

**Testimony of Dr. Tim Mahoney**  
**Lake Agassiz Water Authority Chairman & Fargo Mayor**  
**Senate Bill 2020**  
**Senate Appropriations Committee – Education and Environment Division**  
**Bismarck, North Dakota – January 19, 2023**

Good morning, Chairman Sorvaag and members of the Senate Appropriations Committee – Education and Environment Division. My name is Dr. Tim Mahoney, and I am the Chairman of the Lake Agassiz Water Authority (LAWA) Board and the Mayor of Fargo. LAWA represents the local users, the cities and rural water systems, of the Red River Valley Water Supply Project. LAWA and the Garrison Diversion Conservancy District (Garrison Diversion) are cosponsors of the Red River Valley Water Supply Project. I am here to testify in support of funding for the Red River Valley Water Supply Project and to assist in the local affordability of the project by providing access to flexible, long-term financing. It is also essential for the State to consider a commitment to construction of the entire project to provide confidence to our local end users who we are asking to fund the local share of the costs.

I am here today to ask the Committee to consider LAWA and Garrison Diversion's request for \$255 million dollars to construct 43 miles of pipeline and to design an additional 72 miles so the project can remain on a cost-effective timeline. Now is the time to invest in the Red River Valley Water Supply Project as it will benefit future generations and safeguard the water supply of nearly HALF of North Dakota's population.

The Project has \$340 million of shovel-ready construction and design work that can begin immediately if the Project is adequately funded this biennium. The \$255 million request, along with \$85 million of local funding, will allow us to move the Project forward in a timely manner.

Now is the time for the State to harness the natural resource provided by the Missouri River and fully commit to getting this Project completed. Time is of the essence, as a cost-

efficient construction schedule reduces the risk of ongoing inflation and reduces the political risks associated with competition from other States wishing to access the Missouri River downstream. Furthermore, seeing the State's financial investment in the Project will boost the confidence of rural water systems and cities that are currently considering whether they should also invest in the Project.

LAWA and Garrison Diversion have worked hard to reduce the costs of the project and are proposing an 8-year construction timeline utilizing the federal ENDAWS, which will save the state \$295 million compared to previous alternatives considered. Local affordability is also a large concern and in order for communities and water systems to participate in the Red River Valley Water Supply Project, it must be affordable. There needs to be access to long-term, low-interest financing so the Project's costs does not prevent systems from reaping the drought mitigation benefits the Project will provide. This is why LAWA is requesting the State develop and fund additional flexible financing options that allows the Project's end users to grow into their repayments.

Please favorably consider our \$255 million funding request and providing access to flexible financing to allow end users to adequately plan for a fiscally responsible future. Thank you, Chairman Sorvaag and members of the Committee for the opportunity to provide testimony.