

H.R. 1794 and H.R. 2040

LEGISLATIVE HEARING

BEFORE THE
SUBCOMMITTEE ON WATER AND POWER
OF THE
COMMITTEE ON RESOURCES
U.S. HOUSE OF REPRESENTATIVES
ONE HUNDRED EIGHTH CONGRESS
FIRST SESSION

Tuesday, June 24, 2003

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**LEGISLATIVE HEARING ON H.R. 1794, TO
AUTHORIZE THE SECRETARY OF THE
INTERIOR TO CONSTRUCT AND REHABILITATE
FEDERAL WATER SUPPLY LINES
ASSOCIATED WITH FOLSOM DAM IN CALIFORNIA,
AND FOR OTHER PURPOSES; AND H.R. 2040,
TO AMEND THE IRRIGATION PROJECT
EXTENSION ACT OF 1998 TO EXTEND
CERTAIN CONTRACTS BETWEEN THE BUREAU
OF RECLAMATION AND CERTAIN IRRIGATION
WATER CONTRACTORS IN THE STATE OF
WYOMING AND NEBRASKA.**

Tuesday, June 24, 2003

**U.S. House of Representatives
Subcommittee on Water and Power
Committee on Resources
Washington, DC**

The Subcommittee met, pursuant to call, at 2:09 p.m., in room 1324, Longworth House Office Building, Hon. Ken Calvert, Chairman of the Subcommittee, presiding.

Present: Representatives Calvert, Osborne, Renzi, Pearce and Napolitano.

Mr. CALVERT. The oversight hearing by the Subcommittee on Water and Power will come to order.

The Subcommittee is meeting today to hear testimony on H.R. 1794, a Bill to authorize the Secretary of the Interior to construct and rehabilitate Federal water supply lines associated with Folsom Dam in California, and H.R. 2040, a bill to amend the Irrigation Project Extension Act of 1998 to extend certain contracts between the Bureau of Reclamation and certain irrigation water contractors in the States of Wyoming and Nebraska.

Under Rule 4(g) the Chairman and the Ranking Minority Member can make opening statements. I shall begin mine.

**STATEMENT OF THE HON. KEN CALVERT, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF CALIFORNIA**

Mr. CALVERT. Our Subcommittee continues to seek balanced and integrated water management approaches that ensure water and power available for communities in the West. Today we will focus our attention on two bills that improve the dependability and security of the water infrastructure for long-term use and recognize collaborative efforts on protecting endangered species habitat.

H.R. 1794, introduced by our distinguished colleague, John Doolittle, authorizes design and construction of a water supply pipeline and the rehabilitation of an existing Federal water pipeline at Folsom Dam. I look forward to hearing from the affected communities on how they are already working on these pipelines, and their response to Federal questions over cost share and how the project's costs will be allocated.

H.R. 2040, introduced by our distinguished Nebraska colleague, Mr. Osborne, extends specific water contracts between the Bureau of Reclamation and water contractors in Nebraska and Wyoming. This legislation responds to continuing work on a multiparty agreement aimed at restoring habitat for endangered species on the Platte River. While these good faith efforts take place, the irrigators have asked for repayment certainty until a clear regulatory water-use roadmap is in place.

These bills attempt to find common-sense solutions to water problems facing two regions of our country. I thank our witnesses for coming here today, and look forward to hearing from them on these important bills.

[The prepared statement of Mr. Calvert follows:]

**Statement of The Honorable Ken Calvert, Chairman,
Subcommittee on Water and Power, on H.R. 1794 and H.R. 2040**

Our Subcommittee continues to seek balanced and integrated water management approaches that ensure water and power are available for communities in the west. Today, we will focus our attention on two bills that improve the dependability and security of the water infrastructure for long-term use, and recognize collaborative efforts on protecting endangered species habitat.

H.R. 1794, introduced by our distinguished colleague, John Doolittle, authorizes the design and construction of a water supply pipeline and the rehabilitation of an existing federal water pipeline at Folsom Dam, California. I look forward to hearing from the affected communities on how they're already working on these pipelines and their response to federal questions over cost share and how the project's costs will be allocated.

H.R. 2040, introduced by our distinguished Nebraska colleague, Mr. Osborne, extends specific water contracts between the Bureau of Reclamation and water contractors in Nebraska and Wyoming. This legislation responds to continuing work on a multi-party agreement aimed at restoring habitat for endangered species on the Platte River. While these good faith efforts take place, the irrigators have asked for repayment certainty until a clear regulatory, water-use roadmap is put in place.

These bills attempt to find common sense solutions to water problems facing two regions of our country. I thank our witnesses for coming here today, and look forward to hearing from them on these important bills.

Mr. CALVERT. Mrs. Napolitano is going to be here shortly, so in the interim, Mr. Osborne, if you would like to make an opening statement, you are recognized.

Mr. OSBORNE. I do not have an opening statement. I will just reserve my comments when it is time to discuss H.R. 2040.

Mr. CALVERT. Certainly. What I will do now is I will start recognizing the panel, and when Mrs. Napolitano arrives, we will certainly give her time for her opening statement.

I would now like to recognize our first panel, William Rinne, Deputy Commissioner, Bureau of Reclamation. With him is the Honorable Rocky Rockholm, the Mayor of the City of Roseville; and Mr. Jim English, the General Manager, San Juan Water District, California.

With that, Mr. Rinne, you are recognized, and we are under the 5-minute rule loosely. Try to keep it within the 5 minutes. We would appreciate that.

**STATEMENT OF WILLIAM RINNE, DEPUTY COMMISSIONER,
BUREAU OF RECLAMATION, U.S. DEPARTMENT OF THE
INTERIOR**

Mr. RINNE. Thank you, Mr. Chairman. Before I begin, I would like to request that my written statements be submitted for the record.

Mr. CALVERT. Without objection, so ordered.

Mr. RINNE. My name is Bill Rinne, and I am Deputy Commissioner for the U.S. Bureau of Reclamation. I am pleased to provide the Administration's views on H.R. 1794 and H.R. 2040.

Let me begin with H.R. 1794, a bill to authorize the Secretary of the Interior to design and construct a parallel water supply line connecting the pumping plant at the base of Folsom Dam in California to the Hinkle Wye serving the City of Roseville and the San Juan District, California.

This bill would also authorize the Secretary to rehabilitate the approximately three-quarter mile long, 84-inch diameter above-ground water supply line connecting Folsom Dam Pumping Facility to the Hinkle Wye where the delivery system splits into separate pipelines to serve the San Juan and the City of Roseville.

While the Administration understands the communities' interest in these projects, we do not believe it is in the Federal Government's responsibility to fund a secondary pipeline, and therefore, cannot support H.R. 1794.

The United States owns and Reclamation operates the 84-inch steel North Fork Pipeline, which is the sole conveyance of Folsom Reservoir water to both the District and the City. The United States is responsible for maintaining the existing pipeline. However, the Bureau of Reclamation can only meet this responsibility with permission from the City and District to interrupt pipeline flow long enough to perform maintenance.

