

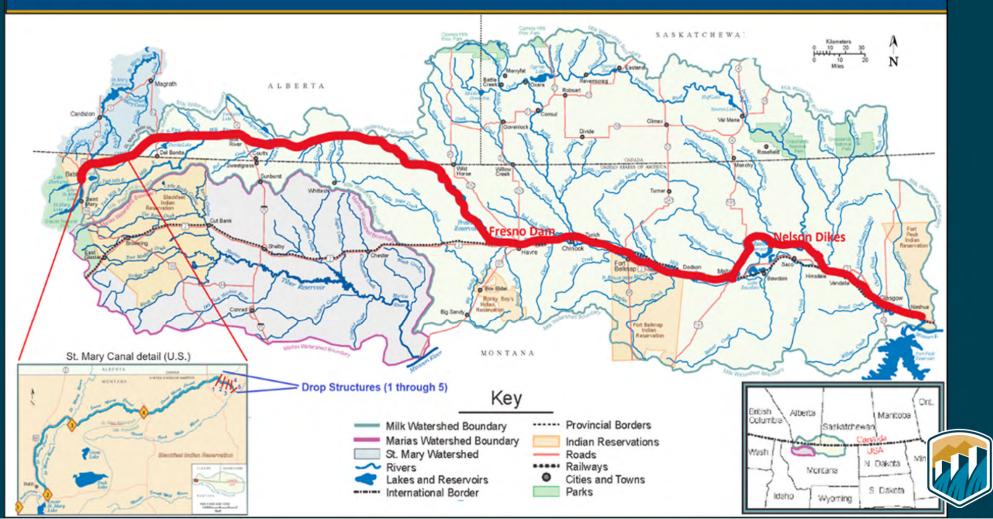
# Agenda

- Background
- Failure Overview
- Response/Decision Making
- Execution
- Communication
- Next Steps

