



GC0009 09

OREGON WATER RESOURCE DEPARTMENT
WATER CONSERVATION, REUSE AND STORAGE
GRANT PROGRAM

Project Name: Smith Ditch Water Delivery Conservation Project

SEP 02 2008

Type of Grant Requested: [X] Water Conservation [] Reuse [] Above Ground Storage [] Storage Other Than Above-Ground [Including Aquifer Storage and Recovery (ASR)]

WATER RESOURCES DEPT SALEM, OREGON

Program Funding Dollars Requested: \$ 25,000 Total cost of planning study: \$ 95,000
Note: Request may not exceed \$500,000

Table with 2 columns: Applicant Name, Organization, Address, Phone, Fax, Email and Co-Applicant Name, Organization, Address, Phone, Fax, Email.

Table with 2 columns: Fiscal Officer Name, Organization, Address, Phone, Fax, Email and Principle Contact, Organization, Address, Phone, Fax, Email.

Certification:

I certify that this application is a true and accurate representation of the proposed work for a project planning study and that I am authorized to sign as the Applicant or Co-Applicant. By the following signature, the Applicant certifies that they are aware of the requirements of an Oregon Water Resources Department grant and are prepared to implement the project if awarded.

Applicant Signature: [Signatures] Date: 8/29/08

Print Name: Mike Williams / Mike Trindle Title: BVSWCD Director/Smith Ditch Director

Please give a brief summary of the planning study using no more than 150 words.

The Smith Ditch is an 18 miles long open irrigation ditch. The loss factor is high, as much as 40+%. The route includes a portion of the ditch is located in a live slide area. There is 600 feet of tunnel in close proximity to the neighborhoods of Baker City and about 2 miles of the ditch runs though the city limits of Baker City. This is an attractive nuisance and possible danger to the residents in the area.

IV. Grant Specifics

Section A. Common Criteria

Instructions: Answer all questions in this section by typing the answer below the question. It is anticipated that completed applications will result in additional pages.

1. Describe how the planning study will be performed. Include:

- a. A description of the planning schedule/timeline, which includes identifying all key tasks. (Section VI provides an opportunity for a “graphical” representation of the schedule.)

August 2008 - Task #1 Landowner and Stakeholders meeting to define the goals and outcomes of the project

September 2008 - Task #2 Grant Application to OWRD

October 2008- Task #3 Grant Application to OWEB

March 2009 – Task #4 Hire Engineering/Consulting Firm

April 2009 – Task #5 Conduct a Survey along the Powder River to determine points of diversion and alternative points of appropriation

July 2009 – Task #6 Engineer will provide the steering committee the best alternatives for water delivery, cost estimate and cost benefit Analysis

August 2009 – Task #7 Meet with Stakeholders and determine the best Alternative

September 2009 – Task #8 Apply for Project Implementation/Construction Funding

- b. When the planning study could begin.

Approximately March 2009- When all grant funding is thought to be allocated.

2. Provide a description of the relevant professional qualifications and/or experience of the person(s) that will play key roles in performing the planning study. If the personnel have not been decided upon, include a description of the professional qualifications and/or experience of the person(s) you anticipate will play key roles in performing the planning study.

The entity should have professional engineering skills which will allow them to define the needs and provide solutions for the problems facing the ditch users. There will be a need for providing easements for the the distribution system. The necessary systems, i.e. pumping stations, mainlines, boosters, pipeline routing and laterals must all be identified. There must be some cost estimates provided for facilitating these operations. A steering committee will be formed in order to direct this project in the direction of the water users wants. The steering committee will be composed of landowners, water users, and other agencies that will be associated with or be/are affected by the Smith Ditch This committee will be constructed in this fashion in order to capture local/historical, biological, economical and legal knowledge.

3. What local, state or federal project permitting requirements/issues do you anticipate in order for the planning study to be conducted?

None.

4. Are permits/governmental approvals required for the planning study? If yes, indicate whether you have obtained the necessary permits/governmental approval. If you have not obtained the necessary permits/governmental approval, describe the steps you have taken to obtain them.

No

5. Describe your goal (which must be based on evaluating the feasibility of developing a water conservation, reuse or storage project) and how this study helps to achieve the goal.