The City and the District have grown substantially since the pipeline and Folsom Dam were constructed 50 years ago. In working with the City and the District since 2001, they have informed us that the community growth leaves them without an adequate year-round backup resource to sustain a water pipeline interruption for more than approximately 24 hours. This constraint directly interferes with the Bureau's ability to perform maintenance on the pipeline.

We agree that the lack of reserve capacity interferes with maintenance and creates a continuity of supply issue that needs to be addressed. Again, the responsibility for pipeline maintenance

belongs to the Bureau of Reclamation, while the responsibility for providing reserve capacity to allow for maintenance belongs to the City and the District.

Following a preliminary inspection in 2001, Reclamation met with the District and the City to discuss a parallel pipeline as a possible solution in providing water supply during rehabilitation work. At that time, officials from the District and the City indicated they intended to jointly fund installation of the parallel pipeline. Reclamation supported that approach and indicated it would cooperate in the process, a position we continue to support.

The Administration understands that a solution to this issue must be developed, but if the District and the City determine that they need a parallel pipeline or some other method of reserve capacity, they should be responsible for its construction. Reclamation understands that it is responsible for reasonable maintenance of the existing pipeline and stands behind that commitment.

We look forward to continuing cooperation with City, District and legislative sponsors in developing alternatives that may prove a more efficient means of meeting the community's water needs.

I would now like to turn my attention to H.R. 2040, which would amend the Irrigation Project Extension Act of 1998, to require the Secretary of Interior to extend each of the water service repayment contracts for the Glendo Unit of the Missouri River Basin Project for a period of 2 years until December 31st, 2005 or for the term of the cooperative agreement entered into by the States of Wyoming, Nebraska, Colorado and the Secretary of Interior.

Mr. Chairman, the Department supports to H.R. 2040 language as written. On July 1st, 1997 the States of Wyoming, Nebraska and Colorado and the United States Department of Interior entered into a cooperative agreement for Platte River research and other efforts relating to endangered species habitats along the Central Platte River in Nebraska. The purpose of the cooperative agreement is to jointly undertake a basin-wide effort to improve the habitat of four threatened and endangered species along the Platte River. The cooperative study is designed to help develop a basin-wide program to be the reasonable and prudent alternative to minimize the effects of existing and new water-related activities in the Platte Basin.

Glendo Dam and Reservoir system is one of several Bureau of Reclamation dam and reservoir systems on the North Platte River that operate as an integrated system. The Bureau of Reclamation has been consulting under the Endangered Species Act on the operations of the entire reservoir system.

To successfully renew long-term contracts for Glendo Reservoir water will require the completion of Endangered Species Act consultation on the Bureau of Reclamation's North Platte River system operation. This consultation will continue until the cooperative agreement and study have been completed. The final programmatic environmental impact statement is scheduled to be completed by November 2004, with a record of decision to follow in December 2004. H.R. 2040 will allow Reclamation to renew the Glendo contracts once the record of decision is issued.

Mr. Chairman, this completes my remarks, and I would be happy to answer any questions.

[The prepared statement of Mr. Rinne on H.R. 1794 follows:]

**Statement of William Rinne, Deputy Commissioner, Bureau of Reclamation,
U.S. Department of the Interior, on H.R. 1794**

My name is Bill Rinne, and I am Deputy Commissioner for the U.S. Bureau of Reclamation. I am pleased to provide the Administration's views on H.R. 1794, a bill to authorize the Secretary of the Interior to design and construct a parallel water supply line connecting the pumping plant at the base of Folsom Dam in California to the Hinkle Wye serving the City of Roseville, California, and the San Juan Water District, California.

This bill would also authorize the Secretary to rehabilitate the approximately three-quarter mile long, 84-inch diameter, above ground water supply line connecting the Folsom Dam pumping facility to the Hinkle Wye, where the delivery system splits into separate pipelines to serve the San Juan Water District (District) and the City of Roseville (City). While the Administration understands the communities' interest in these projects, we do not believe it is the Federal Government's role to fund a secondary pipeline and therefore cannot support H.R. 1794.

The United States owns, and Reclamation operates, the 84-inch steel North Fork Pipeline, which is the sole conveyance of Folsom Reservoir water to both the District and the City. It is our understanding that the United States is responsible for maintaining the existing pipeline. However, the Bureau of Reclamation can only meet this responsibility with permission from the City and District to interrupt pipeline flow long enough to perform maintenance.

The City and District have grown substantially since the pipeline and Folsom Dam were constructed 50 years ago. In working with the City and the District over the past few years, they informed us that the community growth leaves them without an adequate year-round backup resource to sustain a water pipeline interruption for more than approximately 24 hours. This constraint directly interferes with Reclamation's ability to perform maintenance on the pipeline.

We agree that the lack of reserve capacity interferes with maintenance and creates a continuity of supply issue that needs to be addressed. However, it is our understanding that, while the responsibility for pipeline maintenance belongs to the Bureau of Reclamation, responsibility for providing reserve capacity to allow for maintenance belongs to the City and District.

Following a preliminary inspection in 2001, Reclamation met with the District and City to discuss a parallel pipeline as a possible solution to providing water supply during rehabilitation work. At that time, officials from the District and the City indicated they intended to jointly fund and install the parallel pipeline. Reclamation supported that approach and indicated it would cooperate in the process, a position we continue to support.

In summary, the Administration understands that a solution to this issue must be developed, but if the District and the City determine that they need a parallel pipeline or some other method of reserve capacity, they should be responsible for its construction. Reclamation understands that it is responsible for reasonable maintenance of the existing pipeline and stands behind that commitment. We look forward to continuing cooperation with City, District and legislative sponsors in developing alternatives that may prove a more efficient means of meeting the community's water needs.

That concludes my prepared remarks. I would be pleased to answer any questions.

[The prepared statement of Mr. Rinne on H.R. 2040 follows:]

**Statement of William Rinne, Deputy Commissioner, Bureau of Reclamation,
U.S. Department of the Interior, on H.R. 2040**

Thank you for the opportunity to appear today to provide the Administration's views on H.R. 2040.

H.R. 2040 would amend the Irrigation Project Contract Extension Act of 1998 to require the Secretary of the Interior to extend each of the water service or repayment contracts for the Glendo Unit of the Missouri River Basin Project for a period of 2 years until December 31, 2005, or for the term of the cooperative agreement entered into by the states of Wyoming, Nebraska, Colorado and the Secretary of the Interior.

Mr. Chairman, the Department supports the H.R. 2040 language as written.

On July 1, 1997, the States of Wyoming, Nebraska, and Colorado entered into a cooperative agreement for Platte River research and other efforts relating to

endangered species habitats along the Central Platte River in Nebraska with the United States Department of the Interior. The purpose of the cooperative agreement is to jointly undertake a basin-wide effort to improve the habitat of four threatened and endangered species that use the Platte River. Successful completion of the cooperative study will lead to development of a basin-wide program that will serve as the reasonable and prudent alternative to offset the effects of existing and new water related activities in the Platte River Basin.

