North Dakota State Water Commission

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Meeting To Be Held At
State Office Building
900 East Boulevard Avenue
Lower Level Conference Room
Bismarck, North Dakota

March 17, 2014
1:30 P.M., CDT

AGENDA

A. Roll Call

B. Consideration of Agenda --- *Information pertaining to the agenda items is available on the State Water Commission's website at http://www.swc.nd.gov*

C. Consideration of Draft Minutes of December 13, 2013 SWC Meeting **

D. State Water Commission Financial Reports:
   1) Agency Program Budget Expenditures
   2) 2013-2015 Biennium Resources Trust Fund and Water Development Trust Fund Revenues
   3) Bond Retirement **

E. Consideration of Following Requests for Cost Share:
   1) Cass County Drain No. 30 Channel Improvements **
   2) City of Mapleton, Flood Control Levee System Recertification **
   3) McClusky Canal Irrigation Project **
   4) City of Pembina, Flood Protection System Modifications **

F. 2013-2015 Biennium State Water Supply Projects:
   1) Missouri West Water System, South Mandan **
   2) Greater Ramsey Water District Expansion Project **
   3) Stutsman Rural Water District Expansion, Phase II **
   4) City of Fargo Water Treatment Plant Improvements **

G. Fargo Moorhead Area Diversion Project Report

H. City of Valley City Flood Control Project Update

I. Mouse River Enhanced Flood Protection Project:
   1) Project Update
   2) Souris River Joint Water Resource Board Funding **

J. Southwest Pipeline Project:
   1) Project Update
   2) Joint Finished Water Pumping Station Agreement **
   3) Contract 4-5 - Finished Water Pumping Station **
   4) ***Contract 3-2B - Softening Equipment Procurement for Dickinson Water Treatment Plant*** **
   5) ***Water Permit Application No. 6145 - North Dakota State Water Commission, Southwest Pipeline Project*** **

K. Northwest Area Water Supply Project Update

L. Devils Lake Hydrologic and Projects Updates

M. Garrison Diversion Conservancy District Report

N. Missouri River Update

O. Project Prioritization Guidance Concept Update

P. North Dakota Administrative Rules

Q. 2014 Statewide Flood Forecast

R. Draft North Dakota State Water Commission Cost-Share Policy, Procedure, and General Requirements

S. Other Business

T. Adjournment

** ***BOLD, ITALICIZED ITEMS REQUIRE SWC ACTION***

To provide telephone accessibility to the State Water Commission meeting for those people who are deaf, hard of hearing, deaf and/or blind, and speech disabled, please contact Relay North Dakota, and reference ... TTY-Relay ND ... 1-800-366-6888, or 711.

MINUTES

North Dakota State Water Commission
Bismarck, North Dakota

March 17, 2014

The North Dakota State Water Commission held a meeting at the State Office Building, Bismarck, North Dakota, on March 17, 2014. Governor Jack Dalrymple, Chairman, called the meeting to order at 1:30 p.m., and requested Todd Sando, State Engineer, and Chief Engineer-Secretary to the State Water Commission, to call the roll. Governor Dalrymple announced a quorum was present.

STATE WATER COMMISSION MEMBERS PRESENT:
Governor Jack Dalrymple, Chairman
Arne Berg, Member from Starkweather
Doug Goehring, Commissioner, North Dakota Department of Agriculture, Bismarck
Maurice Foley, Member from Minot
Larry Hanson, Member from Williston
George Nodland, Member from Dickinson
Harley Swenson, Member from Bismarck
Robert Thompson, Member from Page
Douglas Vosper, Member from Neche

OTHERS PRESENT:
Todd Sando, State Engineer, and Chief Engineer-Secretary,
North Dakota State Water Commission, Bismarck
State Water Commission Staff
Approximately 50 people interested in agenda items

The attendance register is on file with the official minutes.

The meeting was recorded to assist in compilation of the minutes.

CONSIDERATION OF AGENDA The agenda for the March 17, 2014 State Water Commission meeting was presented; there were no modifications.

It was moved by Commissioner Swenson, seconded by Commissioner Hanson, and unanimously carried, that the agenda be accepted as presented.

CONSIDERATION OF DRAFT MINUTES OF DECEMBER 13, 2013 STATE WATER COMMISSION MEETING - APPROVED

The draft final minutes of the December 13, 2013 State Water Commission meeting were approved by the following motion:

It was moved by Commissioner Foley, seconded by Commissioner Thompson, and unanimously carried, that the draft final minutes of the December 13, 2013 State Water Commission meeting be approved as prepared.

STATE WATER COMMISSION BUDGET EXPENDITURES, 2013-2015 BIENNIUM

In the 2013-2015 biennium, the State Water Commission has two line items - administrative and support services, and water and atmospheric resources expenditures. The allocated program expenditures for the period ending January 31, 2014, reflecting 29 percent of the 2013-2015 biennium, were presented and discussed by David Laschkewitsch, State Water Commission's Director of Administrative Services. The expenditures, in total, are within the authorized budget amounts. ***SEE APPENDIX "A"***

The Contract Fund spreadsheet, attached hereto as ***APPENDIX "B"***, provides information on the committed and uncommitted funds from the Resources Trust Fund and the Water Development Trust Fund. The total amount allocated for projects is $371,642,763 leaving an unobligated balance of $334,251,329 available to commit to projects in the 2013-2015 biennium.

RESOURCES TRUST FUND AND WATER DEVELOPMENT TRUST FUND REVENUES, 2013-2015 BIENNIUM

Oil extraction tax deposits into the Resources Trust Fund total $172,558,925 through February, 2014 and are currently $18,721,325, or 12.2 percent above budgeted revenues.

No deposits have been received for the Water Development Trust Fund (tobacco settlement) in the 2013-2015 biennium. The first planned deposit is for approximately $9,000,000 in April, 2014.

Sheila Peterson, Director of the Fiscal Management Division, Office of Management and Budget, provided historical information of the Resources Trust Fund, and an overview of the actual revenues and expenditures for the 2011-2013 biennium, the legislative appropriations for the 2013-2015 biennium, and estimated revenue and expenditure projections for the 2013-2015 biennium. The Resources Trust Fund status statement presented by Ms. Peterson, dated March 14, 2014, is outlined in ***APPENDIX "C".***

BOND RETIREMENT The State Water Commission has the following outstanding bond issues relating to the Southwest Pipeline Project which can be retired on July 1, 2014: 2000 Series A ($675,000), 2005 Series A ($1,876,500), 2005 Series B ($537,000), 2007 Series A ($1,375,548), and 2009 Series A ($2,939,285).

The legislature included funding to retire the bonds with the restriction that available funding from the Resources Trust Fund for water projects must exceed $287,000,000. The balance in the Resources Trust Fund as of January 31, 2014 was $392,621,636. In order to retire the five outstanding bond issues listed on July 1, 2014, the trustee requires a 55-day notice of intent.

The State Water Commission's remaining outstanding bond issues have 10-year redemption clauses that prevent retirement at an earlier date. These outstanding bond issues include the Southwest Pipeline Project, 2007 Series B ($11,900,000), statewide water development, 2005 Series A ($17,310,000), and statewide water development, 2005 Series A ($46,355,000). Defeasement of these outstanding bond issues may be addressed later in the 2013-2015 biennium.

It was the recommendation of Secretary Sando that the State Water Commission approve retirement of the following outstanding bond issues relating to the Southwest Pipeline Project: 2000 Series A ($675,000), 2005 Series A ($1,876,500), 2005 Series B ($537,000), 2007 Series A ($1,375,548), and 2009 Series A ($2,939,285).

It was moved by Commissioner Berg and seconded by Commissioner Hanson that the State Water Commission approve retirement of the following outstanding bond issues relating to the Southwest Pipeline Project: 2000 Series A ($675,000), 2005 Series A ($1,876,500), 2005 Series B ($537,000), 2007 Series A ($1,375,548), and 2009 Series A ($2,939,285).

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

CASS COUNTY DRAIN NO. 30 CHANNEL IMPROVEMENTS PROJECT - APPROVAL OF STATE COST PARTICIPATION ($142,818) (SWC Project No. 1082)

A request from the Rush River Water Resource District was presented for the State Water Commission's consideration for state cost participation in the Cass County Drain No. 30 Channel Improvements project. The proposed project involves the reconstruction of approximately two miles of an existing legal assessment drain located southeast of the city of Argusville in Harwood township which has experienced significant channel bottom erosion and sliding on the side slopes.

The drainage channel begins at the Sheyenne River in Section 10 and continues upstream to the diversion from Drain No. 13 to Drain No. 30 in Section 8 near the intersection of 169th Avenue SE and Cass County Highway 81. The flow carried by Drain No.13 from its upstream contributing area is diverted partially to Drain No. 30 through a culvert opening on the downstream side of Cass County Highway 81.

The drain will be reconstructed with a 10-foot channel bottom and 4:1 side slopes. The new design will tie into the proposed design from the Metro Flood Diversion project channel which will intersect the existing legal drain. The project will include the improvements of the culvert and bridge crossings within the reach. The District expects to begin project design and acquisitions in the spring of 2014, with construction completed in late 2015.

The project engineer's total cost estimate is $500,000, of which $317,373 is determined eligible for state cost participation as a rural flood control project at 45 percent of the eligible costs ($142,818).

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an allocation of $142,818 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Rush River Water Resource District to support the Cass County Drain No. 30 Channel Improvements project.

It was moved by Commissioner Hanson and seconded by Commissioner Foley that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an allocation of $142,818 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Rush River Water Resource District to support the Cass County Drain No. 30 Channel Improvements project. This action is contingent upon the availability of funds, and satisfaction of the required drain permit.

