

**2015 SENATE ENERGY AND NATURAL RESOURCES**

**SB 2303**

# 2015 SENATE STANDING COMMITTEE MINUTES

Energy and Natural Resources  
Fort Lincoln Room, State Capitol

SB 2303  
1/29/2013  
22779

- Subcommittee  
 Conference Committee

Committee Clerk Signature

*Kate Oliver*

## Explanation or reason for introduction of bill/resolution:

To provide an appropriation to the state water commission for the acquisition of flood-prone properties in the Mouse River basin.

## Minutes:

2 attachments

Chairman Schaible opened the hearing on SB 2303.

Senator David O'Connell from District 6 was on hand to introduce the bill.

Representative Bob Hunsakor: I am here to lend support to 2303; it addressed the flooding concerns from ranchers downstream from Minot, especially near near Towner. The ranchers have lost 100s of acres of hay land for extended periods of time, they have been forced to reduce the size of their heard and just meeting the needs of the day is hard for them. Ranchers has been out a number of times and walked the areas affected. They have all had representation in that area and they all know that there is a problem. The problem comes in when we look for grants and funding, they just don't qualify for the money. SB 2303 seeks relief for those areas; the chairman of the Mouse River Ranchers will share with you the numbers and the concerns for that area. I am just here to support and give a little history.

Ryan Ackerman: Project Manager with the Mouse River Enhanced Flood Protection Project. (see attachment #1) (6:01-8:44)

Chairman Schaible: It says reoccurring damages, can you explain that a little bit?

Ryan Ackerman: The damages are sustained by the rural community for many reasons. First of all, flows exceed the capacity of the river in that particular reach of the Mouse River. Unfortunately the capacity of the river by Towner is 500CFS as compared to the channelization project near Minot which is designed for 5,000CFS. What compounds the damages is that the river is a regulated system. It extends and prolongs the flood in the rural areas. While the existing projects benefits the urban areas it does so at the expense of the rural constituents.

Senator Laffen: Is the money going beyond structures?

Ryan Ackerman: The intent of the Souris River Joint Board is structure, acquisition, relocation and rain dyke. Basically it looks solely at houses, farms, grain storage facilities things that are critical to the livelihood of this ranching community.

Senator Laffen: So they go to ranchers and they have different options for how to use the money?

Ryan Ackerman: Yes.

Senator Laffen: Did they get grants to put ring dykes around their ranches or are they doing it on their own?

Ryan Ackerman: There is an existing ring dyke program that is administered by the State Water Commission and they can speak in more detail. One of the downfalls is that it doesn't tie into another program. It won't be the solution for the people of the Mouse River valley. The applicability of ring dykes is limited to 15-20% of these operations.

Senator Laffen: I don't know if the farmers in the Red River Valley have done all of this on their own and now in the Mouse River the state will take care of it.

Senator Hogue: As I read the bill the money would be appropriated for the acquisition of flood prone properties. The idea that any of this money could be used for structural changes or ring dykes; I do not read that in this bill. Is there something in here that is code for authorizing new construction or relocation or anything like that?

Ryan Ackerman: You are correct; the language is limited to property acquisition. The joint board did offer some suggestions for an amendment that would afford additional flexibility for the STAR program. One of the downside of straight acquisitions in the rural areas is that acquiring large tracks of land is not in the best interest of the county, the county commission has indicated that they do not want to maintain parcels that are scattered throughout the basin. The second part is meeting the mission of the land board is by taking away their land you take away their livelihood.

Senator Triplett: Are you suggesting that there are amendments coming?

Ryan Ackerman: I do not know if they are coming today or later.

Senator Triplett: How does this bill fit into the state water bill? Is this intended to be an enhancement of that?

Ryan Ackerman: The bill would increase the appropriation for the upcoming to \$110,000,000 to \$120,065,000. With the potential amendment it would give legislative direction for where the money is spent.

Senator Triplett: The \$110,000,000 that is in the water commission budget would be added to the \$10,065,000 that is in section one but the \$24,000,000 is separate and has no relationship to the water commission budget.