Glendo Dam and Reservoir is one of several Bureau of Reclamation dams and reservoirs on the North Platte River that operate as an integrated system. The Bureau of Reclamation has been proceeding with a process to consult under the Endangered Species Act on the entire reservoir system operations.

To successfully renew long-term contracts for Glendo Reservoir water will require the completion of Endangered Species Act consultation on the Bureau of Reclamation's North Platte River system operations. Such consultation will not be completed until after the final programmatic environmental impact statement and study have been completed. The final programmatic environmental impact statement is scheduled to be completed by November 2004, with the record of decision to follow in December 2004. H.R. 2040 will allow Reclamation to proceed with completing the renewal of the Glendo contracts following the record of decision.

Mr. Chairman, in summary, the Department supports the legislation for extension of the Glendo contracts provided by H.R. 2040. I would be happy to answer any questions.

Mr. CALVERT. I thank the gentleman.

Testifying on H.R. 1794 are the Hon. Rocky Rockholm, Mayor of the City of Roseville, and Mr. Jim English, General Manager of San Juan Water District. First we will recognize Mayor Rockholm.

STATEMENT OF ROCKY ROCKHOLM, MAYOR, CITY OF ROSEVILLE, CALIFORNIA, ACCOMPANIED BY DEREK WHITEHEAD, DIRECTOR OF ENVIRONMENTAL UTILITIES, CITY OF ROSEVILLE

Mr. ROCKHOLM. Mr. Chairman and honorable members of this Committee, my name is Rocky Rockholm. I am the Mayor of Roseville, California.

I appreciate the opportunity to appear here before you before this Committee today concerning H.R. 1794, the authorization for construction of a parallel water supply line and rehabilitation of an existing Federal supply line.

Thank you for holding this hearing today. The citizens of Roseville and our region need your help in providing a safe and reliable water supply for our region. I want to thank Congressman John Doolittle for his leadership and for introducing H.R. 1794. Roseville is proud to have Congressman Doolittle represent our region for over a decade, and we appreciate his commitment to our City, our region, the State of California and the United States of America.

Roseville is located 20 miles east of Sacramento, and Interstate 80 divides the City. The current population is approximately 86,000 residents, which is expected to grow to 110,000 residents by the year 2010, which is our build-out according to general and specific plans.

Our community has experienced unprecedented growth during the past decade. The City has efficiently and effectively kept pace with providing a high level of service in spite of significant pressures of rapid growth, safeguarded local and regional history through planning and delivering critical projects that benefited the long economic health of the region. An example would be the Union

Pacific rail yard, which is the largest rail yard west of the Mississippi River, and the Maidu Interpretive Center, which shows a history of the Maidu Indians in our area.

The City's drinking water system relies heavily on a single 84-inch pipe owned and operated by the Bureau of Reclamation. The pipeline can deliver up to 216 million gallons of water per day, 96 million gallons for Roseville and 120 million gallons for San Juan. The pipeline provides service to over 250,000 people each day. It is the only raw water supply line for the City in San Juan Water District. Without it we would not be able to provide water to the citizens of our region.

Jim English, the General Manager of San Juan Water District, will describe the specific findings of the pipeline inspection conducted in the year 2000. An important point to remember: if this pipeline fails, it would have a catastrophic effect on our region's viability.

There are two reasons for the parallel pipeline. Rehabilitation of the existing pipeline would require it to be taken out of service for several weeks or even months, leaving both agencies without water. The parallel pipeline is the only way service can be maintained during rehabilitation.

The parallel pipeline would provide a redundant water supply for 250,000 customers. This would improve the reliability and security of the water supply significantly. It is essential that we update our water systems by building in redundancies.

As a California mayor I am sensitive to water usage and believe it is important to note that no additional water will be drawn from the American river system as a result of this project. The two supply lines will be used to supply the approved level of water to the City of Roseville and the San Juan Water District.

The total cost of the project is estimated to be \$12.1 million. The City and San Juan Water District will complete a predesign study. The United States Bureau of Reclamation staff will start the design of the parallel line, utilizing staff located in Denver, and paid for through the \$500,000 appropriation in the 2003 Omnibus Bill.

In addition we are asking for an additional \$1.6 million energy and water appropriation in Fiscal Year 2004 to complete the design. The construction phase of the parallel pipeline will be approximately \$8 million. Rehabilitation of the existing line is estimated at \$1.9 million. The estimated time for completing this project is 4 years.

Mr. Chairman, thank you for your time. Again, we would like to thank Congressman Doolittle for his work on this legislation, and the City encourages the Subcommittee on Water and Power to report favorably on H.R. 1794.

I guess at this point—this is my first time—I would ask for my written comments to be entered into the record and I would be happy to answer any questions.

Mr. CALVERT. Without objection, so ordered.

[The prepared statement of Mr. Rockholm follows:]

**Statement of The Honorable Rocky Rockholm, Mayor,
City of Roseville, California, on H.R. 1794**

Mr. Chairman and distinguished members of the Committee, my name is Rocky Rockholm and I am the Mayor of the City of Roseville, California. I appreciate the

opportunity to appear before this Committee today regarding H.R. 1794, a bill providing authorization for construction of a parallel water supply line and rehabilitation of existing federal facilities at Folsom Dam.

I wish to begin by thanking you and the members of the Subcommittee on Water and Power for holding this hearing this afternoon. The citizens of the City of Roseville need your assistance in helping us meet the water supply and water security needs of our region. We appreciate this Committee's commitment to ensuring a safe and reliable water system in the United States.

On behalf of the City of Roseville, I also wish to thank Congressman John Doolittle for his leadership and for introducing H.R. 1794. Congressman Doolittle has served his constituents and the nation well since first being elected over a decade ago. Roseville is proud to have Congressman Doolittle represent us in the United States Congress, and we appreciate his commitment to our City, our region, the State of California, and the United States of America.

The City of Roseville is located 20 miles east of Sacramento and has a population of approximately 86,000 residents. Roseville is expected to be home to approximately 110,000 residents by 2010 when all of the currently-entitled residential property is developed. Our community has experienced unprecedented growth during the past decade, and I believe the City has efficiently and effectively discharged its duties to our new and long-standing residents in spite of the significant pressures of rapid growth.

In addition to carrying out the primary functions of local government, I believe we have successfully safeguarded our local and regional history while responsibly planning and delivering critical projects for our long term economic health. For example, the City has worked with the local Maidu tribe to preserve the Native American history of the area in cultural centers and museums and with Union Pacific to develop the largest rail yard of its kind west of the Omaha and the most modern rail yard in the United States.

Of course, a primary local government function is to reliably deliver clean drinking water. The City has worked closely with the U.S. Bureau of Reclamation and the San Juan Water District to properly discharge this function. We are now faced with a major challenge related to our water supply, and we need this Committee's assistance to ensure our water service remains safe and reliable.

