Memorandum

To: Idaho Water Resource Board

From: Cynthia Bridge Clark

Date: September 8, 2019

Re: Boise River Basin Feasibility Study

REQUIRED ACTION: Consider IWRB resolution to commit additional funding for completion of the feasibility study to maintain current project schedule.

Reclamation and IWRB staff will provide an update on the progress of the Boise River Basin Feasibility Study. In addition, Reclamation is seeking additional funding from the IWRB to address projected study cost overruns.

The following materials are included for review and discussion at the September regular IWRB meeting:

1) Boise River Basin Feasibility Study status memorandum (Bureau of Reclamation).
2) Boise River Basin Feasibility Study project cost increase memorandum (Bureau of Reclamation).
3) Draft IWRB resolution to approve additional funding for the feasibility study.

United States Department of the Interior

BUREAU OF RECLAMATION
Pacific Northwest Region
Snake River Area Office
230 Collins Road
Boise, ID 83702-4520

IN REPLY REFER TO:

SRA-1304
2.2.4.21

September 6, 2019

Mr. Roger Chase
Chairman
Idaho Water Resource Board
322 East Front Street
Boise, ID 83702

Mr. Roland Springer
Area Manager
Snake River Area Office
230 Collins Road
Boise, ID 83702

Subject: Boise River Basin Feasibility Study Status Update, Boise Project, Idaho

Dear Messrs. Chase and Springer:

This status update is being sent in preparation for the Idaho Water Resource Board (IWRB) meeting on September 19 and 20, 2019.

The IWRB and the Bureau of Reclamation have partnered to complete a feasibility study of new surface water storage options on the Boise River (Study). The Study includes an evaluation of small raises of the three large dams on the Boise River system: Anderson Ranch, Arrowrock, and Lucky Peak Dams, and is now focused on Anderson Ranch Dam.

Current Status

- Reclamation received the final installment payment of $500k under the current October 2017 Memorandum of Agreement from the IWRB in August. Reclamation will discuss project costs and projections at the September IWRB meeting.
- Recent project activities include:
    - August 9, 2019 – Notice of Intent published in the Federal Register announcing Reclamation's intent to complete an Environmental Impact Statement (EIS) for the proposed raise of Anderson Ranch Dam.
    - August 27-29, 2019 – Public Scoping Open Houses held in Pine, Boise, and Mountain Home, Idaho, to solicit public information and input on the proposed raise of Anderson Ranch Dam.

- August 30, 2019 – Feasibility Study task order awarded to Consultant for remaining feasibility study work, including design and estimating reservoir rim modifications, economics and cost-allocation analysis, and Feasibility Report drafting.

- Ongoing project activities include:
  - Reclamation and Consultant conducting environmental compliance analyses and consultations in accordance with Secretarial Order 3355. The Draft EIS is tentatively scheduled to be released in February 2020.
  - Reclamation and Consultant working to complete remaining design and cost estimating, benefits and cost analyses, and feasibility report. The Draft Feasibility Report is tentatively scheduled to be released in February 2020.
  - Reclamation and IWRB reviewing authorities and discussing the approach for identifying potential spaceholders and contracting for space.

Key Milestones

Nov 2017 - Jan 2019	Reclamation completed initial screening of the three potential dam raise alternatives and developed the Project Management Plan.
July 27, 2018	IWRB passed a resolution supporting the narrowed focus of the Study to a raise at Anderson Ranch Dam.
August 28, 2018	Reclamation and IWRB hosted a Legislative Infrastructure Tour to discuss large water infrastructure projects in Idaho with representatives from Idaho's Congressional delegation.
November 8, 2018	Reclamation and IWRB hosted an informational public open house on the Study in Boise, Idaho.
December 3-7, 2018	Reclamation conducted a Value Planning Study with a final Accountability Report received in February 2019.
December 25, 2018	Reclamation awarded an Indefinite Delivery/Indefinite Quality contract for architect and engineering services to Sundance-EA Joint Venture (Consultant) to complete the Study and environmental compliance activities.
April 30, 2019	Consultant submitted land, structure, infrastructure, and real estate impact assessment (Rim Analysis) Anderson Ranch Reservoir.
June 7, 2019	IWRB filed a water right permit application for the potential additional storage (Water Right No. 63-34753).
June 19, 2019	Reclamation's Technical Service Center completed feasibility-level design and cost estimates completed for Anderson Ranch Dam raise.
August 9, 2019	Reclamation published the Notice of Intent for an EIS in the Federal Register.
August 27-29, 2019	Reclamation conducted Public Scoping Open Houses in Pine, Boise, and Mountain Home, Idaho.
February 2020	Draft Feasibility Report and Draft EIS release.
February 3-7, 2020	Reclamation design, estimate, and construction review of the alternatives.

