

ACTION ITEM

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Control Number: 07015679

Received: 3/5/2007

Due Date: 3/30/2007

Title: Funding

Record Date: 2/16/2007

To: Commissioner

From: Max Baucus and John Tester

Subject: Provide Funding for Montanas water projects for Fiscal Year 2007

Folder Location: CENTRAL FILE - 0000001096

Folder Number: 1026281 - 0

Record Number:

Project Number: 3437

CC: 91-0000 91-10000 94-10120 92-30000 92-00000 94-30000 94-10100

Action Office (Mail Code): 94-30000

Enclosure(s): No

Location:

Routing: 94-30000 94-10120

Mail Code	*Action	Date Out	Mail Code	*Action	Date Out
Route 1:			Route 1:		
Route 2:			Route 2:		
Route 3:			Route 3:		
Route 4:			Route 4:		

*P - Prepare reply/Take action.

*R - Review and route to next stop

*NAR - No Action Required

*C - Coordination/Comments

Remarks: Include substantive comments/surnames/initials on the official file copy only!

[Empty rectangular box for remarks]

Reply Dated:

United States Senate

WASHINGTON, DC 20510

February 16, 2007

3-30-07

14-20000

MAR 5 '07 AM 10:07

The Honorable Robert Johnson
Commissioner
Bureau of Reclamation
US Department of Interior
1849 C Street NW
Washington, D.C. 20240-0001

F LN-3-07
CP 1026231
97012679
COR 273

cc: 91-00000
91-10000
91-1012
92-3000
92-000
94-10100

Dear Commissioner Johnson:

We are writing to strongly encourage you to provide funding for Montana's water projects for Fiscal Year 2007. As we discussed in our meeting on February 12th, we are increasingly concerned that Montana will face serious setbacks in our water resource development and infrastructure projects in 2007 without any Congressional funding instruction to the Bureau of Reclamation in the recently passed H.J. Res. 20, the Continuing Appropriations Resolution of 2007.

We are aware of the budget difficulties many agencies will face this year, especially with funding levels set for most agencies at the 2006 enacted levels in the Continuing Resolution. However, Montana's ongoing projects received funding from your agency in 2006 and in previous years. Without any continued funding in 2007, these crucial projects will be forced to make drastic cutbacks or halt all activities altogether. This will cost jobs and invaluable gains in providing Montanans with badly needed sources of water in rural areas.

H.J. Res. 20 provides \$68 million for the Bureau of Reclamation's Rural Water Projects line item. We cannot emphasize enough the importance of releasing funds to the following projects for the state of Montana in 2007:

St. Mary Rehabilitation - \$5 million

The St. Mary diversion facilities divert water from the St. Mary River Basin on the Blackfeet Reservation near Glacier Park to the North Fork of the Milk River via a 20-year old, 29-mile long facility. The system is operated and maintained by the Bureau of Reclamation with funds paid by the Milk River Project irrigators.

The St. Mary Diversion Facilities support irrigated agriculture, communities, businesses, a National Wildlife Refuge and recreation along the Hi-line. More than 17,000 Hi-line residents get their water from the system, and about 111,000 acres of farmland are irrigated by it. Although the diversion is operated by the Bureau of Reclamation, local irrigators have been saddled with funding operations and upkeep.

The total cost of the project is estimated at \$180 million. The St. Mary project has not yet been authorized; however, funding is needed now to begin the initial feasibility study and design work.

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Rocky Boy North Central Montana Rural Water Project - \$6 million

The Rocky Boy North Central Montana Water Project was authorized by Congress in 2002. The project will provide municipal drinking water to the Rock Boy Reservation as well as residents in Chouteau, Hill, Liberty, Pondera, Teton, Glacier and Toole Counties. The water for the project comes from Lake Elwell. The final environmental assessment was completed in 2005, and construction on the project began in 2006.


The total cost estimate for the project is \$208 million. Continued funding is needed for construction and design of the water treatment plant.

Fort Peck Dry Prairie Rural Water System - \$10 million


The Fort Peck Dry Prairie Rural Water System was authorized by Congress in FY 2000 for over \$200 million. Construction is ongoing and continued funding is critical for this project. The need for a safe and reliable water source is particularly acute on the Fort Peck Indian Reservation. In one community, sulfate levels in the water are four times the standard for safe drinking water, and in four communities, iron levels are five times the standard.

We urge your support of these projects that are so critical to the viability of our state of Montana. We appreciate your consideration of our concerns.

Sincerely,



Max Baucus



Jon Tester

cc: Brenda Burman, Deputy Commissioner



United States Department of the Interior

BUREAU OF RECLAMATION
Washington, DC 20240



IN REPLY REFER TO:

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The Honorable Max Baucus
United States Senate
Washington, D.C. 20510

Dear Senator Baucus:

Thank you for your February 16, 2007 regarding support for funding various projects in Montana that were identified in the House and Senate Appropriations Committee reports accompanying the Interior Appropriations bill for Fiscal Year 2007. As you know, Congress did not enact regular appropriations for Fiscal Year 2007. Rather, Congress enacted the Joint Resolution, Public Law 110-5.

Section 112 of P.L. 110-5 provides that Fiscal Year 2006 report language has no legal effect, and further directs that agencies prepare operating plans for submission to the Appropriations Committees within 30 days.

We are formulating our operating plans consistent with guidance issued by the Office of Management and Budget (OMB). OMB issued Memorandum 07-10 on February 15, 2007, providing guidance to Departments and agencies on the development of the operating plans. Based on this guidance, our plans will incorporate funding for programs and projects that were selected as a result of a competitive process. This would include projects that were formulated as part of the 2007 President's budget.

We are not at liberty at this time to disclose decisions on allocation of the 2007 funds that are being developed for inclusion in operating plans. Operating plans are to be approved by the Office of Management and Budget and submitted to the Appropriations Committees by March 17, 2007.

We appreciate your interest in the Department's programs.

Sincerely,

Robert W. Johnson
Commissioner

TAKE PRIDE
IN AMERICA

Identical letter sent to:

The Honorable Jon Tester
United States Senate
Washington, D.C. 20510

bc: 91-00001, 94-31200, 92-30000

WBR:AWatkins:bjackson:03/07/07:202-513-0636: #07015679
H:W-3100/Congress/The Honorable Max Baucus FIN 3.00