The City's current drinking water system relies on a single 84-inch, 3,500 foot pipeline owned and operated by the United States Bureau of Reclamation (USBR). The pipeline delivers up to 216 million gallons of raw water each day from Folsom Reservoir to the City of Roseville and the San Juan Water District—120 million gallons to the San Juan Water District and 96 million gallons to the City of Roseville. After treatment, the respective agencies serve water to over 250,000 customers per day in Sacramento and Placer Counties. The pipeline is the only raw water supply line to the City and the San Juan Water District. Without it, we would be unable to provide the citizens of our region with a safe and reliable drinking water supply.

My friend, Jim English of the San Juan Water District, will describe the specific findings of the 2000 pipeline inspection. The important point to remember is this: the region's only drinking water supply is in jeopardy and could soon fail unless the existing infrastructure is rehabilitated.

There are two main reasons why the parallel pipeline is necessary. First, rehabilitation will require the sole existing pipeline to be taken out of service for several weeks or even months. A parallel pipeline must be constructed to provide the agencies raw water while the existing pipeline is out of service. The parallel pipeline is the only means by which we will be able to deliver water to our citizens without interruptions.

Second, the parallel pipeline will provide a redundant water supply to 250,000 daily customers, significantly improving the security and reliability of the facility. In light of recent events that have demonstrated real threats to the security of our nation's infrastructure, it is essential that we update our systems by building in redundancies. H.R. 1794 provides the City of Roseville with this added security. While this benefit is ancillary, it is very important.

As a California mayor, I am sensitive to water usage issues and I believe it is important to note that no additional water will be drawn from the American River system as a result of this project. The two water supply lines will be used to supply the approved level of water to the City of Roseville and the San Juan Water District.

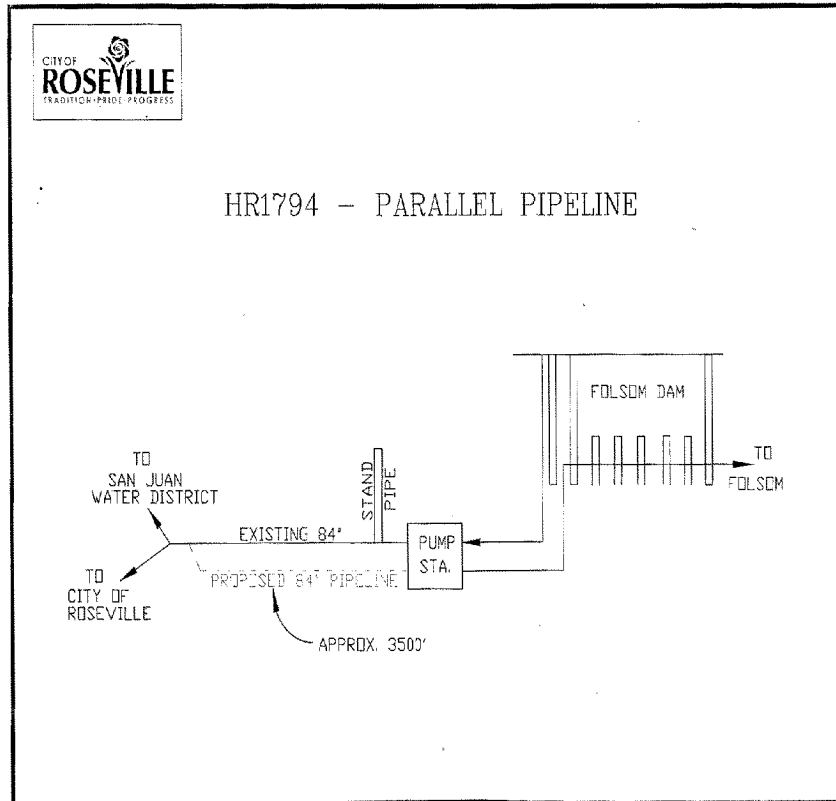
We anticipate that the total cost of the project will be \$12.1 million. The City and the San Juan Water District will complete a \$100,000 pre-design study. The USBR Denver office will start the design of the parallel pipeline using \$500,000 earmarked in the Fiscal Year 2003 Omnibus Appropriations Bill. In addition, we have requested an earmark of \$1.6 million in the Fiscal Year 2004 Energy and Water

Appropriations Bill that will be used to complete the design of the project. The construction phase of the parallel pipeline will require \$8 million and the rehabilitation of the existing pipeline will cost \$1.9 million. We expect the project to be complete in four years, including design, construction, and rehabilitation.

Mr. Chairman, in closing I would once again like to thank you and your colleagues for holding this hearing today. We understand that your Committee is extraordinarily busy, and the fact that this hearing has occurred underscores your commitment to ensuring the safety and security of Americans. We also again wish to thank Congressman Doolittle for all his work on this legislation and on behalf of the City of Roseville.

The City of Roseville urges the Subcommittee on Water and Power to report favorably on H.R. 1794 as soon as possible. I would be happy to answer any questions you or your colleagues on the Subcommittee may have. Once again, thank you.

[The diagram follows:]



Mr. CALVERT. Next, Mr. Jim English, the General Manager of San Juan Water District. Mr. English.

**STATEMENT OF JIM ENGLISH, GENERAL MANAGER,
SAN JUAN WATER DISTRICT, CALIFORNIA**

Mr. ENGLISH. Mr. Chairman, this is exciting stuff for me. I am a water guy, and as I look around the table and notice we all have glasses and pitchers, this is a pretty big deal for me. I want to thank the Committee also for allowing me to come back here and

talk on H.R. 1794. It is a big issue for us, and it is nice to see Government doing its job with regard to safe water, reliable water supply. A very important issue to me.

I also want to thank Congressman Doolittle, who has worked so hard in our region to provide a safe and reliable water supply. He has just done that over and over again. It has been his agenda for many years. We are very proud to have him back here representing us.

I have written testimony. Hopefully that has been submitted. If not, I would ask that it be submitted.

Mr. CALVERT. Your testimony has been submitted and it will be entered into the record without objection.

Mr. ENGLISH. Thank you.

We are a community services district formed in 1954, and we purchased the North Fork Company which goes back to 1853, so we have a long history of even pre-Folsom Dam. We completely understand the construction, what went on back then, and where we are today.

I would like to talk on a couple of points that Mr. Rinne spoke about, in particular, going back to when the meetings were held with the Bureau of Reclamation. These were important meetings. And I would also like to acknowledge that we have a good working relationship with the Bureau and we understand there are budget constraints there. In those meetings with the Bureau, held following their inspection of the pipeline where serious problems were found, it was the Bureau that contacted us and asked that we consider doing something that we had done in the past, and that was to prefund facilities for the Bureau, come back to Congress and seek some sort of reimbursement. This is a much bigger issue. This is an issue that is—\$12 million, very difficult for a district whose annual budget is \$10 million, to sell that to the board. We did promise however to come back and see if we could do something to increase their budget so that it was no impact to the Bureau. That was the promise that was made.