Ryan Ackerman: The \$24,000,000 is referenced as legislative intent to provide a total amount of \$24,000,000 over the next 2 bienniums; it is based on the estimate of the STAR program of costing \$32,000,000, so \$24,000,000 would be 75% of that \$32,000,000. Of that \$24,000,000 that would be used over 2 bienniums \$10,065,000 would be made available for the next biennium for this program and the balance of the funds would be appropriated in the next biennium.

Dan Jonesen: Director Public Works, Minot. I want to provide support from Minot and the Souris River Joint Board. There has been money committed to the flood protection and support rural folks.

Lynn Conley: Mouse River Basin Preservation Coalition. We were put together in 2013, as individuals it was hard to get things done so ranchers joined a coalition. You can't believe what we have gone through but where our problem started was with the 100 year flood protection that went through Minot. The floods used to be gone by June and now we flood through the summer. There is only so much you can handle as far as those kinds of loss of income. We are in support of the bill; the ranchers are in the valley. We are not doing this to ourselves.

Senator Triplett: Is the Corps involved in planning the flood protection for Minot?

Lynn Consley: From what I understand the Corps is going to come through and look at all the land. If you are under the idea that they are going to come in and give us money you are wrong.

Senator Triplett: Minot already was denied federal flood funds. To what extent are project rules are being applied.

Lynn Consley: We have had talked with the corps and I understand they have 25-50 dyke projects right now. Until they get them done there is no money available.

Chairman Schaible: Were discussions had before the projects started.

Lynn Consley: That started in the early 1970s and took 20 years before the corps came to us with flood protection, in 1989. At that time they only moved houses, not barns. I had just purchased that place and when I moved it the options were a ring dyke or a house raise. The reason we need this help is we have lost so much that there is not any extra money available. We have had a lot of people sell their cows.

Chairman Schaible: Has a disaster declaration covered some of these losses?

Lynn Consley: There is some crop insurance that works but after about three years it dwindles.

Blake Crosby: Executive Director of the North Dakota League of Cities. I went through the 1997 flood in Grand Forks and we understand the recovery is long and the process is painful. Minot gives over \$1,500,000 in taxable sales and purchases. This amount of funding in the bill will help with Minot's recovery. With that I would ask for a Do Pass on SB 2303

Senator Triplett: Are you in support of the bill as written?

Mike Dwyer: We are going to offer an amendment.

Opposition

Bruce Engelhardt: Director of Water Development North Dakota State Water Commission. (see attachment # 2) (31:30-37:15)

Senator Triplett: Since the bill was filed have you have conversations with the supporters what their meaning was or did you just learn today?

Bruce Engelhardt: We did receive a red-line version earlier this week. I am not sure if that is all of the amendments that they mentioned this morning.

Senator Triplett: Knowing what you know about their intent is your testimony aimed at just the bill or would you like time to respond after we actually see them.

Bruce Engelhardt: We would like time to see them. Some of the things that I heard this morning are about the land that is being flooded is if their concern is that it doesn't fit under our current policy I do not believe that either this bill or the amendments that I have seen would fit that situation even as well as our current policy does.

Chairman Schaible: How to we address adverse effects in this plan?

Bruce Engelhardt: There are a number of avenues where that is addressed. The state engineers would require construction permits for stuff like this. If the flood control project is causing additional flooding then they should be part of the costs. There was a question about the 1970s and how they did it and I do not know. What was built in the 1970s was good to handle the weather that they had back then. If you go across the state there are 1,000s of acre that are in a wet cycle.

Senator Laffen: In most of the flood control projects aren't being used for flood control anymore. Is that an issue in the Mouse River area? Should be drawing down the reservoirs?

Bruce Engelhardt: Certainly in 2011 the dams from Canada worked very well, the 4<sup>th</sup> flood was the largest and they couldn't keep up. The operating plans are more for runoff, we along with the board and commission are working to try and refine those operating plans for the dams.

There was no further testimony and Chairman Schaible closed the hearing on SB 2303.

# 2015 SENATE STANDING COMMITTEE MINUTES

**Energy and Natural Resources**  
Fort Lincoln Room, State Capitol

SB 2303  
1/30/2015  
22933

- Subcommittee  
 Conference Committee

Committee Clerk Signature *Katie Oliver*

## Explanation or reason for introduction of bill/resolution:

To provide an appropriation to the state water commission for the acquisition of flood-prone properties in the Mouse River basin; to provide legislative intent; to provide an exemption; and to declare an emergency.

