 1.3 million native fish, creating over 8,100 acres of habitat (cotton-willow, mesquite, marsh, and backwaters), and associated monitoring, and protection and enhancement of existing habitat.

AUTHORIZATION: P.L. 585, Colorado River Front Work and Levee System and amendments, March 3, 1925; P.L. 642, Boulder Canyon Project Act of 1928, December 21, 1928; Fish and Wildlife Coordination Act, March 10, 1934; the 1944 Mexican Water Treaty; the 1964 Supreme Court Decree - *Arizona v. California*; P.L. 90-537, the Colorado River Basin Project Act, September 30, 1968; and P.L. 93-205, the Endangered Species Conservation Act, December 28, 1973, as amended.

COMPLETION DATA: This is an ongoing program.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$7,425,000	$7,436,000
Fish and Wildlife Management and Development	9,603,000	7,982,000
Request	$17,028,000	$15,418,000
Non-Federal	9,697,000	8,076,000
Prior Year Funds	8,401	0
Total Program	$26,733,401	$23,494,000
Prior Year Funds/Non-Federal	(9,705,401)	(8,076,000)
Total Reclamation Allotment	$17,028,000	$15,418,000

OTHER INFORMATION: On April 4, 2005, entities in the states of Arizona, California, and Nevada signed documents to share the cost of implementing the MSCP on a 50/50 Federal - non-Federal basis. This commitment by the local partners will result in a contribution of over $310 million (2003 dollars) adjusted annually for inflation during the life of the program. Goals for the first 10 years of the program include the establishment of 1,000 acres of cottonwood/willow habitat, 200 acres of mesquite, 150 acres of marsh habitat, and 120 acres of backwaters. In addition, approximately 85,000 razorback sucker and 80,000 bonytail may be stocked. The program will also consist of an extensive research and monitoring program. Total program costs are estimated to be almost $200 million for the first 10 years of the program.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

Administration of Colorado River - Continues development of the Annual Operating Plan for Colorado River reservoirs; management and oversight of the Long Range Operating Criteria for Colorado River Reservoirs; and administration of Interim Surplus Guidelines for Lake Mead. Continues hydrology studies; development and maintenance of Colorado River hydrologic models and data bases, including support of telemetered data collection for real-time water use monitoring and forecasting; flood control reviews; and analysis of Colorado River and reservoir operations. Development and review of policies to address contemporary issues facing lower Colorado River stakeholders, studies of the river's operation and impact on Central Arizona Project operations, and generally fulfilling the requirements of the Secretary's role as water master. Continues administrative management of the Lower Colorado Region's hydro power relationships with existing and potential customers with process analyses of external activities by electric utilities and their potential impact on the Lower Colorado Region's generation facilities. Provides and maintains necessary buildings and facilities for the administration of the Colorado River. Continues operational compliance with requirements promulgated by biological opinions or NEPA compliance documents. Completes guidelines for the coordinated management of Lakes Powell and Mead under low reservoir conditions and for Lower Basin shortages. 3,264,000

Water Contract Administration - Continues implementation of the Colorado River Water Delivery Agreement to ensure California stays within its annual allotment of 4.4 million acre-feet of Colorado River water. Continues negotiation, development, execution, and administration of Colorado River water delivery contracts under Section 5 of the Boulder Canyon Project Act. Processes requests for water transfers from stakeholders. Continues to assess economic impacts resulting from changes in Colorado River system operations. Continues to maintain geographic information systems database for the land and waters within the lower basin. Completes regulations for unauthorized use of Colorado River water and takes necessary action to reduce or eliminate unauthorized use. 1,222,000

Decree Accounting - Continues the production of the annual accounting report of Colorado River diversions, returns, and consumptive use required by the Supreme Court Decree in Arizona v. California. Continues water accounting activities required for delivery of water to Mexico. Continues the maintenance of water accounting records required under the California Water Delivery Agreement, interstate water banking accounts under Interstate Storage and Release Agreements, and water accounting records associated with the inadvertent overrun and payback policy. Approves annual water orders from Colorado River entitlement holders through administration of the 43 CFR 417 (reasonable & beneficial use) regulation. Continues to conduct a well inventory along the lower Colorado River to identify unauthorized users of Colorado River water. Continues the development and use of techniques for calculation of consumptive use by water users and irrigation districts along the mainstem of the Colorado River for verification of water use and estimating unmeasured return flows. Continues to develop policy related to Colorado River water accounting issues. Continues the development of data for the consumptive uses and losses report for the lower Colorado River basin. 3,044,000
Non-Federal - Various (94,000)
2,950,000

Subtotal - Water and Energy Management and Development **$7,436,000**

Fish and Wildlife Management and Development -
Lower Colorado River Multi-Species Conservation Program - Continues implementation of the Multi-Species Conservation Program, which provides long-term endangered species act compliance for both current and future water delivery and diversion, and power production by both the United States and its water users. The program will provide quality habitat to conserve populations of 26 species, including the Federally endangered razorback sucker, bonytail chub, southwestern willow flycatcher, and Yuma clapper rail. The decrease in funding for the Fish and Wildlife request is due to a reduced level of effort for supporting razorback suckers, covering species that inhabit existing habitat, and the adaptive management program.

- Covered Species and Habitats Monitoring and Research, and Fish Augmentation - Monitors existing populations and habitats for covered species; develops and maintains data bases for the covered species; conducts scientific research for covered species; conducts investigations of restoration methods and techniques; and conducts monitoring of restored habitats and augmented populations. Fish augmentation includes spawning, rearing, tagging, and distributing razorback sucker and bonytail. 5,480,000

- Habitat Restoration - Secures land and water for 50 years to implement restoration of required fish and wildlife habitat. Creates and/or restores cottonwood/willow habitats, backwater habitats, marsh habitats, and upland mesquite habitats within the Colorado River floodplain. 6,954,000

- Administration - Continues operation of the Program Management Office which manages and coordinates oversight of the activities necessary to implement the Multi-Species Conservation Program and to meet regularly with the Multi-Species Conservation Program steering committee to coordinate the Annual Implementation Report, Work Plan, and Budget and contribution payment schedules. Maintains records of contracts, agreements, and procurements regarding the program implementation. Provides and maintains necessary buildings, facilities, and support services for implementation staff. 1,134,000

- Habitat Maintenance - Manages and maintains fish and wildlife habitats within the planning area. 2,396,000

Total, Lower Colorado River Multi-Species Conservation Program	15,964,000	
Non-Federal: Various	(7,982,000)	
	7,982,000	
Subtotal - Fish and Wildlife Management and Development		**7,982,000**
Reclamation Proposal		**$15,418,000**

North San Diego County Area Water Recycling Project

LOCATION: This project is located in San Diego County, California.

DESCRIPTION/JUSTIFICATION: The four components of this project are the result of a cooperative effort by the San Elijo Joint Powers Authority, the Carlsbad Municipal Water District, the Olivenhain Municipal Water District, and the Leucadia Wastewater District. This project consists of planning, designing, and constructing permanent facilities to reclaim and reuse approximately 15,350 acre-feet of water annually in the North San Diego County area in order to reduce the region's dependence on imported water supplies and reduce wastewater discharges to the ocean.

AUTHORIZATION: P.L. 102-575 - Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act, October 30, 1992, and P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, October 9, 1996.

COMPLETION DATA: As of September 30, 2006, the project is 86 percent complete. The project is scheduled for completion in 2008.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$1,238,000	$1,500,000
Request	$1,238,000	$1,500,000
Non-Federal	3,063,000	417,000
Prior Year Funds	3,186	0
Total Program	$4,304,186	$1,917,000
Prior Year Funds/Non-Federal	(3,066,186)	(417,000)
Total Reclamation Allotment	$1,238,000	$1,500,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$20,000,000	$17,262,000	$1,238,000	$1,500,000	$0
Adjustments 1/	64,587,000	61,107,000	3,063,000	417,000	0
Total	$84,587,000	$78,369,000	$4,301,000	$1,917,000	$0

1/ Includes cost-sharing of $13,073,750 by the San Elijo Joint Powers Authority; $36,379,000 by the Carlsbad Municipal Water District, $2,004,250 by the Leucadia Wastewater District; and $13,130,000 by the Olivenhain Municipal Water District for the four components.

Construction Cost Allocation and Methodology

Allocation	FY 2007	FY 2008
Municipal and Industrial	$84,442,000	$84,587,000
Total	$84,442,000	$84,587,000

METHODOLOGY: The methodology of cost allocation has not been modified from last year. The increase of $145,000 is due to updated cost estimates, all of which will be applied to the non-Federal share.

APPROPRIATION CEILING: P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, imposed a ceiling of $20,000,000. The comparable Federal obligation is $20,000,000 which does not exceed the appropriation ceiling.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

Encina Basin Water Reclamation Project - Completes work on construction of a water recycling project in the Encina Basin. $1,917,000

Non-Federal - Various (417,000)

1,500,000

Reclamation Request **$1,500,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2007
Project Repayment for FY 2008
Status of NEPA Compliance

Northern Arizona Investigations Program

LOCATION: Includes the northern Arizona Counties of Mohave, Coconino, Navajo, and Apache.

DESCRIPTION/JUSTIFICATION: The objective of this ongoing program is to improve and increase the management of existing water supplies; identify and develop potential water supplies; and develop processes and strategies for dealing with resource issues. The northern part of Arizona, which encompasses the Little Colorado River Watershed and Colorado Plateau area, has been experiencing multiple water resource use and supply issues. Potential settlement of Native American water rights, endangered species needs, sedimentation and flooding issues, and increasing water supply needs of local communities have contributed to resource conflicts within the basin. Assistance is needed to help manage existing water supplies and to develop and implement a realistic process or strategy for dealing with water and natural resource issues.