I would like to talk about some previous issues with the Bureau, where they did not have knowledge of a difficult situation. One was Gate No. 3, it happened some years back, when it failed. Not just tens of thousands, but hundreds of thousands of acre-foot of water supply free fell from Folsom Dam into the American River and out into the delta. That was a condition they did not know about, but it was a failed condition. There was not 2 years following that when the Bureau had isolated and shut down the 84-inch valve to this pipeline, and it was stuck closed, no water coming into the district. The Bureau had no knowledge that that would happen, but nevertheless a failed situation where no water supply was coming in. Those two projects to go back and fix Gate No. 3 and the failed valve cost three to five times what it would do under normal planning conditions.

I think the Bureau recognizes and we recognize, we now know that we have a pipeline, a single pipeline coming in that serves more than a quarter of a million people that will fail. It has a 5- to 10-year window, identified during their inspections. We have used up 3 of those years already. It is not a question of if, it is a

question of when. Our greatest concern is that it will fail before there is a parallel pipeline in place.

I would submit to you that back in 1954, '53, someone had to find a way to deliver water on a continuous basis while they constructed Folsom Dam, the pumping facility and a pipeline that went along with this today. All we are talking about is the parallel pipeline to which we are not looking for increased capacity, reserve capacity. We are recognizing that the only way that they are going to be able to go in and do the maintenance required is to build a secondary pipeline.

So I urge you to move quickly on H.R. 1794. Thank you once again for the opportunity to speak with you.

[The prepared statement of Mr. English follows:]

**Statement of Jim English, General Manager,
San Juan Water District, on H.R. 1794**

Mr. Chairman and distinguished members of the Committee, my name is Jim English and I am the general manager of the San Juan Water District located in the greater Sacramento metropolitan area. I appreciate the opportunity to testify today regarding H.R. 1794, a bill authorizing construction of a parallel water supply line and rehabilitation of existing federal facilities at Folsom Dam.

I would like to thank you and the members of the Subcommittee on Water and Power for holding this hearing this afternoon. This hearing is an important milestone in the progress of H.R. 1794 and demonstrates your dedication to a safe and secure water system in our region and throughout the United States. Ensuring a safe and reliable drinking water system is a fundamental responsibility of government, and we appreciate your efforts to effectively and efficiently carry out that responsibility.

On behalf of the San Juan Water District, I also wish to thank Congressman John Doolittle for his dedication to guaranteeing that a safe and reliable water system is provided to his constituents and our region. The San Juan Water District appreciates all of Congressman Doolittle's efforts on our behalf and we are honored to have him represent us in the United States Congress.

The San Juan Water District is a community services district created by a vote of the citizens in 1954. The district is committed to ensuring the delivery of a reliable water supply of the highest quality at reasonable and equitable costs to all of its customers. The district wholesales water to Citrus Heights and Fair Oaks water districts, Orangevale Water Company, the City of Folsom, and periodically to Sacramento Suburban Water District. Additionally, water retail services are provided to customers in Granite Bay and the northeast portion of Sacramento County.

San Juan Water District is located 30 miles east of Sacramento and serves a population of approximately 160,000 residents within an area of 28,800 acres.

The United States Bureau of Reclamation (USBR) delivers 216 million gallons of raw water per day to the City of Roseville and the San Juan Water District. The San Juan Water District receives 120 million gallons of this water each day to serve our customers. The raw water is delivered through a single pipeline that is owned and operated by the USBR. Once the City and the SJWD treat the raw water, it is delivered to over 250,000 customers each day in Sacramento County and Placer County.

The existing 84-inch, 3,500 foot long pipeline was inspected in 2000. The inspectors found cracked lining and rust when the lining was removed. The above ground exterior surfaces of the pipe are now showing indications of coating failure and rust. The interior cement caulked joints have softened and failed. There is also extensive rusting of the steel beneath the joints and significant corrosion throughout the pipeline. The coal tar lining failures are expected to accelerate over time. USBR estimates that the pipeline will most likely fail within five to ten years of the inspection without extensive rehabilitation.

H.R. 1794 would authorize the construction of a parallel pipeline and the rehabilitation of the existing pipeline. The parallel pipeline is essential as it will allow the City of Roseville and the San Juan Water District to continue delivering water to our users while the existing pipeline is out of service during rehabilitation. Without the new pipeline, our customers would experience service outages from several weeks to months while the existing pipeline is being rehabilitated. This is unacceptable.

Once operational, the parallel pipeline will also serve as a redundant water supply line, thus significantly enhancing the security and reliability of the entire facility. Access to two water delivery systems will help us protect our water supply and infrastructure. This increased security measure is particularly important in light of current and future threats to our infrastructure.

Water supply is of great interest in our region, and new water infrastructure projects sometimes can be of concern. In this case, however, I can report that the new pipeline will have no impact on the amount of water being drawn from the American River. The two raw water supply lines will be used to deliver the approved level of water to our customers.

The project will cost a total of \$12.1 million. The City and the San Juan Water District will complete a \$100,000 pre-design study with local money. The design of the project will cost \$2.1 million. An earmark of \$500,000 received in the Fiscal Year 2003 Omnibus Appropriations Bill will be used by the USBR Denver office to start the design of the parallel pipeline. We have requested an earmark of \$1.6 million in the Fiscal Year 2004 Energy and Water Appropriations Bill to complete the design of the project. The construction phase of the parallel pipeline will require \$8 million and the rehabilitation of the existing pipeline will cost \$1.9 million. We anticipate that the project will take four years to complete.

Mr. Chairman, I would like to thank you and your colleagues once again for holding this hearing today on H.R. 1794. We understand that your Committee is extremely busy and we truly appreciate your commitment to ensuring the safety and security of America's water supply. The San Juan Water District again wishes to thank Congressman Doolittle for all his work on this legislation.

The San Juan Water District strongly urges the Subcommittee on Water and Power to report H.R. 1794 favorably. I thank you for your assistance and I am happy to answer any questions you or Committee members may have.

Mr. CALVERT. I thank the gentleman for his testimony, and all the witnesses for their testimony.

At this time I recognize Mrs. Napolitano for her opening statement.

**STATEMENT OF THE HON. GRACE F. NAPOLITANO, A
REPRESENTATIVE FROM THE STATE OF CALIFORNIA**

Mrs. NAPOLITANO. Thank you, Mr. Chair. I apologize for my late arrival. I had some pressing business, but I am looking forward to hearing the rest of the testimony. I have read some of the information. I concur these bills are very important, dealing with reclamation law.

For Mr. Doolittle's bill, the question of the reimbursability of the project construction cost is really the major sticking point, if you will. With regard to Mr. Osborne's bill, we just need to understand whether the cooperative agreement among Wyoming, Nebraska and Colorado with the Department of Interior will also be extended, and if the agreement is not, then why do we need a bill.

I look forward to the testimony. Thank you, sir.

Mr. CALVERT. Thank the gentelady.

