

## Worden, Heather

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**Subject:** Water Overview Topics Committee - Letter

On Oct 3, 2017, at 4:33 PM, Wilson, Robert <[WilsonRo@casscountynd.gov](mailto:WilsonRo@casscountynd.gov)> wrote to Chad Peterson:

Just an FYI...

Mike Redlinger and I met with Jeff Volk today. While he was here, Jeff showed us the attached letter. He attended the July meeting of the legislature's Water Topics Overview Committee. The letter summarizes the concerns that prompted the signees to draft the letter. Basically, the Committee Chairman, Jim Schmidt, made comments that perhaps the state should not spend oil extraction tax dollars on flood control measures on the eastern side of the state. This letter is a detailed rebuttal of that position.

He asked if the DA wanted to sign onto the letter. I said I don't have a concern and felt that could be within the Committee Chair's prerogative to sign. But I also wanted to make sure you see it. If you have concerns, let me know and I'll share those with Mike ASAP. Also, as Commission chair you may want to sign it or present it for review by the Commission to consider signing onto the letter.

-Robert

**From:** Jeff Volk [<mailto:JVolk@mooreengineeringinc.com>]

**Sent:** Tuesday, October 3, 2017 1:21 PM

**To:** Mike Redlinger <[mredlinger@cityoffargo.com](mailto:mredlinger@cityoffargo.com)>; Wilson, Robert <[WilsonRo@casscountynd.gov](mailto:WilsonRo@casscountynd.gov)>

**Subject:** Fwd: Water Letter

Mike - Robert

**Jeffry J. Volk, PE**

President & CEO

**moore engineering, inc.**

Phone: 701.282.4692 | Fax 701.282.4530

Direct: 701.499.5814 | Cell 701.371.2528

925 10<sup>th</sup> Ave E, West Fargo, ND 58078

[JVolk@mooreengineeringinc.com](mailto:JVolk@mooreengineeringinc.com) | [www.mooreengineeringinc.com](http://www.mooreengineeringinc.com)

[bgrubb@cityoffargo.com](mailto:bgrubb@cityoffargo.com)

<Interim Water Topics Committee.docx>

Dear Interim Water Topics Committee:

We would like to respond to the comments from Chairman Schmidt at the July 25 Water Topics Overview Committee meeting regarding spending of oil extraction tax dollars on water management projects in eastern North Dakota, including both drainage projects to improve agriculture production and flood control projects. There are three areas we would like to address:

1. **Tax Policy.** Chairman Schmidt mentioned oil extraction tax dollars being spent on water management features in eastern North Dakota several times, seeming to imply that since oil extraction tax dollars come from the west, the State should not spend those dollars on drainage, flood control, dikes, and other water management features in the east. The Resources Trust Fund was created in 1981, and initially was for the Southwest Pipeline, but the State expanded the purpose a few years later to include water development and water management across the entire state. Once we suggest that tax dollars from one area should stay in that area, then the discussion extends to sales tax and income tax dollars generated in various areas, and farm tax dollars from the most productive farmland in the entire world. Chairman Schmidt may only have been expressing that oil extraction tax dollars should not be spent on water management projects in the east for agriculture production (drainage) and flood control (dikes, dams, and diversions). However, we believe the Resources Trust Fund is for all water development and water management projects across our state.

2. **Drainage.** We would like the Committee to understand the benefits of drainage in eastern North Dakota, agriculture's reliance upon drainage, and the return on the state's investment in drainage. Drainage in the Red River Valley began prior to statehood, and the benefits of the approximately 300 assessment drains can hardly be questioned. The Red River Valley has some of the richest farmland in the world, and is productive only because of the drainage that has occurred. The sales tax and income tax and other tax revenues that the State receives from the agricultural production in the east, since statehood, is enormous. There is sound economic data in this discussion that demonstrates the State's investment in the east through cost-sharing in these projects is incredibly worthwhile and justified.

3. **Water Management.** This also leads to a discussion of hydrology and the flow of water in eastern North Dakota. Chairman Schmidt seemed to be suggesting that water management projects in the east are duplicative and counterproductive. This demonstrates a need for further understanding of watershed management in eastern North Dakota. There are essentially four major flood risk reduction project categories: drainage, retention, levees, and diversions. All of these project types are needed in the east and they all work together to reduce the risk of flooding. One without the other does not solve the flood problem for the region. None of these project types are counterproductive; rather they work in coordination with one another to reduce flood damages for all of our citizens (urban and rural). Drainage is typically the most misunderstood flood risk reduction project type. Drainage decreases the adverse impacts associated with more frequent smaller floods caused by excessive summer rains; typically crop damages are the primary damages suffered as a result of summer flooding. Surface drainage systems are designed to provide protection from the smaller 2-year, 5-year, and 10-year summer rain events. Drainage systems are not designed to provide flood protection from the larger spring snowmelt events, nor would this be economical. Major spring floods that affect Red River communities are of a scale that are well beyond the capacity of surface drainage. In other words, the record floods of 2009 and 2011 would occur regardless of the existence of drainage projects. The volume of water moving downhill during these floods is far beyond the ability of

a 10-year design channel to alter (good or bad). Again, the purpose of drainage is to manage excessive summer rains that cause real economic damage to North Dakota agriculture. Levees, diversions, and retention dams are typically constructed to manage floods of a much larger magnitude. All of these projects are important, all are needed, and all are high-priority if we hope to solve, or at least reduce, the flood threats faced by both our urban and rural citizens.

We look forward to a thorough discussion of these subjects. Ultimately, we believe the tax dollars the State of North Dakota has invested in improving the agricultural production of eastern North Dakota has and will continue to provide a substantial return far beyond the investment.

Thank you for your consideration of these comments. We look forward to working with all of you in these important water management discussions.

ND WATER RESOURCE DISTRICTS ASSOCIATION

RED RIVER JOINT WATER RESOURCE BOARD

DEVILS LAKE JOINT WATER RESOURCE BOARD

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