

**DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
OF THE ARMY (CIVIL WORKS)**

**COMPLETE STATEMENT
OF
DR. JOSEPH W. WESTPHAL
ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS)**

BEFORE THE

**SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
UNITED STATES HOUSE OF REPRESENTATIVES**

**WATER RESOURCES DEVELOPMENT ACT OF 2000
ROOM 2167, RAYBURN HOUSE OFFICE BUILDING
1100 HOURS, MARCH 22, 2000**

INTRODUCTION

Mr. Chairman and Members of the Subcommittee, I am Joseph Westphal, Assistant Secretary of the Army for Civil Works. Accompanying me is Lieutenant General Joe N. Ballard, Chief of Engineers, Army Corps of Engineers. We are here today to provide you with the status of the Water Resources Development Act of 2000. It is an honor to be here today, and we appreciate the opportunity to work with your subcommittee on this important legislative initiative.

For two centuries, the U.S. Army Corps of Engineers has been a great asset to our Nation. Since its founding in 1775, the Corps of Engineers has provided engineering support to the military, developed our nation's water resources, and restored and protected our environment. The Corps has improved the quality of our life by making America more prosperous, healthy, safe, and secure. As we begin the new century, the Corps must be flexible and evolve if it is to continue to make important contributions to the Nation.

Resources are the lifeblood of this Nation. Historically, the Nation's rich and abundant water and related land resources provided the foundation for our successful development and rapid achievement of preeminence within the international community. Our Nation's waters and waterways have been focal points for economic and social development, and the Army's Civil Works program has made significant contributions to this development.

Under this Administration, there has been intense interest in finding sustainable ways to preserve and grow our Nation's economy while protecting and restoring our unique water and related land resources for the benefit of future generations. I believe the Army's Civil Works program has a significant role to play in meeting these objectives. There is no question that our natural resources have been affected, often in unintended ways, by tremendous growth, unparalleled prosperity, and urban and rural development. Pursuant to the Water Resources Development Act of 1986 the Army Civil Works program began to change in response to the many new water resources challenges facing this Nation. The programs and policies that I will talk about today will continue the tradition of contributing to our economic growth, our National security, and the restoration and protection of our Nations environment.

IMPORTANCE OF WATER RESOURCES DEVELOPMENT

We share with the Congress a commitment to justified and environmentally acceptable water resources development based on the following:

- A strong water resources development program can be a sound investment in our Nation's security, economic future, and environmental stability. Communities across the country rely on water resources projects to reduce flood damages, compete more efficiently in world trade, provide needed water and power, and protect and restore our rich environmental resources.
- Water resources investment decisions must be made based on the best technical and policy evaluations that consider fully all economic and environmental consequences.

As you are well aware, there are many pressing needs for water resources development in this country. We must work together to define an appropriate Federal role in addressing these problems in the full light of our fiscal capabilities and constraints, and economic and environmental requirements. I suggest that the following principles be utilized as we formulate a Water Resources Development Act for 2000:

- Central Importance of Cost Sharing. At the heart of the Water Resources Development Act of 1986 were the beneficiary pay reforms which included cost-sharing. This allowed

local sponsors, through funding and their expertise, the opportunity to be active participants in the water resources development process. The willingness of non-Federal interests to participate in cost-share studies and projects often serves as a market test of a project's merits. Overall, we have found it to be an eminently successful policy.

- Fiscal Responsibility. The nation's water resources infrastructure must be maintained and improved to meet future needs. This must be done in consonance with other national priorities and a balanced budget. We should never create false hope by authorizing projects that we cannot reasonably expect to fund or complete within a reasonable time frame. In light of the large backlog of ongoing Corps construction projects, and other authorized projects awaiting construction, we must limit the authorization of new studies, projects and programs and give priority to completion of ongoing construction projects. This will allow us to move toward a more sustainable long-term construction program and more timely project delivery to non-Federal sponsors.
- New Project Authorizations. In light of constrained Federal dollars, we must assure the public that projects authorized for construction have completed the planning process, have passed a full Agency and Administration review, and are in accord with the Federal laws and policies established to protect the environment.