In addition, the Federal Government has trust responsibilities for Native Americans as set forth in various treaties, statutes, and court decisions. Those tribes assuming responsibility for planning of their own natural resources may contract with Reclamation using P.L. 93-638 (Indian Self Determination, Education and Assistance Act). As such, they are in need of expertise to help develop their own capability. Tribes within this area include the Navajo, Hopi, Kaibab Paiute, Hualapai, Havasupai, and Zuni.

AUTHORIZATION: The Reclamation Act of 1902, June 17, 1902; and P.L. 93-638, The Indian Self-Determination, Education and Assistance Act, January 4, 1975, as amended.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$297,000	$385,000
Request	$297,000	$385,000
Non-Federal	229,285	170,000
Prior Year Funds	14,096	0
Total Program	$540,381	$555,000
Prior Year Funds/Non-Federal	(243,381)	(170,000)
Total Reclamation Allotment	$297,000	$385,000

COST-SHARING: Hopi Tribe for the Hopi Water Management Study; Hualapai Nation for the Hualapai Water Management Study; Hopi Tribe for the Moenkopi Runoff Recharge and Recovery Study; Little Colorado River Watershed Group for the Little Colorado River Watershed Study; Navajo Nation for the Navajo Nation Rural Water Supply Study; and the Arizona Department of Water Resources, Cities of Flagstaff and Williams, Coconino County, Navajo Nation, and the Hopi Tribe for the North Central Arizona Water Supply Study.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

Hopi Water Management Study - Continues to select additional aquifer exploration site(s) and/or alluvial aquifer sites on the Reservation. Continues to assess and evaluate potential uses of reclaimed water and report findings of selected water treatment technology pilot test. Completes additional water resource evaluation(s) for selected Navajo and Coconino aquifers and/or alluvial aquifer sites on the Reservation.

(FY 2001 - FY 2009)	$129,000
Non-Federal - Hopi Tribe	(15,000)
	114,000

Hualapai Water Management Study - Continues to gather and evaluate biomonitoring data to identify potential water quality problems resulting from overgrazing. Continues identification and selection of best management practices through development of an additional three watershed management plans. The increase in the funding is due to a second year work activities and the study has been extended 2 years due to a revised work schedule.

(FY 2007 - FY 2012)	148,000
Non-Federal - Hualapai Nation	(15,000)
	133,000

Little Colorado River Watershed Study – Begins to put cost share agreement in place for Round Valley to define current conditions of water sources, uses and attributes. Continues water analysis as it pertains to supply and quality. Continues implementation of a plan of study to investigate water management issues within the Little Colorado River Watershed, where problems with deteriorated systems (agricultural and municipal), rapid growth, invasive species, sediment, salinity, drought, and reduced supplies are impacting the area, the population, and economy. The study effort would develop a water management plan and include demonstration projects (e.g., vegetation management, groundwater quality) and watershed modeling. The study efforts are examining all options including water treatment, desalination, and new supplies for agriculture, livestock, and municipal uses. This study is basinwide to define the problems, identify solutions related to increasing water supplies, and improve the health of the watershed. The study has been delayed 3 years due to work scheduling and funding.

(FY 2005 - FY 2011)	138,000
Non-Federal - Various	(69,000)
	69,000

Moenkopi Runoff Recharge and Recovery Study - Begins performing literature search of potential previous studies conducted in the project area by other agencies. Begins to develop a plan of study to identify and investigate potential methods for enhancing natural and artificial groundwater recharge. Begins to perform a reconnaissance field investigation to identify areas with potential for recharge and use as underground storage.

(FY 2008 - FY 2013)	114,000
Non-Federal - Various	(57,000)
	57,000

Navajo Nation Rural Water Study - Continues with the selection of two irrigation projects within the lower basin of Little Colorado River Basin utilizing the criteria developed from the Ganado Irrigation Water Conservation Project. Continues working with the local governments to facilitate definition of problems, objectives, and issues. Continues to conduct assessment(s) of current conditions, water management, legal/institutional issues, define/evaluate alternatives, environmental issues, estimated costs, and report recommendations for further development of water supply and management actions/projects to maximize and conserve water supplies with an emphasis on cultural preservation and traditional economics. The study is delayed one year due to resolving scheduling issues and recent commitments to the Navajo Nation. The decrease in the funding is due to realignment of work scheduling.

(FY 2003 - FY 2009)	18,000
Non-Federal - Navajo Nation	(10,000)
	8,000

North Central Arizona Water Supply Study – Completes the study to support the Coconino Plateau Water Advisory Council, a regional watershed group comprised of communities, agencies, and interested publics geared toward developing a shared strategy for managing and developing northern Arizona's water supplies. Items to be addressed in the study will be defined as priorities in the Coconino Plateau Water Advisory Council Strategic Plan. (FY 2002 - FY 2008)

	8,000
Non-Federal - Various	(4,000)
	4,000

Reclamation Request **$385,000**

Orange County Regional Water Reclamation Project, Phase I

LOCATION: This project is located in Orange County, California.

DESCRIPTION/JUSTIFICATION: This project will take tertiary treated reclaimed water from an existing facility operated by the Orange County Sanitation District, treat the water to advanced levels using a pretreatment and reverse osmosis process, and pump the water through a pipeline that parallels the Santa Ana River up to existing recharge facilities adjacent to the River, where the water will be used to recharge the region's groundwater basin. This initial phase will provide about 50,000 acre-feet of water annually for groundwater recharge.

AUTHORIZATION: P.L. 102-575 - Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act, October 30, 1992, and P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, October 9, 1996.

COMPLETION DATA: As of September 30, 2006, the project is 81 percent complete. The project is scheduled for completion in 2009, a delay of one year from that shown in the FY 2007 Budget Justifications, due to a revised construction and funding schedule.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$1,238,000	$1,500,000
Request	$1,238,000	$1,500,000
Non-Federal	73,502,000	0
Prior Year Funds	5,026	0
Total Program	$74,745,526	$1,500,000
Prior Year Funds/Non-Federal	(73,507,026)	0
Total Reclamation Allotment	$1,238,000	$1,500,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$20,000,000	$16,164,000	$1,238,000	$1,500,000	$1,098,000
Adjustments 1/	412,600,000	339,098,000	73,502,000	0	0
Total	$432,600,000	$355,262,000	$74,740,000	$1,500,000	$1,098,000

1/ Includes cost-sharing of $412,600,000 from the Orange County Water District and/or the Orange County Sanitation District.

Construction Cost Allocation and Methodology

Allocation	FY 2007	FY 2008
Municipal and Industrial	$432,600,000	$432,600,000
Total	$432,600,000	$432,600,000

METHODOLOGY: The methodology of cost allocation has not been modified from last year.

APPROPRIATION CEILING: P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, imposed a ceiling of $20,000,000. The comparable Federal obligation is $20,000,000 which does not exceed the appropriation ceiling.

WORK PROPOSED FOR FY 2008:
Water and Energy Management and Development - Continues work on construction activities for the regional water recycling project in the Orange County Water District service area.

Reclamation Request **$1,500,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2007
Project Repayment for FY 2008
Status of NEPA Compliance

Parker-Davis Project

LOCATION: This project is located in western Arizona, southern California, and southern Nevada.

DESCRIPTION/JUSTIFICATION: The Parker-Davis Project consists of Parker and Davis Dams, Lakes Havasu and Mohave, and two powerplants. The lakes have a combined storage capacity of 2,466,300 acre-feet and provide flood control, recreation, and fish and wildlife benefits. The two powerplants, with an annual power generation of approximately 2.75 billion kilowatt-hours of low-cost, renewable hydropower, serve various sectors of the southwest.

Funds are provided by Metropolitan Water District for approximately 50 percent of Parker Dam and powerplant costs. All remaining funds necessary to operate and maintain the project are provided by the power customers.

AUTHORIZATION: P.L. 409, Rivers and Harbors Act of 1935, August 30, 1935; P.L. 260, Reclamation Project Act of 1939 (Davis Dam Project), August 4, 1939 (authorized by the Secretary April 26, 1941); P.L. 373, Consolidate Parker Dam Power Project and Davis Dam, May 28, 1954; and P.L. 95-91, The Department of Energy Organization Act, August 4, 1977.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water and Manage or Influence Resource Use Hydro Power.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Request	$0	$0
Non-Federal	11,904,000	14,701,000
Total Program	$11,904,000	$14,701,000
Non-Federal	(11,904,000)	(14,701,000)
Total Reclamation Allotment	$0	$0

WORK PROPOSED FOR FY 2008:

Facility Operations - Continues regular operation, including security costs, of the hydroelectric power and water delivery facilities. **$7,632,000**

Facility Maintenance and Rehabilitation - Continues rehabilitation of the powerplant which includes generating units and associated components and purchase of materials for unit controls modernization at Parker Dam. Continues replacing the 480V switchgear, rehabilitating the fixed-wheel gates, reconditioning the unit governors, purchase of materials for unit controls modernization, and penstock expansion joint maintenance at Davis Dam. Increase is due to the rewinding the next generating unit at Parker Dam.

7,069,000

Non-Federal - Metropolitan Water District and power customers **(14,701,000)**

Reclamation Request **$0**

Phoenix Metropolitan Water Reclamation and Reuse Project

LOCATION: This project is located near the city of Phoenix, Maricopa County, Arizona.

DESCRIPTION/JUSTIFICATION: In the near future, the three main sources of water for the Phoenix metropolitan area will be fully developed. The main sources of water are the Central Arizona Project, the Salt River Project, and groundwater. In the west valley, the groundwater table has been dropping at a rate of 1 to 4 feet per year. Recharging reclaimed water into the aquifer is one way of slowing the decline in the groundwater table.