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

CITY OF MAPLETON FLOOD CONTROL LEVEE SYSTEM PROJECT RE-CERTIFICATION - APPROVAL OF STATE COST PARTICIPATION ($718,941) (SWC Project No. 2008)

A request from the city of Mapleton was presented for the State Water Commission's consideration for state cost participation in the costs for re-certification of the city's flood control levee system. FEMA has been updating its Flood Insurance Rate Maps (FIRM) as part of the map modernization process. As part of its effort for the new Cass County Flood Insurance Study (FIS), FEMA determined that the levee protecting the city of Mapleton was accredited in the previous FIS based on the information available and on the mapping standards at that time.

For FEMA to accredit the levee on the new FIRM, the city must provide documentation that shows the levee meets federal requirements for levees as per 44 CFR 65.10. If the levee is not certified, all residences shown as protected from the base flood will be required to purchase flood insurance, which would have a significant economic impact on the city. The levee is currently listed as a Provisionally Accredited Levee (PAL).

In June, 2012, the State Engineer approved $24,410 for the geotechnical analysis for the re-certification of the levee system. The city has completed gathering the available documentation and is ready to proceed with the analysis necessary to complete the report.

The project includes flattening the riverbank slope so that it is shaped to a gradient of 6:1 side slopes. Due to its proximity to the river, a sheetpile retaining wall will be installed adjacent to the toe of the levee in order to achieve the FEMA required factor of safety concerning slope stability, which has been identified as a critical aspect of the levee system that needs to be addressed prior to certification of the levee. The project will involve clearing and grubbing of trees to meet the Corps of Engineer's requirement for a 15-foot vegetative clear zone from the toe of the levee.

The total cost estimate of the project is $1,635,000, of which $1,198,235 is determined eligible for state cost participation at 60 percent ($718,941). The request before the State Water Commission is for a 60 percent state cost participation in the amount of $718,941.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation at 60 percent of the eligible costs, not to exceed an allocation of $718,941 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), for the City of Mapleton Flood Control Levee System Recertification.

It was moved by Commissioner Berg and seconded by Commissioner Vosper that the State Water Commission approve state cost participation at 60 percent of the eligible costs, not to exceed an allocation of $718,941 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the city of Mapleton to support the re-certification of its flood control levee system. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

McCLUSKY CANAL MILE MARKERS 10 AND 49 - APPROVAL OF STATE COST PARTICIPATION ($256,321) (SWC Project No. 1968)

The McClusky Canal is a major feature in the Garrison Diversion Unit principal supply works. The canal is approximately 74 miles long and carries water from Lake Audubon to the west side of the Lonetree Wildlife Management Area. Based on the Garrison Diversion Unit legislation in 1986, the canal was designed to carry 1,960 cubic feet per second (cfs) of water for irrigation of 250,000 acres, as well as to provide water for municipal and rural water systems. Authorized irrigation development has been reduced numerous times with changes in federal legislation. The McClusky Canal service area is currently authorized for a total of 23,700 acres of irrigation.

The Garrison Diversion Conservancy District has taken steps towards developing an irrigation project to utilize the authorized acres. Landowners within the McClusky Canal service area were canvassed to determine the amount of interest in irrigating land with canal waters. Because of the significant interest, the District is moving forward with these efforts.

On June 1, 2010, the State Water Commission approved state cost participation of 50 percent of the eligible costs, not to exceed an allocation of $1,310,931 for the costs associated with the intake, pump station, controls, main transmission pipeline and power grid for the first phase of the McClusky Canal Mile Marker 7.5 2010 irrigation project to serve approximately 2,210 acres. On December 10, 2010, the State Water Commission approved a revised project to irrigate a total of 2,925 acres (no additional funding was approved). On September 21,

2011, the State Water Commission approved state cost participation at 50 percent of the eligible costs, not to exceed an additional allocation of $489,069. The total state cost participation to date is $1,800,000 for the McClusky Canal Mile Marker 7.5 irrigation project.

A request from the Garrison Diversion Conservancy District was presented for the State Water Commission's consideration for state cost participation for McClusky Canal Mile Markers 10 (205 acres in McLean county) and 49 (220 acres in Sheridan county) irrigation projects to serve a total of 425 acres. The project is estimated to cost $1,033,284, of which $512,642 is determined eligible for state cost participation at 50 percent ($256,321). The Garrison Diversion Conservancy District will use special assessment authority to be paid by the irrigators for the remaining 50 percent of the central supply works. The costs of the pivots and connections to the water delivery system will be paid by the irrigator.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation of 50 percent of the eligible costs, not to exceed an allocation of $256,321 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Garrison Diversion Conservancy District to support the McClusky Canal Mile Markers 10 and 49 irrigation projects.

It was moved by Commissioner Foley and seconded by Commissioner Goehring that the State Water Commission approve state cost participation of 50 percent of the eligible costs, not to exceed an allocation of $256,321 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Garrison Diversion Conservancy District to support the McClusky Canal Mile Markers 10 and 49 irrigation projects. This action is contingent upon the availability of funds.

Commissioners Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. Commissioner Berg voted nay. Recorded votes were 8 ayes; 1 nay. Governor Dalrymple announced the motion carried.

CITY OF PEMBINA 2014 FLOOD PROTECTION SYSTEM MODIFICATIONS PROJECT - APPROVAL OF ADDITIONAL STATE COST PARTICIPATION ($660,900) (SWC Project No. 1444)

On March 11, 2010, the State Water Commission approved a request from the city of Pembina for state cost participation of 60 percent of the eligible costs, not to exceed an allocation of $27,156 from the funds appropriated to the State Water Commission in the 2009-2011 biennium (H.B. 1020) to analyze the city's flood control levee system for compliance with FEMA guidelines as outlined in the Code of Federal Regulations, Title 44 Part 65.10. The analysis was required for FEMA to accredit the levee system, flood insurance mapping purposes, operations are designed to the current standards, and provide protection from the 100-year flood.

In May, 2011, the city submitted a conceptual proposal to the Corps of Engineers to raise the floodwall and levee as part of the certification process because any modification to the Pembina protection system requires Corps of Engineers approval. On March 6, 2012, the State Water Commission approved a request from the city of Pembina for state cost participation of 60 percent of the eligible costs, not to exceed an additional allocation of $108,000 from the funds appropriated to the State Water Commission in the 2011-2013 biennium (S.B. 2020) to support the Corps of Engineers Section 408 review for the city's flood control system FEMA levee certification and accreditation project.

The city of Pembina intends to begin construction in the spring of 2014 on the flood protection system modifications project. In order to meet the certification criteria outlined in 44 CFR 65.10, the levee must be raised and the floodwall must be rehabilitated and raised, as well as other improvements. The project is intended to address these requirements and ensure the levee system continues to provide the appropriate protection. The project has undergone significant reviews by the Corps of Engineers and the State Water Commission, it is anticipated the Corps of Engineers will approve the Section 408 Major Modification proposal.

The project engineer's estimated cost is $1,441,911, of which $1,101,500 is determined eligible for state cost participation at 60 percent ($660,900). A request from the city of Pembina was presented for the State Water Commission's consideration for a 60 percent state cost participation in the amount of $660,900. Because the State Water Commission's cost share policy is currently being modified, the city requested that the final policy changes be grandfathered and retroactively considered for the project.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation at 60 percent of the eligible costs, not to exceed an additional allocation of $660,900 from the funds

appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the city of Pembina to support the flood protection system modifications project. The request was considered under the current cost share policy, therefore, the Secretary to the State Water Commission did not recommend retroactive costs for state cost participation.

It was moved by Commissioner Vosper and seconded by Commissioner Thompson that the State Water Commission approve state cost participation at 60 percent of the eligible costs, not to exceed an additional allocation of $660,900 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the city of Pembina to support the flood protection system modifications project. This action is contingent upon the availability of funds, satisfaction of the Corps of Engineers Section 408 major modification proposal, and approval of the State Water Commission construction permit.

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

MISSOURI WEST WATER SYSTEM, SOUTH MANDAN PROJECT - APPROVAL OF ADDITIONAL STATE COST PARTICIPATION GRANT ($122,000) (SWC Project No. 2050-MIS)

On October 7, 2013, the State Water Commission passed a motion approving a state cost participation grant of 50 percent of the eligible costs, not to exceed $400,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) to the Missouri West Water System to support the south Mandan project. The project involves the installation of 13.2 miles of 6" to 4" transmission pipeline for service to 275 existing users, and would restore flow rates through areas impacted by the rapid population growth along the existing undersized pipelines in three sections of the system in Morton county. The water supply is from the city of Mandan and the Southwest Water Authority.

A request from the Missouri West Water System was presented for the State Water Commission's consideration for state cost participation for a 75 percent grant for the south Mandan project rural expansion project. The proposed project includes the installation of 35,700 feet of pipeline to add seven rural users at an estimated project cost is $162,700.

It was the recommendation of Secretary Sando that the State Water Commission approve a state cost participation grant of 75 percent of the eligible costs, not to exceed an additional allocation of $122,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Missouri West Water System to support the south Mandan project. The Commission's affirmative action would increase the total state allocation grants to $522,000.

It was moved by Commissioner Berg and seconded by Commissioner Goehring that the State Water Commission approve a state cost participation grant of 75 percent of the eligible costs, not to exceed an additional allocation of $122,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Missouri West Water System to support the south Mandan project. This action is contingent upon the availability of funds, and is subject to future revisions.

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

This action increases the total state allocation grants to $522,000 to the Missouri West Water system to support the south Mandan project.

GREATER RAMSEY WATER DISTRICT 2014 EXPANSION PROJECT - APPROVAL OF ADDITIONAL STATE COST PARTICIPATION GRANT ($4,350,000) (SWC Project No. 2050-RAM)

On July 23, 2013, the State Water Commission passed a motion approving state cost participation of a 75 grant, not to exceed an allocation of $150,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Greater Ramsey Water District for engineering and a cultural resource study of the southwest Nelson county expansion project, at an estimated cost of $200,000.

