

BOTTINEAU COUNTY WATER RESOURCE DISTRICT

WRITTEN TESTIMONY IN SUPPORT OF H.B. 1218

Before the House Energy & Natural Resources Committee

Dear Chairman Porter and Members of the House Energy and Natural Resources Committee:

My name is Clifford Issendorf. I am a farmer, landowner, and am the Chair of the Bottineau County Water Resource Board. I write to express my personal support, and the support of the Bottineau County Water Resource Board, for H.B. 1218. We urge you to consider the important benefits this bill will bring to our communities.

As a local water resource board, we are deeply involved in the planning and implementation of water conveyance and flood control projects, ranging from small-scale initiatives to larger, more complex ones. We know firsthand how essential these projects are for the safety and wellbeing of the people we serve, particularly in rural areas like ours. These projects not only address flooding and water management issues but also protect vital infrastructure and agricultural land that our economy relies on.

While we fully understand the need for careful oversight of public funds, we believe the economic analysis (EA) tool required by the State Water Commission (SWC) for funding decisions, especially for smaller projects, presents unnecessary challenges. Specifically, we support the view that the state’s economic analysis should be focused primarily on larger projects—those with a total cost of \$5 million or more. This would allow the SWC to streamline decision-making for smaller projects that still provide substantial benefits to local communities.

The Bottineau County Water Resource Board, along with many other water resource districts across the state, believes that the benefit-cost (BC) ratio derived from the EA tool has become a disproportionate factor in determining the feasibility of projects. While the tool was originally intended as one element of a broader decision-making process, in practice, the State Water Commission often places overwhelming weight on the BC ratio, reducing the cost-share for projects when the ratio falls below 1:1. This has created significant hurdles, particularly for projects of smaller scale that are still essential for local residents.

Additionally, when compared to federal agencies like the Natural Resources Conservation Service (NRCS), which incorporates a wider array of non-monetized benefits in their analysis, the state’s EA approach can feel overly narrow. NRCS evaluates a project’s environmental, societal, and other intangible benefits—factors that often cannot be captured in a simple cost-benefit formula

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but are equally important. The state’s reluctance to consider these broader impacts limits the full understanding of the benefits that water resource projects can deliver.

Local water resource districts like ours are committed to effective and responsible management of water resources, and the state’s cost-share assistance plays a crucial role in making these projects happen. The idea that our water districts would pursue projects without tangible benefits for our communities is simply not realistic. Our projects are initiated at the request of local landowners and often serve the interests of agricultural producers, who rely on the successful implementation of flood control and water conveyance solutions.

For smaller projects, especially those under \$5 million, the cost and effort required to conduct an EA often outweigh the benefits derived from the analysis. The time spent gathering the necessary data, completing the worksheets, and addressing additional requirements delays projects and adds unnecessary costs. For the rare project where the EA analysis doesn’t fully recognize benefits and the outcome is a ration of less than 1:1, the project is not stopped. Rather, the tax burden is shifted from the state back to local landowners. For many projects, the question arises: at what point does the effort to complete an EA outweigh the project’s overall benefit? Does the state require an EA of all state expenditures of \$200,000 or less?

We also face similar challenges with rural bank stabilization projects. The SWC’s cost-share guidelines often only approve funding for projects that protect public infrastructure, such as roads, which can lead to underestimating the full value of these projects. For instance, the costs associated with detour routes during road closures do not account for the impacts on agricultural producers, who may face severe disruptions during planting or harvest seasons. Similarly, additional hydraulic modeling and geotechnical analyses required by the EA process often provide little value to the design of the project but add significant cost and complexity.

Ultimately, the state’s EA process, while well-intended, often becomes a roadblock to getting much-needed projects completed in a timely and cost-effective manner. We urge you to support HB 1218 to ensure that the focus of state funding is on projects that truly benefit our communities, without being held up by excessive and sometimes unnecessary bureaucratic hurdles.

Thank you for your consideration.

Clifford Issendorf
Chair, Bottineau County Water Resource Board

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