

Mr. JONES. So the first project is \$19 million reimbursement, water supply \$3,448,000, non-Federal reimbursement to the United States of \$1,315,000 for recreation, fish and wildlife enhancement.

Colonel SEIDEL. Sir, we have two reimbursements on Randleman. We have one for water supply, \$3,484,000 and one for recreation, fish and wildlife enhancement of \$3,204,000. The sum of \$1,315,000 is for Howards Mill.

Mr. JONES. I do not see that in my prospectus. In other words, you have in excess of \$6 million through reimbursement, is that correct?

Colonel SEIDEL. Yes, sir; \$6,850,000.

Mr. CLAUSEN. Is this for 50 years?

Colonel SEIDEL. Yes, sir.

Mr. CLAUSEN. On a 100-year basis?

Colonel SEIDEL. Sir, the repayment period is 50 years.

Mr. MILLER. Federal cost of approximately 12.6.

Mr. JONES. Reimbursement is calculated on a 50-year basis, the life of the project is on a 100-year basis.

Colonel SEIDEL. Yes, sir; that is correct.

Mr. JONES. Has that been a policy heretofore?

Colonel SEIDEL. Yes, sir.

Mr. JONES. Any further questions?

Mr. CLAUSEN. In justifying these benefits over a 100-year period it is my understanding it had to be on the basis of 50 years.

Colonel SEIDEL. The reservoir projects are evaluated on a 100-year period.

Mr. CLAUSEN. Is that the project life?

Colonel SEIDEL. Yes, sir; the project life.

Mr. CLAUSEN. But the benefits, the reimbursable benefits are on a 50-year basis.

Colonel SEIDEL. Sir, the benefits that we use are on a 100-year life. However, the repayment schedules are based on a 50-year period.

Mr. JONES. I believe that is by statute, is it not?

Colonel SEIDEL. Yes, sir.

Mr. JONES. We next have testimony from our colleague from North Carolina, Mr. Alton Lennon in behalf of the project that we have under discussion.

STATEMENT OF HON. ALTON LENNON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NORTH CAROLINA

Mr. LENNON. Mr. Chairman and members of the committee, I appreciate the opportunity to appear before you in support of the Corps of Engineers survey study of water resources development for the Cape Fear River Basin in North Carolina and for authorization to construct the Randleman and Howards Mill Dams and Reservoirs.

The Cape Fear River Basin extends from central North Carolina southeastward over 200 miles to the Atlantic coast. The basin is fed by the Deep and Haw Rivers which converge in the Piedmont area of North Carolina to form the Cape Fear River which empties into the Atlantic Ocean. These rivers drain an area of over 8,500 square miles.

Floods occur in this basin during all seasons of the year with their destructive forces causing estimated annual damages of \$900,000 to rural property and nonrural developments.