The goal of the project is to eliminate the need for the 18 miles of open ditch and the dangers of failure associated with it while conserving water and providing a more efficient irrigation water conveyance system. Eliminating the Smith ditch would provide more water to the Powder River system. Theoretical Alternatives within this project include a new diversion structure, eliminating the old open ditch, installing a pressurized pipeline, installing rock weirs for fish, and seeding/weed control for disturbed areas. This study would help achieve this goal by formulating ideas and alternatives for this system which needs to be changed. The study would act as the building blocks needed to continue onward to project implementation, construction and change.

6. Describe the technical aspects of the planning study and why your approaches are appropriate for accomplishing the goal of the planning study.

The technical aspects will be to hire an engineering firm capable of producing this planning study in a fashion which will create a realistic idea while taking into account the aforementioned safety, conservation and efficient system for conveyance and distribution of water for the Smith Ditch users. Some technical aspect alternatives are listed below:

- The Smith Ditch diversion would be fully removed and not replaced. A new diversion structure would replace the existing diversion structure that is at the head of the Corral Ditch on the North end of Baker City.*
- A pressurized pipeline and pump system would be installed at some point of the Corral Ditch to provide water to the northern existing Smith Ditch users. This would eliminate the old ditch, the 40 percent water lost from ditch loss, decrease the sediment input into the system, reconnect the water system above/below the ditch, remove the constant ditch maintenance/danger of breakage and act as a better conveyance system for water delivery while adding more water to the river.*
- The Corral Ditch currently is a flat ditch that effectively handles the water that is ran through it now. With another 65 cfs from the Smith Ditch to provide to the water users, the Corral Ditch would need some alterations to handle the additional volume.*
- Rock weirs would be placed within River Miles 112 and 120.5 of the Powder River to help with fish passage. These rock weirs would provide cover, holding areas/aquatic habitat and improved passage for fish by concentrating low flows in the flat-bottomed channel into a narrower, deeper channel.*

7. Describe the level of involvement, interest and/or commitment of different entities associated with the planning study (attach letters of support). Describe how these entities will benefit or be impacted by the planning study.

First, Baker City residents interest in this project is to create a safer environment for those who live under the ditch alignment. There was a significant break in the ditch above the homes of several Baker City residents in August, 2003. Subsequent to that moment there has been much continued interest in the Smith Ditch by Baker City Administration, and the citizenery.

The Baker Valley Irrigation District wants all their systems as efficient and conservation minded as is possible. They are committed to seeing Smith Ditch becoming more efficient and reliable as well as conserving water.

Baker County is also a supporter. There is a great deal of Baker County property involved in both the transmission of the water as well as the use. Again, the transmission jeopardizes Baker County roads and property. Baker County wants for the safety of their citizens and property.

We expect support from the Oregon Department Fish and Wildlife for the sake of improved stream flows, fish passage and screening.

Oregon Water Resource Department will support the improved efficiency, measuring and diversion.

U.S. Fish and Wildlife Service, Oregon Department of Agriculture, Bureau of Reclamations, Natural Resource Conservation Service will also be key players with technical support and implementation of this project

Section B. Unique Criteria

Instructions: Answer the set of questions below that applies to the type of planning study that this grant will fund.

Water Conservation or **Reuse**

1. Water Conservation or Reuse projects that may result from this planning study are requested to be included in the Water Resources Department's "Inventory of Potential Conservation Opportunities". Though you may have already submitted this information earlier in the year through a separate survey, we ask that all applicants complete the information on the form provided at the end of this application.
 I have filled out the application or I have not filled out the application.
2. Describe the water supply need(s) that the project associated with the planning study is intended to meet. Applicant should reference supporting documentation that would be available upon request.
3. *Currently, the water supply needs that the project associated with this planning study is intended to meet are irrigation, recreation, fish/wildlife, aesthetics, and vegetation. The ditch is 18 miles long and runs at 65 cfs.*
Irrigation-There are 17 users that use the ditch which serves 2600 acres.
Fish/Wildlife/Recreation-There are 10 miles of stream that will have 65 cfs returned to the river for habitat, cover and connectivity of different species.
Aesthetics/Vegetation-The added quantity of water left in the system will benefit the vegetation's vigor and health throughout the system which will add to the aesthetic
4. Explain how the associated project will mitigate the need to develop new water supplies and/or use water more efficiently. Reference documentation and/or examples of the success of similar or comparable water conservation/reuse projects that would be available upon request.
The new methodology will need to provide considerably less than the allowed amount. The difference being that there will be no transmission loss in the proposed pipe line projects. This will use conserve water by using it more efficiently through the elimination of the ditch.
5. Explain how the project associated with the planning study will meet the water supply need(s), and indicate what percentage of that need will be met. (For example: If your water supply need is 20,000 acre-feet of additional water and the project will supply 10,000 additional acre-feet, 50% of your need will be met).
The proposal will allow development of 100% of the need for the irrigation of the land. The current system provides an adequate supply most of the time. The difference will be reliability and no transmission loss, which amounts to between 20 and 40 percent of the initial flow in the ditch. The transmission loss differential depends on the quantity in the ditch. The more there is in the ditch the higher the percentage of loss. It also depends on how well the ditch is maintained and how bad the moss growth is in the ditch.
6. Provide data and information on the associated project and the project's sources of water supply:
 - a. The location of the associated project. (Include the basin, county, township, range and section.)
The sources of water supply on this project are Powder River natural flow and Phillips Reservoir storage. The location of the associated project is within the Powder Basin, Powder