The Sub-regional Operating Group consisting of the cities of Phoenix, Scottsdale, Glendale, Mesa, and Tempe has been assessing the possibilities of storing reclaimed water through a linear recharge project in the (dry) Agua Fria River. The 91st Avenue Wastewater Treatment Plant produces approximately 150 million gallons per day of high quality effluent and would be used as the source water.

Phase I, consisting of stakeholder coordination and public information, is complete. Phase I identified the opportunities and constraints associated with the development of a linear recharge project in the Agua Fria River. Phase II is the initial technical investigation aspect of the project includes groundwater modeling, preliminary route of pipelines and sizing of pipelines. Phase II also includes the Environmental Impact Study and Feasibility Study. Phase III covers development of project designs and Phase IV is the construction phase.

The benefits for recharging reclaimed water in the western part of the Phoenix metropolitan area include: reducing the rate of decline of the groundwater table, reducing the demand for imported water; and providing a continuous and dependable supplemental source of water.

AUTHORIZATION: P.L. 102-575, Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act, October 30, 1992; P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, October 9, 1996.

COMPLETION DATA: As of September 30, 2006, the Federal portion of the project is eight percent complete. Reclamation completed the Stakeholder Coordination and Public Information (Phase I) of the study in FY 2003. The feasibility report and Environmental Impact Study is scheduled for completion in FY 2008, a delay of 2 years from that shown in the FY 2007 Budget Justifications due to a revised work schedule in coordination with the partner. A schedule for construction of the facilities will be determined after the feasibility report is completed.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$198,000	$200,000
Request	$198,000	$200,000
Non-Federal	200,000	200,000
Prior Year Funds	0	0
Total Program	$398,000	$400,000
Prior Year Funds/Non-Federal	(200,000)	(200,000)
Total Reclamation Allotment	$198,000	$200,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$20,000,000	$1,538,648	$198,000	$200,000	$18,063,352
Adjustments 1/	60,000,000	806,534	200,000	200,000	58,793,466
Total	$80,000,000	$2,345,182	$398,000	$400,000	$76,856,818

1/ Includes cost-sharing from City of Phoenix.

APPROPRIATION CEILING: P.L. 104-266 Reclamation Recycling and Water Conservation Act of 1996, imposed a ceiling of $20,000,000. The comparable Federal obligation is $20,000,000 which does not exceed the appropriation ceiling.

WORK PROPOSED IN FY 2008

Water and Energy Management and Development - Continues Phase III, the preliminary design of the recharge project which includes final alignment and designs of the pipeline, and recharge facilities pump stations Completes the feasibility report and Environmental Impact Statement. $400,000
Non-Federal - City of Phoenix (200,000)
200,000

Reclamation Request **$200,000**

SEE APPENDIX FOR: Project Repayment FY 2008
Status of NEPA Compliance

Salt River Project

LOCATION: The Salt River Project is located near Phoenix in central Arizona.

DESCRIPTION/JUSTIFICATION: The project includes an area of about 250,000 acres. The land within the project receives its irrigation water supply from the Salt and Verde Rivers and 248 pumping units for wells. About 24,715 acres receive supplemental irrigation water. The rivers are controlled with six storage dams. Four of the storage dams have hydroelectric facilities. A diversion dam serves 1,259 miles of canals, laterals and ditches of which 842 miles are lined and piped. The project is operated and maintained by the Salt River Agricultural Improvement and Power District and Salt River Valley Water User's Association under several repayment and operating agreements including the June 25, 1904 agreement, the August 30, 1910 agreement for the cross cut canal and power plant, and the September 6, 1917 agreement and amendments. Project facilities and most of the lands are Reclamation-owned. Title XXVIII of the Reclamation Projects Authorization and Adjustments Act (P.L. 102-575) permits Reclamation to cost-share with non-Federal management entities on the development, rehabilitation, and expansion of recreation and fish and wildlife areas and facilities on Reclamation projects. The partnerships are critical to continue the efficient management of Reclamation lands for the benefit of the public. Reclamation is partnering with local supporters for recreation improvements, such as the public trail system currently partnered with three cities (Phoenix, Tempe, and Scottsdale), and the Salt River Project. A provision of P.L. 108-451, Title II, the Gila River Indian Community Water Rights Settlement Act of 2004, provides that title of the Blue Ridge Dam and Reservoir will be transferred to the Federal government to benefit the Salt River Project.

AUTHORIZATION: The Reclamation Act of June 17, 1902 (authorized by the Secretary on March 14, 1903); Rehabilitation and Betterment Act, October 7, 1949 as amended; P.L. 89-72, Federal Water Project Recreation Act of 1965, July 9, 1965 as amended by Reclamation Recreation Management Act, Title XXVIII of P.L. 102-575, October 30, 1992; and P.L. 108-451, The Arizona Water Settlement Act, Title II, Gila River Indian Community Water Rights Settlement Act of 2004, December 10, 2004.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Land Management and Development	$297,000	$360,000
Facility Operations	0	$240,000
Request	$297,000	$600,000
Non-Federal	354,000	402,000
Prior Year Funds	0	0
Total Program	$651,000	$1,002,000
Prior Year Funds/Non-Federal	(354,000)	(402,000)
Total Reclamation Allotment	$297,000	$600,000

WORK PROPOSED FOR FY 2008:
Land Management and Development -

Recreation - Continues amendment and approval of resource management plans for additional recreation improvements such as trail design, landscape, and public health facilities construction.

	300,000
Non-Federal - Non-Cash - Cities of Phoenix, Scottsdale, and Tempe	(150,000)
	150,000

Land Management - Continues land resource management activities such as responding to right-of-way and easement issues; administering contracts, leases, permits, and conducting land field reviews. Continues implementing public information programs and compliance activities. The work is done to provide a minimum level of stewardship of Federal interests in this project.

	462,000
Non-Federal - Individual developers and municipalities	(252,000)
	210,000

Subtotal, Land Management and Development **$360,000**

Facility Operations – Continues oversight responsibilities and functions that were included previously under the Examination of Existing Structures program. Activities include planning, participation, and coordination of field inspections on Periodic Facility Review (PFR) and Comprehensive Facility Review (CFR) for high/significant hazard dams, annual exams of dams, special inspections, inspections and reports on associated facilities, job hazard analysis and review of PFR/CFR reports on seven dams and Salt River Project delivery systems. Increase due to transfer of responsibilities to the project from the Examination of Existing Structure Program.

Subtotal, Facility Operations **240,000**

Reclamation Request **$600,000**

SEE APPENDIX FOR: Obligation by Function for Operating Projects

Salton Sea Research Project

LOCATION: Imperial and Riverside Counties, California.

DESCRIPTION/JUSTIFICATION: The Salton Sea (Sea), located in southeastern California, is California's largest inland lake. It is a highly saline and eutrophic lake but provides for a productive fishery and important resource for migrating birds along the Pacific Flyway. Over 400 different species of birds have been observed using the Sea and surrounding habitat. A combination of fluctuating water surface elevation, decreased water quality, and reduced future tributary inflows will result in eventual collapse of the existing fishery and associated ecosystem. A change in the existing ecosystem would impact present recreational and economic values of the Sea. In order to successfully identify and develop the most efficient and reasonable solutions to solving the complex problems of the Sea, a continuing program of engineering, physical and biological planning, research, and evaluation is needed.

The objectives of this program are to identify reasonable, financially feasible, and efficient alternatives to: improve water quality conditions; reduce potential impacts to air quality and maintain quality habitat for migratory birds and endangered species, and protect human recreation values in and around the Sea. Efforts continue to determine reasonable solutions to the complex problems existing at the Sea through engineering and biological research and evaluation. A Salton Sea Study Status Report was released in January 2003, which contained the most up-to-date information available on various proposals for full and partial restoration concepts for the Sea. This report built on the information developed and transmitted to Congress in January 2000.

AUTHORIZATION: Reclamation Act of 1902, June 17, 1902; P.L. 102-575, Title XI, Reclamation Projects Authorization and Adjustment Act, October 30, 1992; P.L. 105-372, Salton Sea Reclamation Act of 1998, November 12, 1998, as amended by P.L. 108-7, Energy and Water Development Appropriations Act, 2003, Section 213, February 20, 2003; and P.L. 108-361, Water Supply, Reliability and Environmental Improvement Act, October 25, 2004.

COMPLETION DATA: All reporting requirements of the Salton Sea Reclamation Act of 1998 (P.L. 105-372) were met on January 27, 2000, when the Secretary forwarded to Congress a draft Environmental Impact Statement/Environmental Impact Report, a Strategic Science Plan, a Draft Alternatives Appraisal Report, and an Overview and Summary Report. The passage of P.L. 108-361 requires the Secretary of the Interior, in coordination with the State of California and the Salton Sea Authority, to complete a feasibility study on a preferred alternative for the Sea restoration by December 31, 2006. Although the report is due December 31, 2006, the report has been delayed to the spring of 2007 to ensure adequate public review and coordination with the State of California's report.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$743,000	$300,000
Request	$743,000	$300,000
Non-Federal	0	0
Prior Year Funds	16,352	0
Total Program	$759,352	$300,000
Prior Year Funds/Non-Federal	(16,352)	0
Total Reclamation Allotment	$743,000	$300,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation 1/ 2/	$45,000,000	$24,687,991	$743,000	$300,000	$19,269,009
Adjustments 3/	10,350,000	2,518,584	0	0	7,831,416
Total	$55,350,000	$27,206,575	$743,000	$300,000	$27,100,425

1/ Includes investigation costs, work on feasibility report, river reclamation, and other irrigation drainage water treatment work.
2/ Reclamation costs have increased due to the additional work on the feasibility report and ongoing pilot and demonstration projects.
3/ Includes cost-sharing of $2,168,584 from the Salton Sea Authority, a joint authority of Imperial and Riverside counties, two local water districts, and the State of California for research. Also includes $350,000 from the State of California, Department of Water Resources for the feasibility study.