Now on to some questions. Mayor Rockholm, Mr. English, as you mentioned in your testimony, your area has grown tremendously. And you also mentioned, for the record, how long will the pipeline serve your drinking water needs as they presently exist?

Mr. ENGLISH. As far as we are concerned, the pipeline is large enough to take care of future growth, not only what we have today but ultimate build-out.

Mr. CALVERT. Again for the record, so the additional pipeline, the primary purpose for that pipeline is maintenance and to make sure you have a redundancy in the system in case an emergency arises?

Mr. ENGLISH. Correct. If they can find another way of getting water supply to us while they do the rehabilitation, that is OK with us.

Mr. ROCKHOLM. I would like to add that the current water supply that we are asking for, 96 million gallons a day would take care of our build-out per our general plan and specific plans. I think what it would afford us though is the opportunity to work closely with the Bureau of Reclamation to keep that system rehabilitated because we would have the ability to turn off one line, work on the other line, or whatever needed to be, with the Bureau. I think it would provide the opportunity to be proactive versus reactive. In other words, find a problem, fix it before it actually becomes a catastrophic event.

Mr. CALVERT. At the present time, what is the City of Roseville's budget for water delivery infrastructure?

Mr. ROCKHOLM. May I defer that answer to Derek Whitehead, our Environmental Utilities Director?

Mr. CALVERT. Certainly. For the record, please state your name and position.

Mr. WHITEHEAD. My name is Derek Whitehead. I am the Director of Environmental Utilities for the City of Roseville.

We have two different budgets that we work from. We have an operations budget that is about \$9 million a year. And then we also have a capital budget which we use to construct new infrastructure, expanding to meet the needs for new growth that we have, and that is money that is collected from those folks when they tie into our system. So during that timeframe we have the ability to build new infrastructure in our system, but have not anticipated building infrastructure for the Bureau of Reclamation.

Mr. CALVERT. Mr. Rinne, does the Bureau presently own and operate any reserve pipelines.

Mr. RINNE. Mr. Chairman, you mean reserve pipelines other places?

Mr. CALVERT. Yes.

Mr. RINNE. I am just thinking. We had one in Las Vegas. We turned that over in a title transfer. I am not sure just off the top of my head if there might be other areas where we have.

Mr. CALVERT. For the record, could you look into that and inform the Committee. We will hold the hearing record open, and you can submit that for our information.

Mr. RINNE. I will do that, Mr. Chairman.

Mr. CALVERT. As far as you know, has there been a longstanding Bureau policy on not fronting reserve capacity pipelines?

Mr. RINNE. I do not think it is so much the policy here, but in this particular case, Mr. Chairman, it is not whether there should be a reserve one, but just the idea that the authority we have, and we figure it is our responsibility in the maintenance on the initial one, but not to have a reserve one. So it is more what the practice would be. There is no policy I am aware of that says we would not do reserve ones.

Mr. CALVERT. The pipeline itself, what is the normal life span of a pipeline such as this?

Mr. RINNE. This is a steel one. I think it has an epoxy-tar coating on the inside. It is above ground. And what I do know is, as kind

of a minimal maintenance check, we thought probably need replacement in the next 5 to 10 years. So if you figure that was put in in the '50's, so you can see that you are over 50 years in the pipe.

Mr. CALVERT. Just asking this question again for the record. If there was a failure tomorrow on that pipeline, whose responsibility is that to fix and repair?

Mr. RINNE. From the maintenance standpoint the Bureau of Reclamation would have to do that.

Mr. CALVERT. If there is a total failure of the line, whose responsibility would it be to replace?

Mr. RINNE. It would be my understanding that we would have to take on the maintenance responsibility to deal with an emergency situation.

Mr. CALVERT. So if in fact that did occur, would you be forced into building a parallel line in order to build a new line?

Mr. RINNE. Mr. Chairman, I do not know. I mean, obviously we would try to deal with it. I do not know if we would take that step or not.

Mr. CALVERT. Would the City of Roseville have a secondary water supply of water to—and this is for any of the witnesses if they know the answer to this—if in fact there was a total failure of water on that line, is there a secondary source of water to supply the City?

Mr. ROCKHOLM. It is my understanding we have enough well capacity for a very short period of time, but it would not be—we would not be able to sustain ourselves over a long period of time.

Mr. CALVERT. Thank you.

Mrs. Napolitano.

Mrs. NAPOLITANO. Thank you, Mr. Chairman.

A question to either one of the gentleman from Roseville. Do any of your customers currently have water meters? Are they being charged for water?

Mr. ROCKHOLM. I would be glad to answer that question. Yes, they are. New construction, most of the homes in Roseville that are newer, from 1998 or above, all have the water meters, and we are currently going through a water meter retrofit program right now, and our plan is for the next 5 to 10 years, to have everybody in the City converted to water meters.

Mrs. NAPOLITANO. So in other words, only the newer, since 1998 are on water meters and being charged for water usage, or is it a flat rate?

Mr. ROCKHOLM. It is still a flat rate, but most of the customers will be getting bills. But we have also started converting some of the older areas. Some of the older areas now have water meters. Then we are going to do 1 year of flat rate, monitoring their usage, and then give them that bill history and then start charging them.

Mrs. NAPOLITANO. I explained to you that one of my relatives lives in the Roseville area, and they have been getting fake bills. They have not been charged for water, and they have been there over 10 years. And it is a question about reimbursement, is what I am concerned about.

To Mr. Rinne, is there any precedent to this type of legislation requesting the Bureau to build an alternate delivering service?

Mr. RINNE. Not that I am aware of, Congresswoman, but I would prefer to check into that.

Mrs. NAPOLITANO. But just off the top of your head, you do not know of any. My concern is the bill is silent on the reimbursability, which is, I am assuming, a fundamental reclamation law.

Mr. RINNE. We would think that it would have to be either integrated into the CVP repayment, you know, as reimbursable cost, or it would have to be identified as a separate repayment responsibility for the Roseville and the San Juan District.

Mrs. NAPOLITANO. So in other words, even if this were approved, you would still require a refund from the community itself.

Mr. RINNE. Let me go slower and clearer. This is my first time too and I am probably tripping over some of my thoughts here.

Mrs. NAPOLITANO. That is OK, so am I.

Mr. RINNE. I will just take my time with it, but with the—my thought would be that if in fact it would decide to be—we see reimbursement on our projects. The answer to that is yes. If it were in fact to be reimbursable, we would expect that that would be integrated fully with CVP repayment, which means it would be spread over other repayment contractors in the CVP area, or alternatively I guess it could be clearly separated and then have the repayment cost be specifically for San Juan and for Roseville.

Mrs. NAPOLITANO. There are other questions that I think I will like to ask the City of Roseville. If they have considered alternatives of actually San Juan District, alternatives to take care of the pipeline rehabilitation without having to construct a parallel pipeline? No alternatives?

