Testimony of Charles Freeman District Manager

Kennewick Irrigation District

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Oversight Hearing on The State of the Nation's Water and Power Infrastructure

Chairman Lamborn, Ranking Member Huffman, and members of the Subcommittee, thank you for the opportunity to testify before you today on the state of our nation's water infrastructure and thank you for your efforts to help ensure future generations have access to a reliable, safe, and affordable supply of water.

My name is Charles Freeman, I am the general manager of Kennewick Irrigation District (KID or the district) based in Kennewick, Washington. Mr. Dean Dennis, president of the KID Board of Directors is also here with me today. KID is a water provider proudly serving more than 63,000 urban and agricultural customers at the end of the Yakima Basin Project in eastern Washington State.

KID is a member of the Washington State Water Resources Association (WSWRA) and the National Water Resources Association (NWRA). The WSWRA represents over 100 irrigation districts and companies who deliver water to over 1.1 million acres of irrigated agriculture. It is also Washington State's oldest continuously active state organization dedicated to the development and operation of irrigated lands and related water resource activities. The NWRA represents state water associations, irrigation districts, municipal water providers, end water users, and their collective interests in the management of irrigation and municipal water supplies throughout the western United States and portions of the South. Collectively NWRA members help provide water to more than 50 million people.

Importance of Water Infrastructure

Water infrastructure is perhaps the most important, yet overlooked, form of infrastructure in our nation. Members of this Subcommittee recognize the critical importance of water infrastructure and I thank you for your efforts. The foresight of prior generations has blessed our nation with one of the most comprehensive water infrastructure systems the world has ever seen. This infrastructure allows almost all Americans ready access to a safe, reliable, and affordable supply of water.

As members of the Subcommittee know, every sector of our economy relies on water. An investment in water infrastructure is an investment in our nation's economy, its health, and its future. Access to a reliable supply of water is a fundamental necessity for any and all economic development. Every dollar invested in water infrastructure can deliver exponentially more than the invested amount in

economic return. For example, water infrastructure associated with the Bureau of Reclamation (Reclamation) provides more than \$20 billion in direct economic contributions to the U.S. economy each year. This is nearly 20 times more than the annual appropriation the agency receives. Reclamation estimated that it's projects total economic contributions (direct and indirect) total more than \$48 billion annually (when you add in economic multipliers).

Infrastructure managed by the U.S. Army Corps of Engineers (Corps) also provides significant economic benefits in the form of water supply, hydropower generation, and flood control. The 8,500 miles of levees and dikes, 383 reservoirs, and more than 90 storm damage reduction projects managed by the Corps prevented an estimated \$361 billion in total flood damages from 2003 to 2012.

Add to these figures the multitude of health, safety, hydropower, and recreation benefits that often come along with water projects, and it is clear that water infrastructure must be a high priority in any infrastructure proposal developed by Congress or the Administration.

The need to invest in our nation's water infrastructure grows with each passing day. More than 60 percent of Reclamation managed dams are over 50 years old and a sizeable portion of Reclamation infrastructure is more than a century old. Similarly, more than 50 percent of the dams operated by the Corps have reached or exceeded the 50-year service lives they were designed for. This infrastructure represents a vital investment in America that cannot be taken for granted. We appreciate the Committee's efforts to ensure that future generations are able to benefit from a robust water infrastructure system.

Title Transfer and Improved Infrastructure Management

Water providers face numerous challenges in their efforts to supply water including growing demand, ageing infrastructure, and changing precipitation patterns. These factors require water managers to be as responsive, innovative, and efficient as possible. Transferring title to facilities where federal investments have been repaid empowers water suppliers to better manage critical water resources.

Our nation's water infrastructure system is truly a wonder of the modern world. Local water managers, like KID, and Reclamation partnered to develop much of this impressive infrastructure in the West. Historically, this partnership meant that the federal government would help finance and construct projects with the expectation that project contractors would eventually repay the federal government and taxpayers for their investment.

KID is scheduled to conclude its repayment requirements in 2025. If KID is able to reach agreement with Reclamation on a title transfer, the district is prepared to prepay its remaining balance. Transfer of title in this instance will reduce federal liabilities and prepayment will provide a cost savings benefit to the federal

government. Taking title will allow KID to more efficiently manage water supplies. This is a win-win for both parties.

Importance of Efficiency and Flexibility

KID values its relationship with Reclamation and has found it to be a good partner. However, KID is able to perform certain operations more efficiently than Reclamation. This efficiency is important. Like many irrigation districts throughout the West, KID was initially built to serve the agricultural community, but, in recent years, it has seen its customer base change as the demographics of the West change. Today, KID delivers water to over 63,000 urban and agricultural customers on 11,000 acres of agricultural land and approximately 9,000 acres of rural residential and high density urban residential. Taking a system designed for agricultural purposes and using it to supply urbanized customers creates unique challenges for the district.

