

How Does BIA Respond to the Concern of How Funds Are Expended for Operation and Maintenance?

The BIA's records for expenditures on all of its irrigation facilities are public records and available for review by stakeholders or interested parties. These records can be reviewed during normal business hours at the individual agency offices. To review these records, stakeholders and interested parties are directed to contact the BIA representative at the specific facility serving them using the tables in the **SUPPLEMENTARY INFORMATION** section.

How Does BIA Respond to the Concern of an Irrigation Assessment Rate Increase and its Impact on the Local Agricultural Economy?

All of the BIA's irrigation projects are important economic contributors to the local communities they serve, contributing millions in crop value annually. Historically, BIA tempered irrigation rate increases to demonstrate sensitivity to the economic impact on water users. This has resulted in a rate deficiency at most of the irrigation projects.

Over the past several years the BIA's irrigation program has been the subject of several Office of Inspector General (OIG) audits. In the most recent audit, No. 96-I-641, March 1996, the OIG concluded, "Operation and maintenance revenues were insufficient to maintain the projects, and some projects had deteriorated to the extent that their continued capability to deliver water was in doubt. This occurred because operation and maintenance rates were not based on the full cost of

delivering water, including the costs of systematically rehabilitating and replacing project facilities and equipment, and because project personnel did not seek regular rate increases to cover the full cost of operation." This audit recommendation is still outstanding.

A previous OIG audit, No. 88-42, February 1988, reached the same conclusion. A separate audit performed on the Wapato Irrigation Project, No. 95-I-1402, September 1995, reinforced the general findings of the OIG on the BIA's irrigation program. This pointed out a lack of response by the BIA to the original findings of the OIG in addressing this critical issue over an extended period of time. The BIA must systematically review and evaluate irrigation assessment rates and adjust them when necessary to reflect the full costs to properly operate, and perform all appropriate maintenance on, the irrigation facility infrastructure for safe and reliable operation. If this review and evaluation is not accomplished, a rate deficiency can eventually accumulate. Overcoming rate deficiencies can result in the BIA having to raise irrigation assessment rates in larger increments and over shorter time frames than would have been otherwise necessary.

Does the BIA Have Any Proposed Rate Adjustments That Were Not Put Into Effect?

The proposed rate adjustment for the 2003 irrigation season at the Wind River Irrigation Project from \$12.00 to \$13.00 was not put into effect. After further consultation with the stakeholders, the

BIA agreed to delay the proposed rate adjustment until the 2004 irrigation season. For the 2004 irrigation season a rate adjustment from \$12.00 to \$14.00 is proposed to make up the lost revenue for the 2003 irrigation season. The proposed rate adjustment is in a separate notice.

Where Can I Get Information on the Regulatory and Legal Citations in This Notice?

You can contact the individuals listed in the contact tables below or you can use the Internet site for the Government Printing Office at <http://www.gpo.gov>.

What Authorizes Us To Issue This Notice?

Our authority to issue this document is vested in the Secretary of the Interior by 5 U.S.C. 301 and the Act of August 14, 1914 (38 Stat. 583; 25 U.S.C. 385). The Secretary has in turn delegated this authority to the Assistant Secretary—Indian Affairs under part 209, chapter 8.1A, of the Department of the Interior's Departmental Manual.

Does This Notice Affect Me?

This notice affects you if you own or lease land within the assessable acreage of one of our irrigation facilities, or you have a carriage agreement with one of our irrigation facilities.

Who Can I Contact for Further Information?

The following tables list the regional and agency contacts for the irrigation facilities where the BIA recovers its costs for local administration, operation, maintenance, and rehabilitation.

Northwest Region Contacts

Stanley Speaks, Regional Director Bureau of Indian Affairs, Northwest Regional Office 911 N.E. 11th Avenue Portland, Oregon 97232-4169 Telephone (503) 231-6702	
Name: Flathead Irrigation Project	Contacts: Ernest T. Moran, Superintendent, Flathead Agency Irrigation Division, PO Box 40, Pablo, Montana 59855-5555, Telephone: (406) 675-2700.
Fort Hall Irrigation Project	Eric J. LaPointe, Superintendent, Fort Hall Agency, PO Box 220, Fort Hall, Idaho 83203-0220, Telephone: (208) 238-2301.
Wapato Irrigation Project	Pierce Harrison, Project Administrator, Wapato Irrigation Project, PO Box 220, Wapato, WA 98951-0220, Telephone: (509) 877-3155.

Rocky Mountain Region Contacts

Keith Beartusk, Regional Director Bureau of Indian Affairs, Rocky Mountain Regional Office 316 North 26th Street Billings, Montana 59101. Telephone: (406) 247-7943	
Name: Blackfeet Irrigation Project	Contacts: Ross Denny, Superintendent, Cliff Hall, Irrigation Manager, Box 880, Browning, MT 59417, Telephones: (406) 338-7544, Superintendent; (406) 338-7519, Irrigation.