A request from the Greater Ramsey Water District was presented for the State Water Commission's consideration for state cost participation of a 75 percent grant for their 2014 expansion project that will provide water service to 235 new users with the installation of approximately 110 miles of PVC pipeline and construction of a 120-foot high 300,000 gallon elevated water tower. The tower will provide service to both the existing users and the new users located in the eastern half of the water system. The estimated total project costs are $6,000,000, with construction anticipated to begin in June of 2014.

It was the recommendation of Secretary Sando that the State Water Commission approve a state cost participation grant of 75 percent of the eligible costs, not to exceed an additional allocation of $4,350,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Greater Ramsey Water District to support their 2014 expansion project. The Commission's affirmative action would increase the total state allocation grants to $4,500,000.

It was moved by Commissioner Berg and seconded by Commissioner Goehring that the State Water Commission approve a state cost participation grant of 75 percent, not to exceed an additional allocation of $4,350,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Greater Ramsey Water District to support their 2014 expansion project. This action is contingent upon the availability of funds, and is subject to future revisions.

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

This action increases the total state allocation grants to $4,500,000 to the Greater Ramsey Water District expansion project.

STUTSMAN RURAL WATER DISTRICT 2014 EXPANSION PROJECT, PHASE II - APPROVAL OF ADDITIONAL STATE COST PARTICIPATION GRANT ($1,400,000) (SWC Project No. 237-03STU)

The Stutsman Rural Water District is developing expansions to address inadequacies in the rural system which limits their ability for the addition of rural water users. The system initially served 1,200 rural users, the cities of Cleveland and Montpelier, and the Northern Prairie Wildlife Research Center. On March 11, 2004, the State Water Commission passed a motion to approve a 65 percent grant not to exceed $24,700 from the Water Development and Research Fund, for the Stutsman County Rural Water hydraulic model and feasibility study. On March 10, 2005, the State Water Commission approved a 5 percent grant, not to exceed an allocation of $83,500 from the Water Development and Research Fund, for the Stutsman Rural Water District infrastructure improvements project. On June 22, 2005, the Commission passed a motion to increase the grant to 10 percent of the eligible costs.

Previous State Water Commission grant funding actions include:

On June 21, 2011, the State Water Commission approved a 70 percent grant, not to exceed an additional allocation of $6,800,000 from the funds appropriated to the State Water Commission in the 2011-2013 biennium (S.B. 2020) to support the 2011 expansion project, Phase II, involving 298 miles of 8" to 1.5" pipeline for 90 rural users and service capacity to the northern Stutsman area and the city of Woodworth.

On February 27, 2013, the State Water Commission approved a 70 percent grant, not to exceed an additional allocation of $2,500,000 for the Phase II-B expansion project for west central Stutsman county for an area between Woodworth and southeast to Windsor involving 75 miles of 8" to 1.5" pipeline for 244 rural users and a 250,000 gallon storage tank;

and a 75 percent grant not to exceed an additional allocation of $7,500,000 from the supplemental funds appropriated to the State Water Commission in the 2011-2013 biennium through H.B. 1269 for the Phase III expansion project involving 270 miles of 8" to 1.5" pipeline for 330 rural users and service to the city of Streeter.

On July 23, 2013, the State Water Commission approved a 75 grant not to exceed an additional allocation of $650,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) for Phase III that involved 32 miles of 4" to 1.5" pipeline for 17 rural users in Kidder county;

and a 75 percent grant not to exceed an additional allocation of $557,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) for Phase II-B for the Carrington area involving 35 miles of 3" to 1.5" pipeline for 27 rural users.

The Stutsman Rural Water District is considering their 2014 overall expansion project, Phase II, for the northern Stutsman area and the Woodworth area involving 22 miles of pipeline for 105 rural users. The estimated project cost is $2,000,000. A request from the Stutsman Rural Water District was presented for the State Water Commission's consideration for state cost participation for the 2014 expansion project for a 70 percent grant in the amount of $1,400,000.

It was the recommendation of Secretary Sando that the State Water Commission approve a 70 percent grant not to exceed an additional allocation of $1,400,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Stutsman Rural Water District 2014 expansion project, Phase II, for the northern Stutsman and Woodworth

areas. The Commission's affirmative action would increase the total state allocation grants to $19,407,000 (June 21, 2011 through March 17, 2014).

It was moved by Commissioner Goehring and seconded by Commissioner Foley that State Water Commission approve a 70 percent state cost participation grant not to exceed an additional allocation of $1,400,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Stutsman Rural Water District 2014 expansion project, Phase II, for the northern Stutsman and Woodworth areas. This action is contingent upon the availability of funds, and is subject to future revisions.

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

This action increases the total state allocation grants to $19,407,000 to the Stutsman Rural Water District (June 21, 2011 through March 17, 2014).

CITY OF FARGO WATER TREATMENT PLANT IMPROVEMENTS PROJECT - APPROVAL OF ADDITIONAL STATE COST PARTICIPATION GRANT ($15,000,000) (SWC Project No. 1984)

On June 21, 2011, the State Water Commission passed a motion to approve a 50 percent state cost participation grant, not to exceed an allocation of $600,000 from the funds appropriated to the State Water Commission in the 2011-2013 biennium (S.B. 2020) to the city of Fargo to support a pilot study of the reverse osmosis treatment process at the water treatment plant. The study was conducted in July, 2011, and completed in April, 2012 to evaluate seasonal water supply variation impacts on the membrane processes.

On June 13, 2012, the State Water Commission approved a 50 percent state cost participation grant not to exceed an additional allocation of $14,400,000 from the funds appropriated to the State Water Commission in the 2011-2013 biennium (S.B. 2020), to the city of Fargo to support the design and equipment procurement of a reverse osmosis membrane system for the water treatment plant at an estimated cost of $28,800,000.

The project engineer's cost estimate for the sulfate treatment improvement project, which involves the design and construction of a reverse osmosis membrane system and appropriate pretreatment processes for the

Fargo water treatment plant, is $60,000,000. The purpose is to have a treatment process to meet the targeted finished water quality goals. The overall water treatment plant improvement project is projected at $96,000,000. The Water Treatment Plant Facility plan and the Reverse Osmosis Pilot study concluded that the additional costs of incorporating capacity expansion along with baseline sulfate treatment would provide significant operating cost savings and position the city of Fargo for anticipated growth and expansion of regional water service. A request from the city of Fargo was presented for the State Water Commission's consideration for state cost participation of a 50 percent grant in the amount of $15,000,000 to support the water treatment plant improvements project.

It was the recommendation of Secretary Sando that the State Water Commission approve a 50 percent state cost participation grant of the eligible costs not to exceed an additional $15,000,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the city of Fargo to support the water treatment plant improvements project. The Commission's affirmative action would increase the total state allocation grants to $30,000,000.

It was moved by Commissioner Swenson and seconded by Commissioner Berg that the State Water Commission approve a 50 percent state cost participation grant of the eligible costs not to exceed an additional $15,000,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the city of Fargo to support the water treatment plant improvements project. This action is contingent upon the availability of funds, and is subject to future revisions.

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

This action increases the total state allocation grants to $30,000,000 to the city of Fargo to support the water treatment plant improvements project.

FARGO MOORHEAD AREA DIVERSION PROJECT REPORT (SWC Project No. 1928)

Pat Zavoral, Fargo City Administrator, provided a report on the Fargo Moorhead Area Diversion project. An outline of the presentation is attached hereto as ***APPENDIX "D"***.

Congress is nearing final passage of a new Water Resources Development Act, which contains authorization for the Fargo Moorhead Area Diversion project. The proposed legislation also provides a comprehensive plan for improving the country's flood control projects and modernizing ports and waterways.

The U.S. Army Corps of Engineers 2014 work plan includes $6,300,000 to complete the planning, engineering, and design of the project. Ninety-five (95) percent of the diversion channel has been designed, and approximately 2,000 acres of land have been purchased from willing sellers. Negotiations are ongoing with the Corps of Engineers to do a pilot project relative to financing the project.

The Corps of Engineers signed the documents which detail proposed improvements and modifications to the diversion project. The documents update the Supplemental Environmental Assessment, which focused on the proposed changes to the project since the completion of the Environmental Impact Statement, dated July, 2011. The modifications include diversion channel modifications relating to alignment shifts and channel cross-section modifications; levees and floodwalls in downtown Fargo with construction to begin in the fall of 2014; gates to the diversion inlet; and a ring levee around the communities of Oxbow, Hickson, and Bakke, with construction to begin in June, 2014 that would provide 200 residences with 500-year flood protection.

In discussion of the proposed Oxbow-Hickson-Bakke levee project, Mr. Zavoral said the Minnesota Department of Natural Resources has identified areas for further study in addition to the environmental impact work done by the Corps of Engineers. The Richland-Wilkin Joint Powers Authority has filed a motion seeking an injunction to halt construction of the ring dike project and associated features around Oxbow, Hickson and Bakke until the additional studies have been completed.

2013 House Bill 1020, which provides financial support for the Fargo Moorhead Area Diversion project, was signed into law by Governor Dalrymple on May 2, 2013. The legislation provides $100 million for flood protection efforts in Cass county. The legislation also provides legislative intent for a total of $450 milion in state funding for the Fargo Moorhead Area Diversion project contingent upon certain conditions being met. Governor Dalrymple stated that when

funding for the Oxbow-Hickson-Bakke levee project was discussed during the 2013 legislative session and with representatives of Governor Dalrymple's staff, the discussion included "if it would be an appropriate expenditure in the event the diversion project is delayed?" Governor Dalrymple emphasized that the discussion concluded "that this is a worthwhile project under any circumstance."