## Minutes:

Senator Hogue made a motion for a do not pass with a second by Vice Chair Unruh, roll was taken and the motion passed 7-0-0.

Senator Hogue: I know that Mr. Dwyer gave us amendments on this bill do we want to consider that?

Senator Triplett: I saw Mike Dwyer earlier and he did mention that he has some amendments coming.

Senator Hogue then made a motion to reconsider the do not pass until the amendments from Mr. Dwyer could be brought to the committee with a second by Vice Chair Unruh. The motion passed on a voice vote of 7-0-0

The committee then closed committee work on SB 2303.

# 2015 SENATE STANDING COMMITTEE MINUTES

**Energy and Natural Resources**  
Fort Lincoln Room, State Capitol

SB 2303  
2/5/2015  
23335

- Subcommittee  
 Conference Committee

Committee Clerk Signature

*Katie Oliver*

## **Explanation or reason for introduction of bill/resolution:**

To provide an appropriation to the state water commission for the acquisition of flood-prone properties in the Mouse River basin; to provide legislative intent; to provide an exemption; and to declare an emergency.

## **Minutes:**

1 attachment

Vice Chair Unruh handed out amendments for SB 2303. See attachment 1.

Senator Hogue: The way the original bill came out it provided for the acquisition of properties. The intent of the amendment is to authorize diking and ring levies and relocation of building structures as opposed to buying out the land. We are replacing acquisition with removal or protection of rural structures.

Chairman Schaible: I think it is good to wait, study this amendment. I think that we will take it up during our first break.

There was no further discussion on SB 2303 and Chairman Schaible closed the committee work.

# 2015 SENATE STANDING COMMITTEE MINUTES

**Energy and Natural Resources**  
Fort Lincoln Room, State Capitol

SB 2303  
2/6/2015  
23423

- Subcommittee  
 Conference Committee

Committee Clerk Signature

*Katho Oliver*

## **Explanation or reason for introduction of bill/resolution:**

To provide an appropriation to the state water commission for the acquisition of flood-prone properties in the Mouse River basin; to provide legislative intent; to provide an exemption; and to declare an emergency.

## **Minutes:**

A motion was made to adopt amendment 15.0897.01002 by Senator Hogue with a second by Senator Armstrong, there was no discussion, roll was taken and the motion passed with a 7-0-0 count. With the amended bill in front of them Vice Chair Unruh moved for a do not pass as amended with a second by Senator Armstrong, roll was taken, the motion passed with a 7-0-0 count and Senator Hogue carrying the bill to the floor.

February 5, 2015

2/6/15  
*[Signature]*

PROPOSED AMENDMENTS TO SENATE BILL NO. 2303

- Page 1, line 1, replace "acquisition of" with "removal or protection of rural"
  - Page 1, line 2, replace "properties" with "structures"
  - Page 1, line 6, replace **"FLOOD-PRONE PROPERTY ACQUISITION"** with **"RURAL FLOOD-PRONE STRUCTURE REMOVAL OR PROTECTION"**
  - Page 1, line 9, replace "acquisition of" with "removal or protection of rural"
  - Page 1, line 9, replace "properties" with "structures"
  - Page 1, line 13, remove **"FLOOD-PRONE"**
  - Page 1, line 14, replace **"PROPERTY ACQUISITION"** with **"RURAL FLOOD-PRONE STRUCTURE REMOVAL OR PROTECTION"**
  - Page 1, line 15, replace "acquisition of" with "removal or protection of rural"
  - Page 1, line 15, replace "properties" with "structures"
  - Page 1, line 19, replace "acquisition of" with "removal or protection of rural"
  - Page 1, line 19, replace "properties" with "structures"
- Renumber accordingly









**REPORT OF STANDING COMMITTEE**

**SB 2303: Energy and Natural Resources Committee (Sen. Schaible, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2303 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "acquisition of" with "removal or protection of rural"

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Renumber accordingly

**2015 TESTIMONY**

**SB 2303**

11

Testimony in Support of Senate Bill 2303

North Dakota Senate  
Energy and Natural Resources Committee  
January 29, 2015

Testimony of:

Souris River Joint Water Resources Board  
Ryan Ackerman  
1907 17<sup>th</sup> Street SE  
Minot, North Dakota 58701  
Ph: (701) 720-7794

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Good morning and greetings Mr. Chairman and members of the committee. For the record, my name is Ryan Ackerman. I am the project manager of the Mouse River Enhanced Flood Protection Project, and I am here today on behalf of the Souris River Joint Water Resources Board and our chairman, David Ashley.