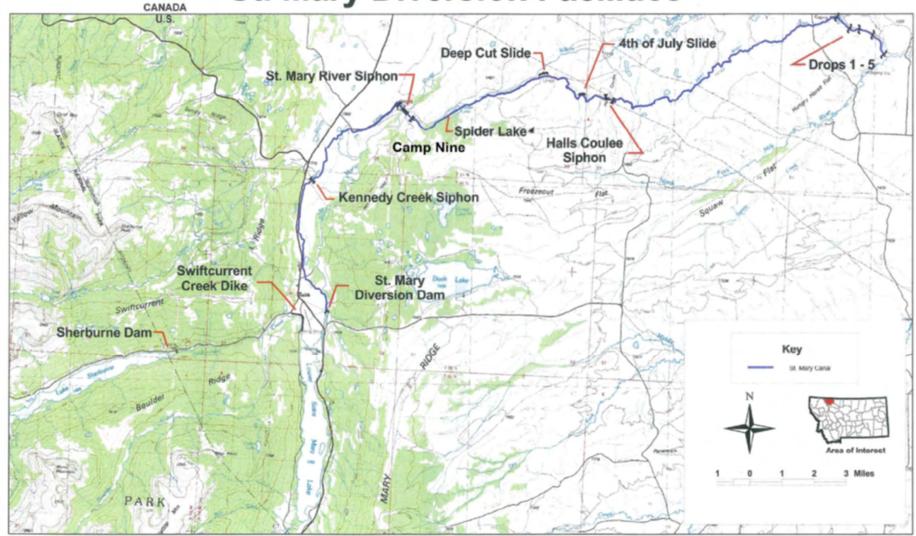




## MISSOURI BASIN REGION ST. MARY CANAL AND OVERALL MILK RIVER PROJECT

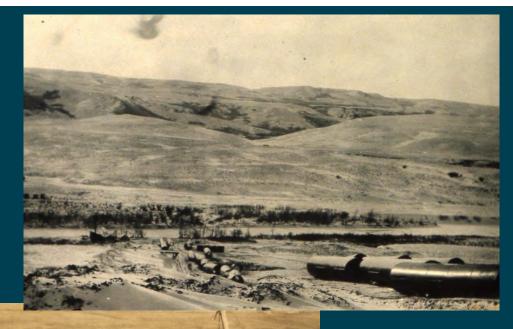


St. Mary Diversion Facilities



















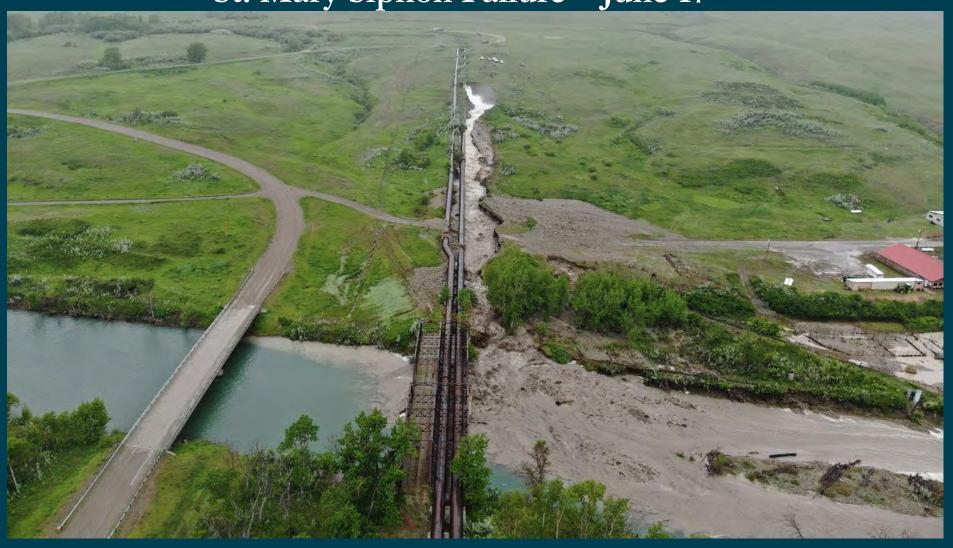
St. Mary Siphon Failure – June 17



St. Mary Siphon Failure – June 17



St. Mary Siphon Failure – June 17



## Impacts/Challenges

#### **Impacts:**

- 8 Districts (100+ pump contracts), 110,000 acres in U.S; 8,200 acres in Canada.
- Threatened municipal water supplies to 14,000 people in U.S.
- Canadian towns also reliant on the system

#### **Challenges:**

- Very remote site: 35 miles to nearest town/hotel
- Material Sources: Pipe, concrete, etc.
- Hiring construction and engineering team
- Expedited Design needed
- Project entirely within Blackfeet Reservation
  - Added Employment, Cultural, and Environmental considerations
- Bull Trout are an ESA listed species in the St. Mary



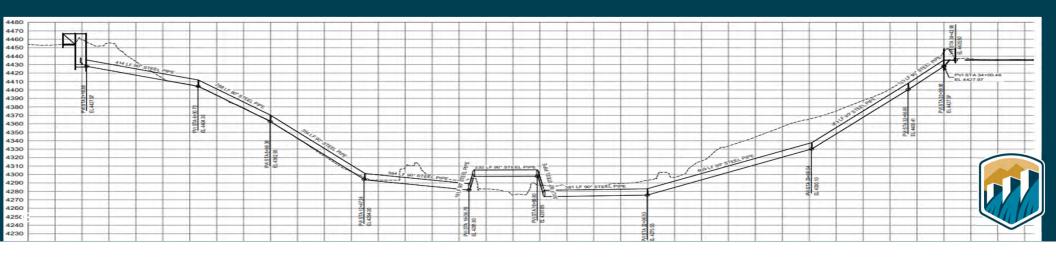


## Short Term/Long Term Plans



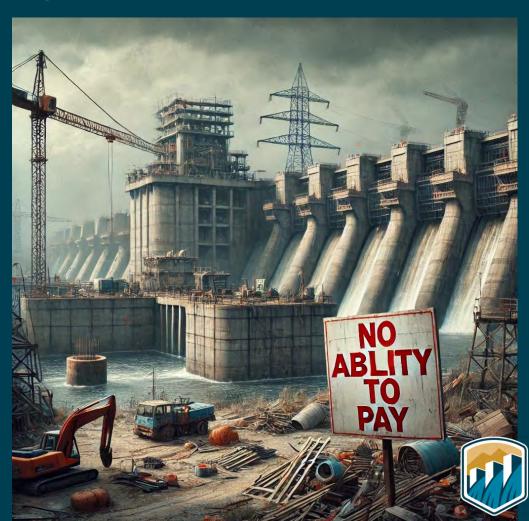
## Plan for Replacement

- Infrastructure Investment and Jobs Act Funding
- HDR Engineering replacement designs at 30%
- Estimates for both siphons completed in 2026
  - Updated in real time for emergency
  - \$51.6M for St. Mary River Siphon
  - \$18.4M for Halls Coulee Siphon



### Funding

- OM&R Allocation for St. Mary Unit 73.96% Reimbursable
- Beneficiaries no Ability to Pay large capital costs
- Request for Qualified EXM Determination made on June 18<sup>th</sup>
  - Included Halls Coulee Siphon



