

Third Powerplant Generating Units Overhaul Activities Environmental Assessment Grand Coulee, Washington Final Addendum

Background

The Bureau of Reclamation (Reclamation) prepared an Environmental Assessment (EA) to comply with the National Environmental Policy Act (NEPA) for a proposal to overhaul the Third Powerplant (TPP) Generating Units at Grand Coulee Dam. The EA identified no significant impacts to relevant resources in the project area. Reclamation signed a Finding of No Significant Impact (FONSI) for this project on April 28, 2010.

Since then it has been identified that the potential for impacts to the Grand Coulee Dam School District were not evaluated in the EA. This addendum to the EA and FONSI analyzes the effects of the proposed action on District enrollments to determine if there are any significant impacts. A draft of the addendum was distributed for a public comment period. Three comments were received during the review period and they are included with responses from Reclamation in Appendix A.

Preferred Alternative

Under the Preferred Alternative, Reclamation will overhaul the TPP generating units. The overhaul will include work on the generators, turbines, shafts, and the auxiliary equipment. The main portion of the overhaul work will be completed within the confines of the TPP.

There are logistical challenges because the overhaul requires lay-down space for all turbine and generator parts as they are removed. More space is required during the overhaul than for initial construction when parts were delivered as needed. Several large and heavy items require special consideration for storage before being installed and during maintenance. It is expected that these large parts would occupy most of the TPP floor space except for access aisles needed to move smaller components. In order to make room to refurbish the existing parts, a new permanent 30,000-square-foot material storage building would be erected adjacent to the TPP, and the spare parts currently stored in the repair areas of the TPP would be relocated to the new building.

A temporary building will be erected by the contractor for sandblasting and painting of repaired items. The building is estimated to be 130 feet by 65 feet. The building would be constructed in a previously disturbed area northwest of the TPP, just to the west of the proposed materials storage building. The contractor will be given the option of building a second temporary structure to serve as a fabrication building. This building would be located to the west of the proposed material storage building and be the same size as the other temporary building. Upon completion of the project, estimated to be ten years in duration, the temporary buildings will be removed from the site.

Affected Environment and Environmental Impacts

Schools

The Grand Coulee School District operates Center Elementary School, Grand Coulee Middle School, and Lake Roosevelt High School. Funding for the district budget is derived from different sources, which for 2009-2010 included Federal funds (33 percent), State funds (55 percent), and local sources (12 percent). Information about the Grand Coulee Dam School District was obtained from the State of Washington, Office of Superintendent of Public Instruction, Washington State Report Card. The state publishes a Report Card for each school district in the state. The report summarizes funding, enrollment, and staffing each year. The data are given in Table 1 for the past six years.

Table 1 Grand Coulee Dam School District Information*

	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Student Count	754	748	748	698	698	655
Total Revenue per Student	\$9,823	\$10,616	\$10,872	\$11,839	\$12,614	\$12,899
Local Taxes per Student	\$949	\$1,083	\$1,108	\$1,472	\$1,498	\$1,507
Students per Certificated Instructional Staff	16	17	17	17	17	16

*<http://reportcard.ospi.k12.wa.us/summary.aspx?groupLevel=District&schoolId=78&reportLevel=District&orgLinkId=78&yrs=2010-11&year=2010-11>

The TPP overhaul is scheduled to be conducted in two phases, with three generating units being overhauled during each phase. Much of this work could be done by multiple subcontractors who would be on site for the duration of their portion of the work and then leave the local area. Most would not likely relocate their families to the local area. The staffing information received from potential contractors indicated that an additional 28 workers would be located in the Grand Coulee area. From this, it is estimated that the TPP overhaul could temporarily add 30 students to the Grand Coulee school system during the ten-year period of the project. Table 2 gives the average total revenue per student and the number of students per instructional staff for the proposed action in the unlikely event that all projected 30 students were added at one time. The information in

Table 2 also assumes there would be no increase in state or Federal revenues and no additions to the number of instructional staff.

Table 2 Revenue per Student and Students per Staff Member for the Proposed Action Based on 2010-2011 Conditions

With Addition of 30 Students	
Total Revenue per Student with Proposed Action	Students per Certificated Instructional Staff with Proposed Action
\$12,334	17

An immediate increase of 30 students would result in a minor change in funding level per student in the event that state revenues did not respond to the increased student population. Even if this were to occur, the average revenue per student would be comparable to that of the last six school years. Until student-based state and Federal funding levels were increased in response to the added student population, this would result in a decrease in average funding level per student. While this is an important effect that affects the school district’s short- and long-range planning and budgeting, the majority of the funding lag is expected to be temporary (less than one academic year) and the effect is of low magnitude. Thus, it does not rise to the level of a significant impact or require mitigation. The ratio of students to instructional staff members is dependent on the grade distribution, but overall would remain at a similar ratio as the last six school years if there was no increase in revenues associated with the increased student population, or if increased revenues did not translate into an addition of instructional staff. Based on these two factors, the proposed action would not result in a significant impact on the school district.

