The Western Coalition of Arid States WESTCAS

TESTIMONY (Submitted for the Record)

OF

CHARLES NYLANDER PRESIDENT

WESTERN COALTION OF ARID STATES (WESTCAS)

CONCERNING

THE FY09 BUDGET OF THE US BUREAU OF RECLAMATION AND THE U.S. ARMY CORPS OF ENGINEES

March 19, 2008

The Voice of Water Quality in the Arid West

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My name is Charles Nylander, and I am President of the Western Coalition of Arid States. The Western Coalition of Arid States (WESTCAS) is submitting this testimony regarding the Presidents FY 2009 budget request for the Bureau of Reclamation and the U.S. Army Corp of Engineers.

WESTCAS is a coalition of approximately 125 water and wastewater districts, cities and towns and professional organizations focused on water quality and water quantity issues in the States of Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon and Texas. Our mission is to work with Federal, State and Regional water quality and quantity agencies to promote scientifically-sound laws, regulations, appropriations and policies that protect public health in the environment of the arid West.

The Department of Interior touches the lives of the majority of each American within each calendar year and many customers of WESTCAS on a daily basis. We have referenced USGS programs that are part of the Water for America Initiative of the Department to provide a complete frame of reference with regard to the integration with the Bureau of Reclamation program. The specific areas of the 2009 Interior Department budget that directly support WETCAS members include, but are not limited to:

Water for America

- Bureau of Reclamation manages water for most western states without which proper management and oversight the quality and quantity of water provided could be jeopardized.
- Indian water rights settlements are crucial to many western communities. They promote development of solutions for each community, promote conservation and regional water management, and establish cooperative agreements for the benefit and Indian and non-Indian communities.
- Ethanol production is being considered as the next vital fuel. The water necessary to provide this fuel would reduce water available for potable purposes and could lead to excessive shortages in time of drought.
- P The 2009 budget includes a water census that will provide information on the aquifers, rivers and water storage.

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- Supporting the USGS stream flow monitoring is crucial to understanding the affects of climate change the short term and long term affects of the variety of temperature fluctuations anticipated in the western region. Several WESTCAS members currently participate in a cost-sharing program with the USGS. Information from these monitoring devices is vital for effective water planning in many communities.
- Provide the set of the set of
- Provide the states have had the greatest growth and will continue to do so for the coming decades. This requires long-term water resource planning and adequate management of valuable water resources. Ensuring adequate water supplies will be necessary to maintain the quality of life in all of the WESTCAS states, and will be necessary in order to avoid further potential water crisis.

U.S. Bureau of Reclamation

WESTCAS requests that a minimum of \$200 million should be added into the FY 2009 Water and Related Resources Budget for the Bureau of Reclamation (BOR). The Bureau has played an important role in the development of the 17 western states over the past 100 years. However, we are greatly concerned with the almost \$200 million reduction in the FY 2009 Reclamation program as proposed by the Administration. When the Water and Related Resources (construction) account of the Bureau is examined, 51% of the funding is now for facility maintenance and rehabilitation. WESTCAS recognizes the importance of such investment given the aging of the infrastructure and the harsh climatic conditions of the western United States. However that component of funding only leaves about \$250 million for the construction work in the water and energy component of the program – a program with a significant backlog of authorized work that holds the potential for meeting critical water needs in the West.

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The Title XVI water recycling program within the BOR provides an excellent cost-share mechanism for helping to drought proof the West. Projects developed by this program allow agencies to reduce their dependence on the scarce imported supplies from the Colorado River, and other western watersheds. WESTCAS believes that increased funding for the program is needed to begin reducing the ever increasing backlog of authorized, but non-funded projects, as well as assist in addressing the serious drought conditions throughout Reclamation states. We believe that funding this program, at least at the level of \$50 million a year, is necessary to clear the approximate backlog of \$350 million for this program.

We renew our request from last years testimony, in which we asked the Committee to provide directive language to the Bureau of Reclamation to convene a meeting of all of the project sponsors for authorized projects in this program; asking them to bring their construction schedules and financing information, so a 5-year schedule for completion can be worked out, consistent with increased levels of funding for the program. We would be pleased to lend our expertise and experience to such a meeting. We further believe, and we are just as disappointed as the Committee, that the Bureau should have already produced an overall 5 year funding program consistent with the directive in prior years' Committee reports.

