

TESTIMONY OF

Congressman Nick J. Rahall

TO THE

House Appropriations
Subcommittee on Energy and Water Development

March 28, 1990

Mr. Chairman. I greatly appreciate the opportunity to testify before your subcommittee today. I would like to ask for your assistance in securing the funds necessary to complete two very important water projects: one project would address serious flooding problems, and the other would spur badly needed economic development in Southern West Virginia.

I would first like to request an appropriation of \$400,000 to pay for the federal cost-share of flood control measures along Krouts Creek in Huntington, West Virginia. Krouts Creek flows through a densely developed residential area of west Huntington. There are approximately 200 residences in the 100-year floodplain of Krouts Creek. Additionally, five businesses and three public buildings including churches and schools are located within the floodplain area.

The Krouts Creek floodplain has received damaging floods several times over the past 25 to 30 years. During this time, residential growth has taken nearly all available land along the stream. Consequently, minor to serious flood damage to homes in this area has become an annual occurrence. The most recent damaging flood occurred in May and June of 1987 affecting 30 residences and 3 businesses with a total damage estimated to be more than \$100,000. This prompted me and the Mayor of Huntington to request the assistance of the Army Corps of Engineers in developing a flood control plan.

The Huntington District Corps evaluated a number of flood control measures. In 1988 the Corps conducted a reconnaissance study which involved deepening and widening the channel and culvert replacement. Under the plan, 50% of the homes would be protected from a ten year flood and 30% would be protected from a hundred year flood. The total cost was estimated to be \$620,000 with a Benefit-Cost Ratio (BCR) of 1.2. The city of Huntington agreed to pay 50% of the project cost.

Because of its size, this project requires no authorization. Ordinarily, such a project could be completed under the Corps' continuing authority. Unfortunately, the Corps conducted a subsequent re-evaluation in June 1989 and determined that the BCR was 0.78 at a total project cost of \$931,000. A second re-evaluation conducted in November of 1989 determined that the BCR was 0.95 with a total cost of \$721,000. This latest evaluation estimates the annual benefits to be \$66,300 and the annual costs to be \$69,500 yielding the 0.95 BCR. Consequently, the Huntington District Corps has made a negative recommendation to the Ohio River Division.

It is not clear to me why a consistent Benefit-Cost Ratio cannot be determined. However, one aspect of these evaluations that is consistent is that the difference between whether the ratio is favorable or not favorable is only about \$4,000 a year on the cost side or the benefit side of the calculation. Because the project is small and only a few thousand dollars effects the Benefit-Cost Ratio so drastically, I do not believe that the BCR is terribly useful or important. If the Corps continued to evaluate this project, it may well find some savings that would yield a second favorable ratio.

What is important is that this project is of great significance to local home owners. Their homes and property are annually damaged by flooding. It is difficult to explain to them that their property cannot be protected from flood damage because the latest evaluation was off by a few thousand dollars and did not yield an appropriate Benefit-Cost Ratio. I believe they deserve the benefit of the doubt. The average total cost of the project as calculated by the Corps in these three evaluations is roughly \$800,000. Therefore, I respectfully request an appropriation of \$400,000, within the Corps' continuing authority, to put an end to this problem.

I would also like to request an appropriation of \$1.125 million to pay for the federal cost-share of the expansion of the David W. Harris Riverfront Park, also located in Huntington, West Virginia. The Riverfront Park has successfully provided a recreation area which has greatly increased economic development in the Huntington region. In 1987 alone, the park received 309,000 visitors. The park is the site of numerous concerts and events, the operation of the West Virginia Belle has resulted in increased overnight stops by motorcoach tours, and in short, the availability of the riverfront park facilities has directly contributed to an improved regional tourist industry.

Increased tourism is of vital importance to my state. Although West Virginia has serious economic problems, one of its strengths is its natural beauty. Consequently, perhaps the state's top economic development priority is to increase tourism. Expansion of the Riverfront Park would greatly assist in promoting this strategy.

The Huntington District Army Corps of Engineers devised an expansion plan which indicates that a number of improvements are needed to relieve traffic congestion and increase the park's capacity. Among these are additional access roads, pedestrian walkways, overlooks, seating areas, parking facilities and the construction of a permanent dock that will provide a safe and modern docking facility for excursion boats, such as the Mississippi and Delta Queens. According to the plan, these improvements would cost approximately \$2.25 million.

The Huntington District Army Corps of Engineers has advised me that under Corps policy, once a nonfederal cost-sharing sponsor is identified, such improvements are cost-shared at 50%. In the case of the Harris Riverfront Park, the authorities provided for the initial development of the park apply to any expansion of this area. Therefore, no further authorization is required for this project.

Huntington Mayor Robert Nelson has formally indicated to the Huntington District Corps that the City of Huntington is willing to act as the nonfederal cost-sharing sponsor. Unfortunately, under the present Administration, such projects are very low priority. Consequently, the Huntington District Corps has no plans to request federal funding for the expansion.

There is no question that this project would benefit West Virginia and help to the State's strategy of economic development through increased tourism. Therefore, I respectfully request an appropriation of \$1.125 million in the operation and maintenance account for the engineering, design, and construction for the expansion of the David W. Harris Riverfront Park.

Thank you again for allowing me to testify before your Subcommittee today. I greatly appreciate your consideration of these two important projects.