

**Statement of John Tubbs, Chief
Resource Development Bureau
Montana Department of Natural Resources and Conservation**

**In Support of House of Representatives Bill 1946
Rocky Boy's / North Central Montana Regional Water System Authorization**

**Before
United States House of Representatives
Committee on Resources
Subcommittee(s) on Water and Power**

Mr. Chairman and members of the committee, for the record my name is John Tubbs. I am Chief of the Resource Development Bureau of the Montana Department of Natural Resources and Conservation. As a representative of the State of Montana, I want to thank you for the opportunity to provide testimony in support of House of Representatives Bill 1946 authorizing the 'Rocky Boy's/North Central Montana Regional Water System Act of 2001'.

Governor Martz has asked me to relay her strong support of the proposed regional water project in North Central Montana. Governor Martz is very interested in seeing this project authorized because of the tremendous need for safe drinking water in this area of Montana and the benefits the regional water system can provide to the water users, the state and the nation. As my testimony will demonstrate, the support of the State of Montana for this project is strong and comes with a significant financial commitment for funding.

The Chippewa-Cree Tribal Government of the Rocky Boys Reservation has been trying to address a serious need for safe drinking water. This driving need for a reliable, high quality water supply presented the opportunity for a regional water system to serve tribal members and non-tribal communities. Working with local and state representatives, tribal leaders have taken this opportunity to work with their neighbors to achieve a common goal, adequate and safe drinking water for our communities. It is so important to note this positive action of both the tribal and non-tribal communities working together. When the tribal leaders reached out to their neighbors and extended this opportunity and vision, they bridged a gap in relationships that had existed for decades. The proposed Rocky Boy's / North Central Montana Regional Water System is a shared vision based on a common need.

In the early 1990's, representatives from the tribal and non-tribal governments met to begin the planning for this project. The opportunities that a regional water supply presented were unquestionable, but the very size and cost of the proposal led to many questions about economic feasibility. An interagency team was assembled to coordinate a state review of the proposed regional water system. The team is composed of representatives for the Departments of Natural Resources and Conservation, Environmental Quality, and Commerce. This state coordinating committee is still actively evaluating the proposal. Two state grants have been awarded to provide funding for preliminary engineering for the system so everyone can base their support for this project on factual information. This process continues.

What has been shown is that water quality is poor in some areas of the region, and inadequate water

quantity is often an issue. Communities and water districts in the region have tried to attack this problem through several methods. Some are not treating water from a number of surface sources beyond chlorination. As a result, at least three systems are currently out of compliance with federal safe drinking water standards. Up to 13 of the remaining systems are expected to have difficulty meeting future regulatory requirements based upon current U.S. EPA regulatory proposals or other requirements of the 1996 amendments to the Safe Drinking Water Act (SDWA). Compliance with the requirements of the Safe Drinking Water Act is difficult in large part because there are 20 individual public water supplies serving the rural communities of the area. The small number of users served by each of the individual systems must bear the full cost of running a drinking water system. By joining together on a regional basis, future costs will be associated with one intake and treatment facility, and they will spread against a larger user base. From the state's perspective, a regional system will be able to demonstrate that they have the capacity to operate, manage, and finance future operations.

Insufficient water quantity is an everyday issue to many of the residents of the area. Montana is in the fourth year of a severe drought. To bring this into perspective, precipitation has been so far below normal that it is estimated we have lost an entire years worth of normal precipitation over the four-year period. Initially, surface water sources were the hardest hit by the drought. However, due to the length of the drought, groundwater supplies are now threatened. The proposed source of supply from Tiber Reservoir would provide both a high quality source of drinking water for the region and a firm supply of water that "drought proofs" the communities in this region. There is no other source that has sufficient quantity and quality to meet the combined needs of all the communities in this region.