Construction Cost Allocation and Methodology: Not applicable, because construction is not yet authorized.

OTHER INFORMATION: The Secretary of the Interior on December 19, 1997, after consultation with appropriate local, state, and Federal agencies, announced that Reclamation and the Salton Sea Authority were the joint co-lead agencies in completing the planning and environmental compliance for a cost-shared effort to restore the Sea's health. Since this announcement, numerous achievements and actions have guided or influenced Reclamation's involvement in Sea restoration activities.

On November 12, 1998, Congress enacted P.L. 105-372, the Salton Sea Reclamation Act of 1998, which authorizes the Secretary of the Interior, acting through Reclamation, to conduct a feasibility study. As directed by this Act, the Department of the Interior transmitted to Congress on January 27, 2000, the Salton Sea Restoration Project Draft Environmental Impact Statement/Environmental Impact Report; an Overview and Summary Report; a Strategic Science Plan prepared by the Salton Sea Science Subcommittee; and the draft Alternative Appraisal Report prepared by Reclamation. These documents, submitted to Congress and the public, provide a detailed description of the scope and results of scientific studies undertaken during the previous 18 months. The Draft Environmental Impact Statement/Environmental Impact Report provided a menu of alternatives, associated environmental impacts, alternative cost estimates, and a summary of findings and recommendation for future actions.

On September 4, 2002, the Center for Biological Diversity, Cabazon Band of Mission Indians, and the Sierra Club filed a lawsuit (Case number ED CV 02-923 RT, SGLX) in the U.S. District Court (Central District of California) alleging that Reclamation had failed to comply with provisions of the Salton Sea Reclamation Act of 1998. On September 24, 2004, the court ruled in favor of the defendant, Reclamation, with a conclusion that the plaintiff(s) had not demonstrated standing.

In January 2003, Reclamation transmitted to Congress a Salton Sea Study Status Report which contained the most up-to-date information available on various new and "past" proposals for full or partial restoration of the Sea.

In the summer of 2003, a water transfer agreement between Imperial Irrigation District and the San Diego County Water Authority was executed which initiated the Quantification Settlement Agreement. This action resulted in the passage of several California state laws which, in part, required the California Department of Water Resources to complete a Salton Sea Restoration Feasibility Study and a Programmatic Environmental Impact Report. These laws also required the Department of Water Resources to provide these reports and a preferred restoration alternative to the State Legislature by December 31, 2006.

Although the Department of Water Resources has a mandated requirement to complete a feasibility study by December 2006, the Salton Sea Authority released, for public review, a preferred project report which publicized their preference for a North Lake (mid-Sea) concept. The Salton Sea Authority continues to seek support from both the State of California and the Federal Congressional Task Force to study and implement its preferred concept.

On October 25, 2004, P.L. 108-361, the Water Supply, Reliability and Environmental Improvement Act, Title II, Sec. 201, the Salton Sea Study Program, was enacted which states: "Not later than December 31, 2006, the Secretary of the Interior, in coordination with the State of California and the Salton Sea Authority, shall complete a feasibility study on a preferred alternative for Salton Sea restoration". California state legislation mandated that the Department of Water Resources (DWR) is the state's lead role in determining a preferred alternative for restoring the Salton Sea. Although DWR's reporting deadline is December 31, 2006, this deadline has been extended due to various unavoidable delays. The DWR released a draft Programmatic Environmental Impact Report in November, 2006, with subsequent final reports scheduled to be submitted to the State Legislature by late March, 2007. Reclamation has agreed to allow DWR to fulfill their state-mandated requirements prior to releasing its Final Comprehensive Restoration Report.

In accordance with P.L. 108-361, Reclamation is studying alternatives for restoring the Salton Sea. Six alternative concepts have been selected from past work and are now undergoing engineering and scientific evaluations based on the best data available. This work is being coordinated with the Salton Sea Authority and DWR. Although Reclamation's report is intended to stand alone, the alternatives being studied include all of the major concepts being considered by the DWR. A summary report including objectives considered, descriptions of the alternatives, preliminary cost estimates, viability and biological evaluations, and a schedule for release of the Final Comprehensive Restoration Report is scheduled for public review in spring 2007.

APPROPRIATION CEILING: Appropriations authorized under P.L. 102-575 are $10,000,000. The comparable Federal obligation is $10,000,000. Any future project development under this authorization would require an increase in ceiling. Appropriations authorized under P.L. 105-372, (Title I), have no ceiling connected to the authorized feasibility work. The comparable Federal obligation for the feasibility

work is $25,000,000. P.L. 105-372, (Title II), as amended by P.L. 108-7, provides a ceiling associated with work for river reclamation and other irrigation drainage water treatment actions (New and Alamo Rivers) in the amount of $10,000,000. The comparable Federal obligation is $10,000,000 for this work. This authorization is adequate to cover the river reclamation and other irrigation drainage water treatment actions as currently proposed.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development - Continues coordination with the California Department of Water Resources and the Salton Sea Authority in the development and study of a 100 acre saline-shallow habitat complex. Continues work on the pilot saline shallow wildlife habitat complex that was constructed in the summer of 2006. Work will entail data collection, compilation, and analysis of the 100-acre pilot habitat. As the Salton Sea becomes saltier over time, its value as habitat is significantly reduced. While there are a number of proposals for improving aquatic habitat and maintaining current bird diversity and populations, they are very expensive and come with uncertainties and risk. In an effort to find a less expensive option, while understanding its effectiveness and performance, the 100-acre pilot will need to be monitored for at least three years. The decrease is due to the feasibility report being completed in FY 2007.

Reclamation Request **$300,000**

San Carlos Apache Tribe Water Settlement Act

LOCATION: The San Carlos Apache Tribe reservation is located in Arizona, 100 miles east of Phoenix. The reservation consists of 1.9 million acres within Graham and Gila counties. The reservation is also within three different watersheds, the Upper Gila River, the Salt River, and the San Pedro watersheds. Approximately 82 percent of the reservation is within the Gila River system, 17 percent within the Salt River system, and the remaining 1 percent within the San Pedro River system.

DESCRIPTION/JUSTIFICATION: Although located in proximity to water supply sources, the San Carlos Apache Tribe has historically not been able to use these water supplies in substantial quantities due to limited water rights and lack of resources. The San Carlos Apache Tribe has rights to irrigate 1,000 acres with 6,000 acre-feet annually of Gila River water. A Gila River Water Commissioner's 1999 report lists 350 acres of land on the San Carlos Apache Tribe Reservation as being irrigated. The Act of 1992 and the associated Water Settlement Agreement makes development of existing and additional water supplies possible. The Act increased the Tribe's water allocation by 48,945 acre-feet annually, of which 18,145 acre-feet have municipal and industrial use priority and the remaining 30,800 acre-feet are allocated as Indian priority. Under the Act, all of the Tribe's water allocation may be leased for use outside the Reservation. Other potential uses include expansion of irrigated agriculture, mining maintenance and/or development of recreational lakes. Under Section 3709(c), Reclamation's obligation under this Act is limited to acting as the lead agency in assessing and mitigating the environmental impacts of utilizing all of the Tribe's water.

AUTHORIZATION: P.L. 102-575 - Title XXXVII, San Carlos Apache Tribe Water Rights Settlement Act of 1992, October 30, 1992.

COMPLETION DATA: The biological assessment is scheduled for completion in March 2009; Section 7 consultations with the Fish and Wildlife Service will be complete by June 2009. Implementation of mitigation measures would be substantially completed in 2020. One component of mitigation will be ongoing for the life of the project. Once the project development or water leases are fully enacted, it is anticipated Reclamation will be required to purchase water as needed to maintain minimum flows in the Gila River for critical nesting periods (late May and early June) during drought years. This is estimated to occur approximately every 10 years over an estimated 50-year project life.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$297,000	$310,000
Request	$297,000	$310,000
Non-Federal	0	0
Prior Year Funds	0	0
Total Program	$297,000	$310,000
Prior Year Funds/Non-Federal	0	0
Total Reclamation Allotment	$297,000	$310,000

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$37,850,000	$121,300	$297,000	$310,000	$37,121,700
Total	$37,850,000	$121,300	$297,000	$310,000	$37,121,700

Construction Cost Allocation and Methodology

Allocation	FY 2007	FY 2008
Irrigation 1/	$37,850,000	$37,850,000
Total	$37,850,000	$37,850,000

1/ Planning efforts are incomplete. The allocation may change upon completion of the planning report.

METHODOLOGY: Costs are allocated 100 percent to Irrigation.

APPROPRIATION CEILING: An appropriation ceiling was not included in the original authorizing legislation.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development - Continues data collection for the biological assessment including development of geohydrology, riparian vegetation, and habitat models for the middle Gila and San Pedro Rivers. Continues exploration of potential forbearance agreements on the San Pedro and middle Gila Rivers. Continues the southwestern willow flycatcher survey and provides for a more comprehensive eagle foraging study and nest watchers at Coolidge Breeding Area bald eagle territory. Completes bald eagle foraging study on the San Carlos Reservoir.

Reclamation Request **$310,000**

SEE APPENDIX FOR: Status of NEPA Compliance

San Diego Area Water Reclamation Program

LOCATION: This project is located in San Diego County, California.