River Subbasin, in Baker County starting at T10S R40E Section 19 the Smith Ditch point of diversion and ends at T8S R41E Section 31 the end of the Smith Ditch use.

- b. The name(s) and river mile(s) of the source water and what they are tributary to, if applicable.

Powder River from mile 128 through 0. The reasoning is the natural flow not needed by this water right will remain instream until it is called by another need which may not happen until the water gets to the Snake River. Phillips Reservoir releases from mile 128.5 through 111.0. This is from the reservoir river mile to the last possible point of diversion for irrigation.

- c. Environmental flow needs and water quality requirements of supply source water bodies and water bodies downstream of associated and/or affected return flows.

The Environmental flow needs include supporting Aquatic life through an instream right by the Oregon Water Resources Department from Phillips Reservoir at RM 139.5 to the Smith Ditch at RM 128.1. There is also a section of Wild and Scenic River from Thief Valley Reservoir at RM 69 to the Dolby Dam at RM 59. This Wild and Scenic section of river has certain attributes that are associated with it that cannot be altered. There are water quality requirements that are stated within the Ag Water Quality Management Plan for the Baker Valley watershed.

- d. Reliance on return flows by downstream water right holders.

There is no apparent reliance on return flows by downstream water right holders. The whole project is within the boundaries of the Baker Valley Irrigation District, who administers and distributes all the flows within the district. They are in approval of this project.

V. Match Funding Information

Applicants must demonstrate a minimum dollar-for-dollar match based on the total funding request. The match may include a) secured resources, b) previously expended resources, and/or c) pending resources. For secured funding, you must attach a letter of support from the match funding source that specially mentions the dollar amount shown in the "Amount/Dollar Value" column. For pending resources, documentation showing a request for the matching funds must accompany the application. For resources that have been previously expended, the expenditure must have occurred on or after July 1, 2005. Resources expended prior to July 1, 2005 are not eligible for match purposes.

| The Type of matching funds may include: | The Status of matching funds may include: |
|---|---|
| <ul style="list-style-type: none"> The value of in-kind labor, equipment rental and materials essential to the planning study provided by the applicant or partner*. | <ul style="list-style-type: none"> Secured funding commitments from other sources. |
| <ul style="list-style-type: none"> Cash is direct expenditures made in support of the planning study by the applicant. | <ul style="list-style-type: none"> Associated and documented expenditures for the planning study from non-program sources incurred on or after July 1, 2005. |
| | <ul style="list-style-type: none"> Pending commitments of funding from other sources. In such instances, Department funding will not be released prior to securing a commitment of the funds from other sources. Pending commitments of the funding must be secured within 12 months from the date of the award. |

*"Partner" means a non-governmental or governmental person or entity that has committed funding, expertise, materials, labor, or other assistance to a proposed planning study. OAR 690-600-0010.