VALLEY CITY PERMANENT FLOOD PROTECTION PROJECT - STATUS REPORT (SWC Project No. 1344)

The City of Valley City began developing a permanent flood protection project in 2011 after suffering its worst flood in history in 2009 and its second worst flood in 2011. Due to the multiple years of back-to-back flooding the city has received from the Sheyenne River, their limited ability to pay due to expenses incurred on flood recovery efforts, and the effects of the Devils Lake floodwaters, the State Water Commission passed a motion on June 19, 2013 to approve an allocation not to exceed $350,625 from the funds appropriated to the State Water Commission in 2011 Senate Bill 2371 for the Sheyenne River Valley Flood Protection Program to the City of Valley City to assist with engineering design costs for the city's flood protection project.

Representatives from the City of Valley City appeared before the State Water Commission to discuss the status of the city's permanent flood protection project. Matt Pedersen, Valley City Commission Vice President, provided a synopsis of the accomplishments to date which included Phase I property acquisitions of 29 properties along College Street and within the district of the Valley City State University, and 13 additional properties which are scheduled for acquisition in Phase II.

Mr. Pedersen explained the proposed preliminary project design for floodwall construction on the Valley City State University campus consisting of clay levees, permanent concrete walls, and removable floodwalls. The 2013 Legislature earmarked $11,600,000 for the project, but the funds will not be allocated until the project is shovel-ready. The Valley City Commission will consider approval of the Phase I project's final plans at its meeting on April 1, 2014. Upon approval, the final plans will then be presented for the State Water Commission's consideration for funding. Mr. Pedersen stated that contingent upon the required approvals, construction on Phase I could begin in the summer of 2014.

MOUSE RIVER ENHANCED FLOOD PROTECTION PROJECT - STATUS REPORT (SWC Project No. 1974-01)

The Mouse River Enhanced Flood Protection project status report was provided, which is detailed in the staff memorandum dated March 3, 2014, and attached hereto as ***APPENDIX "E"***.

MOUSE RIVER ENHANCED FLOOD PROTECTION PROJECT - APPROVAL OF ADDITIONAL ALLOCATION TO SOURIS RIVER JOINT BOARD FOR LOCAL SPONSOR RESPONSIBILITIES ($200,000) (SWC Project No. 1974-01)

On December 9, 2011, the State Water Commission passed a motion approving an allocation of $50,000 from the funds appropriated to the State Water Commission in the 2011-2013 biennium (S.B. 2020), to the Souris River Joint Board to support their responsibilities as the local sponsor for the Mouse River Enhanced Flood Protection project.

The Souris River Joint Board has been active in all facets of sponsoring the Mouse River Enhanced Flood Protection project, and is working on methods to develop its' independent funding sources. The city of Minot will implement a one-half sales tax to fund the project, and the Joint Board is pursing efforts to impose a 2 mill levy in Renville, Ward, McHenry and Bottineau counties.

As the project moves into the design and implementation phases, the Board will face increasing financial burdens and increased demands on the board members' time to provide legal and administrative services. It is the intent of the Board to provide professional, effective and efficient local sponsorship for the project including coordination and consensus efforts to address all flooding issues in the Mouse River basin as effectively as possible. These areas include hazard mitigation applications, acquisitions, local cost share, flood protection works, river management, and basinwide objectives. A request from the Souris River Joint Board was presented for the State Water Commission's consideration for an additional allocation of $200,000 to support their responsibilities as the local sponsor of the Mouse River Enhanced Flood Protection project.

It was the recommendation of Secretary Sando that the State Water Commission approve an additional allocation not to exceed $200,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Souris River Joint Water Resource Board to support their responsibilities as the local sponsor for the Mouse River Enhanced Flood Protection project. The Commission's affirmative action would increase the state's financial obligation to $250,000.

It was moved by Commissioner Foley and seconded by Commissioner Swenson that the State Water Commission approve a one-time allocation not to exceed $200,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Souris River Joint Water Resource Board to support their responsibilities as the local sponsor for the Mouse River Enhanced Flood Protection project. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. (Commissioner Goehring was not available for the vote.) Governor Dalrymple announced the motion carried.

This action increases the total state obligation to $250,000 to the Souris River Joint Board to support their responsibilities as the local sponsor for the Mouse River Enhanced Flood Protection project.

SOUTHWEST PIPELINE PROJECT - PROJECT REPORT (SWC Project No. 1736-99)

The Southwest Pipeline Project report was presented, which is detailed in the staff memorandum dated February 24, 2014, and attached as ***APPENDIX "F"***.

SOUTHWEST PIPELINE PROJECT - AUTHORIZATION TO EXECUTE AGREEMENT REGARDING JOINT FINISHED WATER PUMP STATION, EXISTING DICKINSON WATER TREATMENT PLANT, AND PROPOSED WATER TREATMENT PLANT (SWC Project No. 1736-99)

The Southwest Pipeline Project agreement regarding the joint finished water pump station, existing Dickinson water treatment plant, and proposed water treatment plant was presented for the State Water Commission's consideration. The agreement is between the City of Dickinson, the Southwest Water Authority, and the State Water Commission.

The agreement defines the cost sharing of the finished water pump station, the transfer of the existing water treatment plant and the 6,000,000 gallon reservoir from the City to the Commission, and the transfer of land east of the existing water treatment plant from the City to the Commission.

It was the recommendation of Secretary Sando that the State Water Commission authorize the Secretary to the Commission to execute the agreement between the City of Dickinson, the Southwest Water Authority, and the State Water Commission regarding the joint finished water pump station, the existing Dickinson water treatment plant, and the proposed water treatment plant.

It was moved by Commissioner Vosper and seconded by Commissioner Thompson that the State Water Commission authorize the Secretary to the Commission to execute the agreement between the City of Dickinson, the Southwest Water Authority, and the State Water Commission regarding the joint finished water pump station, the existing Dickinson water treatment plant, and the proposed water treatment plant. SEE APPENDIX "G"

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

SOUTHWEST PIPELINE PROJECT - AUTHORIZE AWARD OF CONTRACT 4-5, FINISHED WATER PUMP STATION (SWC Project No. 1736-99)

Southwest Pipeline Project Contract 4-5, Finished Water Pump Station, is the joint facility that will house the pumps for the Southwest Pipeline Project and the City of Dickinson. This contract generally consists of the construction of a 60' by 85' reinforced concrete and precast concrete building with a 30' deep clear well with approximately 0.5 million gallon capacity and precast concrete building, and the installation of pumping, piping, mechanical, electrical, and instrumentation systems.

The treated water from the existing 12 million gallons per day water treatment plant and the new 6 million gallons per day water treatment plant will be transferred to the existing reservoir through the finished water pump station. This will allow for better utilization and circulation of the 6 million gallon reservoir as well as bypassing the 6 million gallon reservoir for maintenance. The pumps in the finished water pump station will be used for transferring water to the Southwest Pipeline Project's high service pump station and will serve as the high service pumps for the city of Dickinson's distribution system.

The finished water pump station will house 3 pumps for the Southwest Pipeline Project and 6 pumps for the city of Dickinson with space for 3 future pumps for the city. This contract also includes piping modifications connecting the existing water treatment plant, a 6 million gallon reservoir, and the new water treatment plant to the finished water pump station.

Separate bid schedules and scopes of work are provided under this project for the General, Electrical, and Mechanical contracts as required by state law. A combined single bid is also provided under the project to encompass all individual scopes of work. The estimated project cost for this contract is $11,500,000, with the city of Dickinson's cost share approximately $5,600,000. It is anticipated the contract will be advertised the first week of March with the bid opening date of April 10, 2014.

It was the recommendation of Secretary Sando that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 4-5, Finished Water Pump Station, to the lowest responsible bidder contingent upon the consultant engineer's recommendation and legal review of the contract documents by the Commission's legal counsel.

It was moved by Commissioner Swenson and seconded by Commissioner Vosper that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 4-5, Finished Water Pump Station, to the lowest responsible bidder. This action is contingent upon the consultant engineer's recommendation and legal review of the contract documents by the Commission's legal counsel.

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

SOUTHWEST PIPELINE PROJECT - AUTHORIZE AWARD OF CONTRACT 3-2B, SOFTENING EQUIPMENT PROCUREMENT FOR NEW DICKINSON WATER TREATMENT PLANT (SWC Project No. 1736-99)

Southwest Pipeline Project Contract 3-2B, Softening Equipment Procurement for the New Dickinson Water Treatment Plant, generally consists of the design and construction phase service for a high-rate softening system for the Phase I, 6 million gallons per day capacity. The design phase and construction phase will consist of providing consultation to ensure the treatment plant is designed to properly utilize the softening equipment and proper installation of the equipment as well as providing start-up services.

Award of this contract is based on life cycle analysis, so this procurement contract follows competitive sealed proposal solicitation requirements as set forth under NDCC 54-44.4-10 and NDAC 4-12. The solicitation method allows for discussion with the bidders prior to an award to ensure responsiveness.

High rate softening equipment was selected for the water treatment plant as it provides similar softening performance as in the existing 12 million gallons per day water treatment plant. It also provides a more concentrated sludge blowdown, which makes the dewatering process more efficient. The base bid for this contract incorporates 304 stainless steel as the material of construction for submerged materials and aluminum handrails and grating. The alternate bids include an additional 12 months of warranty for materials and workmanship, provides internal wetted parts as 316 stainless steel in lieu of 304 stainless steel, and provides galvanized steel grating and handrails in lieu of aluminum.

The contract is advertised with proposals due by March 27, 2014. The bid documents specify that the bid will be valid for 60 days after bid opening, which would be May 26, 2014. The award of this contract is critical to the design of the new Dickinson water treatment plant as design information of the equipment will determine the building size, piping, basin size and design of other processes.

It was the recommendation of Secretary Sando that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 3-2B, Softening Equipment Procurement for New Dickinson Water Treatment Plant, to the lowest responsible bidder contingent upon the consultant engineer's recommendation and legal review of the contract documents by the Commission's legal counsel.

