

**STATEMENT OF DAVE WHITE, CHIEF  
NATURAL RESOURCES CONSERVATION SERVICE  
U.S. DEPARTMENT OF AGRICULTURE  
BEFORE THE  
U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE  
MAY 26, 2010**

Mr. Chairman, thank you for the opportunity to provide a progress report on the status of the American Recovery and Reinvestment Act of 2009 (Recovery Act) funding administered by USDA's Natural Resources Conservation Service (NRCS). Through the funding provided by the Recovery Act, NRCS has invested in numerous conservation projects that are projected to create or save 6855 jobs in communities across the country. To date, recipients of NRCS Recovery Act funding have reported job creation and retention for the first three quarters as follows: 380, 159, and 240.

The Recovery Act provided funding for three NRCS programs:

Watershed Rehabilitation Program	\$ 50,000,000
Watershed and Flood Prevention Operations Program	\$145,000,000
Floodplain Easements - Emergency Watershed Protection Program	\$145,000,000

The NRCS programs funded through the Recovery Act provide significant public and environmental benefits through the restoration of floodplains and investments in watershed improvements and critical infrastructure. These benefits include reduced threats and damage from flooding; floodplains restored to natural conditions; erosion control; improved water quality; enhanced fish and wildlife habitat; and improved quality of life through expanded recreational opportunities and added community green space. Watershed rehabilitation projects will mitigate the risks of failure and threats to public safety posed by aging flood control infrastructure. As of May 10, 2010, NRCS has obligated over \$196 million (\$21 million for Watershed Rehabilitation, nearly \$75 million for Watershed and Flood Prevention Operations, and over \$100 million for Floodplain Easements) of the \$340 million available through the Recovery Act. As we move into the summer construction season and improved weather, we expect project obligations to increase and construction to accelerate on additional projects throughout the countryside. NRCS expects to obligate Recovery Act funds by September 30, 2010.

Last month, I participated in a milestone event for our Recovery Act programs at the Turkey Creek Site #3 dam in Garfield County, Oklahoma. This is the first completed Watershed Operations upstream flood control dam project funded through the Recovery Act. The construction was certified complete on February 17, 2010 – one year after President Obama signed the Recovery Act into law. This project provides \$19,000 in annual flood damage reduction benefits, and reduces erosion by 6,700 tons per year. Local project sponsors,

partners and NRCS staff worked quickly to take action on this project and meet the objectives of the Recovery Act.

In June, I have the opportunity to join the Colville Tribe on Omak Creek in Okanogan County, Washington. The Tribe will be holding a First Salmon Ceremony to celebrate the return of the salmon to Omak Creek. With previous NRCS assistance in removing fish barriers, the Tribe was able to hold this ceremony in 2006 for the first time in 70 years. Fish barriers had kept salmon from migrating into Tribal waters for decades. The Recovery Act funded a Watershed Operations project to open additional fish passages that will bring more steelhead trout and Spring Chinook salmon, both culturally-significant species, back to Tribal waters.

These are just two events recognizing the impact of Recovery Act funding on rural communities across the country, but we expect more as work on Recovery Act projects is completed.

NRCS testimony before the Committee on February 26, 2010 detailed specific program authorities and several projects. Today NRCS testimony will highlight the agency's progress in delivering Recovery Act funds to local projects and review a few specific projects.

## **Watershed Rehabilitation Program**

### **Recovery Act Funding: \$50,000,000**

The Watershed Rehabilitation Program exists to rehabilitate or decommission aging or unsafe dams owned and operated by sponsors that are ready and willing to begin rehabilitation. More than 11,000 dams in 47 States are eligible for assistance under the Watershed Rehabilitation Program authority. Many of these dams are over 50 years old and are beyond or are nearing the end of their design life. Rehabilitation of these dams helps address critical public health and safety issues in these communities.

