

**Testimony of
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Kennewick Irrigation District
U.S. House of Representatives Committee on Natural Resources
Subcommittee on Water Power and Oceans
Legislative Hearing on Title Transfer Bills
Hearing on September 5, 2018**

Chairman Lamborn, Ranking Member Huffman, and members of the Subcommittee, I am Charles Freeman, the District Manager for the Kennewick Irrigation District (the District). I want to thank you for holding a hearing on H.R. 6652, the Kennewick Irrigation District title transfer bill. We appreciate Congressman Dan Newhouse's leadership on water infrastructure issues and for introducing the bill. I would also like to thank Chairman Lamborn and the other members of the Committee for their work on the Reclamation Title Transfer and Non-Federal Infrastructure Incentivization Act.

The District has been supplying water in the lower Yakima Basin for over one hundred years. It was first formed as a special purpose district in 1917 and today provides irrigation water to approximately 23,400 landowners across 20,201 acres of land within a 55,000-acre boundary. In the 1950s the Bureau of Reclamation (Reclamation) partnered with local farms to build the canal system we still use today. This system diverts water from the Yakima River at Prosser Dam. The water travels 11 miles down a diversion canal along the river to Chandler. There hydraulic pumps send the water up the Horse Heaven Hills to the head of the main canal.

Since 1958, the District has been responsible for operations, maintenance, and replacement of our facilities. We have a long proven history of successfully managing and operating our water system. The District is scheduled to conclude its repayment requirements to Reclamation in 2024, however we are prepared to prepay the remaining balance. Currently, Congress has to specifically authorize title transfers. This is because Reclamation retains the title or ownership of the facilities and projects, even after a repayment contract is completed. Since 1996, Congress has authorized title transfer for 30 projects. H.R. 6652 authorizes the transfer ownership of the Kennewick Irrigation District's Transferred Works from Reclamation to the District. The Transferred Works include the canals, laterals, and appurtenant works and lands, which begin at the District's head gate and extends approximately 40 miles east to the Columbia River.

The transfer of title would enable the District to have more direct control of an important infrastructure asset and could provide value added service to our operations. The transfer will also benefit the federal government by reducing its liabilities and, because we are willing to prepay our remaining repayment balance, the federal taxpayer will also see a fiscal benefit.

When the District recognized that it was in a position to pay off its obligation to the federal government early it decided to move ahead with title transfer. On August 15,

2017, the District's Board of Directors approved Resolution 2017-29, authorizing KID staff to engage Reclamation and our Congressional delegation in the title transfer process. That December, the District and Reclamation agreed to a Memorandum of Agreement (MOA) to facilitate a title transfer of a number of works that will be paid off and that the district already operates and manages. We have greatly appreciated working with Reclamation through this process.

The District is committed to going through the title transfer process in a collaborative manner. As part of the MOA the district will go through an Environmental Assessment (EA) under the National Environmental Policy Act (NEPA). This process includes tribal consultation, and Endangered Species Act Review, a National Historical Preservation Act Review, and a hazardous materials review.

The MOA with Reclamation lists tasks associated with the title transfer process, totaling \$189,757.00, of which Reclamation will pay \$74,757.00 and KID will pay \$115,000.00. The largest expenditures associated with the title transfer are these reviews, while the District does not object to these processes we do think it should be noted that the use of the project will not change, we are transferring facilities that have already been constructed, and that the District has been managing these facilities for over 60 years. In large part the title transfer is an exchange of documents.

On February 14, 2018, I had the privilege of testifying before this subcommittee on "The State of the Nation's Water and Power Infrastructure." My testimony addressed the growing challenges water providers face in their efforts to supply water including growing demand, aging infrastructure, and changing precipitation patterns. Managing these challenges are one of the reasons we are pursuing title transfer. I believe our district must be as responsive, innovative, and efficient as possible.

As the District looks toward the future a title transfer will help ensure reliable and efficient water supplies for the next generation and beyond.

Title Transfer and Improved Infrastructure Management

Our community has changed since the District's infrastructure was initially built to serve the agricultural community. Today, the District's water deliveries are almost half agricultural land and half residential areas.

Taking a system designed for agricultural purposes and using it to supply urbanized customers creates unique challenges for the district. Unfortunately, Reclamation has not always been timely in meeting the needs of our community. For example, developers in Kennewick have had to endure years long waiting times for Reclamation's approval to move easement lines on properties a developer already owns. The wait has affected the private development of those properties. Reclamation is a valuable partner and we believe that H.R. 6652 will ease some of the burdens it faces and it will benefit the District as well as the surrounding community.

The Future of Water in the Yakima Basin

Last year, KID celebrated its centennial anniversary. The District has been able to supply water for over a century based on investments made by prior generations. We are committed to ensuring that the District is able to supply water for another century, and beyond. To do that KID must continue to invest in its systems, its operations, and partnerships with other stakeholders.

Chairman Lamborn and Ranking Member Huffman, thank you for your consideration of this important legislation and for your attention to our nation's water infrastructure. I am confident that with this Subcommittee's leadership we can successfully complete this title transfer process and provide the District, its customers, and the Kennewick community with the flexibility we need to continue meeting the needs of our water users. Thank you for allowing me the opportunity to testify. I would be happy to answer any questions.