First I would like to start with some background of the Souris River Joint Board. The Board consists of five members – one from each of the four counties (Renville, Ward, McHenry and Bottineau) along the Mouse or Souris River and an additional member from the City of Minot. The Souris River Joint Board is the local sponsor of the Mouse River Enhanced Flood Protection Project and is the local government agency that is the primary recipient of funds related to the project.

The Board's mission is to reduce the risk to life, property and the wellbeing of all residents of the Mouse River valley – urban and rural – from flooding along the entire Mouse River in North Dakota. The Mouse River enters North Dakota from Saskatchewan near Sherwood in Renville County and exits the state into Manitoba near Westhope in Bottineau County.

The Souris River Joint Board strongly supports this bill, as it provides supplemental funding to address significant hardships that exist within the rural reaches of the Mouse River valley. If this bill is passed, the appropriation would be used to fund portions of the Souris River Joint Board's StARR Program. StARR is an acronym that stands for Structure Acquisition, Relocation or Ring Dike. The program will provide options to rural property owners within the 2011 flood plain for the removal or protection of structures that are critical to the safety and wellbeing of the rural residents, farmers and ranchers along the river. The program is designed to give the landowners the flexibility to choose the option that is right for them and their particular circumstances.

The needs of the people that have been ravaged by the Mouse River are highly variable throughout the basin. The general public knows very well the wrath that the flood of 2011 delivered to the Mouse River valley and in particular the damages sustained in Minot and Burlington. For the rural community, the

damages have been both severe and repetitive. The general public knows relatively little about the damages that have been sustained by the farming and ranching community on a regular basis for decades.

This is a problem that significantly impacts the rural residents of the basin and the agricultural economy of the region. We are asking for a 'Do Pass' recommendation from this committee so that we can begin to fix this problem.

# MOUSE RIVER ENHANCED FLOOD PROTECTION PROJECT CAPITAL IMPROVEMENTS PROGRAM

**The need:**  
\$228 million

The SRJB has developed a prioritized list of specific initiatives and projects for implementation through the end of fiscal year 2017 (June 30, 2017). This list includes projects that are currently being implemented or have already been completed (see table below). Through the end of fiscal year 2017, the estimated total need for the program is \$228.0 million.

**Cost share:**  
75% of cost

The SRJB is requesting consideration of a 75% cost share from the State of North Dakota for the Mouse River Enhanced Flood Protection Project. In 2013, the State Legislature appropriated funds to the North Dakota State Water Commission's budget for fiscal years 2014 and 2015 that totaled \$61 million for the MREFPP.

**Request:**  
\$110 million

The SRJB is requesting an additional \$110 million from the State of North Dakota for implementation of the MREFPP for fiscal years 2016 and 2017.

Renville County Specific Projects (Thru June 2017)		
R1.1	Rural Structure Acquisition, Relocation or Ring Dike	\$1.5 M
R2.1	Mouse River Park Bridge and Gatewell Improvements	\$6.0 M
R4.1	Rural Bridge / Road Modifications	\$3.3 M
R5.1	Remove Trapped Water	\$0.5 M
<b>Renville County Subtotal</b>		<b>\$11.3 M</b>