#### Funding - Qualified EXM Determination

- Federal Response
  - Commissioner approved Qualified EXM designation on July 3<sup>rd</sup> for both St. Mary <u>and</u> Halls Coulee Siphons
  - First \$10.5M in funding provided on July 10<sup>th</sup>
  - Repayment Contract Signed on September 9
  - Federal funding secured for entire project on Dec 21st
- State of Montana Response
  - \$6.2M in bonding authority
    - Made available on first invoice
  - \$26M in loan authority (interest only)
    - Terms agreed to on September 19th (\$330k for 50-years)



### Funding – Qualified EXM Determination

#### St. Mary and Halls Coulee Funding Options

Assumed Total Cost:		\$70,000,000		
	Reclamation Allocation	Beneficiaries Allocation	Reclamation Cost Share	Beneficiaries Cost Share
Traditional Operations and Maintenance	26.04%	73.96%	\$18,228,000	\$51,772,000
Qualified Emergency XM	35% Non-Reimbursable		\$24,500,000	
Qualified Emergency XM Cost Split	51.9%	48.1%	\$36,330,000	\$33,670,000



## Project Roles and Responsibilities

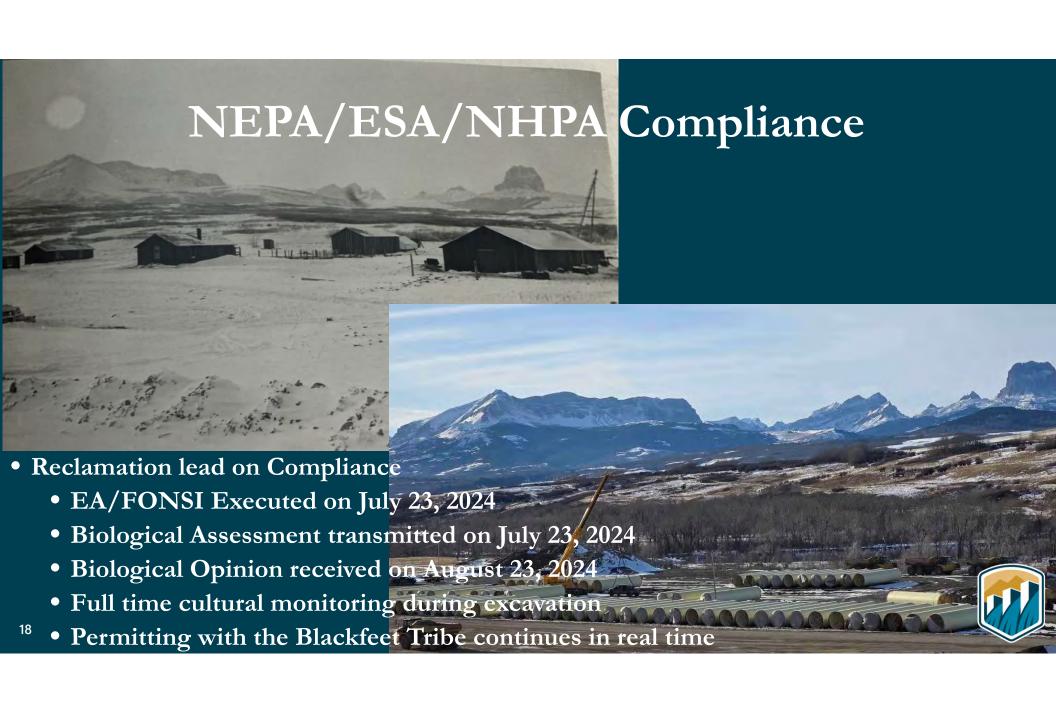
#### Partnership

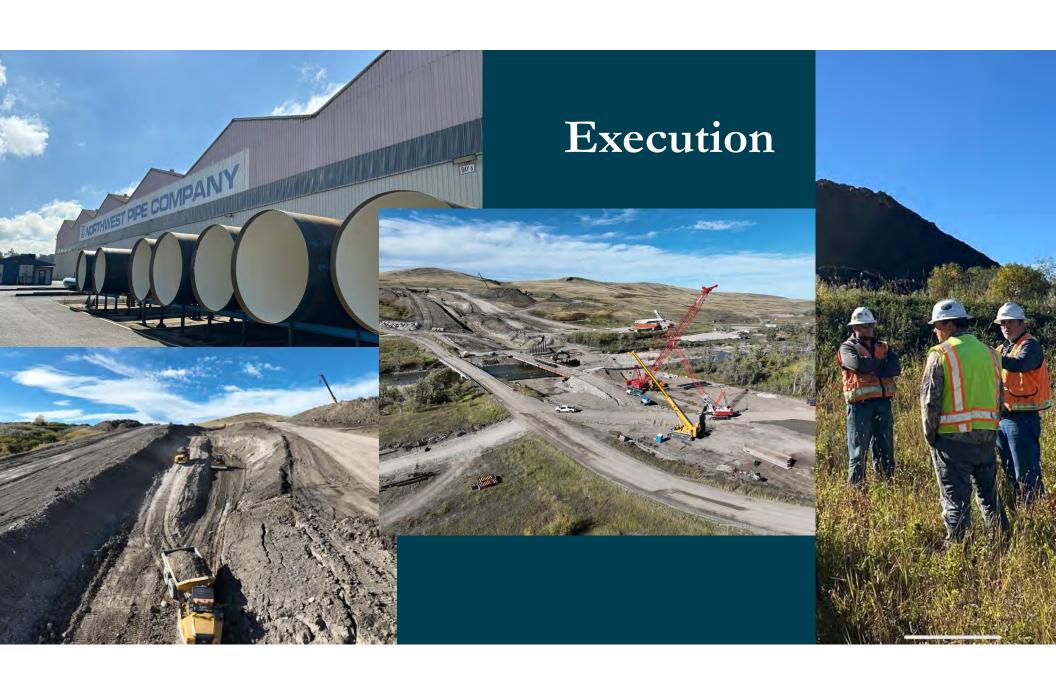
- Temporarily transfer OM&R of siphons to MRJBOC July 3, 2024
- Contract Admin Letter with MRJBOC
- Repayment Contract with MRJBOC

#### •MRJBOC Role – Lead for Replacement

- Reclamation Role Immediate Response/Technical Support
  - Retain ownership Technical and construction support throughout
  - Permitting and cultural (remediation and construction)
  - Contract for River restoration, excavation and removal of existing pipe and pipe supports

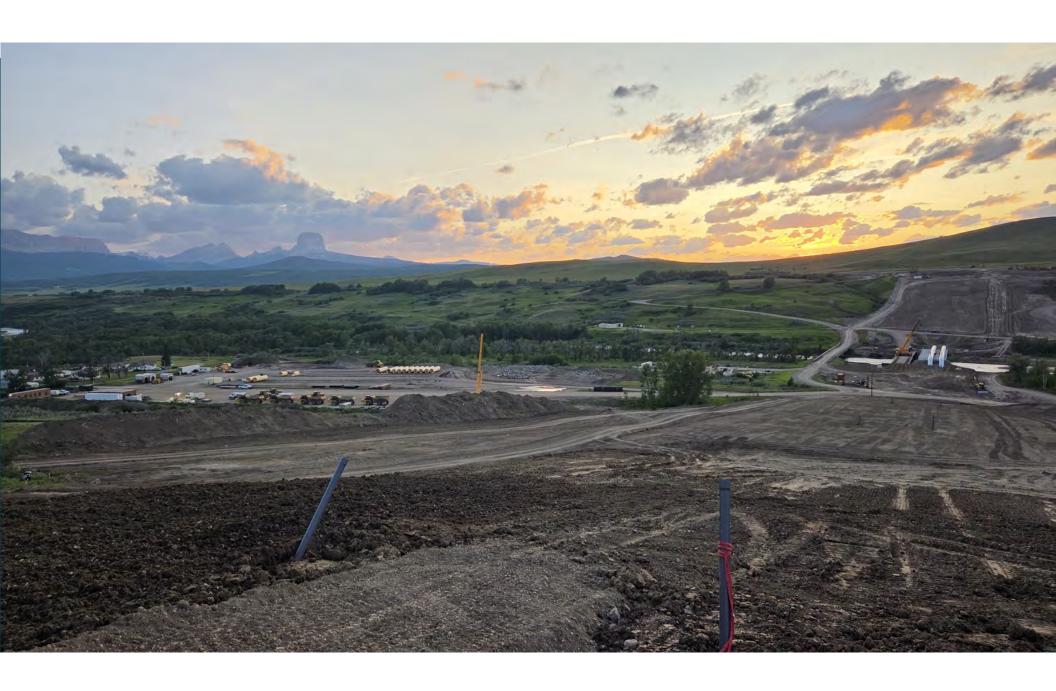












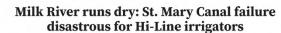
## **Effective Communication**

- Engaging Stakeholders Build trust through transparency
- Thinking Outside the Box Encourage creativity
- Leveraging People's Skills Utilize individual strengths

Clear, strategic communication ensures collaboration, efficiency, and impactful decision-making!







