

Cooperative Water Resource Programs**FY2008 Request: \$545,000****Reference No: 37762****AP/AL:** Appropriation
Category: Development**Project Type:** Construction**Location:** Statewide**Contact:** Nico Bus**House District:** Statewide (HD 1-40)**Contact Phone:** (907)465-2406**Estimated Project Dates:** 07/01/2007 - 06/30/2009**Brief Summary and Statement of Need:**

This project funding allows DNR to accept funds from the private sector, and local governments and to pass those funds through to US Geological Survey (USGS) and US Natural Resources Conservation Service (NRCS) as part of a funding agreement for cooperative water resource programs. Industry, and local government often requests and pays for the USGS and NRCS to install and operate equipment to obtain hydrologic data. The information is necessary for resource development and for permitting projects such as mining, hydroelectric, or public water supply. If gaging funding is passed through a state agency, the funds can be matched up to 100% by the federal government.

Funding:	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>Total</u>
Stat Desig	\$545,000	\$555,000	\$585,000	\$595,000	\$600,000	\$615,000	\$3,495,000
Total:	\$545,000	\$555,000	\$585,000	\$595,000	\$600,000	\$615,000	\$3,495,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

SLA06/CH82 - \$501,000

FSSLA05/CH3 - \$501,000

SLA03/CH82 - \$180,000

An FY03 RPL for this purpose was approved by LB&A on August 22, 2002 (ADN 10-3-4023) - \$150,000 SDPR.

Project Description/Justification:

Funding of this program will come from state and local government, native associations, and the private sector. In many cases stream gauging is required under federal law for a development project, this program allows the funds used for gauging to be matched by the federal government, reducing the cost to the state, local government and the private sector. Because the gauging is done by a federal agency the program and funding must interface with the federal fiscal year. The administration of the pass through money will require a portion of an existing administrative position. No new positions will be required. The USGS and NRCS will require a state partner for this program to continue in Alaska. The funds passed through to USGS and NRCS must be received and spent in the same federal fiscal year. This program requires no general funds now or in the future.

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DMLW) have a longstanding and beneficial relationship with the USGS and NRCS. The continuation of this program would benefit the state, local governments, native associations and the private sector by allowing them to participate with the state, USGS and NRCS with matching funds provided by the coop program. If the program is not approved the cost of gauging for existing or new projects where USGS and NRCS gauging is required, the cost to developers will be much higher since the federal coop matching funds would not be available. There are currently 24 major stream gages and 3 meteorburst telemetry stations funded through this program. Projects currently included in this program are: Teck-Cominco Red Dog Mine; Northern Dynasty Mines, Inc. (Pebble Project); Usibelli Coal Mine, Inc.; and Teck Pogo, Inc.; Dorothy Creek Hydro, SE Alaska; Greens Creek Mining, SE Alaska; Falls Creek Hydro, Gustavus; Indian River, Sitka; and the 4 dam pool hydroelectric projects. Each of these projects accommodates multiple gauging stations. In addition, there are over 20 proposed hydroelectric project sites for which gauging will be required within the next five years. This program has the potential of saving developers and the state hundreds of thousands of dollars, at minimal cost to the State of Alaska.

Why is this Project Needed Now: This project is needed in order to participate in the USGS and NRCS cooperative water resource programs and to provide data necessary for OHMP and DMLW to continue biomonitoring studies which enable state and federal agencies understand and manage effects of mining and/or other development activities on aquatic communities and to permit and report on these activities. If authority to accept funds for pass through purposes to USGS and NRCS is not approved, many current and future resource development projects involved with this program would have to bear the burden of funding the gauging at full cost.

Specific Spending Detail:

Line Item Expenditures:

Personal Services \$1.0 – OHMP Administrative costs only

Services \$544.0 - Pass thru funds to USGS and NRCS for cooperative water resource programs. USGS provides a match. Industry currently provides the remaining funds via pass thru to OHMP and DMLW.

USGS - \$541,000

NRCS = \$ 3,000

Project Support: State agencies; USGS; NRCS; Environmental Protection Agency; Teck-Cominco, Inc.; Northern Dynasty Mines, Inc.; Usibelli Coal Mine, Inc.; Teck Pogo, Inc.; Kennecott Greens Creek Mining Co.; Lake Dorothy Hydro, Inc.; Alaska Electric Light & Power Co.; 4 Dam Pool Agency; Chugach Electric, Inc.; other resource developers and environmental groups.

Project Opposition: None