

Congress of the United States
House of Representatives
Washington, DC 20515-0520

Testimony before the House Appropriations

Subcommittee on Energy and Water Development, and Related Agencies

Honorable Jimmy Panetta, CA-20

March 8, 2017

Though I am a newly elected member to the House of Representatives, I fully respect the responsibility faced by the Appropriations Committee and its critical role in the functioning of the United States government. My home on the central coast of California represents the confluence of pristine coastline and bountiful agricultural land down the Salinas Valley. In both cases, the importance of effective water infrastructure cannot be underscored enough. These resources help facilitate billions of dollars of economic activity every year.

Unfortunately, there is an ongoing water project in my district that threatens the health and safety of my constituents, as well as the overall economic viability of agricultural land, in the communities of Pajaro and Watsonville. Specifically, the Pajaro River has been a concern to many in this area for decades due an aging levee system and ongoing flooding. I am here today to highlight challenges faced by my constituents in the completion of this Army Corps of Engineers (the Corps) project and to advocate for its expeditious adoption into the Corps' work plan due to its potential impacts on health, safety, and economic prosperity.

The Corps, recognizing the damaging effects of floods to these communities, first constructed a system of levees for the Pajaro River in 1949 to help mitigate floodwaters. By

1963, the Corps determined these levees to be inadequate for the communities' original needs since they provided no more than 25-year protection to the city of Watsonville and 7-year protection to Pajaro. These concerns were realized in 1995 when a flood caused upwards of \$95 million in damages and displaced hundreds of local residents. Smaller flooding events have also occurred resulting in a patchwork series of repairs, and the Corps has estimated that there is an 82% threat of flooding in the next 10 years.

The nonfederal local partners are dedicated to finding a solution to this impending, and worsening, threat. By working with the Corps' San Francisco office, they have provided the necessary funds and required information for the completion of a feasibility study and environmental impact statement under the Corps' three-year SMART planning timeline. They have even offered to pay additional funds up front to ensure the feasibility study is completed by the mandated date of March 2018. Throughout this process, delays and uncertainty from the Corps have pushed the project back an estimated 18 months behind schedule even though they have provided over \$3.2 million to keep the project moving. Within the last 8 months alone, Santa Cruz County and Monterey County has expended approximately \$1.5 million in emergency response for damage caused by flooding.

Additionally, the results of the initial feasibility study do not reflect the true costs of flooding the high-value agriculture land of the Central Coast. When flooded, these plots of land are often out of production for multiple growing seasons as producers work to address food safety and environmental concerns. This is particularly true with organic producers given the strict production restrictions with which they must comply. Original estimates by the Corps only consider the crops that were damaged, failing to take into account the additional costs incurred

by producers. Farmland in the Pajaro Valley is some of the most productive in the country, totaling upwards of \$750 million each year of economic value.

Last month, I had the pleasure of meeting with Major General Jackson from the Corps to discuss this project and to raise these concerns. I was pleased that Major General Jackson expressed an interest in better understanding the delays with this project, and he is planning to visit the project later this month to see the infrastructure concerns firsthand. On this trip, I hope that Major General Jackson can see the current state of these levees, the resulting damage caused by their inadequacies, and speak to agricultural producers on the ground to gain a better understanding of how their operations are impacted by these flood damages.

In continuing with this positive trend, I strongly advocate for continued funding support for these water infrastructure projects. I urge the Committee to include report language requiring the Corps to provide the status and timeline for all projects currently subject to the three-year SMART planning criteria within 90 days of enactment of the Act. Doing so would allow for better fiscal oversight of the Corps' construction projects, while also increasing the level of accountability of the Corps to nonfederal sponsors who have financially supported Corps projects.

Additionally, I urge the inclusion of report language that requires the Corp to consider the full economic value of agricultural lands that are affected by floodwaters when conducting cost-benefit analyses. Currently, agricultural land is often undervalued since the Corps focuses primarily on the physical crops in the field at the time of the flooding, and does not consider future crop losses. Moreover, the cost of agriculture land per acre varies widely from state to state. Capturing these two economic indicators would provide an accurate representation of the

full impact of flooding and make rural projects more competitive when being integrated into the Corps' work plan.

I would like to thank my colleagues for taking time to discuss an issue of such importance to these communities in my district. I urge your support, and I look forward to working with you all to advance the health, safety, and economic viability of our local rural communities through strengthened water infrastructure.