

**Testimony of Rural Water Systems  
House Appropriations Committee  
Bismarck, North Dakota – November 9, 2021**

Thank you for this opportunity to testify in support of ARPA funding for the Red River Valley Water Supply Project. The Cass Rural Water District, Northeast Regional Water District, Southeast Water Users and Walsh Rural Water District represent the rural water systems that will benefit from the Project.

The Red River Valley Water Supply Project is drought mitigation infrastructure that will safeguard water for North Dakota rural water systems and communities in times of moderate and severe droughts. The Project will deliver water from the Missouri River to central and eastern North Dakota via a buried pipeline. Construction of the pipeline began over the summer and our warm fall has allowed construction crews to continue to make excellent progress into November.

Garrison Diversion Conservancy District (Garrison Diversion) and Lake Agassiz Water Authority (Lake Agassiz) are the cosponsors of the Project. There is currently \$200 million of shovel ready construction which could move forward immediately if granted ARPA funding from the legislature.

We support the support the recently amended version of the Senate bill, including the legislative intent to put the ARPA funding towards water supply, economic development, and flood control. The Red River Valley Water Supply Project is a water supply project that will also provide economic development opportunities by making water available to industry.

Please approve the \$50 million request from North Dakota's ARPA funding so the Red River Valley Water Supply Project can be completed more quickly. The rural areas of North Dakota and our water systems were particularly impacted by this year's drought conditions, when the entire state of North Dakota experienced moderate to severe drought. Rural water systems need access to the supplemental and emergency supply of Project water as soon as

possible. \$50 million from the State's ARPA funds can fast track the construction of this crucial Project.

In addition, by approving the \$50 million request to buy down the Red River Valley Water Supply Project's costs, the Project will be more affordable for rural water systems and small communities to participate. Affordability is an ongoing concern for many of the rural communities and water systems. Participation in the Red River Valley Water Supply Project comes at an additional cost to end users' operating and maintenance costs for our existing infrastructure.

Investing now in this Project makes good fiscal sense for the end users as well as the State of North Dakota. A decade-long drought similar to what we experienced in the 1930s would have a \$32 billion impact on North Dakota's economy, while a moderate drought similar to the 1980s would have more than a billion-dollar impact. The economic impact of a drought will negatively affect the entire State's economy. Likewise, the Project's economic benefits related to attracting new industries will benefit the entire State.

Please grant the request for \$50 million from North Dakota's ARPA funding so the Red River Valley Water Supply Project can be completed sooner. The benefits of the Project will have a positive impact on more than 30 rural water systems and communities, as well as providing the State of North Dakota with climate and economic resiliency.

Thank you, Chairman Delzer and members of the House Appropriations Committee, for accepting our testimony.

Jerry Blomeke, Cass Rural Water District

Jeremy Schuler, Northeast Regional Water District

Jay Anderson, Southeast Water Users District

Keith Nilson, Walsh Rural Water District