Ward County Specific Projects (Thru June 2017)		
W1.1	Rural Structure Acquisition, Relocation or Ring Dike	\$11.2 M
W2.1	Burlington - Engineering & Permitting	\$2.5 M
W2.2	Burlington - Acquisitions	\$2.5 M
W2.3	Burlington - Des Lacs Levee Segment	\$5.3 M
W2.4	Burlington - Mouse River Levee Segment	\$7.9 M
W2.5	Burlington - Colton Avenue Bridge	\$3.4 M
W6.1	Tierracita Vallejo - Engineering & Permitting	\$1.1 M
W6.2	Tierracita Vallejo - Acquisitions	\$2.0 M
W6.3	Tierracita Vallejo - Pump Station	\$2.2 M
W6.4	Tierracita Vallejo - Railroad Closure	\$0.7 M
W6.5	Tierracita Vallejo - Levees	\$6.8 M
W7.1	Minot - Environmental Assessment (Minot to Burlington)	\$3.3 M
W7.2	Minot - Engineering & Permitting (Napa Valley, Forest Road, 4th Avenue NE)	\$7.0 M
W7.3	Minot - Acquisitions	\$50.0 M
W7.4	Minot - Napa Valley Levee	\$20.0 M
W7.5	Minot - Forest Road Levee	\$16.7 M
W7.6	Minot - 4th Avenue NE Floodwalls	\$28.8 M
W10.1	Sawyer - Engineering & Permitting	\$1.9 M
W10.1	Sawyer - Bridge Replacement & Overbank Excavation	\$3.8 M
<b>Ward County Subtotal</b>		<b>\$177.1 M</b>

McHenry County Specific Projects (Thru June 2017)		
M1.1	J. Clark Salyer Structure Modifications	\$5.3 M
M2.1	Rural Structure Acquisition, Relocation or Ring Dike	\$1.5 M
M3.1	Velva - Engineering & Permitting	\$1.9 M
M3.2	Velva - Bridge Replacement & Overbank Excavation	\$3.8 M
M4.1	Rural Channel Modifications	\$3.5 M
M5.1	Rural Bridge / Road Modifications	\$4.5 M
M6.1	Remove Trapped Water	\$1.5 M
<b>McHenry County Subtotal</b>		<b>\$22.0 M</b>

Bottineau County Specific Projects (Thru June 2017)		
B1.1	J. Clark Salyer Structure Modifications	\$8.0 M
B2.1	Rural Channel Modifications	\$4.3 M
B3.1	Rural Bridge / Road Modifications	\$5.3 M
<b>Bottineau County Subtotal</b>		<b>\$17.6 M</b>

**TOTAL THRU JUNE 2017: \$228.0 MILLION**



On June 25, 2011, the Mouse River flowed under Minot's Broadway Bridge at a record rate of 27,400 cubic feet per second (cfs) – more than five times the rate that existing channels and levees had been designed for. Not since 1882 had flows in excess of 20,000 cfs been seen. For weeks during the 2011 flood, water levels were too high for passenger and emergency vehicles to safely cross numerous area bridges. After flood waters receded, many bridges remained out of service for months while damages were assessed and repaired.

## ISOLATION DEVASTATION

The record-breaking flow overwhelmed most flood fighting efforts along the entire reach of the Mouse River, causing extensive damages to homes, businesses, public facilities, infrastructure, farms and ranches. According to the U.S. Army Corps of Engineers (USACE), 4,700 residential, commercial and public structures in Renville, Ward and McHenry Counties sustained building and content damages totaling more than \$690 million. If emergency flood fighting measures had not been implemented, structure damages would have totaled roughly \$900 million. Infrastructure damages totaled hundreds of millions of dollars in the city of Minot alone.

The rural reaches of the Mouse River valley in North Dakota have endured frequent flood damages over the past two decades. Flooding has had significant impacts on the rural residents who make their livelihood along the river. Impacts from flooding in the rural areas are varied and widespread, including crop and hay losses, damage to structures, impacts to livestock, and loss of commerce due to inundated roads and bridges.

...CONTINUE ON PAGE 2

For additional information, please contact:

Souris River Joint Water Resources Board  
David Ashley, Chairman  
P.O. Box 5005  
Minot, North Dakota 58702  
Ph: (701) 626-1566