DESCRIPTION/JUSTIFICATION: Greater use of reclaimed water results in decreased dependency on potable imported water including water from the Colorado River. This project consists of four units:

The San Diego Water Reclamation Project is a regional water reclamation program being implemented by the cities of San Diego and Poway, Sweetwater Authority, and Otay Water District. The project provides for the construction of five new wastewater treatment plants, expansion of an existing plant, along with distribution systems, and two conjunctive use projects. Total system capacity upon completion will be approximately 57,116 acre-feet per year.

The Escondido Water Reclamation Project is being implemented by the city of Escondido to upgrade its Hale Avenue Resource Recovery Facility from secondary treatment to tertiary treatment. A distribution system that will put the recycled water to beneficial use for non-potable purposes is also being constructed. In addition, the city of San Diego is planning to upgrade and expand its San Pasqual Water Reclamation Plant, which will produce recycled water for non-potable uses, and for a possible conjunctive use project. A distribution system will also be constructed. The city of Poway will construct a distribution system that will utilize recycled water from the San Pasqual plant. When completed, the three project components will deliver a total of approximately 11,200 acre-feet of recycled water annually.

The San Diego Water Repurification Project has been stopped by the city of San Diego, and the reclaimed water and funds that would have been used for this project are now included in the San Diego Water Reclamation Project.

The Padre Dam Municipal Water District Reclamation Project will upgrade and expand an existing water treatment plant and construct a distribution system that will deliver 2,000 acre-feet of recycled water annually.

AUTHORIZATION: P.L. 102-575 - Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act, October 30, 1992; and P.L. 104-266, Reclamation Recycling and Water Conservation Act, October 9, 1996.

COMPLETION DATA: As of September 30, 2006, this project is 47 percent complete.

San Diego Water Reclamation Project is scheduled for completion in 2028, a delay of 16 years from that shown in the FY 2007 Budget Justifications, due to a revised construction and funding schedule for the Otay Water District component.

Escondido Water Reclamation Project is scheduled for completion in 2012.

Padre Dam Municipal Water District Reclamation Project is scheduled for completion in 2012.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$3,465,000	$3,450,000
Request	$3,465,000	$3,450,000
Non-Federal	13,233,755	8,548,500
Prior year Funds	33	0
Total Program	$16,698,788	$11,998,500
Prior Year Funds/Non-Federal	(13,233,788)	(8,548,500)
Total Reclamation Allotment	$3,465,000	$3,450,000

Total Construction Costs to be Allocated

	Total Estimated Costs	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$172,590,000	$80,440,495	$3,465,000	$3,450,000	$85,234,505
Adjustments [1/]	517,770,000	277,957,436	13,233,755	8,548,500	218,030,309
Total	$690,360,000	$358,397,931	$16,698,755	$11,998,500	$303,264,814

[1/] Includes cost-sharing of $361,087,000 from the cities of San Diego and Poway, Sweetwater Authority, and/or Otay Water District for the San Diego Water Reclamation Project; $121,880,000 from the cities of Escondido, Poway, and/or San Diego for the Escondido Water Reclamation Project; $3,647,000 from the city of San Diego for the San Diego Water Repurification Project; and $31,156,000 from Padre Dam Municipal Water District for the Padre Dam Municipal Water District Reclamation Project.

Construction Cost Allocation and Methodology

Allocation	FY 2007	FY 2008
Municipal and Industrial Water	$690,360,000	$690,360,000
Total	$690,360,000	$690,360,000

METHODOLOGY: The methodology of cost allocation has not been modified from last year.

APPROPRIATION CEILING: An appropriation ceiling was not included in the original authorizing legislation. P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, imposed a ceiling of $172,590,000. The comparable Federal obligation is $172,590,000, which does not exceed the appropriation ceiling.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

San Diego Water Reclamation Project - Continues work on design and construction of wastewater treatment plants and recycled water distribution systems.	$11,998,500
Non-Federal - Various	(8,548,500)
	3,450,000

Reclamation Request **$3,450,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2007
Project Repayment for FY 2008
Status of NEPA Compliance

San Gabriel Basin Project

LOCATION: This project is located in the San Gabriel Valley of Los Angeles County, California.

DESCRIPTION/JUSTIFICATION: This project consists of three units:

The San Gabriel Basin Demonstration Project is a conjunctive use project that was originally envisioned to address the Baldwin Park Operable Unit, an Environmental Protection Agency Superfund site that includes the most severe groundwater contamination within the San Gabriel Basin. However, after additional investigations, it was apparent that a comprehensive solution to the water supply and groundwater contamination problems was required to adequately protect the groundwater resources of the San Gabriel Basin. Additional operable units within the San Gabriel Basin, known as the El Monte, South El Monte, and Puente Valley Operable Units were included in the project to provide such a comprehensive remedy. The revised project continues to meet the original objectives by implementing conjunctive use projects that will enhance both the groundwater quality and the local and regional water supply. Treatment projects will remove volatile organic compounds and other contaminants from the groundwater, and then deliver the water for distribution. When completed, the total capacity will be about 39,000 acre-feet annually. Extraction, treatment, and distribution of San Gabriel Basin groundwater will improve the basin's groundwater quality, increase storage capacity, and expand the basin's use for regional benefits.

The Rio Hondo Water Recycling Program will distribute 5,600 acre-feet of recycled water annually from the San Jose Creek Water Reclamation Plant for landscape irrigation and industrial process water. This use of recycled water will replace the need for a like amount of potable water, thereby lessening the demand on both imported and groundwater resources. By reducing the need for groundwater pumping, this program will assist in the prevention of further migration of contamination from the San Gabriel plume, and wastewater discharges to the ocean will be decreased. Components of the program are construction of a main pump station, a booster pump station, reservoir storage facilities (10 million gallons), and approximately 40 miles of pipeline. The program is being implemented in two phases.

The San Gabriel Valley Water Reclamation Program will utilize up to 10,000 acre-feet of reclaimed water annually from the San Jose Creek Water Reclamation Plant to recharge the San Gabriel groundwater basin in order to replace and/or supplement water currently being imported and recharged. There will be no net change in the amount of water currently being recharged as a result of implementation of this program. The recharge will be accomplished in the San Gabriel River channel downstream of Santa Fe Dam. Additional facilities to use up to 13,300 acre-feet of reclaimed water annually for landscape irrigation and industrial use are also included.

AUTHORIZATION: P.L. 102-575 - Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act, October 30, 1992; P.L. 103-126, Water and Energy Appropriations Act for 1994, October 28, 1993; P.L. 104-266, Reclamation Recycling and Water Conservation Act, October 9, 1996; and P.L. 108-418, To amend the Reclamation Projects Authorization and Adjustment Act of 1992 to increase the Federal share of the costs of the San Gabriel Basin demonstration project, November 30, 2004.

COMPLETION DATA: As of September 30, 2006, this project is 69 percent complete.
San Gabriel Basin Demonstration Project is scheduled for completion in 2009, an acceleration of one year from that shown in the FY 2007 Budget Justifications, due to a revised construction and funding schedule.

Rio Hondo Water Recycling Program, Phase 1, was completed in 2005. The Rio Hondo Water Recycling Program, Phase 2, is scheduled for completion in 2010. This is new from that shown in FY 2007 Budget Justifications, due to a delayed construction schedule for this portion of the project.

San Gabriel Valley Water Reclamation Program is scheduled for completion in 2010, a delay of three years from that shown in the FY 2007 Budget Justifications, due to a revised construction schedule due to the inclusion of additional distribution facilities.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$743,000	$700,000
Request	$743,000	$700,000
Non-Federal	38,381,000	35,488,000
Prior Year Funds	8,181	0
Total Program	$39,132,181	$36,188,000
Prior Year Funds/Non-Federal	(38,389,181)	(35,488,000)
Total Reclamation Allotment	$743,000	$700,000

Total Construction Costs to be Allocated

	Total Estimated Costs	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Reclamation	$44,590,000	$30,935,000	$743,000	$700,000	$12,212,000
Adjustments [1/]	148,305,637	71,291,429	38,381,000	35,488,000	3,145,208
Total	$192,895,637	$102,226,429	$39,124,000	$36,188,000	$15,357,208

[1/] Includes cost-sharing of $44,250,691 from the Three Valleys Municipal Water District, the San Gabriel Basin Water Quality Authority, and/or other entities for the San Gabriel Basin Demonstration Project; $74,717,265 from the Central Basin Municipal Water District for the Rio Hondo Water Recycling Program; and $29,337,681 from the Upper San Gabriel Valley Municipal Water District for the San Gabriel Valley Water Reclamation Program.

Construction Cost Allocation and Methodology

Allocation	FY 2007	FY 2008
Municipal and Industrial Water	$152,360,000	$192,895,637
Total	$152,360,000	$192,896,637

METHODOLOGY: The methodology of cost allocation has not been modified from last year. The increase is due revised cost estimates from the project sponsors for all three component projects.

APPROPRIATION CEILING: An appropriation ceiling was not included in the original authorizing legislation. P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, imposed a ceiling of $38,090,000. P.L. 108-418 increased the ceiling by $6,500,000 so that the current ceiling is $44,590,000. The comparable Federal obligation is $44,590,000, which does not exceed the appropriation ceiling.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

San Gabriel Basin Demonstration Project - Continues work on construction of wells, conveyance and pumping systems, and treatment plants. $5,218,000
Non-Federal - Various (4,888,500)
329,500

Rio Hondo Water Recycling Program - Continues work on construction of recycled water distribution pipelines. This work is resuming from prior years due to delays in a portion of the project.
25,010,000
Non-Federal - Various (24,889,500)
120,500

San Gabriel Valley Water Reclamation Program - Continues work on construction of recycled water pumping facilities and pipelines. This work is resuming from prior years due to revisions in the construction schedules for additional distribution facilities. 5,960,000
Non-Federal - Various (5,710,000)
250,000

Reclamation Request **$700,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2007
Project Repayment for FY 2008
Status of NEPA Compliance

South/Central Arizona Investigations Program

LOCATION: Includes the Gila River Drainage Basin; the counties of Apache, Cochise, Gila, Graham, Greenlee, La Paz, Maricopa, Navajo, Pima, Pinal, Santa Cruz, Yavapai, and Yuma in Arizona; and the counties of Hidalgo, Grant, Luna, and Catron in New Mexico.