It was moved by Commissioner Foley and seconded by Commissioner Goehring that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 3-2B, Softening Equipment Procurement for New Dickinson Water Treatment Plant, to the lowest responsible bidder. This action is contingent upon the consultant engineer's recommendation and legal review of the contract documents by the Commission's legal counsel.

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

SOUTHWEST PIPELINE PROJECT - APPROVAL OF CONDITIONAL WATER PERMIT APPLICATION NO. 6145 (SWC Project No. 1736-99) (Water Permit No. 6145)

The Southwest Pipeline Project of the State Water Commission applied to the State Engineer's Office for conditional water permit application No. 6145 to divert 8,000.0 acre-feet of water annually from a point of diversion located in the SE1/4 of Section 14, Township 146 North, Range 88 West, at a maximum pumping rate of 4,970 gallons per minute for industrial use from the Missouri River.

North Dakota Century Code 61-04-06 states, in part, "If an application is approved, the state engineer shall issue a conditional water permit allowing the applicant to appropriate water. Provided, however, the commission may, by resolution, reserve unto itself final approval authority over any specific water permit in excess of five thousand acre-feet [6167409.19 cubic meters]."

The proposed industrial use under conditional water permit application No. 6145 is to provide water for industrial use in the service area of the Southwest Pipeline Project including water for the drilling and hydro-fracking of oil wells. It is estimated that drilling and hydro-fracking a typical oil well with horizontal legs takes approximately 5 to 7 acre-feet of water (1.6 to 2.3 million gallons). Industries associated with the oil and gas activities are locating to the Southwest Pipeline Project service area, and the only reliable water source in western North Dakota in terms of both quality and quantity to meet this demand is the Missouri River. Appropriation of water from the Missouri River would assist in reducing the stress on the limited ground water resources in southwestern North Dakota and aid in the location of oil/gas related industries to the Southwest Pipeline Project.

It was the recommendation of Secretary Sando that the State Water Commission approve conditional water permit application No. 6145 for the appropriation of 8,000.0 acre-feet of water annually from a point of diversion located in the SE1/4 of Section 14, Township 146 North, Range 88 West, at a maximum pumping rate of 4,970 gallons per minute for industrial use from the Missouri River.

It was moved by Commissioner Nodland and seconded by Commissioner Berg that the State Water Commission approve conditional water permit application No. 6145 for the appropriation of 8,000.0 acre-feet of water annually from a point of diversion located in the SE1/4 of Section 14, Township 146 North, Range 88 West, at a maximum pumping rate of 4,970 gallons per minute for industrial use from the Missouri River.

Commissioners Berg, Foley, Goehring, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

NORTHWEST AREA WATER SUPPLY (NAWS) PROJECT - STATUS REPORTS (SWC Project No. 237-04)

The Northwest Area Water Supply (NAWS) project and construction status reports were provided, which are detailed in the staff memorandum dated March 3, 2014, and attached as ***APPENDIX "H".***

DEVILS LAKE HYDROLOGIC AND PROJECTS UPDATES (SWC Project No. 416-10)

The Devils Lake hydrologic report, and project updates were provided, which are detailed in the staff memorandum, dated February 28, 2014, attached as ***APPENDIX "I".***

GARRISON DIVERSION CONSERVANCY DISTRICT (SWC Project No. 237)

Dave Koland, Garrison Diversion Conservancy District general manager, provided a status report relating to the efforts of the Red River Valley Water Supply project, and the District's ongoing activities. Duane DeKrey was introduced as the District's Deputy Manager.

MISSOURI RIVER REPORT (SWC Project No. 1392)

The Missouri River report was provided, which is detailed in the staff memorandum dated February 28, 2014, and attached hereto as ***APPENDIX "J"***.

2014 STATEWIDE FLOOD FORECAST (SWC Project No. 1431)

The 2014 statewide flood forecast was provided, which is detailed in the staff memorandum dated March 3, 2014, and attached as ***APPENDIX "K".***

PROPOSED AMENDMENTS TO NORTH DAKOTA ADMINISTRATIVE CODE ARTICLES

The North Dakota State Engineer and the North Dakota State Water Commission will hold a public hearing on March 27, 2014 to address proposed amendments to North Dakota Administrative Code Articles 89-03 (Water Appropriations), 89-06 (Funding from the Resources Trust Fund), 89-07 (Atmospheric Resource Board), 89-10 (Sovereign Lands), and 89-11 (Drought Disaster Livestock Water Supply Project Assistance Program). The purpose and an explanation of the proposed rules changes are summarized in ***APPENDIX "L".***

DRAFT STATE WATER COMMISSION WATER PROJECT PRIORITIZATION GUIDANCE CONCEPT (SWC Project No. 322)

North Dakota Century Code 54-35-021.7 requires the Legislature's Water Topics Overview Committee to develop a schedule of priorities with respect to water projects. The State Water Commission and the State Engineer are required to assist the committee in developing that schedule of priorities.

In order to develop a more formal means of developing a schedule of priority projects as part of the agency's budgeting process, a draft State Water Commission Water Project Prioritization Guidance Concept has been developed to provide a foundation for that effort. The idea of the concept is to separate project types within priority categories including essential, high, moderate, and low priorities. ***SEE APPENDIX "M".***

The draft State Water Commission Water Project Prioritization Guidance Concept was presented at the State Water Commissioner hosted meetings held in November and December, 2013, the North Dakota Water Resource Districts Association annual meeting, and to the Legislature's Water Topics Overview Committee. Comments were invited on the draft concept by February 28, 2014, a summary of the comments was provided to the State Water Commission.

DRAFT MODIFICATIONS TO NORTH DAKOTA STATE WATER COMMISSION COST SHARE POLICY, PROCEDURE, AND GENERAL REQUIREMENTS (SWC Project No. 1753)

The State Water Commission's Water Policy committee met by audio telephone conference call on February 5, 2014, to discuss potential revisions to the State Water Commission's Cost Share Policy, Procedure, and General Requirements.

In discussion of the potential cost share policy revisions, it was suggested that the State Water Commission members and the Water Topics Overview Committee conduct a joint roundtable discussion prior to finalization of the cost share policy. The Legislature's Water Topics Overview Committee will be provided an update on the draft modifications at its meeting on April 10, 2014 in Minot.

There being no further business to come before the State Water Commission, Governor Dalrymple adjourned the meeting at 5:30 p.m.

Jack Dalrymple, Governor
Chairman, State Water Commission

Todd Sando, P.E.
North Dakota State Engineer,
and Chief Engineer-Secretary
to the State Water Commission

Agenda C

DRAFT FINAL

MINUTES

North Dakota State Water Commission
Bismarck, North Dakota

December 13, 2013

The North Dakota State Water Commission held a meeting at the Best Western Ramkota Hotel, Bismarck, North Dakota, on December 13, 2013. Governor Jack Dalrymple, Chairman, called the meeting to order at 9:00 a.m., and requested Todd Sando, State Engineer, and Chief Engineer-Secretary to the State Water Commission, to call the roll. Governor Dalrymple announced a quorum was present.

STATE WATER COMMISSION MEMBERS PRESENT:
Governor Jack Dalrymple, Chairman
Arne Berg, Member from Devils Lake
Maurice Foley, Member from Minot
Larry Hanson, Member from Williston
George Nodland, Member from Dickinson
Harley Swenson, Member from Bismarck
Robert Thompson, Member from Page
Douglas Vosper, Member from Neche

STATE WATER COMMISSION MEMBER ABSENT:
Doug Goehring, Commissioner, North Dakota Department of Agriculture, Bismarck

OTHERS PRESENT:
Todd Sando, State Engineer, and Chief Engineer-Secretary,
North Dakota State Water Commission, Bismarck
State Water Commission Staff
Approximately 75 people interested in agenda items

The attendance register is on file with the official minutes.

The meeting was recorded to assist in compilation of the minutes.

CONSIDERATION OF AGENDA

The agenda for the December 13, 2013 State Water Commission meeting was presented; there were no modifications.

It was moved by Commissioner Swenson, seconded by Commissioner Thompson, and unanimously carried, that the agenda be accepted as presented.

CONSIDERATION OF DRAFT MINUTES OF OCTOBER 7, 2013 STATE WATER COMMISSION MEETING - APPROVED

The draft final minutes of the October 7, 2013 State Water Commission meeting were approved by the following motion:

It was moved by Commissioner Foley, seconded by Commissioner Thompson, and unanimously carried, that the draft final minutes of the October 7, 2013 State Water Commission meeting be approved as prepared.

STATE WATER COMMISSION BUDGET EXPENDITURES, 2013-2015 BIENNIUM

In the 2013-2015 biennium, the State Water Commission has two line items - administrative and support services, and water and atmospheric resources expenditures. The allocated program expenditures for the period ending October 30, 2013, reflecting 17 percent of the 2013-2015 biennium, were presented and discussed by David Laschkewitsch, State Water Commission's Director of Administrative Services. The expenditures, in total, are within the authorized budget amounts. ***SEE APPENDIX "A"***

The Contract Fund spreadsheet, attached hereto as ***APPENDIX "B"***, provides information on the committed and uncommitted funds from the Resources Trust Fund and the Water Development Trust Fund. The total amount allocated for projects is $305,799,751 leaving an unobligated balance of $400,094,342 available to commit to projects in the 2013-2015 biennium.

RESOURCES TRUST FUND AND WATER DEVELOPMENT TRUST FUND REVENUES, 2013-2015 BIENNIUM

Oil extraction tax deposits into the Resources Trust Fund total $100,213,769 through November, 2013 and are currently $13,058,819, or 15 percent above budgeted revenues.

No deposits have been received for the Water Development Trust Fund (tobacco settlement) in the 2013-2015 biennium. The first planned deposit is for approximately $9,000,000 in April, 2014.