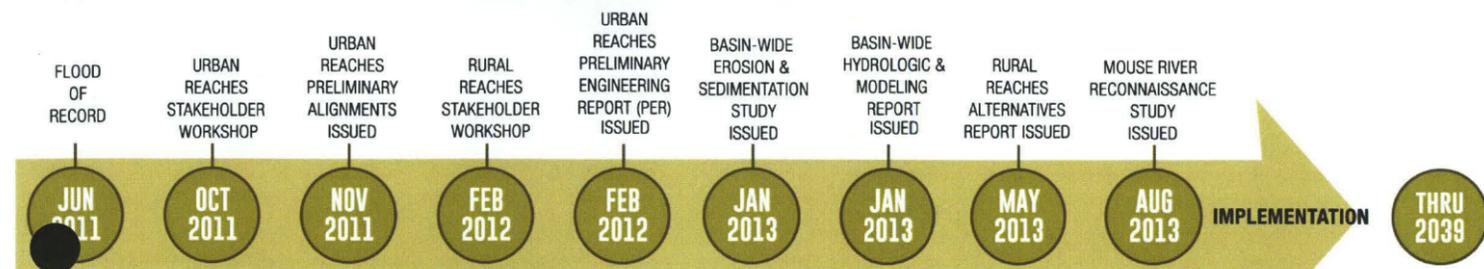
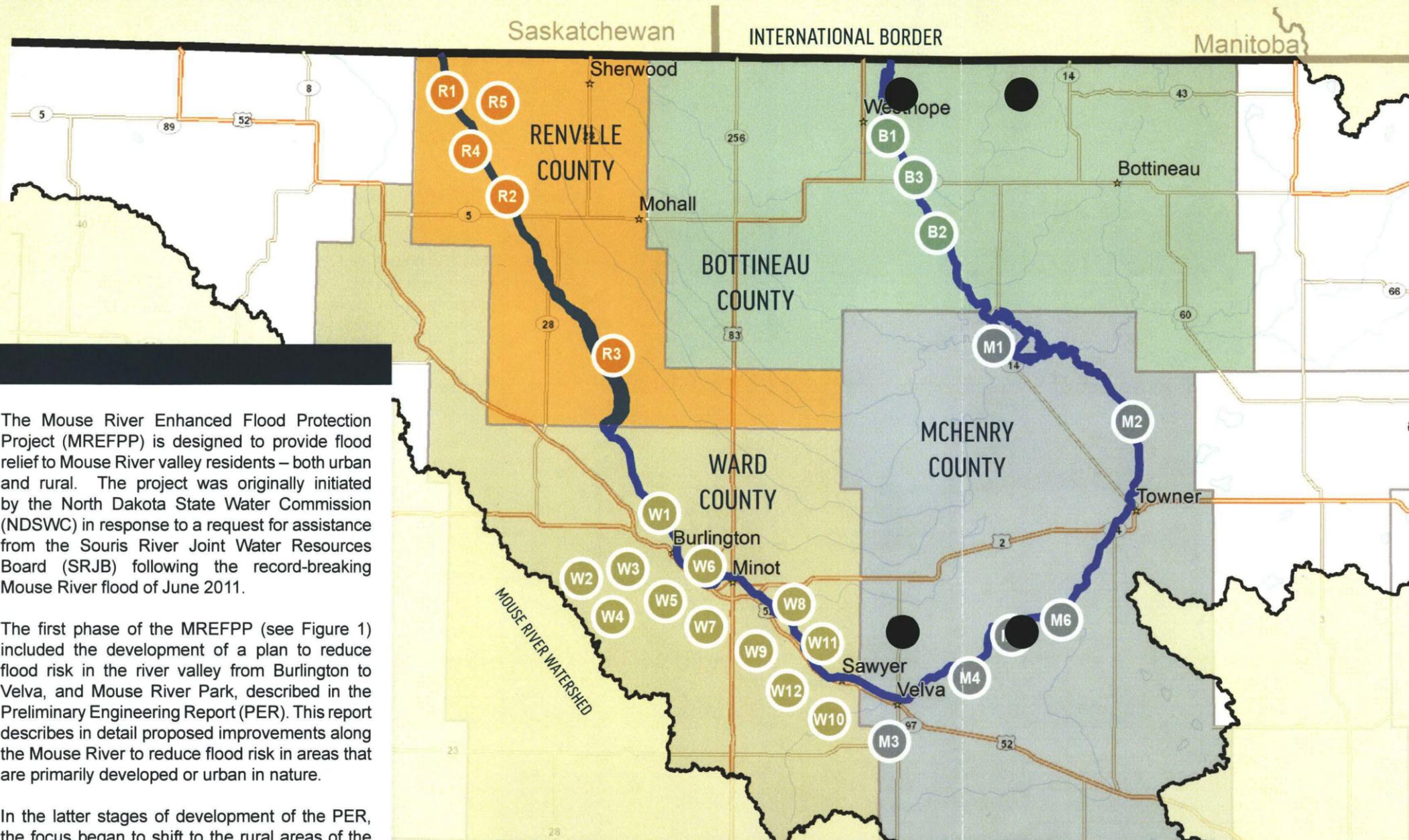