Pipe replacement delivered for St. Mary Siphon



← Share X +

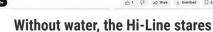
Water users dealing with a dry Milk River following siphon burst











down a potential economic

catastrophe

Montana Public Radio | By John Hooks



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#### Irrigators along the Hi-Line express concerns about St. Mary Canal siphons' failure



Get your FREE KRTV

Milk River to be a 'dry town' as repairing burst water pipeline to last into next year

Province says it is working with local officials to protect drinking water capacity



On June 17, the siphon on the St. Mary Canal near Babb, Mont. burst, causing local flooding and erosion. The Milk River Project diverts water from the St. Mary River through northern Montana and across southern Albert.

Mary Canal siphon will be fully replaced in 2025

KPAX-TV 6 Subscribe

Siphon to be fully re

restore the siphon by next ye

date for St. Mary Siphon.

and Reclamation Bureau to

re was caused by the age of the sipho

St Mary Sip Why it takes a crisis to trigger funding for Montana's largest irrigation project

> The U.S. Bureau of Reclamation broke the news Tuesday that for the first time in a century, the Hi-Line will be without water from the St. Mary River for more than a



Coverage of your favorite teams from Montana's Sports Leader

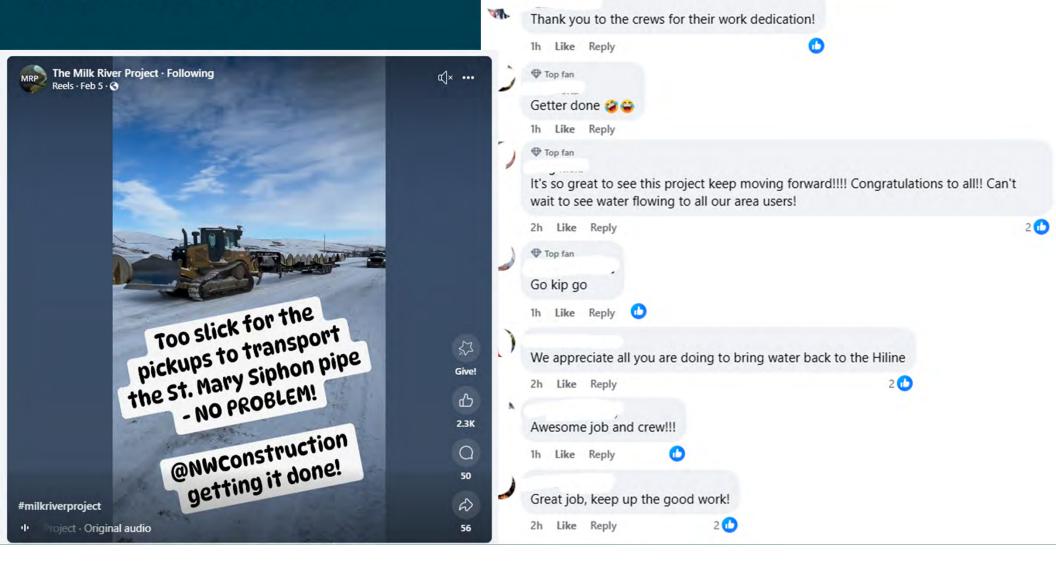


**Directly Impacted** 

**Initiative Provides** 

LISTEN · 6:23

## Communication



#### St. Mary River Siphon – Keys to Success

- Ability <u>AND WILLINGNESS</u> of the Joint Board of Control (8 Districts) to step in and manage project quickly;
- Reclamation's ability to temporarily transfer OM&R responsibility of <u>Reserved</u>
   <u>Works Facility</u> to Joint Board of Control;
  - Existing OM&R Contract had provision
- Consultant and contractor availability and capability
  - HDR Engineering, NW Construction, & Sletten Construction
  - Blackfeet Tribal Resources Construction workers
- Initial planning efforts already underway
  - Provided for expedited ramp up
- Successful Partnerships: Reclamation-Joint Board-State of Montana-Blackfeet Tribe
- Constant Collaboration Daily!
- Luck: Previously Established Path, St. Mary Diversion Contractor



#### St. Mary River Siphon – Relationships

- Milk River Joint Board of Control
- Blackfeet Tribe
- Montana DNRC
- Montana DES
- Natural Resources Conservation Service
- Fish and Wildlife Service
- Reclamation
- HDR Engineering
- NW Construction
- Sletten Construction
- Bureau of Indian Affairs
- International Joint Commission
- Farmers Conservation Alliance







