Oregon Water Resources Department

Water Conservation, Reuse and Storage Grant Program

Evaluation for September 2, 2008 Applications

APPLICANT:	**Eagle Point Irrigation District / Medford Water Commission**		
STUDY TYPE:	Above Ground Storage		
APPLICATION NO.:	GA0028 09		
STUDY NAME:	Willow Lake/Big Butte Creek Enhancement Project		
BASIN:	Rogue	**WRD DISTRICT:**	13
WRD FUNDS REQUESTED:	$75,000	**TOTAL COST:**	$150,000

APPLICATION DESCRIPTION:

Eagle Point Irrigation District (EPID) and the Medford Water Commission (MWC) are the primary water right holders in the Big Butte Creek watershed. EPID services approximately 8,000 acres of land through a water right on South Fork Big Butte Creek. MWC provides domestic water to over 130,000 people around Medford through a series of water rights on Big Butte Creek and the Rogue River. Willow Lake is used to balance the water needs of these two entities. Water is released from the lake when natural flows in South Fork Big Butte Creek are insufficient to meet water right requirements. Droughts, decreased rain and snow, and warmer weather patterns have challenged both water systems' ability to meet customer's water demands.

The goal of this planning study is to determine the feasibility of the development of proactive strategies to manage the water in Big Butte Creek. To accomplish this goal, three separate tasks have been identified: 1) To complete the feasibility study on increasing the storage capacity of Willow Lake by 300 to 1,700 acre-feet (the associated project represents less than 5 percent of EPID and MWC's needs, but Willow Lake only receives 2,800 acre-feet of refill water, so the associated project would represent 10 to 50 percent of the water supply needed during droughts); 2) Develop a computer basin model to forecast demands and test different water management strategies; and 3) To analyze the ecological impact of flow withdrawal, alternative means of supply, and environmental impacts, and develop stream flow and water temperature goals for early fall Spring Chinook spawning season in Big Butte Creek.

APPLICATION REVIEW TEAM EVALUATION:

The Application Review Team found the application to be well written and the study well thought out. The feasibility study would evaluate raising the dam to provide more water for irrigation, domestic use, and flow enhancement for improving fish habitat. The applicant's three major tasks are reasonable and appropriate. The applicant did not evaluate other alternatives very thoroughly; however, the other alternatives would probably involve new storage in different locations which would be on fish bearing stream. Since this Willow Lake Reservoir is an existing storage structure, any change to the storage capacity would not impact fish passage.

The study is a priority for funding under SB 1069 since it includes provisions for using stored water to augment instream flows to conserve, maintain and enhance aquatic life, fish life or other ecological values. The study could begin on January 1, 2009 and be completed by December 31, 2009.

Application Review Team Funding Recommendation: Do Fund: Medium Priority at $75,000.

COMMENTS:
A letters of support for this application was received from Dan Van Dyke, District Fish Biologist, Oregon Department of Fish and Wildlife. Mr. Van Dyke indicated that Big Butte Creek in the lone Rogue tributary that has a self-sustaining population of spring Chinook salmon. ODFW supports efforts that would increase the ambient spring flow remaining instream in Big Butte Creek and support a feasibility study that would include a review of downstream impacts to temperature and fish populations.

STAFF RECOMMENDATION:
Do Fund at $71,250; contingent on contract negotiations to ensure that all provisions of the statute are met.

The staff recommendation reflects a 5 percent across the board funding reduction on all studies.

Commission Action:

On December 5, 2008, the Water Resources Commission took action to:

> ***"Release funding to all feasibility study applicants the Commission authorized at its' November 20 meeting, at a level representing 95% of staff recommendations, and move forward with grant agreement negotiations and signatures."***

This feasibility study received an award amount of $67,687.