Figure 1. The initial focus of the MREFPP was developing a Preliminary Engineering Report for the urbanized portions of the basin. Additional reports identified potential solutions for the rural reaches of the valley. The current focus is on implementation.

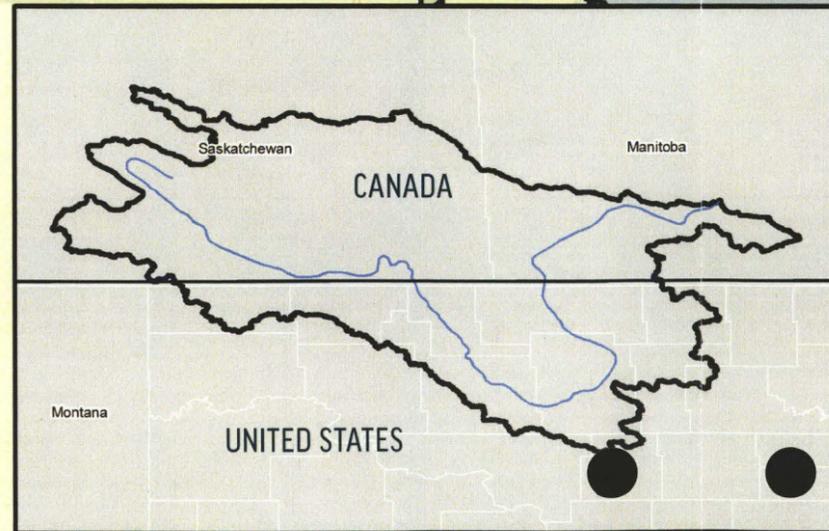


The Mouse River Enhanced Flood Protection Project (MREFPP) is designed to provide flood relief to Mouse River valley residents – both urban and rural. The project was originally initiated by the North Dakota State Water Commission (NDSWC) in response to a request for assistance from the Souris River Joint Water Resources Board (SRJB) following the record-breaking Mouse River flood of June 2011.

The first phase of the MREFPP (see Figure 1) included the development of a plan to reduce flood risk in the river valley from Burlington to Velva, and Mouse River Park, described in the Preliminary Engineering Report (PER). This report describes in detail proposed improvements along the Mouse River to reduce flood risk in areas that are primarily developed or urban in nature.

In the latter stages of development of the PER, the focus began to shift to the rural areas of the Mouse River valley. Basin-wide evaluations of erosion, sedimentation, hydraulics and hydrology were completed to begin to assess the basin-wide implication of improvements proposed in the valley. Additionally, an evaluation of 12 different alternatives for reducing flood risk for the rural reaches of the basin was completed.

The focus of the MREFPP now shifts toward implementation. The SRJB has developed a long-range capital improvements program (through 2039) focused on rural and urban improvements throughout the Mouse River valley. The total estimated cost of this program, in 2014 dollars, is \$1.028 billion (see table at right).



## BASIN WIDE IMPROVEMENTS

AFFECTING RENVILLE, WARD, MCHENRY AND BOTTINEAU COUNTIES

Renville County Projects (Thru 2039)		
R1	Rural Structure Acquisition, Relocation or Ring Dike	\$2 M
R2	Mouse River Park Levee Improvements	\$21 M
R3	Lake Darling Dam Operational Modifications	\$3 M
R4	Rural Bridge / Road Modifications	\$13 M
R5	Remove Trapped Water	\$1 M
<b>Renville County Subtotal</b>		<b>\$40 M</b>