Twenty-six projects in 11 States were originally selected for Recovery Act funding, and 21 projects in 10 States remain active. As of May 10, 2010, NRCS has obligated just over \$21 million for these projects and construction has commenced on four of these dams. Five projects withdrew from Recovery Act participation due to a variety of factors including engineering challenges, land rights issues, and sponsor cost-share requirements. The remaining projects will help revitalize rural economies by creating or saving jobs, and by supporting local businesses that supply products and services needed for construction. These projects will not only ensure that the flood control dams remain safe and protect lives, but will also continue to provide for recreation and wildlife habitat for decades to come. Following are two examples of Watershed Rehabilitation Recovery Act projects:

**Structural Repair, 5 different sites, GA:** \$6.2 million in Recovery Act funds are being used to upgrade five dams in Georgia to meet current safety standards. Approximately 500

residents will be protected from flooding when completed. The total annual flood damage reduction and water supply benefits for these projects exceed \$650,000.

**Lost Creek Site 2, MO:** \$400,000 in Recovery Act funding for the Lost Creek Site 2 project in Missouri will result in the rehabilitation of a flood control structure and provide an estimated \$46,000 in annual benefits. When completed, the dam will provide protection to 10 residents and five bridges.

## **Watershed and Flood Prevention Operations Program (WFPO)**

**Recovery Act Funding:** \$145,000,000

NRCS provides technical and financial assistance to States, local governments and Tribes (as project sponsors) to implement authorized watershed project plans for watershed protection; flood mitigation; water quality improvements; soil erosion reduction; rural, municipal and industrial water supply; irrigation water management; sediment control; fish and wildlife enhancement; and wetlands and wetland function creation, restoration and protection.

Recovery Act funds continue to be obligated on WFPO projects for completion of permit mitigation obligations or structural repairs, or for land treatment through the application of conservation practices. Recovery Act funds will also be used for new construction projects that are already authorized, beneficial to the environment, and have sponsors that are ready to begin work.

NRCS has obligated \$75.2 million and signed 284 contracts for 83 of the 87 planned projects. Of these projects, contracts have been awarded and construction has begun on 53 projects totaling \$61.7 million. Following are a few examples of WFPO projects selected for funding through the Recovery Act:

**Santa Cruz River, NM:** The Recovery Act provided \$240,000 for structural repair to an existing flood control dam in Santa Fe and Rio Arriba Counties, New Mexico. This project protects 1,400 residents, 350 small farms, and a number of businesses and public bridges and buildings. Repairing this dam provides public health and safety due to reduced flood damage and the reduced danger to and need for emergency personnel. Once this structure is functioning properly, we expect a reduction in flood damage valued at over \$357,230 annually. The construction contract has been awarded and work began May 2010.

**Lower Silver Creek, CA:** The Recovery Act provided \$19,000,000 for flood prevention construction projects in Lower Silver Creek Watershed in Santa Clara County, California. This project will provide flood protection to approximately 16,000 people and businesses, schools, highways and infrastructure used by 250,000 people. The project will enhance nearly 2.3 miles of stream corridor and flood plain functions; create 3.4 acres of wetland habitat and low flow channel for fish passage; and establish 6.3 acres of riparian trees and shrub plantings for increased shade, habitat values and improved aesthetics along the creek. Construction on

this project began in October 2009. When completed, the project will provide flood protection along the 2.3-mile stretch of creek for 16,000 people as well as businesses, schools, highways, and infrastructure used by 250,000 people. It will create 3.4 acres of urban wetland habitat and low flow channel for fish passage and 6.3 acres of riparian plants adding shade, habitat and creekside aesthetics. Citizens will enjoy community beautification, and public health and safety improvements.

### **Floodplain Easements - Emergency Watershed Protection Program (FPE-EWPP)**

**Recovery Act Funding:** \$145,000,000

The Emergency Watershed Protection Program (EWPP) provided for the purchase of floodplain easements as an emergency measure. Floodplain easements restore, protect, maintain, and enhance the functions of a floodplain; conserve natural values including fish and wildlife habitat, water quality, flood water retention, ground water recharge, and open space; reduce long-term federal disaster assistance; and safeguard lives and property from floods, drought, and the products of erosion.