EVERGLADES

Mr. Chairman, as you know the Army has not submitted a proposed Water Resources Development Act of 2000 to the Congress for consideration. In cooperation with the Army Corps of Engineers, we have developed a draft bill, and that bill is under review within the Administration. I am hopeful that I will be able to submit the bill to the Congress within the next few weeks. While I cannot be specific about the bill we are considering, I would like to discuss a critical feature of our proposal, the restoration of the Everglades.

Once the Florida Everglades was a vibrant, free-flowing river of grass that provided clean water from Lake Okeechobee to Florida Bay. It was a haven for storks, alligators, panthers and other wildlife and its freshwater flows were critical to the health of estuaries and coral reefs. Today this extraordinary ecosystem - unlike any other in the world - is dying. Over the past

half-century, as population of south Florida has grown, the health and size of the Everglades have steadily declined. Half the Everglades has been lost to agriculture and development, and the surviving remnants suffer from a severe shortage of clean, reliable water. In our efforts to guard communities against flooding and to ensure adequate water supplies for drinking and irrigation, we have diverted the natural water flows needed to maintain the Everglades ecosystem.

In response to this great need, a critical part of our proposed legislation would be the authorization of modifications to the Central and Southern Florida Flood Control Project set forth in the Comprehensive Everglades Restoration Plan (CERP) submitted to Congress on July 1, 1999. The authorization would allow the Corps, and its partners, to implement the CERP by addressing quantity, quality, timing, and distribution problems in the ecosystem. Implementation of these features will vastly increase the amount of water available for the natural system and enhance urban and agricultural water supply, while maintaining flood protection. The result will be the restoration of more natural water flows, including sheet flow, improved water quality, and more natural hydro-periods in the south Florida ecosystem. People will benefit, as will myriad fish and wildlife species and a number of the 68 Federally-listed species. Overall, the project targets the capture of approximately 1.2 million acre-feet of “new water” - 80 percent of which will go to the natural environment.

This Comprehensive Everglades Restoration Plan, which would be implemented over the next 25 years, would improve the health of more than 2.4 million acres of the south Florida ecosystem, including Everglades National Park and Lake Okeechobee. The plan would virtually eliminate damaging freshwater releases to the estuaries, improve water deliveries to Florida and Biscayne Bays, improve water quality, and enhance water supply and maintain flood protection. The CERP consists of over 60 components that work together to restore the Everglades by delivering the right amount of water, of the right quality, to the right places and at the right time. We propose to implement the initial increment of the improvements described in the Report of the Chief of Engineers on the Central and Southern Florida Project - Comprehensive Review Study, dated June 22, 1999. The work would consist of four pilot projects and ten specific projects; involve adaptive assessment and program monitoring; and include a programmatic authority through which smaller projects could be quickly implemented. Further authorization for the remaining projects within the CERP will be requested in subsequent Water Resources Development Act proposals.

CONCLUSION

Mr. Chairman, this concludes my testimony. As I noted earlier, I expect the Administration to submit a bill within the next few weeks. I am ready to answer any questions you may have.

**DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS**

**COMPLETE STATEMENT
OF
LIEUTENANT GENERAL JOE N. BALLARD
CHIEF OF ENGINEERS
U.S. ARMY CORPS OF ENGINEERS**

**BEFORE THE
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**

**MARCH 22, 2000
WASHINGTON, D.C.**

INTRODUCTION

Mr. Chairman and Members of the subcommittee, as Dr. Westphal has addressed the provision's of the Administration's Proposals for a Water Resources Development Act, my remarks will address the recent controversy surrounding the on-going Upper Mississippi and Illinois River Navigation Study.

I am very pleased to have the opportunity to speak today on the subject on-going Upper Mississippi and Illinois River Navigation Study and the recent allegations. It is important to me that the Congress and the American public receive the full story before any conclusions are reached.