Ward County Projects (Thru 2039)		
W1	Rural Structure Acquisition, Relocation or Ring Dike	\$25 M
W2	Burlington Levee System	\$36 M
W3	Robinwood / Brooks Addition Levee System	\$59 M
W4	Talbot's Levee System	\$7 M
W5	King's Court Levee System	\$17 M
W6	Tierracita Vallejo Levee System	\$17 M
W7	Minot Levee System	\$564 M
W8	Apple Grove Levee System	\$25 M
W9	Eastside Estates Levee System	\$13 M
W10	Sawyer Levee System	\$28 M
W11	Rural Bridge / Road Modifications	\$40 M
W12	Remove Trapped Water	\$1 M
<b>Ward County Subtotal</b>		<b>\$832 M</b>

McHenry County Projects (Thru 2039)		
M1	J. Clark Salyer Structure Modifications	\$21 M
M2	Rural Structure Acquisition, Relocation or Ring Dike	\$5 M
M3	Velva Levee System	\$21 M
M4	Rural Channel Modifications	\$15 M
M5	Rural Bridge / Road Modifications	\$21 M
M6	Remove Trapped Water	\$3 M
<b>McHenry County Subtotal</b>		<b>\$86 M</b>

Bottineau County Projects (Thru 2039)		
B1	J. Clark Salyer Structure Modifications	\$32 M
B2	Rural Channel Modifications	\$17 M
B3	Rural Bridge / Road Modifications	\$21 M
<b>Bottineau County Subtotal</b>		<b>\$70 M</b>

**GRAND TOTAL: \$1.028 BILLION**

**TESTIMONY ON SENATE BILL NO. 2303**

**Senate Energy and Natural Resources Committee**

**Bruce Engelhardt, Director of Water Development  
North Dakota State Water Commission**

**January 29, 2015**

Mr. Chairman and members of Senate Energy and Natural Resources Committee, my name is Bruce Engelhardt. I am the Director of Water Development for the State Water Commission. I am here to provide information on SB 2303, which seeks to earmark funds for the acquisition of flood-prone properties in the Mouse River Basin.

Over the last two bienniums the State Water Commission has approved \$61,699,068 for property acquisition in the Mouse River Basin. Of this \$28,130,284 has been spent. Our budget priorities for last biennium included \$61 million for the Mouse River Flood Control project. Of this \$61 million, the amount provided for buyouts was not earmarked in order to allow flexibility to the local sponsor to prioritize how they could spend the money for the biennium. In developing our budget priorities for this biennium, we included \$110 million for Mouse River Flood Control, a portion of which could be used under our flood recovery property acquisition grant program. Providing a specific appropriation that "may be spent only for grants relating to the acquisition of flood-prone properties in the Mouse River basin" removes the flexibility necessary to cost share on projects that are ready to move forward.

All the requests and therefore funding to date for the acquisition program in the Mouse River Basin have been within Ward County. I do want it to be clear that the Water Commission regards the Mouse River Flood Control project as a Basin Wide project and will consider request for acquisition cost share throughout the basin as they are received. The Water Commission also has a cost share program for ring dikes to protect individual rural homes and farmsteads that could be used to protect structures where appropriate.

This bill would go beyond current Water Commission policy by providing cost-share of 75 percent on flood-prone property. Current policy, which applies statewide, provides for cost-share of up to 75 percent for property needed for construction of Flood Control projects and up to 60 percent for property that would increase conveyance or provide other flood control benefits. The history of specific authorizations indicates that once some projects are given cost share at higher percentages, other projects press for the same consideration, resulting in increased cost share.

2.2

The term "Flood-prone" is also a concern and should be defined. As the bill is currently worded, the Water Commission must define "Flood-prone" as part of establishing criteria for awarding grants.

In conclusion, our current policy and budget provides the ability to address the critical property acquisitions without the loss of flexibility this bill creates. Thank you for the opportunity to comment on this matter. I will be happy to answer any questions.

February 5, 2015

*Attachment 1  
Page 1*

PROPOSED AMENDMENTS TO SENATE BILL NO. 2303

Page 1, line 1, replace "acquisition of" with "removal or protection of rural"

Page 1, line 2, replace "properties" with "structures"

Page 1, line 6, replace "**FLOOD-PRONE PROPERTY ACQUISITION**" with "**RURAL FLOOD-PRONE STRUCTURE REMOVAL OR PROTECTION**"

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Renumber accordingly