As of May 10, 2010, NRCS has obligated over \$100 million for the purchase of easements, restoration and technical assistance under this program. NRCS initially allocated funds for 289 easement acquisitions nationwide. Over time, 107 transactions were withdrawn, and an additional 74 replacement projects were added. NRCS has closed on 138 easements with payments made totaling \$46,228,177. As easements close, restoration efforts commence, and we anticipate expenditures of nearly \$19 million over the next 12 months. NRCS intends to work with landowners to complete restoration on easements by December 30, 2010. Any remaining restoration work will be completed by spring 2011.

Since last reporting, NRCS has funded an additional 22 projects representing 4,000 acres in four states totaling \$13.7 million, primarily through cost savings achieved on other projects and withdrawn applications. NRCS now expects to enroll a total of 38,059 acres on 256 easement acquisitions through the Recovery Act.

Following are three examples of EWPP Floodplain Easement projects selected for funding through the Recovery Act:

**Iowa:** Restoration work will be completed on 22 floodplain easements throughout Iowa. The original restoration cost estimate of these easements was \$1,091,467, but the amount obligated under contract for restoration is \$440,999. The savings will fund additional easements and restoration activities. Three FPE projects protect 458 acres along the Chariton River, and directly affect the water quality of Rathbun Lake, a recreational use and water supply lake for 17 counties in southeast Iowa and north central Missouri. During recent spring flooding, these projects protected the water quality of the lake by providing erosion control and elimination of nutrients and pesticides needed for crop production.

**Kentucky:** In Kentucky, 316 acres of cropland were secured from two landowners and placed under permanent conservation easements at a cost of \$1 million. These easements are located in Ballard County at the confluence of the Mississippi and Ohio Rivers, where flooding occurs annually. These properties will be restored to bottomland hardwood forests, providing habitat for the federally endangered Indiana Bat and American Bald Eagle. These easements complement efforts by other private, State and Federal conservation interests to restore wetlands and improve wildlife habitat in the area, resulting in a larger, contiguous block of restored wetlands. **Oregon:** Floodplain easement restoration contracts have been awarded for \$618,708 for two projects in Oregon. Site preparation and planting have begun on 165.7 acres and will continue on 55.7 acres this fall, including 144,500 native trees and shrubs to stabilize soils, capture sediment, slow flood waters, and establishing native pollinator habitats to support the sustainability of nearby cropland. Benefits include increased floodwater storage, water quality improvements, and wildlife habitat along the approximately two miles of the Willamette River, including fish barrier removal to allow flood water free flowing connectivity to the river and the adjacent floodplain.. The 221.4 acres were in cropland prior to enrollment in FPE.

### **Transparency and Accountability**

In furtherance of accountability and transparency objectives, and to complement existing automated systems which track financial and technical assistance allocated for approved projects, NRCS regularly evaluates and monitors the risk associated with individual projects.

Projects are evaluated against multiple factors that contribute to implementation success. These include milestone status and progress, total cost, sponsor viability, and overall complexity. This assessment enables resources to be applied in a targeted approach. Regional Conservationists, State Conservationists, National Headquarters staff, and state teams form a communications web in which strategies are developed to address at-risk projects. Discipline-specific assistance is provided to states by program managers, engineers, contracting specialists, and other experts as needed. In addition, the Office of Inspector General continues audit oversight of NRCS Recovery Act activities, and NRCS is cooperating with OIG in furtherance of these efforts.

### **Summary**

NRCS has moved quickly to identify worthy and environmentally beneficial projects for the \$340 million in Recovery Act funding provided for Watershed Rehabilitation, Watershed Operations, and Floodplain Easements. NRCS has obligated over \$196 million as of May 10, 2010 and we expect obligations to increase over the next few months as we enter the summer construction season and improved weather that allow for increased work on the ground. NRCS understands that Congress and the public will hold the Federal government to the highest standard of accountability for Recovery Act funding. We are committed to expending these dollars in the most expeditious, transparent, and cost-conscious way possible.