Another program that WESTCAS would recommend increased funding is the Colorado River Salinity Control Program, Title II. Increased agricultural use and drainage, as well as continued degradation caused by natural elements such as shale and return flows from urban centers, are creating an increased salinity content in the waters of the Colorado River. WESTCAS firmly believes that this element of the Bureau's budget should be funded at higher level than the FY09 requested level.

We would like to be able to support funding for the Bureau's Water 2025 program and the whole component of the Water For America Initiative, given the role it can play with regard to climate change issues in the West, but absent authorization we withhold our support at this time. We do believe greater integrated resource planning and water resource planning is need for the West. We would hope the Committee would consider using the information that has been developed by the Western States Water Council as a tool for evaluating future budget requests.

We also believe the Bureau of Reclamation should be doing more with regard to drought preparedness. The title XVI program is important in this regard, but is not intended to be used throughout the West. Relying on an "emergency" approach to

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drought is not an effective way to address this issue. There are emergencies associated with drought, but better planning and an ongoing well-funded program in each of the states is needed. We recommend at least \$1 million per state be included in the budget to address this ongoing issue.

We believe that overall a \$200 million dollar increase for the Bureau's Water and Related Resources Account would be helpful in addressing the water resource needs of the West. Before water quality and quantity issues become a greater crisis as the infrastructure ages, the population grows and environmental needs continue to be in further jeopardy.

U.S. Army Corps of Engineers

Providing an adequate budget for the Army Corps of Engineers is crucial for the immediate and long-term delivery of adequate water supplies, hydropower, flood control, and flood and coastal restoration within the arid west. As such WESTCAS supports the performance criteria established which will ensure projects are funded and completed within a timely fashion. We also believe the issue of reprogramming of funds out of projects needs to be addressed in a more thorough manner, and have welcomed your interest in this area of the Corps program.

The Corps infrastructure is one of the foundations of our nation's economy – and the infrastructure is aging. When we look at the number of projects funded by Congress last year, it appears the Corps is only submitting a budget that funds **one-quarter** of that project work. This is not a solution for success, but a pathway to cataclysmic failure, that could have devastating consequences to the economy.

Last year, Congress took the important step of enacting into law the Water Resources Development Act of 2007. That legislation authorized over \$23 billion in new water resources projects and studies in an effort to keep America economically strong, reduce storm and flooding risks, and promote recreational opportunities for Americans as well as the increasing number of tourists who visit our beaches, lakes, and parks. The FY 2009 President's budget continues a pattern that does not support these new projects nor the growing backlog of water resource construction and maintenance projects. The proposed FY 2009 funding level of \$4.74 billion for the Corps of Engineers is nearly \$1 billion less than the enacted level of \$5.6 billion for the current year.

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Unfortunately, the Corps has been operating during the last several years with a severely constrained budget. With a commitment from Congress: to a plan that increases funding for its civil works program in a robust manner, the Corps will be able to have the contracts in place so that it could execute at levels that will eliminate the backlog of projects and meet the Nation's water resource needs and help further stimulate the economy. Given the fact that Congress has been a leader in seeing value

in the program by providing funding increases for the program these past several years, WESTCAS recommends a level of at least \$6 billion being provided for the Corps' civil work program.

We would recommend such funding be allocated in the following manner for these Corps accounts:

INVESTIGATIONS:	\$ 200 M
O&M:	\$2,900 M
CONSTRUCTION:	\$2,600 M
REG:	\$ 220 M

The reforms and policy changes being put in place as a result of the passage of WRDA 2007 will provide a level of greater transparency and ability for the stakeholders of the Corps to better understand future budgetary trends as well as the framework for priorities. To that end, we believe it is important for the Committee to provide greater direction for the Corps to undertake an integrated water management and watershed approach that will assist in focusing on the needs of today and with projecting future needs. What we have witnessed over the years of looking at agency budgets, is the lack of intergovernmental cooperation and cooperative planning. The planning should be taking place with the states and the interested parties at the watershed level. Congress made this quite clear in WRDA 2007. We believe there is widespread support for such approaches throughout the West.

Finally we note the static condition of the Corps Regulatory program, a program to protect wetlands and other waters of the United States. Permits and the ability to get timely consideration of such, is an important element for our agencies. We are interested in seeing greater detail with regard to the Corps request in this area since they indicate the funding is needed because of the Supreme Court's Carabell and Rapanos court decisions. These cases and the ensuing guidance hold the potential for greater resource allocations on our members' part and we believe this request needs careful attention in that regard. Thank you for considering our requests.

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