| Match Funding Source (if in-kind, briefly describe the nature of the contribution) | Type (✓ One) | Status (✓ One) | Amount/ Dollar Value | Date Match Funds Available (Month/Year) |
|--|--|--|-------------------------|--|
| <i>Oregon Watershed Enhancement Board</i> | <input checked="" type="checkbox"/> cash <input type="checkbox"/> in kind | <input type="checkbox"/> secured <input type="checkbox"/> expended <input checked="" type="checkbox"/> pending | \$50,000 | April 09 |
| <i>Baker Valley Soil and Water Conservation District project - Technical and administrative</i> | <input type="checkbox"/> cash <input checked="" type="checkbox"/> in kind | <input checked="" type="checkbox"/> secured <input type="checkbox"/> expended <input type="checkbox"/> pending | \$10,000 | April 08 |
| <i>City of Baker City - Technical Support</i> | <input type="checkbox"/> cash <input checked="" type="checkbox"/> in kind | <input checked="" type="checkbox"/> secured <input type="checkbox"/> expended <input type="checkbox"/> pending | \$5,000 | April 08 |
| <i>Smith Ditch District Improvement Company - Landowner/Stakeholders meeting and Technical support</i> | <input type="checkbox"/> cash <input checked="" type="checkbox"/> in kind | <input checked="" type="checkbox"/> secured <input type="checkbox"/> expended <input type="checkbox"/> pending | \$5,000 | April 08 |
| | <input type="checkbox"/> cash <input type="checkbox"/> in kind | <input type="checkbox"/> secured <input type="checkbox"/> expended <input type="checkbox"/> pending | | |
| | <input type="checkbox"/> cash <input type="checkbox"/> in kind | <input type="checkbox"/> secured <input type="checkbox"/> expended <input type="checkbox"/> pending | | |
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| | <input type="checkbox"/> cash <input type="checkbox"/> in kind | <input type="checkbox"/> secured <input type="checkbox"/> expended <input type="checkbox"/> pending | | |

VI. Project Planning Study Schedule

Estimated Project Duration: April 1, 2008 to June 1, 2011

Place an "X" in the appropriate column to indicate when each element (key task) of the project will take place.

| Project Planning Study Element (Key Tasks) | 2009 | | | | 2010 | | | | 2011 & Beyond |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|---------------------|
| | 1 st Qtr | 2 nd Qtr | 3 rd Qtr | 4 th Qtr | 1 st Qtr | 2 nd Qtr | 3 rd Qtr | 4 th Qtr | |
| <i>Hire an Engineerin/Consulting Firm</i> | | X | | | | | | | |
| <i>Landowners/Stakeholders meeting to determine goal</i> | | X | | | | | | | |
| <i>Condusect a Survey/Sudy along the Powder River to determine points of Diversion and alernative points of appropriation</i> | | X | X | | | | | | |
| <i>Engineer will provide the steering committee the best alternatives for water delivery, cost estimate and cost benefit analysi</i> | | | X | | | | | | |
| <i>Landowners/Stakeholders meeting to present project plans and gain approval</i> | | | | X | | | | | |
| <i>Engineering will provide the Steering committee with preliminary desgins</i> | | | | X | | | | | |
| <i>Seek Funding for Implementation Phase</i> | | | X | X | X | X | | | |
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VII. Project Planning Study Budget

Section A

Please provide an estimated line item budget for the project planning study. An example would include: labor, materials, equipment, contractual services and administrative costs.

| Line Items <i>Note: Administrative costs may not exceed 10% of the total funding requested by the Department.</i> | Unit Number (e.g. # of hours) | Unit Cost (e.g. hourly rate) | In-Kind Match | Cash Match Funds | OWRD Grant Funds | Total Cost |
|---|-------------------------------|------------------------------|---------------|------------------|------------------|------------|
| Technical Support/Site Scoping | | | \$15,000 | | | \$15,000 |
| Landowners Meeting/Social Engineering | | | \$5,000 | | | \$5,000 |
| Engineering/Consulting Firm Contract for Topographical Survey&Field Work to provide alternatives and preliminary designs of final project | | | | \$46,000 | \$23,000 | \$69,000 |
| | | | | | | |
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| | | | | | | |
| | | | | | | |
| Administrative Costs | | | | \$4,000 | \$2,000 | \$6,000 |
| Total for Section A | | | \$20,000 | \$50,000 | \$25,000 | 95,000.00 |
| Percentage for Section A | | | 21% | 53% | 26% | 100% |

Section B

If Grant amount requested is \$50,000 or greater, you **MUST** complete Section B. Elements (key tasks) in Section B should be the same as the elements (key tasks) in Section VI (Project Planning Study Schedule).

| Project Planning Study Element (Key Tasks) | In-Kind Match | Cash Match Funds | OWRD Grant Funds | Total Cost |
|--|---------------|------------------|------------------|------------|
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| Total for Section B | | | | |

Totals in Section B must match the totals in Section A

Request to be added to the Oregon Water Resources Department's
Inventory of Potential Conservation Opportunities

The purpose of this inventory is to catalogue potential conservation projects that water users themselves have identified but not yet pursued because of financial, institutional, or other barriers. For the purpose of this application, water storage other than above-ground are included as conservation opportunities and are most likely capital conservation projects.