Mr. WHITEHEAD. The dilemma is, is that that is a single source of supply, and to be able to work around from the pump station to where we have redundancy in our system. There is really no way to work around it unless you put a parallel pipeline with it. So we have talked with the Bureau about having different alternatives, but that was the primary one, and for us to construct like, for example, groundwater wells or things of that nature, it would take about the same amount of money for us to do the same thing that they are asking for, for the parallel pipeline.

Mrs. NAPOLITANO. And the distance of the pipeline would be how long?

Mr. WHITEHEAD. It is about 3,500 feet, about three-quarters of a mile.

Mrs. NAPOLITANO. Three-quarters of a mile. Is there identification of the areas that are becoming problematic or has the whole pipeline been found to be not useful?

Mr. ENGLISH. I have seen, I have actually watched the entire painful video of the Bureau's inspection. And we have also had our own engineers take a look at it. The spalling of the concrete joints happened all along the pipeline. Generally once a pipeline begins to fail, it begins to completely fail. There are two problems. One is the joints themselves, the spalling of the concrete. The second is that—actually, three. The coal tar enamel is dissociating itself from the pipeline, which then causes a third problem called electrolysis, where the pipeline pits itself, becomes very thin, and then at that point can fail.

Mrs. NAPOLITANO. And you start having leaks?

Mr. ENGLISH. Yes.

Mrs. NAPOLITANO. I will pass, but Mr. Chair, I will come in on the next round.

Mr. CALVERT. All right.

Mr. Osborne?

Mr. OSBORNE. Are these questions restricted to H.R. 1794? I will pass at this point.

Mr. CALVERT. OK. We will come back to H.R. 2040 in a moment.

Mr. OSBORNE. I will pass on H.R. 1794.

Mr. CALVERT. I just have a couple of other questions on this legislation, and then we will move ahead.

The pipeline itself, again, Mr. Rinne, I just want to carry on our line of questioning before. If in fact there was a total failure of that line, you are not disputing the fact that the Federal Government would be responsible for probably the replacement of that line. And in order to replace that line you are in effect going to have to build a whole new line which in an emergency situation, would that cost more? What is the normal scenario in something like this? If you had a failure tomorrow and you had a total disconnect with the City of Roseville, and we are in emergency mode here, would things cost more than it normally would?

Mr. RINNE. I suppose they could. I think that what the approach, Mr. Chairman, would be that it depends on what the failure was. In other words, could there be a repair and then move from that to a longer term fix. Certainly in an emergency case we would do whatever we had to do to reestablish that. I would only be speculating to say what that would be, or the cost.

Mr. CALVERT. Now, again on this legislation, there are different interpretations on how this bill will be paid for. What is your interpretation?

Mr. RINNE. Well, I noticed that the legislation was silent, at least the version that I read, on whether it was reimbursable or not.

Mr. CALVERT. Mayor Rockholm, Mr. English, you met with the Bureau early on in this process. Do you agree with the Bureau's assessment that would be local funding only for this project?

Mr. ENGLISH. I was in those meetings. I do not.

Mr. CALVERT. Mr. Rockholm, were you—

Mr. ROCKHOLM. I was not in those meetings. I just know what I have been briefed by Mr. Whitehead and Mr. English.

Mr. WHITEHEAD. I was also in the meeting and did not hear anything of the local partners' cost sharing. It was more of a concern that we would go after some type of reimbursement in Washington or some other source.

Mr. CALVERT. This is for all the witnesses, and my last question on this issue. Are you opposed to a cost share or a strict beneficiary pays provision title transfer? Any of those issues, have they been brought to the table or talked about?

Mr. ROCKHOLM. Speaking for the City of Roseville, I have not heard any talks of any particular way of going, but from the City of Roseville's standpoint, we just lost over 9.6 million in a utility user's tax, and like everybody else, I mean, I am not here to cry poor mouth, but we are kind of in between a rock and hard place. But we would not be opposed to a title change after it was constructed that we would take over—in other words, it would be like

buying a car. You want the car in the best shape we can, and we will drive it from there and we will take care of it.

Mr. CALVERT. So if in fact there was a parallel line built, you are saying that you would take that transfer, and from that point forward maintain the entire system?

Mr. ROCKHOLM. Yes, that is exactly what I am saying.

Mr. ENGLISH. Mr. Chair, I have to think. With the two failures that have already occurred, the Gate No. 3 which was a substantial cost, and with the valve failure, that in all likelihood those costs were spread out over the Central Valley Project. I also want to make clear that in our rates that we pay the Bureau of Reclamation, we pay on a Central Valley Project wide basis. So much of what we pay for is in other areas for projects that we are not aware of. So under that condition, that is a pretty good cost-sharing arrangement. It is one that we are used to.

Mr. CALVERT. Thank the gentlemen.

Mrs. Napolitano, any other questions?

Mrs. NAPOLITANO. I would argue also that most cities in my district also have to pay their cost share, and it is for districts statewide. And Southern California has the greatest number of taxpayers and rate payers, so we paid for a lot of the water bonds and get very little of the benefit. So you can say that there is the other side of it.

I have several questions that are concerning the water itself in regards to an article that appeared that the water purchase agreement that the council approved in the San Juan Water District, which allows the 3,200 acre feet of raw water supplied someone by the Placer County Water Agency. This is supposedly, according to the article, being done to speed up the annexation west of the City. Is that going to affect your water delivery, your purchase of water, your ability to be able to continue using that same system?

Mr. ENGLISH. No. The amount of that water supply is factored into our district's contract with Placer County Water Agency. So it does not change our ultimate growth, our ultimate build-out. It is simply a transfer from one agency to another, and does not impact any further deliveries through that pipeline.

Mrs. NAPOLITANO. What is the current population of Roseville?

Mr. ROCKHOLM. We are at 86,000 plus.

Mrs. NAPOLITANO. It has grown quite a bit.

Mr. ROCKHOLM. Build-out should occur around 2010. It will be about 110,000 plus.

Mrs. NAPOLITANO. And you think this will be adequate to provide services for that growth?

Mr. ROCKHOLM. All these numbers are based on our ultimate build-out, and we are even looking at groundwater recharge of storing water instead of letting it run downstream and flood, is trying to capture that, or even put new water into the ground and save it for the rainy day, so to speak.

Mrs. NAPOLITANO. Excellent. That is a lot of what we have done in Southern California, storage, and recycling. I do not know if you have looked into that because that is also another alternative that is being utilized where we have very little water to rely upon.

Mr. Chair, that is it for me. Thank you.

Mr. CALVERT. Thank you.

Now, Mr. Osborne, you may ask your questions relating to H.R. 2040.

Mr. OSBORNE. Thank you. I think Ms. Napolitano had a question maybe as to the necessity for this bill, and I thought I might just give you a little background. H.R. 2040 is being crafted in response to a cooperative agreement between Colorado, Wyoming and Nebraska that was entered into in 1997. This cooperative agreement was necessitated by a ruling, Fish and Wildlife, declaring 50 miles of Platte River, Central Platte River in Nebraska as being critical habitat for the whooping crane, even though it may be only 1 percent of the whooping crane population visits that 50-mile stretch, for the piping plover and the least tern, and there is no evidence of any natural reproduction of these species in that 50-mile stretch, and for the pallid sturgeon, which resides in the Missouri River, 200 miles away.