UPPER MAPLE RIVER DAM PROJECT (STEELE COUNTY) - APPROVAL OF STATE COST PARTICIPATION ($3,991,500) (SWC Project No. 1878-02)

A request from the Maple-Steele Joint Water Resource District was presented for the State Water Commission's consideration for 65 percent state cost participation for the Upper Maple River Dam construction project. The environmental assessment and federal permitting efforts for the project were completed, and the Section 404 permit was issued by the U.S. Army Corps of Engineers in November of 2013. The proposed dam is located in the E1/2 of Section 35, Township 144 North, Range 56 West, and will be constructed to a maximum height of 35 feet with an elevation of 1,230 feet msl and a top width of 20 feet with 3:1 side slopes.

The proposed project involves a road raise to maintain access, and breaching of Sussex Dam, which is in need of repair and obstructs migration of fish and other organisms. Removal of the dam would restore river continuity and is a key component of the Section 404 permit for the project. The State Water Commission's policy provides for a 65 percent cost share for breaching of Sussex Dam.

Construction of the dam embankment across the Maple River channel and adjacent floodplain will cause direct impacts to existing wetlands in those areas. As a requirement of the Section 404 permit, those wetland impacts must be mitigated through the creation of new replacement wetlands.

The District and the parties benefitting from this proposed floodwater detention facility are moving forward to the next phases of the project that will ultimately lead to the construction of the dam, anticipated by June of 2014, efforts to secure commitments for financial assistance for the project, and preparations commencing with the assessment vote in order to determine whether the project will proceed to construction. A preliminary design was completed in 2010, and the final design and right-of-way acquisition for the project will not be completed until after a successful vote occurs.

The project engineer's total cost estimate is $7,925,000, of which $4,152,500 is determined eligible for state cost participation (Sussex Dam breach - $70,500 is determined eligible for 65 percent state cost participation ($45,825), and $4,082,000 is determined eligible for a 60 percent state cost participation as a flood control project ($2,449,200) for a total state cost participation of $2,495,025. The District requested right-of-way expenses of $2,500,000 be included with their cost share request as an exception to the existing State Water Commission policy.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation not to exceed a total of $2,495,025 (Sussex Dam breach - $45,825 (65 percent), and for a flood control project - $2,449,200 (60 percent) from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020).

It was moved by Commissioner Thompson and seconded by Commissioner Vosper that the State Water Commissioner approve state cost participation not to exceed a total allocation of $3,451,350 (Sussex Dam breach - $45,825 (65 percent), flood control project - $1,836,900 (45 percent), right-of-way costs - $1,125,000 (45 percent), and engineering costs - $443,625 (35 percent) from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Maple-Steele Joint Water Resource District to support the Upper Maple River Dam construction project.

In discussion of the motion and a detailed project overview from representatives of the Maple-Steele Joint Water Resource District, the Commission members deliberated at length. The District requested the State Water Commission's favorable consideration of their request.

A substitute amendment to the original motion was offered by Commissioner Thompson and seconded by Commissioner Hanson that the State Water Commission approve state cost participation not to exceed a total allocation of $3,991,500 (Sussex Dam breach - $42,300 (60 percent), flood control project - $2,449,200 (60 percent), and right-of-way costs - $1,500,000 (60 percent), from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Maple-Steele Joint Water Resource District to support the Upper Maple River Dam construction project. This action is contingent upon the availability of funds, a positive assessment vote, satisfaction of the required permits, and receipt of the final engineering plans.

Governor Dalrymple called the question on the substitute amendment to the original motion, and asked for a roll call vote:

Commissioners Berg, Hanson, Thompson, Vosper, and Governor Dalrymple voted aye. Commissioners Foley, Nodland and Swenson voted nay. Recorded votes were 5 ayes; 3 nay. Governor Dalrymple announced the substitute amendment to the original motion carried.

Governor Dalrymple called the question on the original motion, as amended, and asked for a roll call vote:

Commissioners Berg, Hanson, Thompson, Vosper, and Governor Dalrymple voted aye. Commissioners Foley, Nodland and Swenson voted nay. Recorded votes were 5 ayes; 3 nay. Governor Dalrymple announced the original motion, as amended, carried.

NORTH BRANCH PARK RIVER WATERSHED COMPRENHENSIVE FLOOD DAMAGE REDUCTION FEASIBILITY STUDY PROJECT (WALSH COUNTY) - APPROVAL OF STATE COST PARTICIPATION ($134,400) (SWC Project No. 2046)

A request from the Walsh County Water Resource District was presented for the State Water Commission's consideration for state cost participation for the North Branch Park River Watershed Comprehensive Flood Damage Reduction Feasibility study to investigate potential solutions to alleviate flooding in the North Branch Park River watershed. Significant flooding occurred along the Park River and its tributaries in 2013 particularly along Cart Creek and the North Branch Park River. Rural residences, communities including Crystal, Hoople, and Grafton, and agricultural lands were impacted by flooding from the North Branch watershed.

The local stakeholders group, including the Walsh, Pembina, and Cavalier county water resource districts, are developing a purpose and project goals statement for the project that will provide information on current flood risk from the watershed and define the recommended level of flood protection as a result of project components. The comprehensive approach builds on the ongoing Park River comprehensive detention planning effort and will focus on establishing a strategy to meet the desired future condition outlined in the statement. Detaining flood waters in impoundment sites is anticipated to be a major component as well as structural and non-structural measures where a higher level of flood protection is desired for communities and rural residences.

The project engineer's total cost estimate is $280,000, of which $268,800 is determined eligible for state cost participation as a feasibility study of 50 percent of the eligible costs ($134,400). The District requested the State Water Commission's consideration for an exception to the current cost share policy for consistency with exceptions allowed to communities in the Red River basin including back-to-back flooding and a limited ability to pay for project development.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a feasibility study at 50 percent of the eligible costs, not to exceed an allocation of $134,400 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B.

1020), to the Walsh County Water Resource District to support the North Branch Park River Watershed Comprehensive Flood Damage Reduction Feasibility Study. This recommendation is not a deviation from the State Water Commission's current cost share policy.

It was moved by Commissioner Berg and seconded by Commissioner Vosper that the State Water Commission approve state cost participation as a feasibility study at 50 percent of the eligible costs, not to exceed an allocation of $134,400 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Walsh County Water Resource District to support the North Branch Park River Watershed Comprehensive Flood Damage Reduction Feasibility Study. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

MICHIGAN SPILLWAY PROJECT (NELSON COUNTY) - APPROVAL OF ADDITIONAL STATE COST PARTICIPATION ($1,076,705) (SWC Project No. 1932)

The Michigan Spillway project is located in Sections 13, 23, 26, 34 and 35, Township 154 North, Range 59 West (Enterprise township), and Sections 18, 19 and 20, Township 154 North, Range 58 West (Sarnia township), Nelson county. The project will utilize a ditch moving the water to a pumping station located in the NE1/4 of Section 23, Township 154 North, Range 59 West, to Dry Run Creek, a tributary to the Middle Branch of the Forest River.

The constructed drain will be 8.03 miles in length with a drainage area of approximately 35,400 acres, and constructed with a maximum cut of 22 feet, 3:1 side slopes, and a 12- to 16-foot bottom width. Approximately 3,310 feet of previously open channel will be converted to a corrugated metal pipe arch.

On August 30, 2005, the State Water Commission passed a motion approving state cost participation not to exceed an allocation of $461,696, of which $311,696 (40 percent of the eligible costs) was allocated from the funds appropriated to the State Water Commission in the 2005-2007 biennium, and a Legislature earmark of $150,000 from the funds obligated for water-related damage to infrastructure in Nelson county (H.B. 1021) for construction of the city of Michigan's spillway rural flood control assessment drain. During the 2009-2011 session, the Legislature earmarked an additional $350,000 specifically designated for the Michigan Spillway project.

Because of project design and realignment modifications, the project engineer's revised cost estimate was $2,250,000. On June 1, 2010, the State Water Commission approved an allocation not to exceed an additional $738,304 (state obligation of $1,550,000, less $311,696 approved on August 30, 2005 and $500,000 from legislative earmarks).

The project engineer's current revised project costs are $4,041,086, of which all costs are determined eligible for a 60 percent state cost participation as a flood control project ($2,424,652). A request from the Nelson County Water Resource District was presented for the State Water Commission's consideration for a 69 percent state cost participation.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation at 60 percent as a flood control project not to exceed an additional allocation of $874,652 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) (state obligation of $2,424,652, less $311,696 approved on August 30, 2005, $738,304 approved on June 1, 2010, and $500,000 from legislative earmarks), to the Nelson County Water Resource District to support the Michigan Spillway project.

It was moved by Commissioner Hanson and seconded by Commissioner Vosper that the State Water Commission approve a 60 percent state cost participation as a flood control project not to exceed an additional allocation of $874,652 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) (state obligation of $2,424,652, less $311,696 approved on August 30, 2005, $738,304 approved on June 1, 2010, and $500,000 from legislative earmarks), to the Nelson County Water Resource District to support the Michigan Spillway project.

In discussion of the motion, representatives from the Nelson County Water Resource District expressed appreciation for the Commission's support, provided detailed information relating to their project, and requested the Commission's favorable consideration of their request.

A substitute amendment to the original motion was offered by Commissioner Foley and seconded by Commissioner Thompson that the State Water Commission approve a 65 percent state cost participation as a flood control project not to exceed an additional allocation of $1,076,705 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) (state obligation of $2,626,705 (65 percent), less $311,696 approved on

August 30, 2005, $738,304 approved on June 1, 2010, and $500,000 from legislative earmarks), to the Nelson County Water Resource District to support the Michigan Spillway project. This action is contingent upon the availability of funds.

Governor Dalrymple called the question on the substitute amendment to the original motion, and asked for a roll call vote:

Commissioners Berg, Foley, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. Commissioner Hanson voted nay. Recorded votes were 7 ayes; 1 nay. Governor Dalrymple announced the substitute amendment to the original motion carried.