DESCRIPTION/JUSTIFICATION: The objective of this ongoing program is to improve management of water resources by evaluating existing water supplies; identify possible future water supplies; and identify and analyze other resource issues. Water management and planning efforts within the state of Arizona are fragmented and many state and local government agencies lack the necessary resources to address water resource management issues without Federal assistance. Uncertainties concerning the adequacy of future water supplies exist in many areas due to rapid growth, conflicting Indian and non-Indian water rights claims, endangered species, and other environmental issues. Other issues include water quality, water use practices, the lack of a coordinated water service infrastructure, and use of water from Reclamation's Central Arizona Project. Assistance is needed to integrate the planning efforts of various local entities in order to identify long-range needs and evaluate the ability to meet the needs with available supplies.

With Federal assistance, the various municipal and Indian water providers will be brought together to cooperate on developing efficient water management strategies. Reclamation will help to identify the resource needs and constraints and attempt to identify water supply and management options available to meet these needs.

AUTHORIZATION: The Reclamation Act of 1902, June 17, 1902; P.L. 102-575 - Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act, October 30, 1992.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$975,000	$855,000
Fish and Wildlife Management and Development	99,000	60,000
Request	$1,074,000	$915,000
Non-Federal	1,074,000	915,000
Prior Year Funds	79,403	0
Total Program	$2,227,403	$1,830,000
Prior Year Funds/Non-Federal	(1,153,403)	(915,000)
Total Reclamation Allotment	$1,074,000	$915,000

COST-SHARING: Cities of Phoenix, Tempe, Glendale, Mesa, Scottsdale Chandler, Goodyear, Peoria, Surprise and Tucson, Towns of Buckeye and Gilbert, Arizona-American Water Company, and Queen Creek Water Company for the Central Arizona Salinity Study; the Cities of Apache Junction, Tempe, Mesa, Chandler, Towns of Gilbert and Queen Creek, Roosevelt Water Conservation District, Gila River Indian Community, Central Arizona Groundwater Replenishment District, Arizona Water Banking Authority, Salt River Project, New Magma Irrigation and Drainage District, Chandler Heights Irrigation District, Diversified Water, Arizona Water Company, and San Tan Irrigation District for the East Valley Water Forum; Maricopa County Flood Control District for the El Rio River Restoration Study; Maricopa County Flood Control District for the Floodplain Watershed Management Study; Communities of Globe and Miami, the San Carlos Apache Indian Tribe, Gila County, Arizona Department of Water Resources, and private water companies for the Globe Miami San Carlos Water Study; Gila County and Town of Payson for the Mogollon Rim Water Resource Management Study; Arizona Department of Water Resources, Santa Cruz County, and City of Nogales for the Nogales Area Water Storage Study; Towns of Casa Grande, Picacho, Eloy, Coolidge, Pinal County, and Arizona Department of Water Resources for the Pinal County Water Resources Study; Arizona Department of Water Resources, Central Arizona Groundwater Replenishment District, Southern Nevada Water Authority, and Tucson for the Salt River Valley Water Analysis and Resource Study; City of Sierra Vista, Huachuca City, Bisbee, Tombstone, Herford NRCD, Cochise County, State Land Department, Department of Environmental Quality Arizona Department of Water Resources, Association of Conservation Districts, Fort Huachuca, The Nature Conservancy, Arizona Audubon Society, and Bella Vista Water for the Sierra Vista/Upper San Pedro Study; Salt River Project, City of Prescott, Yavapai County, and Arizona Department of Water Resources for the Verde River Water Resources Study; and Graham County and New Mexico Environment Department for the Upper Gila River Watershed Restoration Study.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

Central Arizona Salinity Study - Begins appropriate reports and findings documentation from the DewVap and the Brackish Groundwater Treatment Facility research. Continues the concentrate management research and demonstration project phases of the study effort. The decrease in the funding is due to a revised study scope and an extension of the study term and efforts. The study has been extended as a result of the identification of additional work at the partner's request.

(FY 2002 - FY 2012)	128,000
Non-Federal - Various	(64,000)
	64,000

East Valley Water Forum - Continues gathering water infrastructure data and groundwater modeling information in an effort to create an area-wide water management plan. This study will address water development and management issues for water quality, quantity, salinity, recharge and recovery, reuse, aquifer data, and monitoring. This work is critical to the East Salt River Valley communities which are among the fastest growing municipal areas in the country located in eastern Maricopa and western Pinal Counties, Arizona. (FY 2005 - FY 2010) 152,000

Non-Federal - Various	(76,000)
	76,000

El Rio River Restoration Study - Continues the restoration pilot project by replacement of salt cedar with native vegetation. Continues assessing restoration results which would be used to improve the plan for a future demonstration project. Continues report work on the pilot project. The study results would ultimately affect the Gila River with respect to water quantity, quality, and habitat. The study has been extended 3 years due to the scope of the study being revised at the partner's request.

(FY 2004 - FY 2011)	144,000
Non-Federal - Maricopa County Flood Control District	(72,000)
	72,000

Floodplain/Watershed Management Study - Continues consultation with Federal, state, tribal, and local agencies, and stakeholders to determine how best to provide general planning assistance for improved local flood management practices including related multi-purpose projects for improvement of water quantity and quality issues in central Arizona. Continues to work with stakeholders to identify, implement and monitor demonstration projects as appropriate. The decrease in the funding is due to a revision of work activities.

(FY 2005 - FY 2010)	96,000
Non-Federal - Maricopa County Flood Control District	(48,000)
	48,000

Globe Miami San Carlos Water Study - Begins to gather data to develop strategies to meet the water needs for the communities. The study would address contaminated well water from mining and wells that run dry during the hot summers. Some of the water supplies that would be evaluated during this study are Central Arizona Project water, ground water, effluent, and reclaiming impaired water. This study would be looking at water quality and quantity issues and help to develop strategies to meet the water needs for the communities below Roosevelt Dam. The increase in funding is due to this being the first year of the study.

(FY 2008 - FY 2011)	120,000
Non-Federal - Various	(60,000)
	60,000

Mogollon Rim Water Resource Management Study - Continues coordination with Federal, state, local and tribal partners to address specific problems identified in the data analysis portions of the appraisal report. The study partners will complete the Hydrogeologic Framework for the study area and incorporate the information into the final study documents. The decrease in funding and one year extension of the study is due to realignment of work scheduling.

(FY 2003 - FY 2010)	136,000
Non-Federal - Various	(68,000)
	68,000

Nogales Area Water Storage Study - Continues appraisal level design and evaluation. Continues gathering and evaluating information regarding watershed issues, water resource evaluations and policy issues. Continues to develop detailed problem statement and drafting evaluation criteria and a list of alternatives that might be able to solve the identified problem. Potential water shortages on the watershed would affect farming, ranching, industrial, and municipal interests as well as damage the existing thriving riparian area. The study has been extended 2 years due to a revised work schedule.

(FY 2003 - FY 2009)	160,000
Non-Federal - Various	(80,000)
	80,000

Pinal County Water Resources Study - Begins the demonstration for advanced water treatment technology to treat water with high nitrate concentration and address water quality issues. The study is examining the overall groundwater quality, the possibilities of advanced water treatment, concentrate disposal, and possibly a demonstration project in the Pinal County area. The increase in the funding is due to a second year work activities associated with the study effort.

(FY 2007 - FY 2010)	120,000
Non-Federal - Various	(60,000)
	60,000

Salt River Valley Water Analysis and Resource Study - Begins data collection to determine if water storage availability is sufficient to supply Arizona's needs with respect to hydrologic cycles and water supply and demand during a sustained period of drought. The increase in the funding due to this being the first year of the study. (FY 2008- FY 2018)

	160,000
Non-Federal - Various	(80,000)
	80,000

Sierra Vista/Upper San Pedro Study - Continues analysis needed to evaluate alternatives and completes data gathering. A lack of comprehensive water resource management planning is causing economic and environmental problems in the watershed. The goal is to develop a water resource management plan that would balance water use by the City of Sierra Vista and Fort Huachuca against the needs of the San Pedro Riparian National Conservation Area. A long list of possible augmentation has been screened to a short list on the basis of effectiveness, implement ability, and cost. The next step is to proceed with in-depth evaluations (potential feasibility studies) of the short list of alternatives. The final objective of the study is to select one or more augmentation alternatives that would allow the area to meet its goal of sustainability of human and riparian needs. The increase in the funding is due to realignment of work scheduling.

(FY 2005 - FY 2011)	320,000
Non-Federal - Various	(160,000)
	160,000

Verde River Water Resources Study – Continues coordination with the Verde River Basin partnership to initiate the development of a cost-share agreement and Plan of Study for the Verde river basin. The Plan of Study will focus on examining a full range of problems associated with quantity and quality and developing a set of proposed alternatives which meet the needs and criteria set forth by the partnership. The increase in the funding is due to second year of the study with increased work activities.