As a water provider or user, you know your water demands and water conservation opportunities better than anyone. We would appreciate your assistance with this important data collection effort by completing this survey. Your participation will help provide the building blocks we need to begin to identify and achieve potential future water supplies. Please answer the questions as completely as possible, to the best of your ability. We appreciate your help with this important effort.

This inventory of already-identified, potential conservation projects includes both capital and programmatic projects. Capital projects are defined as one-time, large investments resulting in water savings. Examples include reclaimed water plants, reservoir covering, transmission line upgrades reducing leaks, or industrial engineering modifications to re-use process water. Programmatic projects are defined as ongoing investments resulting in water savings. Examples include facilitating upgrades to more efficient water using devices (e.g., distributing free showerheads, toilet rebates) and distribution system leak detection programs. The conservation inventory is primarily intended to include “planned” projects rather than projects that are currently being implemented. However, currently active programmatic projects may be listed if they will continue or expand in future years. The inventory of projects submitted will be compiled by county or basin.

Examples are provided below.

| | Example Capital Conservation Project | Example Programmatic Conservation Project |
|--|---|--|
| Project Description Provide brief sentence | Line 3 miles of unlined ditch. | Toilet rebate program for residential customers |
| Estimated Future Savings Provide brief sentence, including information regarding savings seasonality. | 20 acre feet of water per year | If we spend our full budget each year, we estimate 50,000 gallons of water save per year |
| Seasonality Indicate what part of the year savings are generated (e.g. year-round; summer only; etc.). | Peak (irrigation) season savings. | Savings should occur throughout the year. |
| Estimated Future Costs Provide brief sentence. | \$500,000 total project costs. | \$40,000 a year. |
| Implementation Schedule Provide brief sentence. | Not set. Have conducted cost and savings estimate, but still seeking funding. | We started the program in 2005 and plan to implement until 2015. |
| Project Funded? Designate either “yes”, “no”, or provide brief sentence if necessary | No. Pursuing grant funding. | Yes. IN our CIP through the next 5 years. |

To add a project to the inventory of potential conservation opportunities, please provide the following information for each conservation project.

| | |
|---|---|
| This is a <input checked="" type="checkbox"/> Capital Conservation Project <input type="checkbox"/> Programmatic Conservation Project | |
| Project #/Name | Estes Ditch Improvement Project |
| Project Description | Pipe 4.5 Mile of an open existing ditch, converting from flood irrigation to sprinkle and provide a livestock watering system with continuous flow facilities that return to the system |
| Estimated Future Savings | 1,500 Acre feet of water per year |
| Seasonality | Year round, peak during irrigation season off-peak stockwater |
| Estimated Future Costs | 1.5 million |
| Implementation Schedule | Fall 2009, Survey and Design is underway |
| What are the barriers to implementation, e.g. funding? | Funding |
| This is a <input checked="" type="checkbox"/> Capital Conservation Project <input type="checkbox"/> Programmatic Conservation Project | |
| Project #/Name | Baker City Waste Water Reuse Project |
| Project Description | Develop and implement a project that would clean and reuse the city waste water |
| Estimated Future Savings | Resue of 1,150 acre feet of water per year |
| Seasonality | Year round |
| Estimated Future Costs | 4.3 million |
| Implementation Schedule | Not set but must occur in the next 5 years, feasibility study has been conducted |
| What are the barriers to implementation, e.g. funding? | funding, environmental impact, public support |

- Include this form with your application -



City of Baker City, Oregon

P.O. Box 650 • Baker City, OR 97814-0650

541-523-6541 Voice/TDD • 541-524-2049 FAX

"The Northwest's Premier
Rural Living Experience"

April 23, 2008

Oregon Watershed Enhancement Board
775 Summer St. NE, Ste. 360
Salem OR 97301-1290

Re: Grant Support for Baker Valley Soil & Water Conservation District

To Whom It May Concern:

The City Council of the City of Baker City recently considered a request from Laurie Owens of the Soil and Water Conservation District to support a grant for technical assistance. The Council voted unanimously to endorse the project and is interested in being part of the solution to a challenging problem facing our community.