Governor Dalrymple called the question on the original motion, as amended, and asked for a roll call vote:

Commissioners Berg, Foley, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. Commissioner Hanson voted nay. Recorded votes were 7 ayes; 1 nay. Governor Dalrymple announced the original motion, as amended, carried.

This action increases the total state allocation to $2,626,705 to the Nelson County Water Resource District to support the Michigan Spillway project.

CITY OF UNDERWOOD FLOOD-WATER OUTLET PROJECT (MCLEAN COUNTY) - APPROVAL OF STATE COST PARTICIPATION ($1,100,727) (SWC Project No. 1554)

A request from the McLean County Water Resource District was presented for the State Water Commission's consideration for a 60 percent state cost participation for the City of Underwood Floodwater Outlet project.

The city has experienced flooding caused by excessive runoff from rural areas in the watershed that are draining into natural sloughs adjacent to the community causing adverse impacts to homes and other infrastructure in and around the city. The city's storm sewer system does not have the capacity to control the amount of floodwater reaching the city. The feasibility study has been completed identifying potential options for mitigating the flooding problems, the city has partnered with the McLean County Water Resource District to develop a floodwater control project that will address the issue.

The proposed project would involve the construction of a diversion system that would bypass the floodwater to a natural outlet downstream. This diversion would involve sections of buried concrete pipe and open channels. The new outlet would include a control gate allowing the system to be managed to prevent adverse impacts downstream.

The project engineer's total cost estimate is $2,300,000, of which $1,931,100 is determined eligible for state cost participation ($1,100,727). Based on an analysis to determine the effective watershed area that would be contributing to each of the two sloughs, approximately five percent of the watershed area lies within the city limits. Under the State Water Commission's cost share policy, storm water management is considered an ineligible item, therefore, the cost share participation was reduced accordingly.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a flood control project at 57 percent of the eligible costs, not to exceed an allocation of $1,100,727 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the McLean County Water Resource District to support the City of Underwood Floodwater Outlet project.

It was moved by Commissioner Foley and seconded by Commissioner Nodland that the State Water Commission approve state cost participation as a flood control project at 57 percent of the eligible costs, not to exceed an allocation of $1,100,727 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the McLean County Water Resource District to support the City of Underwood Floodwater Outlet project. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

SHEYENNE RIVER SNAG AND CLEAR PROJECT, REACHES I AND III (CASS COUNTY) - APPROVAL OF STATE COST PARTICIPATION ($165,000) (SWC Project No. 568)

A request from the Southeast Cass Water Resource District was presented for the State Water Commission's consideration for state cost participation to snag and clear two reaches of the Sheyenne River. The Reach 1 project would commence at State Highway 46 along the Cass County-Richland County line and proceed downstream to the Horace diversion inlet structure in Section 19 of Stanley

township. The Reach III project would begin at the Sheyenne River closure structure located north of County Road 10 and proceed downstream to the Red River of the North.

The proposed work involves the removal of all fallen trees, standing trees in imminent danger of falling into the channel, driftwood, snags, loose stumps and trunks, and standing stumps which are encountered within the Sheyenne River channel and are lodged/leaning on the immediate bank slopes between the upstream and downstream limits. All snagged material will be appropriately disposed of. The District intend to hire a competent and experienced contractor to complete the 2013-2014 projects.

The project engineer's total cost estimate is $360,000, of which $330,000 is determined eligible for state cost participation as a snag and clear project at 50 percent of the eligible costs ($165,000).

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a snag and clear project at 50 percent of the eligible costs, not to exceed an allocation of $165,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Southeast Cass Water Resource District to support the Sheyenne River snag and clear project, Reaches I and III.

It was moved by Commissioner Hanson and seconded by Commissioner Berg that the State Water Commission approve state cost participation as a snag and clear project at 50 percent of the eligible costs, not to exceed an allocation of $165,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Southeast Cass Water Resource District to support the Sheyenne River snag and clear project, Reaches I and III. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

MOUSE RIVER SNAG AND CLEAR PROJECT (WARD COUNTY) - APPROVAL OF STATE COST PARTICIPATION ($347,466) (SWC Project No. 1523)

A request from the Ward County Water Resource District was presented for the State Water Commission's consideration for state cost participation to snag and clear areas of the Mouse River upstream from Minot.

During the 2011 flood event and the 2013 spring melt, fallen trees, debris and sediment accumulated along and within the banks of the river between Burlington and Minot. All work will be within the banks of the river and will not take place on the levee. The project areas and estimates of cost include: 1) Brooks Addition located in Section 12, Township 155 North, Range 84 West - $259,782; 2) Country Club located in Section 18, Township 155 North, Range 83 West - $381,145; and 3) Tierrecita Vallejo located in Section 21, Township 155 North, Range 83 West - $54,005.

The proposed work involves the removal of all fallen trees, standing trees in imminent danger of falling into the channel, driftwood, snags, loose stumps and trunks, and standing stumps which are encountered within the Mouse River channel and are lodged/leaning on the immediate bank slopes between the upstream and downstream limits. All snagged material will be appropriately disposed of.

The project engineer's total cost estimate is $694,932, of which all is determined eligible for state cost participation as a snag and clear project at 50 percent of the eligible costs ($347,466).

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a snag and clear project at 50 percent of the eligible costs, not to exceed an allocation of $347,466 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Ward County Water Resource District to support the Mouse River snag and clear project.

It was moved by Commissioner Foley and seconded by Commissioner Hanson that the State Water Commission approve state cost participation as a snag and clear project at 50 percent of the eligible costs, not to exceed an allocation of $347,466 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Ward County Water Resource District to support the Mouse River snag and clear project. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

SCANDIA/SCOTIA DRAIN PROJECT (BOTTINEAU COUNTY) - APPROVAL OF STATE COST PARTICIPATION ($140,634) (SWC Project No. 1056)

A request from the Bottineau County Water Resource District was presented to the State Water Commission for state cost participation for the Scandia/Scotia Drain project.

The area has experienced flooding since 2007. The proposed project would involve drainage improvements to an existing natural waterway in Scandia and Scotia townships in north central Bottineau county, which would include the removal of ponding water upstream of the roadways caused by inadequate culverts, removing channel obstructions, and improving the culvert system.

The project engineer's total cost estimate is $317,181, of which $312,520 is determined eligible for state cost participation as a rural flood control project at 45 percent of the eligible costs ($140,634). An assessment district has been established to fund the improvements, and Drain Permit No. 3950 has been approved.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an allocation of $140,634 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Bottineau County Water Resource District to support the Scandia/Scotia Drain project.

It was moved by Commissioner Berg and seconded by Commissioner Foley that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an allocation of $140,634 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Bottineau County Water Resource District to support the Scandia/Scotia Drain project. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

PEMBINA COUNTY DRAIN NO. 78 OUTLET EXTENSION PROJECT - APPROVAL OF STATE COST PARTICIPATION ($287,778) (SWC Project No. 2043)

A request from the Pembina County Water Resource District was presented for the State Water Commission's consideration for state cost participation in the Pembina County Drain No. 78 Outlet Extension project.

Drain Nos. 27 and 30 were constructed in the early 1900s and were not given individual outlets to the Red River but rather shared a common outlet with Drain No. 20, which was eventually extended and improved into the current Drain No. 66. The landowners within the area of Drain Nos. 27 and 30 requested the drains be combined into one drain, presently referred to as Drain No. 78. The landowners petitioned for an outlet to the Red River for Drain No. 78 to improve agricultural drainage and minimize flooding damages.

The proposed project involves the construction of approximately 1.5 miles of Drain No. 78 with 4:1 side slopes commencing in the NE1/4 of Section 18, Township 160 North, Range 50 West, and ending in the NW1/4 of Section 16, Township 160 North, Range 50 West.

The project engineer's total cost estimate is $920,442, of which $639,506 is determined eligible for state cost participation as a rural flood control project at 45 percent of the eligible costs ($287,778).

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an allocation of $287,778 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Pembina County Water Resource District to support the Pembina County Drain No. 78 Outlet Extension project.

It was moved by Commissioner Vosper and seconded by Commissioner Berg that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an allocation of $287,778 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Pembina County Water Resource District to support the Pembina County Drain No. 78 Outlet Extension project. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

RUST DRAIN NO. 24 CHANNEL IMPROVEMENT PROJECT (TRAILL COUNTY) - APPROVAL OF STATE COST PARTICIPATION ($187,736) (SWC Project No. 1242)

A request from the Traill County Water Resource District was presented for the State Water Commission's consideration for state cost participation for the Rust Drain No. 24 Channel Improvement project. Rust Drain No. 24 is an existing legal assessment drain located in Traill county approximately 10 miles southeast of the community of Buxton. The primary purpose of the project is to provide an adequate gradient to the channel bottom and properly-sized culvert crossings along the channel.

The proposed project is approximately 2.2 miles long located in the N1/2 of Sections 1-4, Township 147 North, Range 49 West, in Bingham township. The project will widen and deepen the drain and upgrade existing crossings with corrugated steel pipe arch culverts and riprap. The channel bottom width is 10 feet and the drain will have 4:1 side slopes. The channel will outlet at the Red River in the NW1/4NW1/4 of Section 1, Township 147 North, Range 49 West.

The project engineer's total cost estimate is $650,000, of which $417,192 is determined eligible for state cost participation as a rural flood control project at 45 percent of the eligible costs ($187,736). An assessment district was established and Drain Permit No. 4309 is approved.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an allocation of $187,736 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Traill County Water Resource District to support the Rust Drain No. 24 Channel Improvement project.