(FY 2007 - FY 2012)	174,000
Non-Federal - Various	(87,000)
	87,000

Subtotal, Water and Energy Management and Development **$855,000**

Fish and Wildlife Management and Development:

Upper Gila River Watershed Restoration Program - Continues coordinating study efforts with other Federal, state, and local government agencies and stakeholders in Arizona and New Mexico. Continues analyzing potential biological constraints including endangered invasive species management, water budgets, and other issues related to proposed river management strategies and demonstration projects. The study was extended 4 years due to work and funding limitations, along with the complexity of the issues in the watershed. (FY 2000 - FY 2012) 120,000

Non-Federal - Graham County (60,000)

60,000

Subtotal, Fish and Wildlife Management and Development **60,000**

Reclamation Request **$915,000**

Southern Arizona Water Rights Settlement Act Project

LOCATION: San Xavier and Schuk Toak Districts of the Tohono O'Odham Nation, Pima County, Arizona.

DESCRIPTION/ JUSTIFICATION: This project includes work funded by Reclamation for construction of Southern Arizona Water Rights Settlement Act facilities. Project facilities authorized by the Act include rehabilitation of the San Xavier District Existing Farm and construction of irrigation distribution systems to service the Schuk Toak New Farm and the San Xavier District New Farm. The San Xavier Existing Farm rehabilitation, Schuk Toak New Farm and San Xavier New Farm projects are also funded under Central Arizona Project for that portion of the delivery systems which connect the on-reservation delivery systems to the Central Arizona Project. Other authorized work, such as the Tohono O'Odham Water Resource Inventory and Water Management Plan is also carried out under this project.

The Secretary of the Interior is required to deliver annually up to 16,000 acre-feet of water to the Schuk Toak District and 50,000 acre-feet of water to the San Xavier District of the Tohono O'Odham Nation at no cost to the Nation or Districts. The Act established the Cooperative Fund as a source of funds for the Secretary to meet these obligations. The Bureau of Indian Affairs administers the Cooperative Fund and funds are transferred to Reclamation to fund operational costs.

AUTHORIZATION: P.L. 85, Snyder Act, November 2, 1921 and P.L. 97-293, Southern Arizona Water Rights Settlement Act of 1982, October 12, 1982 as amended by P.L.108-451, the Arizona Water Settlements Act, December 10, 2004.

COMPLETION DATA: As of September 30, 2006, the entire project is 55 percent complete. This is a decrease from previous years due to the increase in total estimated cost from FY 2007 Budget Justifications. The authorizing Act required delivery to the Tohono O'Odham Nation to begin prior to October 12, 1992. Additional legislation extended the completion date by nine months. Schuk Toak New Farm was substantially completed in 2000 and the San Xavier Central Arizona Project-Link pipeline was substantially complete in June, 2001. The San Xavier Existing Farm Rehabilitation was substantially completed in FY 2007 and substantial completion of San Xavier Farm Extension is now scheduled for 2011. A scheduled completion of the San Xavier New Farm has been deferred until the San Xavier District Council holds an irrevocable election to decide whether to construct a new farm or to accept a cash payment settlement. This election is a provision of the Arizona Water Settlements Act. The Council is required to notify the Secretary of the Interior not later than 180 days after the enforceability date of the settlement act or by January 1, 2010, whichever is later.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$4,713,000	$4,445,000
Facilities Operations	0	0
Request	$4,713,000	$4,445,000
Non-Federal	500,000	0
Other Federal	5,768,982	6,231,966
Prior Year Funds	19,018	0
Total Program	$11,001,000	$10,676,966
Prior Year Funds/Other Federal	(6,288,000)	(6,231,966)
Total Reclamation Allotment	$4,713,000	$4,445,000

Total Construction Costs to be Allocated

	Total Estimated Cost 1/	Total to 9/30/06	FY 2007	FY 2008	Balance to Complete
Project Total	$72,962,000	$40,872,530	$4,713,000	$4,445,000	$22,931,470
Adjustments 2/	3,641,000	3,141,000	500,000	0	0
Total	$76,603,000	$44,013,530	$5,213,000	$4,445,000	$22,931,470

1/ Prior to FY 1997, construction costs for this settlement act's implementation activities, in excess of Central Arizona Project authorization, were funded from Bureau of Indian Affairs transfers as well as Reclamation appropriations under Indian Water Right Settlement Acts. Total obligations through September 30, 1997, from these other programs are $9,282,040.
2/ Contribution received from Pima County Flood Control District towards the flood control benefits being achieved by the construction of the San Xavier Farm Rehabilitation.

METHODOLOGY: The increase in the total estimated cost from the FY 2007 Budget Justifications is $8,272,000 which is a result of indexing and final costs and quantities on completed contracts.

APPROPRIATION CEILING: The Act does not provide an overall appropriation ceiling. However, Section 303 (a) (4) of the Act contains an appropriation authorization of $3,500,000 plus or minus indexing for those features of the project, which are not authorized to be constructed under any other provision of law. The San Xavier District and the remainder of the Schuk Toak District new farm will be constructed under the provision of the Snyder Act, which does not specify an appropriation ceiling.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

San Xavier Farm Extension, Effluent Utilization, and Water Management Plan - Begins farm extension planning, design, environmental compliance, and cultural resource surveys for the Farm Extension. Continues to develop, execute, and administer several contracts and agreements to utilize 28,200 acre-feet per year of effluent. Continues monitoring ongoing recharge and administer related groundwater credits. **$4,445,000**

Facility Operations -

Schuk Toak and San Xavier Water Delivery - Continues water delivery through the Central Arizona Project system, and administering payments for the Operation and Maintenance contract with the Nation and Districts to operate and maintain a 2.5 mile off-reservation pipeline used to deliver Central Arizona Project water to the Schuk Toak and San Xavier farms. 6,231,966

Other Federal - Bureau of Indian Affairs (6,231,966)

0

Reclamation Request **$4,445,000**

SEE APPENDIX FOR: Land Certification
Obligations by Function for Operating Projects
Summary of Irrigation Investment
Status of NEPA Compliance
Status of Water Service and Repayment Contracts

Southern California Investigations Program

LOCATION: Includes the counties of Imperial, Inyo, Mono, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura in California.

DESCRIPTION/JUSTIFICATION: The objective of this ongoing program is to help southern California entities identify cost-effective, reliable, local water supplies in order to become more self-reliant in addressing their existing and future water supply needs while reducing the pressure on imported water supplies. Southern California faces a critical situation where water demands exceed the dependable supply and imported supplies are becoming increasingly less reliable. Many water importers are experiencing increased competition from the environmental community as well as increased water demands from other areas in California and other states. Water supplies come from a number of sources, such as water imported from the Colorado River, the Sacramento-San Joaquin Delta of northern California, and other areas in California; locally developed surface supplies; groundwater; reclaimed wastewater; and seawater desalination. There is an interest in increasing and more effectively utilizing local sources of water, increasing the reliability of local water sources, improving water quality, and keeping water costs reasonable.

Reclamation's priorities in working with local entities is multi-faceted and includes, but is not limited to, promoting and implementing integrated water management initiatives, water conservation, drought management, local water supply enhancement, development of diverse water portfolios with appropriate entities, salinity management practices, brine management and disposal, water quality improvement, seawater desalination, wastewater reclamation and reuse, conjunctive use water supply opportunities, support of environmental restoration and enhancement, preservation and maintenance of natural treatment systems, technology transfer, flood management and safeguarding local water supplies. All of these priorities are being encountered in southern California. Reclamation has and would continue to demonstrate the ability to assist local entities in solving water supply problems while working with local stakeholders to reach mutually beneficial solutions.

AUTHORIZATION: The Reclamation Act of 1902, June 17, 1902; Migratory Bird Treaty Act of 1918, July 3, 1918; P.L. 101-233, North American Wetlands Conservation Act of 1989, October 13, 1989; and P.L. 102-575-Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act, October 30, 1992.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$406,000	$190,000
Request	$406,000	$190,000
Non-Federal	406,000	190,000
Prior Year Funds	50,130	0
Total Program	$862,130	$380,000
Prior Year Funds/Non-Federal	(456,130)	(190,000)
Total Reclamation Allotment	$406,000	$190,000

COST-SHARING: Los Angeles-San Gabriel Rivers Watershed Council, Los Angeles County Department of Public Works, City of Los Angeles, Water Replenishment District of Southern California, Metropolitan Water District of Southern California, Los Angeles County Sanitation Districts, California Department of Water Resources, and California Department of Transportation for the Los Angeles Basin County Watershed Study; City of San Diego, Department of Water Resources, County of San Diego, San Diego County Water Authority, and San Diego River Conservancy for the San Diego River Watershed Assessment Study; Santa Ana Watershed Project Authority, Eastern Municipal Water District, and other water interests in the area for the San Jacinto Watershed Water Quality, Supply and Environmental Enhancement Study; Fallbrook Public Utilities District, Rancho California Water District, Eastern Municipal Water District, San Diego County Flood Control District, Murrieta County Water District, and Riverside Flood Control and Water Conservation District for the Santa Margarita River Watershed Management Study.

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development -

Los Angeles Basin County Watershed Study - Completes work to use analytical tools to determine the location of demonstration sites to capture stormwater runoff and recharge local groundwater aquifers. Completes work to install demonstration project and finalize the monitoring for water quality, as wells as assess the impacts of reduction of run-off and water use, changes in property values, and other benefits. Completes the development of the regional approach for implementation of stormwater augmentation projects in southern California and other urban areas. The decrease in the funding is due to this being the last year of the study. (FY 2003 - FY 2008) $106,000

Non-Federal - Various (53,000)

53,000

San Diego River Watershed Assessment Study - Begins development of a groundwater model to identify recharge opportunities. Begins to analyze and determine the impacts to water quality associated with extensive groundwater extractions. Begins to coordinate with existing and historical groundwater, land use, and environmental resources data. Begins to develop a stakeholder strategy for identifying locations for projects to recharge water throughout the watershed and develop the tools which would help decision makers determine where, when, and how to recharge dry weather run-off, storm water run-off, and reclaimed water flows. The increase in the funding is due to this being the first year of the study.