Cumulative Impacts

The potential effects on school enrollments of the TPP combined with those of the John W. Keys III Pump-Generating Plant Modernization Project could result in as many as 46 additional students enrolling in District schools during all or parts of the overlap of the two projects. This would be a seven percent increase in the District’s student population; however, it is likely that if this level was reached it would occur over a several year period, with students joining and departing the District at various times during the fiscal year. This would help to mitigate the potential lag in State and Federal student funding in any one year.

Conclusion

Since no new significant effects were identified in this analysis, the existing FONSI should remain valid.

Appendix A

From: [Rancho Con Muchos Nopales](#)
To: [Taylor, James B](#)
Subject: Schools and dams
Date: Friday, January 06, 2012 5:50:11 PM

Jim Taylor
Bureau of Natural Resources
January 7, 2012

COULEE DAM — the public has until Feb. 10 to comment on how upcoming work to rehabilitate Grand Coulee Dam's third power plant will impact the Grant Coulee Dam School District. (Wenatchee World)

Here are some suggestions.

Require parents to pay \$1000.00 per child per year into a school fund account. This would take a lot of pressure off the dams, tribes and property owners. It would put more responsibility onto the parents where it belongs.

Quit building milt-million dollar schools! Schools are for learning not bragging about. I would think concrete bunkers, with radiant heat in the concrete floors; a few windows and bathrooms made to withstand the destructive forces of today's youth would be just fine.

Schools do not need acres of green lawn to maintain. Speaking of taking property off the tax rolls schools should use bare minimum lot sizes. Put unused school lands back on the tax rolls!

Brown bag it. Property taxes should not be levied and damns messed with to pay for hot breakfasts and lunches. If parents do not care enough to feed their own kids then why should anyone else care? Schools are for learning not feeding and entertaining.

If these suggestions would be implemented then the dams would not have to worry about how they are preventing a bunch of kids from going to a glass and brass school on 5 acres of prime tax FREE real estate and if they will get what they want for breakfast and lunch.

I am sick and tired of the "education" problems. Blaming the dams, tribes, and greedy property owners that do not and cannot afford to be taxed any more is getting pretty old.

Dixie Dringman
6551 Keane Grade
Rock Island WA 98850

From: [Dr. Jim Stevens](#)
To: ["Rancho Con Muchos Nopales": Taylor, James B](#)
Cc: [Jim Stevens](#); ["Honeyford, Sen. Jim"](#)
Subject: RE: Schools and dams
Date: Friday, January 06, 2012 6:15:28 PM

Dixie has it right. The idea of developing funding for schools that allows for rampant spending without voter approval is absurd. The testimony of most economic educators is that the schools already have lots of money...they simple waste it.

After my first year of college, I reflected upon my 3 years of high school. I was confident that the academic value of those 3 years could have been achieved in one semester of college type instruction. Let's not develop another welfare system within the schools. At least, let's stop the welfare system we have already created within our educational community.

From: Rancho Con Muchos Nopales [mailto:nopales@frontier.com]
Sent: Friday, January 06, 2012 4:50 PM
To: jbtaylor@usbr.gov
Subject: Schools and dams

Jim Taylor
Bureau of Natural Resources
January 7, 2012

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voter approved bonds that are based on the district's assessed property valuation. The State has line-itemed \$14 million dollars for the construction of new facilities but the remaining costs must be met through other means. The district is unable to even propose a bond that would cover the remaining cost of the needed facility construction due to the abundance of tax exempt state and federally-owned land in the district (23%), the amount of property held in trust by the government for the Colville Confederated Tribes (6%), the amount of tax-advantaged open space (70%), and the legal debt limit placed upon the district.

Student Population: The school district serves students from five counties - Lincoln, Ferry, Okanogan, Grant and Douglas (the same counties identified in the NEPA scoping process as being the impacted area of the project)– along with students from the Nespelem and Keller Elementary School Districts. Student demographics of the district include approximately 55% Native American, 33% White, 11% Hispanic, and 1% Other with 59% qualifying for free or reduced lunch and nearly 1 in 6 qualifying for required Special Education services.