The Smith Ditch has traversed through Baker City for years and there is a need to develop a better, safer way to transmit the water to those affected properties. Water resources are limited and finding a way to eliminate loss through leakage is important. It is encouraging to see SWCD working with all stakeholders to facilitate improvements.

Again, the City of Baker City is committed to assisting with the project and is supportive of a grant for technical assistance to start the process.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Brocato", is written over a horizontal line.

Steve Brocato
City Manager



August 28, 2008

Fred Warner Jr.
Commission Chair
fwarner@bakercounty.org

Baker Valley Soil & Water Conservation Dist.
Laurie Owens, District Manager
3990 Midway Drive
Baker City, OR 97814

Tim L. Kerns
Commissioner
tkerns@bakercounty.org

Dear Laurie,

Carl E. Stiff, M.D.
Commissioner
cstiff@bakercounty.org

The Baker County Board of Commissioners endorses the Baker Valley Soil & Water Conservation District (SWCD) technical assistance grant from the Oregon Watershed Enhancement Board for an improved water conveyance system for the Smith Ditch, which diverts water from the Powder River.

The Smith Ditch presents a significant hazard to parts of the City of Baker and other properties situated in the County. It is also a prime economic driver for the Ag community because of the number of acres of high value cropland which utilize the water.

The Board of Commissioners believes this project is critical due to its high liability and effect on stakeholders. We will work with the many entities to obtain the required matching funds for the project. If you have any questions, please contact my office at 541-523-8200. Thank you.

Sincerely,

Fred Warner, Jr., Chairman
Baker County Commissioners

**Baker Valley Irrigation District
3895 10th Street
Baker City, OR 97814 • 541-523-5451**

August 28, 2008

Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

Re: Smith Ditch Water Delivery Improvement Project

To Whom It May Concern:

The Baker Valley Irrigation District fully supports the Smith Ditch Water Delivery Improvement Project and the Baker Valley Soil and Water Conservation District's effort to obtain funding for a feasibility study.

Historically, the Smith Ditch has experienced multiple failures due to the proximity of the ditch and the barriers associated with ditch maintenance. Throughout the 18 mile of ditch there is a 30 to 40 percent loss of irrigation water. The Baker Valley Irrigation District would like to find an alternative delivery system that would enable the irrigation district to leave more water in the reservoir for future use and conservation. In addition by moving the point of diversion downstream 10 miles, the project will enhance the overall health of the Powder River system.

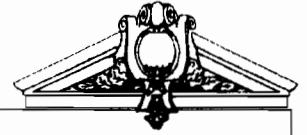
The district also believes that finding an alternative to the open ditch system would alleviate safety concerns that are associated with the current system.

The Baker Valley Irrigation is in full support of this project and will provide whatever technical support is needed to make this endeavor a success. If you have any questions, please contact me at (541) 519-5534.

Sincerely,



Jeff Colton, District Manager
Baker Valley Irrigation District



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Fax (541)889-7705

Reply to Baker Office

August 29, 2008

Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

RE: Smith Ditch District Improvement Company, Inc.

Smith Ditch District Improvement Company, Inc. is a corporation organized under Chapter 554 of the Oregon Statutes. Its primary purpose is maintaining a ditch for delivery of water to various water users in and around Baker City, Oregon.

The company is investigating various alternative delivery systems rather than the existing ditch. This is primarily due to substantial amounts of water loss due to evaporation and other causes during the approximately 14 mile long ditch.

The district would like to consider these alternatives for simplification of delivery and also for enhancement of water and fisheries.

The company has passed resolutions in favor of an alternative delivery system and of undertaking feasibility studies. The company, and its members, will contribute to the project by supplying in-kind services to the greatest extent possible in the approximate amount of \$5,000.00.

The company believes that a potential alternative delivery system would be beneficial not only to the members, but also to the water quality and to the fisheries in the area, and they strongly support the potential project.

