



# F-M diversion officials say they still expect federal funding in 2016

By [Tu-Uyen Tran](#) on Feb 6, 2015 at 8:47 p.m.

**F**ARGO – A proposed flood diversion here didn't make it into the president's new budget unveiled this week, but supporters of the massive flood control project say they believe they can still start major construction in 2016.

The U.S. Army Corps of Engineers has the money and has the discretion to spend it in ways to get the best bang for the buck, and the \$1.8 billion diversion has a good bang-to-buck ratio, supporters told a top U.S. Army Corps of Engineers official who visited Fargo on Friday.

Sen. John Hoeven, R-N.D., told Maj. Gen. Michael C. Wehr the diversion meets congressional requirements putting it close to the top of the priority list.

“We specifically set up the legislation now in the appropriations bill that we passed that says consideration must be given by the corps for projects that have local share and alternative means of financing,” he said. “This project has both.”

Corps officials with the St. Paul District said that with innovative local funding mechanisms the \$846 million federal share could drop by half.

The St. Paul District directly oversees the diversion project and is part of the Mississippi Valley Division commanded by Wehr.

Rep. Kevin Cramer, R-N.D., and Rep. Colin Peterson, D-Minn., were also at the

table with the general. Sens. Heidi Heitkamp, D-N.D.; Amy Klobuchar, D-Minn.; and Al Franken, D-Minn., sent representatives.

Peterson struck a skeptical tone, reflecting what he's heard from farmers who may get more water on their fields because of the diversion project. He asked how those farmers are going to be compensated, especially if they didn't qualify for crop insurance.

Officials with the Flood Diversion Board of Authority assured him that questions like his are being studied by North Dakota State University, and they don't yet have an answer.

St. Paul District corps officials said they're dealing with two obstacles this fiscal year: a Minnesota Department of Natural Resources review of the project and a lawsuit filed by Richland and Wilkin counties, located upstream of the project.

Both issues are expected to wind down by the end of the fiscal year on Sept. 30.

Peterson pressed corps officials about what would happen if the DNR rejects the diversion project, which would set the two agencies on a collision course.

Aaron Snyder, a St. Paul District official, said the DNR has ruled out storing water on farmlands alone. DNR officials are now looking at two alternatives, both of which involve a diversion channel and a dam storing water to prevent heavy impact to downstream communities, he said.

Both are key features of the diversion project.

During Friday's meeting, corps and Diversion Authority officials highlighted a push to finance a portion of the project through a private-public partnership, or P3, one of the "alternative means of financing" Hoeven mentioned.

The authority would be in charge of building the diversion channel with P3, while the corps would be in charge of the dam.

Taking advantage of market forces could cut costs by \$400 million, said Terri Williams, a St. Paul District project manager. Those savings could be passed on to the federal government, he said.

“That’s a remarkable opportunity that you don’t get very often,” Hoeven said.



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