February 2020	Draft EIS Public Comment meetings in Mountain Home and Boise, Idaho.
July 2020	Final Feasibility Report and Environment Impact Statement release.
July 2020 - Aug 2020	Department of the Interior review and approval of the recommended plan.

Thank you for this opportunity to provide an update on the Boise River Basin Feasibility Study project. If you have any questions, please contact me at 208-383-2222 or via email at msloan@usbr.gov.

Sincerely,

Megan Sloan
Project Manager

United States Department of the Interior

BUREAU OF RECLAMATION
Pacific Northwest Region
Snake River Area Office
230 Collins Road
Boise, ID 83702-4520

SEP 0 6 2019

IN REPLY REFER TO:

SRA-1304
2.2.4.21

Mr. Roger Chase
Chairman
Idaho Water Resource Board
322 East Front Street
Boise, ID 83702

Subject: Boise River Basin Feasibility Study, Project Cost Increase, Boise Project, Idaho

Dear Mr. Chase:

On October 24, 2017, the Idaho Water Resource Board (IWRB) executed a resolution to commit the required 50 percent of non-Federal cost share towards the Boise River Basin Feasibility Study (Feasibility Study), estimated to cost $6 million. On March 12, 2018, the IWRB and the Bureau of Reclamation entered into Memorandum of Agreement/Reimbursable Agreement No. R18-MR-11-717 (Agreement) which identifies roles, work, and funding responsibilities associated with the Feasibility Study, with up to $3 million to be funded by IWRB.

This letter is to report on current project costs and seek further resolution from the IWRB to continue Feasibility Study work to complete feasibility determination prior to the Water Infrastructure Improvements for the Nation Act (WIIN) deadline of January 1, 2021.

Through July 2019, Reclamation has spent approximately $5.6 million (57% Federal/43% non-Federal) - $2.2 million internally and $3.4 million on awards for consultant work. With these funds, Reclamation has completed or plans to complete:

- Initial technical investigation and screening
- LiDAR survey work around Anderson Ranch, Arrowrock, and Lucky Peak Reservoirs
- Land, Structure, Infrastructure, and Real Estate Analysis around Anderson Ranch, Arrowrock, and Lucky Peak Reservoirs
- Geological Exploration and Drilling
- 30% Feasibility-level Design of Anderson Ranch Dam Raise
- Environmental Compliance (Environmental Impact Statement)
- Feasibility Report and analysis (partially)

Current cost projections indicate the project cost may increase by between $1 and 1.5 million, for a total cost between $7 and 7.5 million. These overruns can be attributed to many factors, mostly related to the aggressive study schedule required under the WIIN Act.

Historically, Reclamation feasibility studies take between 5 and 6 years and an Environmental Impact

Statement takes between 3 and 4 years. These two processes can overlap somewhat, with a 6- to 7-year project schedule for both. Two factors have constrained this timeframe. First, only projects determined feasible by January 1, 2021, may be considered for potential Federal appropriations and construction authority under the WIIN Act. Second, under Secretarial Order 3355, issued on August 31, 2017, National Environmental Policy Act (NEPA) reviews conducted by the Department of the Interior must be completed within 12 months of publishing the Notice of Intent in the Federal Register. The impact of these two requirements on the Feasibility Study have been significant and reduced a typical 6- to 7-year project schedule to a little over 2 years for completion.

As a result of this compressed schedule, Reclamation utilized an acquisition strategy that expedited contract award. This strategy resulted in a joint venture, small business contract with two sub-consultants. This complex consultant team provides the large number and variety of resources necessary to complete the project within schedule but has resulted in higher costs than originally anticipated.

In addition, project cost estimates were based on Reclamation's historic feasibility study project schedules. Reclamation made the best effort to account for the compressed schedule in the project estimates; however, unforeseen complications such as delayed federal funding and further constrained schedules added complexity to the acquisition strategy (e.g. multiple smaller task awards) and added to total costs.

To date, IWRB has fulfilled the original commitment of $3 million to the study. Given projected cost overruns, Reclamation is seeking a resolution from the IWRB for an additional $550k to $750k of non-Federal funds to continue study efforts without additional delays in order to remain on track for project completion prior to the WIIN Act deadline.

If you have any questions, please contact me at 208-383-2246 or via email at rspringer@usbr.gov.

Sincerely,

Roland Springer
Area Manager