Funding Limitations: The school district has three basic funding sources: federal, state and local. The funds are generated pursuant to the laws and regulations of either the federal or state government with local funds being generated through a voter approved property tax levy, sales of school meals, and donations. Most federal funds are targeted to serve identified needs or certain student populations and are expended according to the governing regulations. Impact Aid – which the district receives based on the number of Native American students that live on federally owned properties - is included in the district's general fund to address general operating expenses. Contrary to a prior position taken by the Bureau and communicated by Deputy Commissioner David Murillo to Rep. Cathy McMorris Rodgers, the district receives no Impact Aid funding for students connected to the federally owned Grand Coulee Dam project due to the federal government's ownership of the lands associated with the project prior to the effective date of the Impact Aid legislation.

The state allocation of funds to the district is based on student enrollment as follows:

2011-12 Basic Education Allocation:	\$5,442.61/student
Materials, supplies, operating costs allocation (MSOC):	\$542.53/student
Total:	\$5,985.14/student
*2011-12 State Special Education Allocation:	\$5,022.20/student
MSOC:	\$542.53/student
Federal Special Education Allocation:	\$1,965.02/student
Total:	\$7,529.75/student

* The state allocation is determined on a per student basis with a cap of 12.7% of a district's student count being classified as qualifying for Special Education services. Student numbers in excess of the 12.7% allocation cap are paid in full through local funds. 16.7% of GCDSD students currently qualify for Special Education services.

Costs in excess of these amounts are paid through local funds, Impact Aid dollars, and/or student-targeted federal assistance. 2011-12 projected revenues from each of these sources are as follows:

Local dollars:	\$2,287.99/student
Impact Aid:	\$1,261.03/student
Targeted Federal Assistance:	\$1,803.00/student
Total:	\$5,352.02/student

Students entering the district as a result of the project will generate no additional local, levy-based dollars; may require Special Education services the cost of which will depend upon the student's Individual Educational Plan; and may require additional staffing costs based upon the grade level enrollment and applicable labor agreements.

INTENSITY

Public Health or Safety: While the district's facilities may have met the requirements for staff and student health and safety when they were constructed nearly 60 years ago, repeated studies of the district's facilities have shown that they do not provide health, safety or educational space that meets current recommendations. The district has closed one elementary school site due to environmental concerns with the presence of asbestos and lead based paint, poor indoor air quality, and structural soundness. Each of the remaining three sites has similar issues.

Cumulative Effects (The incremental environmental impact or effect of the proposed action, together with impacts of past, present, and reasonably foreseeable future actions, regardless of what agency (Federal or non-Federal) or person undertakes such actions. Cumulative effects can result from individually minor but collectively significant actions taking place over a period of time(40 CFR 1508.7)): Impacts on the local school district due to federal actions date to before the construction of the dam was initiated and have continued to the present day.

- **Loss of tax revenues:** The original license for a dam at the current site of the Grand Coulee Dam was granted by the State of Washington under provisions of the Federal Water Power Act on June 10, 1920. The Columbia Basin Commission, an agency of the State of Washington, applied for and, in August 1933, received a preliminary permit from the Federal Power Commission for the water power development of the Grand Coulee site. The project was federalized shortly thereafter, however. The federalization of the site was the basis of a negotiated agreement between the federal government and the Colville Confederated Tribes dealing with the loss of power generation royalties arising from the use of stored water over Tribal lands (Congressional testimony of Peter R. Steenland, August 4, 1994). A similar argument can be made relative to lost tax revenues due the school district had the dam site been developed by a private, non-governmental entity as envisioned by the Columbia Basin Commission.
- **Payment In Lieu of Taxes (PILT) not applicable to GCDS:** The Department of Interior pays each state PILT dollars based upon the number of acres owned by the Department and the fair market lease value of those acres but does not include the value of facilities or improvements located on those acres unlike privately owned properties (see <http://www.doi.gov/pilt/summary.html>). The distribution of these dollars is then governed by state law. Washington law requires PILT payments be paid from the state treasury to each county in direct relation to the number of identified acres in each county. Each County Commission then determines the distribution of PILT dollars.
- **Impact Aid:** It has been the position of the Bureau that construction monies should be available to the district through the Impact Aid legislation. Under Section 8002 of the enabling Impact Aid legislation, Impact Aid funds for both construction and support for federally connected children are only available to districts in which the property was transferred from private to federal ownership after 1939. All the property supporting the construction of the dam and was transferred prior to 1939 thus making the district ineligible for these Impact Aid funds.

- **Coulee Dam Community Act of 1957** provided for the transfer of the Bureau-owned school facilities to the local districts in spite of documentation that “defined the fundamental problem of the Grand Coulee Dam area as an economic one” (Shipman, 1954). Shipman also noted in his 1953 preliminary report that, based on the predicted contraction of population in the area due to the completion of the Grand Coulee Dam construction, the school districts should consider consolidation (pg. 22). While the Bureau transferred ownership of the town’s infrastructure to the Town of Coulee Dam in order to provide a continuing stream of revenue, no such provision was made for the school district.

