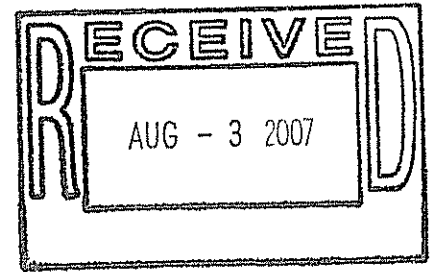


OCHOCO IRRIGATION DISTRICT
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Ochocoid@crestviewcable.com



August 1, 2007

Robb Corbett
City of Prineville Manager
387 NE Third Street
Prineville, Oregon 97754

Dear Robb,

I would like to thank you for attending the Steelhead Reintroduction workshop on July 17th. I apologize for not getting the word to you sooner. As you know, with the proposed reintroduction of Steelhead into the Crooked River System (slated for spring 2008) there is a lot of work to be done in a short amount of time. The Deschutes Basin Board of Control (DBBC) which is made up of 7 Central Oregon Irrigation District's has been in the past & present very active in addressing local concerns involving introduction or re-introduction of the Endangered Species Act (ESA) including Bull trout and Steelhead. In past efforts the DBBC has been successful in working with local agencies, fisheries, land owners etc. in addressing the introduction or re-introduction of Bull trout into the Deschutes Basin, and more specifically in our case in the Crooked River System. As a result of this effort critical habitat was not designated on the Crooked River up to the City of Prineville. Today, as you know we are facing the reality of Steelhead (A listed threatened species under the ESA) being re-introduced.

The DBBC as earlier stated, has been very active, and in many ways taking the lead in trying to come up with solutions for this re-introduction effort. A few of the actions the DBBC has taken is to fly several members to Washington DC to meet with congressional staff and legislators in an effort to come up with a near term fix. The DBBC has also employed the law firm, Stoel Rives (Dave Filippi, and Cherise Oram; Attorneys) and Rich Golb of Pacific Communications to advise, oversee, guide, and direct the DBBC in its efforts. As a result of these efforts the DBBC along with their advisors have been able to work with Director, Bob Lohn of National Marine Fisheries (NMFS) in Seattle to pursue what is known as a 10-J experimental designation for Steelhead Re-introduction in the Deschutes Basin above Lake Billy Chinook. While this designation is not fully in place the DBBC and advisors are actively working with Portland General Electric, Confederated Tribes of Warm Springs, American Rivers, Oregon Department of Fish & Wildlife, and NMFS to have the designation in place by the scheduled release date, Spring 2008. Once secured, the 10-J designation will benefit many in the basin, as it will give individuals and agencies an opportunity to address possible future ESA regulations.

The DBBC during this period will be pursuing what is known as a Habitat Conservation Plan (HCP). This plan describes the actions that an individual or agency will pursue in order to benefit and assist re-introduction efforts. HCP's can be very expensive and time consuming, some plans taking many years to complete. Once an HCP is completed and approved it is my understanding that as long as the individual or agency follows the guidelines set forth individuals or groups wishing to bring litigation for harm or harassment of the listed species will have a difficult time in succeeding.

This brief outline really brings OID to one point. This effort is more than the district can reasonably afford. As we have visited in the past, once we receive the billings for the pursuit of the 10-J and HCP we would share these with the City and County to see if there could be any assistance. In the past OID has contributed more than \$10,000.00 to the Bull Trout effort, as well as the \$15,000.00 plus already spent on the Steelhead effort. We are not seeking reimbursement for previous costs, but submit the most recent billings in pursuit of the 10-J and HCP. We would not make such a request, except for the fact that this effort will benefit so many, and these costs were not budgeted, as they could not be foreseen. We spend a great deal of administrative time responding and pursuing these efforts, which hopefully will benefit all concerned parties, and we will continue to do so. We are aware that you will have to present this information to your respective councils or commissioners before we receive an answer. Until it is determined that your agencies need a voice at the table we will continue being the lead contact with a percentage of costs to be determined. We could provide regular updates as well as forwarding appropriate e-mails.

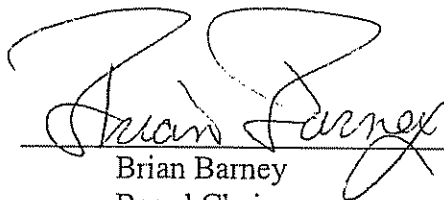
In final comment, Ochoco Irrigation District recognizes the efforts expended by the City and County. We appreciate all of your time, meetings, phone calls, and letter writing. I don't think any one of us try to figure out how to hurt our environment and fish, but rather look for good pro-active solutions to benefit everyone.

Thanks for your time and consideration.

Sincerely,



Russell Rhoden
Ochoco Irrigation District Manager



Brian Barney
Board Chairman

CC: Robb Corbett

Enc.