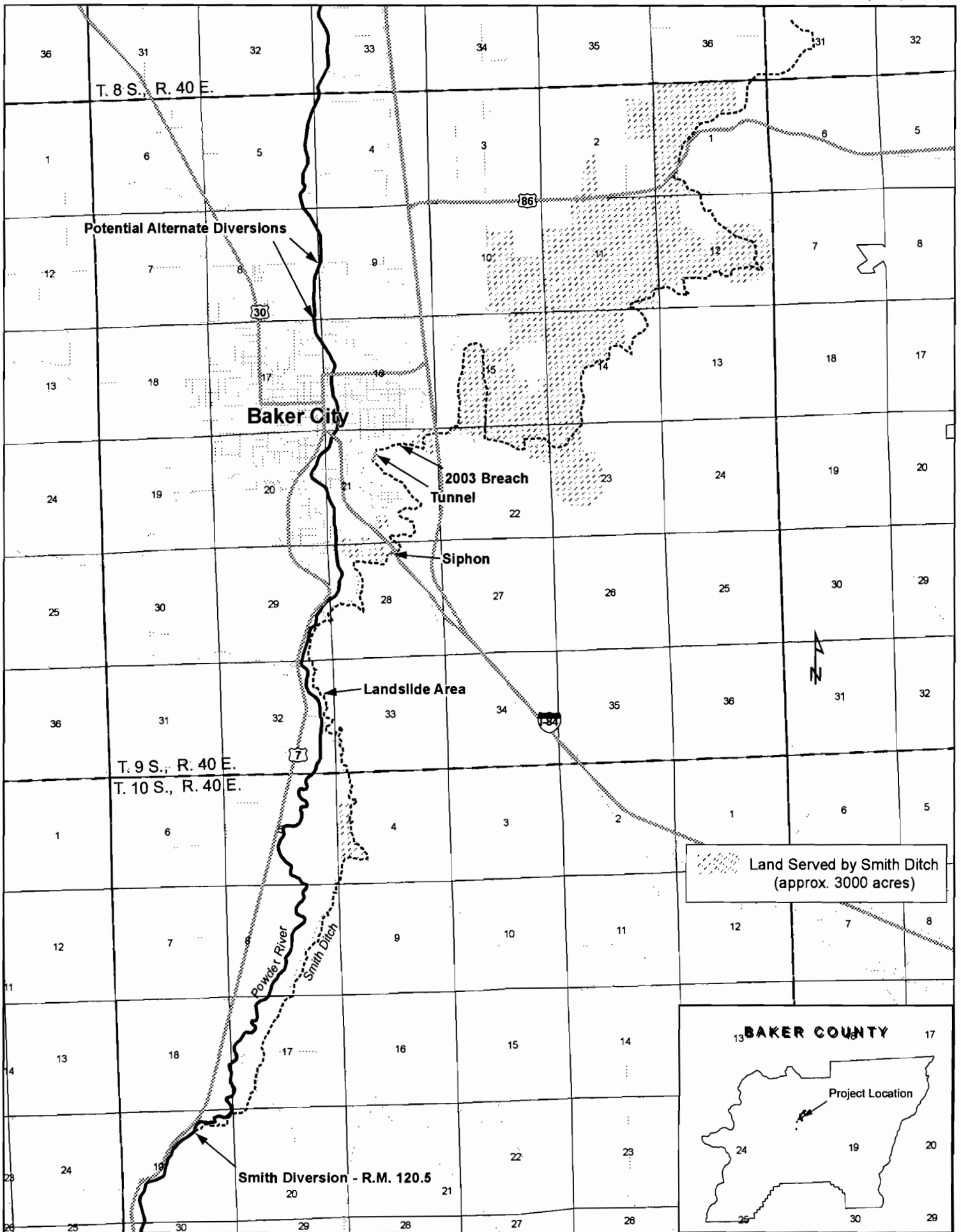
Thank you very much for your consideration.

Very truly yours,

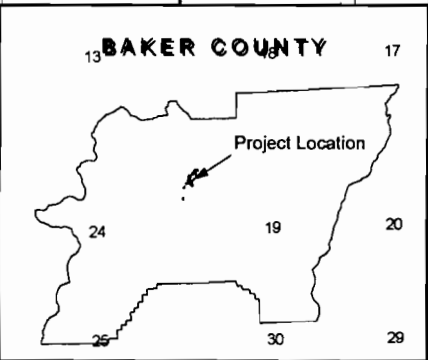
Mike Trindle
Director & President
Smith Ditch District Improvement Company, Inc.

Smith Ditch

0 1,200 2,400 4,800 1 Feet
1 inch equals 5,782.2 feet



Land Served by Smith Ditch (approx. 3000 acres)



SMITH DITCH WATER DELIVERY



CONSERVATION PROJECT