The allegations levied are very serious. They are most troubling to me as they challenge the very value of the Corps of Engineers to the Nation. That value is trust – a trust in this agency's absolute integrity in providing to the Administration and this Congress, water resource investment recommendations that are unbiased and technically sound. The widely published allegations and media reports erode the foundation of that trust. I am certain beyond a doubt that your traditional trust in this

agency has not been misplaced. I therefore welcome, and fully support, all independent outside investigations of the allegations and any review of our processes. I will take prompt corrective action if wrongdoing is discovered, and I stand ready to make improvements to our processes if warranted. I assure you that when all the facts are in, the integrity of the Corps will be intact, and you will know that the trust you have traditionally placed in the Corps is well founded.

Let me explain the reason for my confidence. First I believe in the professionalism and dedication of the Corps team. While my trust in my own team is high, I am enough of a realist to know that individuals can and do make mistakes. My confidence is high even in this regard, in that our process has a series of built in checks or “safety nets”. These include independent technical reviews, a minimum of two formal public reviews, Washington level policy review, State and Agency coordination requirements, and a final review by the Executive Branch under E.O. 12322.

I note that, for the on-going study in question, we are in the midst of preparing the feasibility report, assimilating data, examining alternatives, and developing costs and benefits. A draft feasibility report has not been completed, much less undergone all of the aforementioned reviews. The allegations appear to be based around what the Corps intends to recommend. The Corps’ recommendation is still almost a year away, and there is much outside input to be gathered, analyzed and incorporated into the decision making process.

It is important to remember that there are no easy clear cut answers to the complex issues we face in water and related land resource management. Technical experts may, and often do, honestly disagree on specifics. The value that the Corps brings to the process is the assurance that both sides of any technical disagreement are competently analyzed and receive proper peer review, public review, and policy review. Ultimately, after full and open debate, balanced professional judgement must enter the process. Dealing with technical disagreements is the role of our field commanders –

they make tough decisions, often in the face of strongly held opposing views. The Corps' process ensures that all interests are heard and that the final recommendations are unbiased, based on the best science available and in the public's interest. In our business, there is almost always at least one interest group that is opposed to some specific finding. But, when all the facts are in, I am confident that the integrity of our process and the leaders who guide that process will be intact.

Let me take a few minutes now to report to you on the status of activities related to the Upper Mississippi River Navigation System Study. There have been two significant internal events. First, the headquarters has completed its policy review of some of the study team's draft products. Our review found that the District conducted the study in consonance with the Principles and Guidelines. Nevertheless, additional information and explanation are required. The complete findings were provided the Division for further action. This, by the way, is a normal step in our process for a study of this size and complexity.

Second, due to the serious nature of an allegation of wrongdoing in reference to one of our employees and the need for immediate follow-up, I directed an internal investigation in accordance with Army Regulation 15-6. The investigation is complete and found the allegation was not substantiated. I am willing to provide the results of the investigation to appropriate authorities.

There are also a number of external investigations or reviews in progress. First, the Office of Special Counsel (OSC) has requested that the Secretary of Defense investigate the allegations and report his findings back to OSC.

Second, the Surveys and Investigation Staff of the House Committee on Appropriations has begun its investigation. We have met with them, provided them information and documents they requested, and remain committed to fully supporting them as they continue their investigation.

Third, we have provided information requested by the Department of the Army Inspector General in support of their investigation and are scheduled to meet with them to answer any additional questions they may have.

Finally, the Secretary of the Army recognizes the importance of the Upper Mississippi and Illinois Rivers Navigation Study and that it must be one in which the American people can have full confidence. In that regard, he has engaged the National Academy of Sciences to undertake an independent and objective review of the study. The National Academy of Sciences is particularly appropriate because of its objectivity and specialized expertise.

Let me reemphasize that we welcome and will fully support all external investigations. I am confident that our process and our execution of our process are fundamentally sound. Our process results in unbiased recommendations for wise investments in water resources important to the Nation. I am confident that the findings of the current investigations will confirm this fact. I am equally confident that the U.S. Army Corps of Engineers is pursuing its mission with the utmost professionalism and integrity, and will continue to serve this Nation well.

Thank you, Mr. Chairman and Members of the Committee. This concludes my statement.