So some of us are not real thrilled with this whole project, but what has happened is these three states are required now to come up with 150,000 acre feet of water to be run through that 50-mile stretch in the Platte River in accordance with what Fish and Wildlife says would approximate flows maybe 100 years ago. So there are pulse flows. Some are high in the spring, low in the summer and so on. So to get that 150,000 acre feet of water set aside, this cooperative agreement has occurred. Nebraska furnishes 100,000 acre feet, Wyoming roughly 40,000 acre feet, Colorado about 10,000 acre feet. So originally this cooperative agreement was started in 1997. It was assumed that it would be completed in 2000. It was not, so it was extended from 2000 to 2003, and now we find it is still not done. So we are now going to go from 2003 to 2005 or whatever, and the problem is that we have eight irrigation districts that take water out of Glendo Dam, which is upstream, which has to furnish some of this water. So we have eight irrigation districts that need renewal of their water rights and until this cooperative agreement is finished, there is really not a whole lot they can do.

What we are doing is we are simply asking that these water rights for these eight irrigation districts be renewed until we do complete the cooperative agreement in 2005. So it is mainly because of the Endangered Species Act, Fish and Wildlife and this cooperative agreement that we are having to do this. And it is my understanding that the Department of Interior supports this. Maybe one of the first times that this has happened in the last couple of years, so we are delighted that you support this, and we certainly urge its adoption.

Mr. CALVERT. As you recognize, Mr. Osborne, the Department of Interior lately has not been supporting a lot of things we bring up over in the Committee, so this is refreshing news. We are happy to have the support of this excellent legislation, look forward to marking this bill up shortly and passing it and moving forward and get this extension placed in law.

With that, are there any other questions for this panel? Mr. Renzi, you have any questions?

Mr. RENZI. Thank you, Mr. Chairman.

I wanted to go back if I could, just one quick question on H.R. 2040. When the pipeline begins to deteriorate like it is, the way it is described here in the narrative, I was thinking back to

a case in Arizona where we had the old copper pipes. I know this is steel. But have you seen any higher levels of carcinogenics in the water, or there is a threat at all to the public, particularly the lining on the inside?

Mr. ENGLISH. I can speak, being in the water business for a number of years, when we see this kind of an action occurring in a pipeline, it is generally caused by electrolysis and that is simply the movement of water through a pipeline, a conduit. It creates a situation more like a battery where opposites attract. Metal begins to leave, and that is how the pitting occurs. So it is not caused by carcinogenics. It is not caused by any chemicals in the water. It is simply an actual reaction.

Mr. RENZI. So the water that people are drinking in that area is not contaminated in any manner or threatened to be?

Mr. ENGLISH. We are very blessed with some of the finest water supplies in the United States.

Mr. RENZI. You just need a new pipe?

Mr. ENGLISH. Yes.

Mr. CALVERT. Thank the gentleman.

One other issue brought up, so I think I will ask the question, because I think when we are up north, this may be something we will be discussing. On the issue of reusability, is the CVP water used for environmental needs nonreimbursable or is it paid for by the CVP water and power contractors?

[Pause.]

Mr. RINNE. Thank you for waiting for me there, Mr. Chairman. If it is for environmental purposes it is generally nonreimbursable. If that is not the case, and it would go for CVP-wide purposes, it would be reimbursable.

Mr. CALVERT. Why is it nonreimbursable for environmental purposes?

Mr. RINNE. We are not sure. I would only be speculating. Whether that came out of the CVP Act, if it was just passed that way. That is what I would, I would think, but I better—

Mr. CALVERT. Mr. Rinne, again, this is open for the record. If you could get back to us on that in writing and get back to us if in fact there is legislative purpose behind that or if it is administrative.

Mr. RINNE. OK.

Mr. CALVERT. Certainly, I think there are people talking about making those costs nonreimbursable.

Any other questions?

[No response.]

Mr. CALVERT. Hearing none, we are adjourned. Thank you, panel, for coming out today, and we appreciate it. We are hereby adjourned.

[Whereupon, at 2:51 p.m., the Subcommittee was adjourned.]

[A letter submitted for the record on H.R. 2040 by The Honorable Mike Johanns, Governor, State of Nebraska, follows:]

STATE OF NEBRASKA

OFFICE OF THE GOVERNOR
P.O. Box 94848
Lincoln, Nebraska 68509-4848
Phone: (402) 471-2244



Mike Johanns
Governor

June 25, 2003

Congressman Ken Calvert
Chairman
Subcommittee on Water and Power
1522 Longworth House Office Building
Washington, DC 20515

Dear Congressman Calvert:

Thank you for the opportunity to provide the views of the State of Nebraska on H.R. 2040.

Nebraska supports the passage of H.R. 2040, a bill to amend the Irrigation Project Extension Act of 1998 to extend certain contracts between the Bureau of Reclamation and certain irrigation water contracts in the state of Wyoming and Nebraska.

The State of Nebraska has been engaged in negotiations with the U.S. Department of Interior and the states of Wyoming and Colorado to develop a basinwide program for the recovery of certain endangered species which utilize the central Platte area of Nebraska. That program, if it can be successfully negotiated and implemented, will serve as compliance under the Endangered Species Act for all water use activities in the basin which existed prior to July 1, 1997.

Among the pre-1997 water uses that would benefit from the establishment of a basinwide program for endangered species are uses by Wyoming and Nebraska irrigation districts that have contracts for a portion of the storage of the Glendo Reservoir in Wyoming. Currently, there are four Nebraska districts which have contracts, collectively, for all of Nebraska's 25,000 acre-feet allocation from that reservoir. Wyoming has five irrigation district contractors which together account for slightly less than 1/3 of Wyoming's 15,000 acre-feet allocation. Originally, all of these contracts were set to expire at the end of 1998. However, by enacting the Irrigation Project Contract Extension Act of 1998, as amended, Congress extended those contracts until December 31, 2003, to coincide with the negotiation process referred to above.

It appears now that the extensions granted will be insufficient. Even if the proposed program for endangered species could be fully formulated by the end of this year, several months will be required for decisions by each of the three states on participation in that program. In the event that the program is not implemented, that would leave insufficient time for renegotiation of the contracts before the current statutory deadline. Further and perhaps even more compelling

Congressman Ken Calvert
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evidence of the need to adjust the deadline results from the Department of Interior's current schedule to complete the Environmental Impact Statement for the proposed program. An extension of at least an additional year is now being considered to allow all necessary components of the program to be formulated and analyzed.

Resolutions have been adopted by all four of the affected Nebraska irrigation districts supporting a contract extension.

I ask that you support H.R. 2040 which will allow these contracts to remain in effect through 2005.

Thank you for your consideration.

Sincerely,



Mike Johanns
Governor

cc: Roger Patterson