(FY 2008 - FY 2012)	130,000
Non-Federal - Various	(65,000)
	65,000

San Jacinto Watershed Water Quality, Supply, and Environmental Enhancement Study - Completes and finalizes study that evaluates the water supply opportunities for municipal and agricultural management options. The decrease in the funding is due to this being the last year of the study.

(FY 2000 - FY 2008)	8,000
Non-Federal - Various	(4,000)
	4,000

Santa Margarita Watershed Management Study - Continues to refine the watershed model, Santa Margarita Watershed Analysis Risk Management Framework model (WARMF), to address the water quality issues and evaluate the effectiveness of the tool for determining the assimilative capacity of the Santa Margarita River and its ability to resolve long-term issues of effluent discharge to the river. Continues to work with the Regional Water Quality Control Board to participate in the establishment of new Total Maximum Dissolved Limits (TDML) for the Basin, use the WARMF model as a tool to re-analyze existing TMDL's, address the need for site specific objective basin amendments, and address the de-listing of the Santa Margarita Estuary. Funding has increased and the study has been delayed 2 years due to the complexity of the study. (FY 2002 - FY 2010)

	136,000
Non-Federal - Various	(68,000)
	68,000

Reclamation Request **$190,000**

Yuma Area Projects

LOCATION: These projects are located in western Arizona, southeastern California, and southern Nevada.

DESCRIPTION/JUSTIFICATION: The projects provide for operation and maintenance of Reclamation facilities from Davis Dam to the Southerly International Boundary with Mexico (approximately 276 river miles). Benefits provided by this project include irrigation, municipal and industrial water, flood and sediment control, recreation, and fish and wildlife. These facilities were constructed under the Colorado River Front Work and Levee System and Delivery of Water to Mexico Project. Delivery of Water to Mexico Project includes all activities necessary to meet the requirements of the 1944 Treaty with Mexico. The Yuma Area Projects also operate and maintain the river to deliver water to over 1 million acres of irrigable land in the United States and Mexico and to over 1,700,000 urban users in the United States and Mexico.

Program activities include operation and maintenance of the Colorado River channel and settling basins, river banklines, jetties, training structures, access roads, operating bridges, levees, flood ways, drainage and/or groundwater recovery wells and related carriage facilities, transmission lines and switchyard/substations, and operation and maintenance of fish and wildlife facilities. Also provided in the program are environmental investigations and studies to satisfy National Environmental Policy Act compliance and ensure the integrity of mitigation work. The program also provides for the operation and maintenance of reservoir facilities which include Imperial Dam, Laguna Dam, Senator Wash Dam, and Senator Wash Pumping/Generating Plant.

Water for the project is diverted from the All-American Canal to the forebay of the Siphon Drop Power Plant on the Yuma Main Canal, which then is distributed over the Valley Division and a portion of the Reservation Division. Some Reservation Division lands are served directly from turnouts on the All-American Canal above and below Siphon Drop. The Yuma Main Canal crosses underneath the Colorado River near Yuma in an inverted siphon to supply the West Main, Central, and East Main Canals of the Valley Division, which flow south and irrigate land to the Mexican border.

AUTHORIZATION: Reclamation Act of 1902, June 17, 1902 (Yuma Project approved by the Secretary of the Interior on May 10, 1904); P.L. 293, Yuma Auxiliary Project, January 25, 1917, as amended; P.L. 292, Second Deficiency Appropriation Act for 1924, Section 4 (The Fact Finders Act), December 5, 1924 (Gila Project approved by the President on June 21, 1937); P.L. 585, Colorado River Front Work and Levee System, March 3, 1925; P.L. 642, Boulder Canyon Project, December 21, 1928; P.L. 247, Interior Department Appropriation Act of 1948, July 30, 1947; P.L. 88-25, Delivery of Water to Mexico, May 17, 1963; P.L. 106-221, Wellton Mohawk Transfer Act, June 21, 2000; and P.L. 106-566, Conveyance to Yuma Port Authority, December 23, 2000. The projects were administratively consolidated into the Yuma Projects - with the approval of the appropriations committees in 1957.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Sustain Biological Communities and Deliver Water.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	$1,652,000	$1,652,000
Facility Operations	5,567,000	5,945,000
Facility Maintenance and Rehabilitation	15,513,000	15,312,000
Request	$22,732,000	$22,909,000
Non-Federal	50,000	50,000
Prior Year Funds	25,798	0
Total Program	$22,807,798	$22,959,000
Prior Year Funds/Non-Federal	(75,798)	(50,000)
Total Reclamation Allotment	$22,732,000	$22,909,000

WORK PROPOSED FOR FY 2008:

Water and Energy Management and Development - Continues regional and area office activities linked to preparation, development, and negotiation of Colorado River water entitlements/contracts and operation and maintenance contracts consistent with Colorado River water law. Continues power contract administration. Continues assistance to water districts and local resource agencies for research, field surveys, canal modernization, habitat and water conservation plans and measures. Continues assistance with public information and education programs. **$1,652,000**

Facility Operations - Continues water operations along the lower Colorado River. Continues scheduling water releases from Parker Dam for delivery of water to Mexican and American water users. Continues groundwater activities including operation of drainage wells for groundwater control. Continues collection of sediment samples. Continues well inventory program below Laguna Dam to identify non-contract users of Colorado River water. Continues water accounting program to measure and account for water deliveries, water use, and return flows. The increase is due to the award of two contracts to modernize administration of the river; Well Inventory Database Monitoring to account for water diversions along the Colorado River, and river modeling to upgrade and enhance the water scheduling processes from Parker Dam. 3,787,000

Continues operational activities for land resources along the lower Colorado River. Continues Geographic Information Systems administrative oversight and technical support. Continues land records maintenance, environmental audits, and mandated land management field reviews. Continues rights-of-way, utility crossing contracts, land resource inventories, trespass resolution, and hazardous materials surveys. 814,000

Continues fish and wildlife facility operations along the lower Colorado River, including environmental awareness and habitat oversight. Continues compliance with Federal and state environmental statutes and regulations as required. Continues support of water quality law and assessment of danger of contaminants to fish and wildlife habitat. Continues efforts toward containment of the invasive plant, Salvinia Molesta, within the river and canal systems. Continues research of new eradication/control techniques for Salvinia Molesta and more effective uses of existing techniques. 1,344,000

Subtotal, Facility Operations **5,945,000**

Facility Maintenance and Rehabilitation - Begins work to update photographic and topographic data of the Colorado River, from Davis Dam to the Southerly International Boundary and the Gila River. The data will aid in detecting and analyzing the changes in river characteristics and allow for proper planning

and project implementation. Continues ongoing infrastructure maintenance of the lower Colorado River system. These activities include: general maintenance of 684 miles of levee, bankline, access, and canal roads which results in blading 2,803 miles per fiscal year within seven river divisions and conveyance systems; conduct field investigations and minor repairs to more than 110 bridges; conduct semi-annual bankline and associated structure inspections; place rock riprap on deteriorating banklines, jetties, or training structures to maintain river stability; perform wash fan silt debris removal to aid in river navigation and improve recreational and commercial safety; inspect and conduct materials inventory of 59 rock and gravel stockpile sites; inspect quarry sites and conduct necessary fence and gate repairs. The decrease is due to a reduced amount of effort in bankline maintenance activities.

6,311,000

Continues sediment control along the river and within settling basins to ensure efficient water delivery to the United States and to Mexico. This activity includes surveying sediment distribution to develop specific scope of work, engineering design, disposal site determination and permitting, dredging, quality control inspections, and all necessary environmental work. Continues work on the restoration of the old river channel behind Laguna Dam due to equipment and environmental delays. The decrease is due to equipment and environmental delays on the restoration of the old river channel behind Laguna Dam.

131,000

Begins work on upgrading the equipment wash rack and carwash to meet state and federal environmental requirements. Begins placement evaluation of groundwater wells to monitor, measure and control groundwater in the Yuma area. Additional groundwater wells are needed to augment the existing groundwater monitoring requirements and to provide relief from high groundwater. Continues final design, environmental compliance activities and award contract to reconstruct the Drainage Pump Outlet Channels to meet new operational requirements associated with the new groundwater management system. Continues well-field and conveyance channel facilities maintenance. These activities include: preventive maintenance on mechanical and electric structures including pump removal and replacement of four wells; conduct preventative maintenance on conveyance channels including sediment removal, gate and concrete repairs; monitor, test, and maintain observation wells. Continues groundwater mapping to aid long-and short-term goals in managing the aquifer. Continues inspections and maintenance of dams and other structures to monitor and preserve facility reliability. Continues maintenance of area and field offices. Facility maintenance activities include roofing, painting, HVAC, electrical, structural, security, plumbing, vehicle parking, roads, storm water run-off, fire protection system, lab equipment, and lawn and pest management of the Yuma Area Office, warehouse, heavy equipment shop and other supporting buildings, as well as the Laguna and Ehrenberg Field Offices. The increase is due to contract award of the reconstruction of the Drainage Pump Outlet Channels to allow additional flexibility in the groundwater management program. 8,920,000

Non-Federal: Yuma Cogeneration Association (50,000)

8,870,000

Subtotal, Facility Maintenance and Rehabilitation **15,312,000**

Reclamation Request **$22,909,000**

SEE APPENDIX FOR: Obligations by Function for Operating Projects

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