The school district has, since consolidation in 1970, approached the Department of Interior several times through the Bureau for help in providing safe and functional facilities for the district’s students. The Department/Bureau has been nonresponsive even though the Coulee Dam Community Act empowers the Secretary of the Interior to enter into contracts with the municipality (which should include the school district as the district is a legally recognized municipality) that “...will, in the Secretary’s judgment, contribute substantially to the efficiency or economy of the operations of the Department of the Interior” (Section 11 (b), P.L. 85-240).

- **Cumulative Bureau Actions Impacting the District:** Since the passage of the Coulee Dam Community Act of 1957, the Bureau has:
 - ✓ Purchased over 200 privately owned parcels with a current assessed valuation in excess of \$2 million - in order to construct the Third Powerhouse and stabilize the downstream river banks (1969 – 70);
 - ✓ Constructed the Third Powerhouse (1970 - 74);
 - ✓ Initiated the renovation of the Third Powerhouse project which is a \$1 billion dollar, 15 year project (2009 -);
 - ✓ Initiated the expansion of the acreage to be served by the Columbia Basin Irrigation Project to include the Odessa sub-area (2009 -); and
 - ✓ Are currently scoping the impacts of the renovation of the John W. Keyes Pumping Plant at Grand Coulee Dam (2011).

CONCLUSIONS: There has been, to this point in time, no mitigation for Bureau of Reclamation impacts on the provision of educational services.

Mitigation of Impacts: Due to the Bureau’s Third Powerplant Overhaul Project and the JWK Pump-Generating Plant Modernization Project being undertaken concurrently, the total impacts to the district must be considered in the aggregate rather than as individual actions as well as the context and intensity of the proposed actions.

The impacts of added students to the district are very dependent upon the number of students, needs of the students, and grade level in which they enroll. While the school district is currently in compliance with provisions of its negotiated labor agreements, one or two additional students in the following areas would require the addition of a teacher (which would be an ongoing cost in excess of state support for one or two individual students) and possible purchase/relocation/siting of portable classrooms. By Bureau estimates, the district could receive fifty (50) new students as a result of the two current projects. Reasonable assumptions would find that the district would be required to take the following actions:

Grade 3: additional teacher salary + benefits = \$65,000

Grade 5: additional teacher salary + benefits = \$65,000

High school special education teacher: salary + benefits = \$65,000

Individual considerations:

Grades K-12: each additional Special needs student approximate net cost =
\$3,500
Site improvements (portable classroom) = (estimate) \$20,000/each
Purchase of portable classroom = (estimate) \$85,000/each

Mitigation of Intensity Effects:

K-12 facilities = \$46,000,000 less state contribution of \$14,000,000 = \$32,000,000
in a manner similar to the CCT settlement agreement;

Ongoing annual contributions to be determined that will be placed in the district's
Capital Facilities Fund for eventual replacement of the new facility to compensate for lost tax
revenues in a manner similar to the CCT settlement agreement.

REFERENCES CITED

Depart of Interior at <http://www.doi.gov/pilt/summary.html>

Shipman, George A.; The Grand Coulee Dam Area – A Preliminary Report; United States
Department of the Interior, Bureau of Reclamation; September 21, 1953.

Shipman, George A. : The Grand Coulee Dam Area: Final Report and Recommendations
Regarding the Town of Coulee Dam; United States Department of the Interior, Bureau of
Reclamation; 1954.

Steenland, Peter R. at <http://www.ccrh.org/comm/river/docs/coltest.htm>

I would welcome the opportunity to meet with representatives of the Department of Interior and
Bureau of Reclamation to discuss ways we can coordinate the mitigation of the impacts noted
above.

Please feel free to contact me if you need any additional information in relation to this
communication.

Sincerely,



Dennis L. Carlson, Ed.D.

Reclamation's Response to Comments

Letter and Comment	Response
Dixie Dringman and Dr. Jim Stevens	Comments noted.
Grand Coulee Dam School District	<p>Reclamation's preferred alternatives for the Third Powerplant Overhaul and the John W. Keys III Modernization Project would not alter the existing condition of the local schools through their potential addition of students.</p> <p>Based on the reduction of 50 students from the school district over the last three years and 100 students over the last five years, Reclamation does not conclude that the possible increase of 50 students over the next 10 years from its projects would result in significant impacts. Funding to the school district through its normal sources would compensate for these additional students.</p> <p>Reclamation recognizes the school district's challenges for funding new facilities, but Reclamation does not have the authority to provide direct financial support to the school district in this manner. Reclamation understands the value that quality schools add to the community.</p> <p>Reclamation will participate with the school district to pursue funding through alternative sources via a collaborative workgroup.</p>