

Testimony of Duane DeKrey, General Manager, Garrison Diversion Conservancy District

House Bill 1425 – Legacy Infrastructure Revolving Loan Fund

Finance and Taxation Committee

Bismarck, North Dakota – March 10, 2021

My name is Duane DeKrey and I serve as the General Manager of the Garrison Diversion Conservancy District (Garrison Diversion), a co-sponsor of the Red River Valley Water Supply Project along with the Lake Agassiz Water Authority. I am testifying in support of HB 1425.

The Red River Valley Water Supply Project is an essential project for the State of North Dakota. The Project provides climate resilience and will help protect North Dakota communities from the devastating effects of moderate and severe drought by delivering Missouri River water to central and eastern North Dakota through a buried pipeline. Without the project, the negative economic impact to the State of North Dakota during a severe 1930s-type drought would reach nearly \$30 billion. However, once completed, the Red River Valley Water Supply Project will benefit nearly half of North Dakota's population, while protecting public health, helping the economy, and providing for environmental benefits in the river systems.

Construction on this essential infrastructure project began in December 2020, and it has an additional \$200 million in construction work ready for the next biennium; however, the Project is reliant on what the participating communities and water systems can afford. Securing a long-term, low interest loan is critical to the affordability of the project. Therefore, Garrison Diversion would like to request the thoughtful consideration of an increase in loan terms from 30 years to a 40-year term. The Project is a large multigenerational project needing access to a multigeneration loan, such as one with a 40-year term.

The ability to access affordable financing through a long-term, low interest loan is critical to keep construction for this essential infrastructure project on pace. Therefore, Garrison Diversion supports investing Legacy Fund principal into a legacy infrastructure loan fund.