Questions:

Marko Manoukian

- You have spent over 20 years working to provide these necessary upgrades to the St. Mary system.
 - What did that process look like, and why has it taken so long to get these necessary fixes?
 For the fist 15 years we met monthly and sent appropriations request to congress, but most of the time Continuing Resolutions prevented funding. On September 1, 2006 the Senate Energy and Natural Resource Committee held a field hearing in Havre Montana.

https://www.energy.senate.gov/hearings/2006/9/hearing-87F595CE-90A3-4243-8F72-00EFCE80BFDE. No federal action came from any of these efforts. H.R. 72 40 is the best chance for funding rehabilitation of the St. Mary/Milk River project.

What will the local economic impact be if this bill passes and the St. Mary Canal receives the improvements included in this bill?
We could modernize the St. Mary project, increasing our water flow 30% to our legal right of 850 cubic feet per second. The 18,000 people living in Havre, Chinook, Harley and Fort Belknap would not have to ration water.

- This bill's main intention is to help settle Fort Belknap's water rights. How does the St. Mary system come into play with these rights and claims?
 Page 31 of the State of Montana compact with the Fort Belknap Tribe it states that the flow of water from the St. Mary project "is essential to the permanent success of the compact". On page 33 the compact further states if the St. Mary project suffer permanent or long-term loss "the Parties may seek a remedy in court..." effectively negating the compact.
- How has the recent failure at the St. Mary Canal affected the local communities that rely on this system for their water needs?

 Right now, we will only irrigate half, 70,000 of the 140,000 acres due to the siphon collapse for a second irrigation in 2024. It is proposed that in 2025 we will have possibly a two-week irrigation season in June. It takes 40 days to irrigate the Milk River project once, so essentially no water in 2025. I have livestock, both cattle and sheep. With the irrigation shortage and loss of production in 2024 and in 2025, I plan to purchase hay from dryland farmers for fall of 2025. Many of the 700 family farms may not be able to overcome the production losses and added cast.
 - The Bureau of Reclamation estimates that this system will not be up and running again until the

fall of 2025. What is the impact of this on the communities affected?

It literally means that the 18,000 people in the towns of Havre, Chinook, Harlem, and Fort Belknap Agency may not have domestic water in the spring and summer of 2025. Production from the 140,000 acres will be close to Zero.

- o Is there anywhere else the local communities can turn to meet their water needs? The towns have no alternate source of flowing water or well water to access for domestic use. Currently, Haver has a ban on non-essential water use and noted it is due to the siphon collapse on the St. Mary project https://www.ci.havre.mt.us/. The Milk River basin is closed, so drilling and irrigation wells is prohibited.
- Where will your community turn if the Milk River runs dry, as you mentioned happens 6 out of every 10 years? From Havre to Nashua, communities will shrink and businesses and schools will disappear.
- As it currently stands, the local communities are responsible for \$34 million, with \$26 million of that amount being interest-bearing, for the repairs to the St. Mary Canal. How will this financial burden affect the local communities?

As I mentioned in my testimony, the cost of the siphon repair will be \$5.41 per acre. The terms of the contract are

not finalized by the state, but this cost will be for 30 to 50 years. For no water in the first year. It is not economically sustainable. This funding does not address the canals degradation. We must address this to restore our legal right to water, 850 cubic feet per second, and that cost more money, maybe \$150 million. So, the passage of H.R. 7240 is critical.