

Senate Committee on Environment and Public Works
Subcommittee on Transportation and Infrastructure
February 15, 2024 Field Hearing on *Perspectives on Army Corps of Engineer*
Projects in Small, Rural, and Underserved Arizona Communities
Flagstaff City Hall

Chairman Kelly, first and foremost, welcome back to Flagstaff. We are proud to host you here at Flagstaff City Hall once again. We appreciate your service on the Senate Environment and Public Works and especially as the Chairman of the Transportation and Infrastructure Subcommittee that has jurisdiction over the Water Resources Development Act (WRDA) which is so important to our community and many others in Arizona. We are also thankful to you for chairing this important field hearing today to hear *Perspectives on Army Corps of Engineers projects in small, rural, and underserved communities*.

We also want to thank Army Corps Regional Commander, Colonel James Handura, and District Commander, Colonel Andy Baker, for being here today. We have been working closely with the Army Corps of Engineers since 2001 on the Rio de Flag Flood Control Project and we continue to push to complete what will be the most transformational infrastructure project in the City's history.

Although it has been a long road to today, we are making considerable progress and have passed many important milestones. Three major project components have been constructed to date, including a large detention basin on the Clay Wash reach, a bridge structure in the upper reach, and a large culvert under Butler Avenue. We are approaching final plans and specs that will allow the project to be advertised for bid. We are working towards acquiring the real estate from property owners and businesses to construct the project, and BNSF Railway is also a large landowner in the project footprint. We are engaged in complicated negotiations with the railroad on several Construction Maintenance Agreements (CMAs) for project approval and property rights. Our goal is to have this project out to bid in early 2025 and have shovels in the ground by the spring of 2025.

We received the final \$52 million of federal funding for construction in FY 2020. Thus far, \$84 million in federal funds have been committed to this project. To date, the City has contributed \$22 million as part of its cost share.

When this project is completed, it will have a transformational effect on our town. First, it will remove over half of our residents and over 1,500 structures from the flood plain including Northern Arizona University (NAU) and, yes, City Hall where we are sitting right now. Second, it will allow for the first time in many people's lifetimes, including our former esteemed Mayor and your current northern Arizona Director, Coral Evans, to make improvements to their houses and businesses in the Southside neighborhood that they haven't been able to make in decades because of the simple fact that they lie in the flood plain. Third, it will eliminate costly flood

insurance requirements for many residents. Finally, it will allow for more than \$1 billion in economic development that will be a boon for residents and visitors alike. In short, this project will transform our great City.

Regarding this project, we have one final request. It is our understanding that you have once again inserted a provision in WRDA 2024 that will waive the 902 limit, or the maximum cost cap, for this project. We ask that you fight for inclusion of this provision as we may be bumping up against our limit due to inflation and the high cost of materials and real estate acquisition. Expediting this process greatly benefits these projects that are overdue for delivery and can't afford any additional delay.

I would also like to highlight another important Army Corps program that you were instrumental in bringing to Arizona, the Section 595 or Arizona Environmental Infrastructure program. The City was one of the first in the state to send a letter of interest to the Corps and be placed on the priority list for this program. In early 2021, we were awarded two 595 projects known as the Downtown Flood Lateral Tunnel and WF Killip Elementary School regional flood detention basin.

We are excited to announce that we have signed our first Project Partnership Agreement with the Corps on January 23rd for the Downtown Lateral Project and we expect to sign the Killip Basin PPA very soon. We ask that you work to increase the authorization for the 595 program to \$400 million in WRDA 2024 to help communities such as ours.

In conclusion, Mr. Chairman, we have a long and very important relationship with the Army Corps of Engineers. We are currently working with them on three important projects that will benefit the City – the \$122 million Rio de Flag Flood Control Project, the \$1.2 million Downtown Lateral Project and the \$1.5 million Killip Detention Basin Project. We value our relationship with the Corps and they have been very responsive to our needs. Is everything perfect? Certainly not. We would like to move these projects from inception to completion in a much more expeditious manner. However, many of these projects – especially the Rio de Flag – are very complex and complicated. Despite these setbacks in our partnership with the Corps, we have always been able to figure out a way to move City projects forward together.

Senator Kelly, thank you again for holding this important hearing in Flagstaff to discuss Army Corps projects. We thank you for your leadership on this Committee and the work you have done in the U.S. Senate that benefits our amazing and diverse community here in Flagstaff. I am happy to answer any questions you may have.