

Testimony of Dr. Tim Mahoney
Lake Agassiz Water Authority Chairman & Fargo Mayor
Senate Bill 2014
House Appropriations - Government Operations Division Committee
Bismarck, North Dakota – March 8, 2021

Good morning, Chairman Vigessa and members of the House Appropriations Government Operations Division Committee. My name is Dr. Tim Mahoney, and I am the Chairman for the Lake Agassiz Water Authority (Lake Agassiz) and the Mayor of Fargo. Lake Agassiz and the Garrison Diversion Conservancy District (Garrison Diversion) are cosponsors of the Red River Valley Water Supply Project. I am here today to testify in support of Senate Bill 2014.

The Red River Valley Water Supply Project will mitigate the effects of moderate and severe droughts to safeguard water for North Dakota communities and rural water systems. The topic of drought mitigation is very timely, as U.S. Drought Monitor shows 92% of North Dakota is in a drought as of Tuesday, March 2nd. Climatologists have predicted we will experience another severe drought by the year 2050.

The Red River Valley Water Supply Project will deliver water from the Missouri River to central and eastern North Dakota via a buried pipeline. 35 cities and rural water systems signed up for the development portion of the Project. Lake Agassiz represents these local users of the Red River Valley Water Supply Project.

Investing in the Red River Valley Water Supply Project will benefit multiple future generations and safeguard the water supply of nearly **HALF** of North Dakota's population. A decade-long drought such as what the State experienced in the 1930s would have a \$27 billion impact on the entire state of North Dakota, while a moderate drought similar to the 1980s would have more than a billion-dollar impact. Both scenarios would be devastating to the entire state's economy.

In order for the 35 communities and water systems to continue to participate in the Red River Valley Water Supply Project, it must be affordable. These communities and rural water systems need access to long-term, low-interest loans so the cost does not prevent them from reaping the drought mitigation benefits the Project will provide.

Lake Agassiz requests the Red River Valley Water Supply Project be considered eligible for a maximum loan term of up to 40 years or the useful life of the project. We believe long-term, low-interest loans from the State are a necessary piece of the funding puzzle for the local users of the Red River Valley Water Supply Project.

Consequently, Lake Agassiz is requesting a 40-year loan term with 2% interest to ensure participating communities and rural water systems are able to continue to participate in the Red River Valley Water Supply Project. They need affordable and predictable access to funding that will allow them to meet the drinking water and industrial water needs of these communities during times of moderate and severe droughts.

Thank you, Chairman Vigessa and members of the House Appropriations Government Operations Division Committee for the opportunity to provide testimony.