A key question is what would a regional system cost in comparison to the alternatives that these community water supplies may have. The total estimated cost of the regional system is approximately \$200 million. The state, as a condition of support, asked for an alternative analysis of the costs to communities and individuals of providing safe drinking water without a regional system. Based on engineering estimates, the cost of maintaining and operating 20 individual water systems within the region is about 10 percent lower than the \$200 million cost of constructing the regional system. However, the benefits of a regional system greatly exceed the 10 percent increase in total cost for the regional project. First, the quality of water provided from the regional system will be a great improvement to many of the individual systems. If you have bad groundwater to start with, treatment doesn't improve it's quality. It only makes it safe to drink. Second, maintaining the individual systems does not address the benefits of providing a firm water supply that protects the communities against future drought.

From a regulatory aspect a regional water system has significant benefits. At the present time, there are 20 different regulated systems within the region that wish to be a part of the authority. Meeting regulatory requirements of the Safe Drinking Water Act must be demonstrated by each system. When a rule changes, all those systems must react to the change. Also, because many of the systems are for small municipalities or county water districts, some with fewer than 200 connections, there is a reduced capacity on the part of most of these smaller systems to maintain and operate a water system, not to mention the problems that the long-established communities are having. That means that the Montana Department of Environmental Quality is perennially facing problems with compliance. A regional water system would provide one point of regulation for the all of the member systems. If a rule were changed, it would only affect one treatment plant. Due to economies of scale, a regional system can be operated with a higher level of oversight and management than individual municipal water supply systems. Therefore, an increased degree of compliance can be expected.

The state also supports this regional water system because of its potential to yield strong economic benefits. Unemployment on the reservation is high. Construction will employ many people that have few other job opportunities. The construction period is estimated to be in excess of a decade. Once constructed, there will be numerous long-term jobs created as the tribe and the non-tribal water users operate and maintain the facilities. These types of jobs are highly sought after in this area of Montana. Finally, the regional pipeline will provide one of the key resources that enterprising businesses look for when they locate in an area – a safe water supply. Ranch/farm operations will benefit from the stock water available through the system. This will immediately improve their bottom line, as increased weight gain can be achieved with higher quality water. This project will not resolve all of the economic problems that North Central Montana faces; however, it will serve as a cornerstone to future success upon which the people in the area can build.

The state supports the Rocky Boy's / North Central Montana Regional Water System because it provides the Rocky Boy's Reservation with a safe and reliable drinking water system. The Rocky Boy's Reservation is the home of the Chippewa and Cree Tribes in Montana. Since the establishment of the Rocky Boy Reservation in 1916, tribal members have been limited to developing poor quality groundwater sources and limited surface water sources for their drinking water systems. The existing systems on the reservation are inadequate today and will not be able to provide safe drinking water for the future. The state of Montana supports every effort to provide the tribal members living on the Rocky Boy Reservation a reliable, high quality drinking water system. We are all Montanan's and all of us must have the opportunity to prosper whether we live on an Indian Reservation or not. It is an absolute; the tribal members of the Rocky Boys Reservation must have a safe and reliable drinking water system. The regional system will provide the required water supply for the reservation.

Finally, I would like to tell the Committee about the legislation that Montana has passed to support this regional water system proposal. Clearly, considering the price tag of this project, a partnership among local, state and federal governments needs to be forged. Montana has made a commitment to this partnership. The Montana State Legislature established a funding mechanism in 1999 specifically to provide state cost share dollars for regional water systems. This fund has now grown to over \$8 million and will continue to receive \$4 million a year until 2016. Earning from this fund will be used to match federal expenditures along with local cost share. The Treasure State Regional Water Fund Legislation enjoyed strong support from the State of Montana. In the Senate, SB 220 received 50 of 50 votes. In the House, SB 220 received 97 of 100 votes for passage.

I respectfully request that the committee, after due consideration, pass HR. 1946 authorizing the Rocky Boy's / North Central Water System. This is so important to the people in North Central Montana that I ask on behalf of the State of Montana that you give this bill your approval, so that the planning and engineering can proceed on this system.

Thank you for your time today. It was an honor to speak before the committee.