Adding to management challenges, KID is located in an arid region where an average of 7-10 inches of precipitation fall each year. The district receives water from the Yakima River, an overappropriated basin where in dry years supply is not adequate to meet demand. In addition, KID is located at the end of the Yakima Basin Project, and its water supply is largely dependent on return flows from water users further up in the Yakima Basin. Under current basin operations, KID does not call on project storage and learns what its water supply will be with less than 29 hours to make system adjustments to meet customer demand.

This operational structure requires KID to be as responsive as possible, especially in drought years. During the 2015 drought, Reclamation struggled to have its operators work the necessary overtime to make the necessary adjustments to divert needed flows into KID's canal. KID diverts off an ever-changing river system, and the natural diurnal curves of the river require more than periodic adjustments to the dam, especially during a drought. During the 2015 drought, Reclamation allowed water to pass by the KID canal. Reclamation allowed this to happen six times during the peak of the summer, when the temperature in KID's service area tops 100 degrees.

In addition, Reclamation is not always timely in meeting the needs of the communities KID serves. Developers in Kennewick have had to endure years long waiting times for Reclamation's approval to move easement lines on properties the developer owns. The wait has affected the private development of those properties. Reclamation is a valuable partner and we believe that easing some of the burdens it faces will benefit it as well as KID and the surrounding community.

Improved flexibility and operational efficiency also helps KID keep its water rates affordable. Affordability is very important to KID because water is something we all rely on. Water affordability is not something that is often talked about, but it is an important discussion to have as it disproportionately affects individuals with

limited economic resources. KID is dedicated to making sure our water is affordable and recognizes that at one point or another, we all need help. That is why KID operates the Helping Hands program. A district program aimed at providing aid to individual customers that are at risk of foreclosure..

KID Title Transfer Status

KID is currently working with Reclamation to facilitate a transfer of a number of works that will be paid off and that the district already operates and manages. KID is committed to going through the title transfer process in a collaborative manner. In December of 2017, KID and Reclamation agreed to a Memorandum of Agreement (MOA) to facilitate a title transfer.

As part of the MOA the district will go through an Environmental Assessment (EA) under the National Environmental Policy Act (NEPA). This process includes tribal consultation, and Endangered Species Act Review, a National Historical Preservation Act Review, and a hazardous materials review. The largest expenditure associated with the title transfer is these reviews, which are currently estimated to cost approximately \$182,200 and will be split by KID and Reclamation. KID does not object to these processes but we do think it should be noted that the use of the project will not change, we are transferring facilities that have already been constructed, and that KID has been managing these facilities for over 60 years. In large part the title transfer is an exchange of documents. The Committee may want to consider if an EA is necessary of if a categorical exclusion would better serve Reclamation and water users exploring title transfer.

As KID looks toward the future a title transfer will help ensure reliable and efficient water supplies for the next generation and beyond.

Water Suppliers Committed to Future of Water in the Yakima Basin

Throughout the Yakima Basin, irrigation districts are dedicated to ensuring a reliable supply of water for the future. Many of KID's fellow irrigation districts are currently embracing innovative water supply solutions. The Roza Irrigation District recently completed construction of a re-regulation reservoir that will help improve operational efficiency. The Kittitas Reclamation District piped parts of its operations and dedicated a portion of conserved water to the Manastash Creek, improving flows in approximately 25 miles of important river habitat. The Sunnyside Valley Irrigation District has converted over 20 miles of open canal to pipeline. The Yakima-Tieton Irrigation District has pressurized much of its operations and operates with approximately 95 percent efficiency. Irrigators are dedicated to making operational improvements to systems that in many cases are close to 100 years old.

Last year KID celebrated its centennial anniversary. The district has been able to supply water for over a century based on investments made by prior generations.

We are committed to ensuring that the district is able to supply water for another century and beyond. To do that KID must continue to invest in its systems, its operations, and partnerships with other stakeholders. A key part of this effort is the Yakima Basin Joint Board and the Lower River Subgroup of the Yakima Basin Integrated Plan.

The Lower River Subgroup membership includes the Yakama Nation, the National Marine Fisheries Service, the Washington Department of Fish and Wildlife, Benton County, the Kennewick and Sunnyside Valley irrigation districts, and the environmental community. This stakeholder committee studies the lower river and recommends actions that would benefit water supplies and salmon runs.

Previous studies done by the United States Geological Survey (USGS) and the Benton Conservation District (BCD) have identified areas of thermal refugia in the section of the lower Yakima River below Prosser Dam to the confluence with the Columbia River, where cooler water inputs created by irrigation return flows provide areas for migrating sockeye and Chinook salmon to take refuge from the hotter river water during their upstream migration in summer. The subgroup is looking at ways to enhance these areas of refugia through shallow aquifer recharge and other methods such as shade tree plantings and the placement of large woody debris.

Infrastructure for the Future

Chairman Lamborn and Ranking Member Huffman, thank you for your attention to our nation's water infrastructure. The future of our nation's economy is directly tied to safe and reliable water infrastructure. Your commitment and the commitment of the Subcommittee to ensure that water is a key consideration in the infrastructure debate is critical and appreciated.

Thank you for allowing me the opportunity to testify. I would be happy to answer any questions.