It was moved by Commissioner Hanson and seconded by Commissioner Vosper that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an allocation of $187,736 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Traill County Water Resource District to support the Rust Drain No. 24 Channel Improvement project. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

SWC/USGS COOPERATIVE STATEWIDE HYDROLOGIC MONITORING PROGRAM - APPROVAL OF STATE COST PARTICIPATION ($491,275), AND $22,510 AS DIRECT LABORATORY SERVICES PROVIDED BY COMMISSION (SWC Project No. 1395)

A request from the U.S. Geological Survey was presented for the State Water Commission's consideration for state cost participation in the cooperative statewide hydrologic monitoring program which consists of three components: stream gaging to measure flow rate and volume, stream water quality monitoring, and aquifer water level and water quality monitoring.

The stream gaging network provides stream flow statistics that are needed for a wide variety of applications including the design of flood control structures, bridges, culverts, general water resource planning, floodplain mapping, water management, and permitting. Many of the gaging sites provide real-time data, which was crucial in responding to the flood events that occurred in 2009 and 2011.

Water samples are collected for chemical analysis at specific stream sites during high and low-flow periods and at selected lakes. This data is used to determine the suitability of the chemical quality for beneficial use, interpret area hydrology, and to assess changes in the quality resulting from the stresses of both man-induced activities and natural processes caused by climatic variations. The water quality data also provides planners with a basis to assess if waste water resulting from beneficial use can be discharged into surface water bodies. Examples include the siting of industrial plants that require waste water discharge and the ongoing operation of the Devils Lake outlets.

Monitoring ground-water levels and quality in wells completed in selected aquifers throughout the state provides essential information used to allocate and manage the state's ground-water resources. The data collection system was recently upgraded to include real-time monitoring capabilities to the continuous recorder wells.

The State Water Commission has participated in the cooperative statewide hydrologic monitoring program since the 1950s. The total cost of the monitoring program for Fiscal Year 2014 is $938,370, of which the State Water Commission's obligation of this amount is $513,785 (55 percent) ($491,275 - state cost participation, and $22,510 - direct laboratory analysis services provided by the Commission in conjunction with the cooperative work); the remaining $424,585 will be provided by the U.S. Geological Service.

It was the recommendation of Secretary Sando that the State Water Commission approve a total 2014 Fiscal Year obligation of $513,785, of which an allocation not to exceed $491,275 would be provided from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 2010), and $22,510 would be obligated as direct laboratory analysis services provided by the Commission in conjunction with the cooperative work.

It was moved by Commissioner Swenson and seconded by Commissioner Berg that the State Water Commission approve a total 2014 Fiscal Year obligation of $513,785, of which an allocation not to exceed $491,275 would be provided from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 2010), to the U.S. Geological Survey to support the cooperative statewide hydrologic monitoring program, and $22,510 would be obligated as direct laboratory analysis services provided by the Commission. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

BANK OF NORTH DAKOTA AGPACE PROGRAM FOR IRRIGATION DEVELOPMENT IN NORTH DAKOTA - APPROVAL OF ALLOCATION OF $200,000 (SWC Project No. 1389)

On October 23, 2001, the State Water Commission approved a request from the North Dakota Irrigation Association allocating $1,000,000 from the funds appropriated to the State Water Commission in the 2001-2003 biennium to supplement the AgPace Program administered by the Bank of North Dakota to buy-down the interest on loans for first-time borrowers that wish to develop new or enhance on-farm enterprises. Those funds provided an additional $20,000 of interest buy-down after the initial Bank of North Dakota maximum was reached. Unused funds from this authorization have been carried over each biennium since that time; the current remaining balance in the fund is $21,312.14.

A request from the North Dakota Irrigation Association was presented for the State Water Commission's consideration for an additional allocation of $200,000 to the Bank of North Dakota to supplement the AgPace program for buying down interest on loans for the development of new irrigation.

It was the recommendation of Secretary Sando that the State Water Commission approve an additional allocation not to exceed $200,000 from the funds appropriated to the State Water Commission In the 2013-2015 biennium (H.B. 1020), to supplement the Ag Pace program administered by the Bank of North Dakota for buying down interest on loans for the development of new irrigation.

It was moved by Commissioner Berg and seconded by Commissioner Hanson that the State Water Commission approve an additional allocation not to exceed $200,000 from the funds appropriated to the State Water Commission In the 2013-2015 biennium (H.B. 1020), to supplement the Ag Pace program administered by the Bank of North Dakota for buying down interest on loans for the development of new irrigation. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

APPROVAL OF REQUEST FROM GARRISON CONSERVANCY DISTRICT FOR RENEWAL OF CONTRACT WITH WILL AND CARLSON; AND COST SHARE OF $70,000 FROM JULY 1, 2013 TO JUNE 30, 2015 (SWC Project No. 237)

A request was presented from the Garrison Diversion Conservancy District to continue participation in support of the Will and Carlson consulting contract in the amount of $70,000 for services relating to the appropriation under the Garrison Diversion Unit.

The State Water Commission initially entered into a cost share agreement for the services of Peter Carlson in 1991. Since that time, Mr. Carlson has provided services for the State of North Dakota in Washington, DC relating to the Dakota Water Resources Act, Missouri River issues, Devils Lake, the Northwest Area Water Supply (NAWS) Project, agricultural irrigation, and hydro power generation. Considerable efforts are still needed to obtain funding through the Dakota Water Resources Act, and federal projects affecting North Dakota.

It was the recommendation of Secretary Sando that the State Water Commission approve an allocation not to exceed $70,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to renew the Will and Carlson consulting contract from July 1, 2013 to June 30, 2015. These funds are to be cost shared 50 percent with the Garrison Diversion Conservancy District.

It was moved by Commissioner Thompson and seconded by Commissioner Foley that the State Water Commission approve an allocation not to exceed $70,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to renew the Will and Carlson consulting contract from July 1, 2013 to June 30, 2015. These funds are to be cost shared 50 percent with the Garrison Diversion Conservancy District. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

TRAILL RURAL WATER DISTRICT REGIONAL WATER SUPPLY, PHASE III - APPROVAL OF ADDITIONAL 2013-2015 BIENNIUM STATE FUNDS ($368,000) (SWC Project No. 237-03)

The Traill Rural Water District conducted a water study for a regional system to meet the water needs of the cities of Hillsboro, Mayville, Galesburg, and Grandin to address the future Environmental Protection Agency's (EPA) water quality and quantity regulations. The studies indicated that the Galesburg aquifer could meet the projected water needs.

Following are previous State Water Commission actions:

On December 9, 2005, the State Water Commission approved a 65 percent grant, not to exceed an allocation of $134,000, from the Garrison Diversion Conservancy District Water Development and Research Fund for the water study ($59,250) and the feasibility study ($74,750).

On February 4, 2008, the State Water Commission approved a 70 percent federal/state grant not to exceed an allocation of $2,492,000 (federal Fiscal Year 2008 MR&I Water Supply program grant not to exceed $984,000, and an allocation not to exceed $1,508,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020)), to the Traill Rural Water District regional water supply, Phase I, for the development of a new Galesburg aquifer well field for the total regional water supply and transmission pipeline to the Mayville water treatment plant, and a raw water pipeline from a new transfer station to the Hillsboro water treatment plant. The total estimated project cost was $29,170,500.

On June 23, 2008, the State Water Commission approved a 70 percent grant not to exceed an allocation of $1,519,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), to the Traill Rural Water District regional water supply, Phase II, to support the distribution improvements to the system that would allow full service to the cities of Galesburg and Grandin. The revised estimated cost of Phase II was $3,967,120.

On April 28, 2009, the State Water Commission approved a 70 percent grant not to exceed an additional allocation of $2,551,500 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), to the Traill Rural Water District regional water supply, Phase I ($1,659,000) and Phase II ($892,500), due to increased costs related to bid items and additional alternatives for Phases I and II.

On August 18, 2009, the State Water Commission approved a grant allocation not to exceed $1,300,000 from the funds appropriated to the State Water Commission in the 2009-2011 biennium (H.B. 1020), to the Traill Rural Water District regional water supply, Phase III, which included additional well field development, installation of membranes in the existing Mayville water treatment plant, and construction of a new membrane water treatment plant at Hillsboro.

On September 1, 2010, the State Water Commission approved a 70 percent grant not to exceed an additional allocation of $200,000 from the funds appropriated to the State Water Commission in the 2009-2011 biennium (H.B. 2020), to the Traill Rural Water District regional water supply, Phase I ($32,000) and Phase II ($168,000).

On December 10, 2010, the State Water Commission approved an additional grant allocation of $1,450,000 from the funds appropriated to the State Water Commission in the 2009-2011 biennium (H.B. 1020), to the Traill Rural Water District regional water supply, Phase III.

The total state grants allocated to date are $8,528,500 (Phase I - $3,199,000; Phase II - $2,579,500; and Phase III - $2,750,000).

The final project cost for Traill Rural Water District, Phase III, Mayville project, is $5,989,828, of which $5,926,645 is determined as eligible costs. The overall federal/state grant of $4,255,860 is 71.8 percent identified from two sources (USDA Rural Development federal grant - $2,505,860; and a 30 percent state grant - $1,750,000). A request from the Traill Rural Water District was presented for the State Water Commission's consideration for an additional state grant of $151,750 to increase the total overall grant to 75 percent.

The final project cost for Traill Rural Water District, Phase III, Hillsboro project, is $10,613,452, of which all costs are determined eligible costs. The current 73 percent grant of $7,743,950 is identified from two sources (a 63.5 percent U.S. Corps of Engineers Section 594 fund federal grant - $6,743,950; and a 9.4 percent state grant - $1,000,000). The federal grant allowed Phase III to receive a higher grant percentage than the originally anticipated 70 percent. A request from the Traill Rural Water District was presented for the State Water Commission's consideration for an additional state grant of $216,250 to increase the overall grant to 75 percent.

It was the recommendation of Secretary Sando that the State Water Commission approve a state cost participation grant of 30 percent of the eligible costs, not to exceed an additional allocation of $28,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Traill Rural Water District to support Phase III, city of Mayville project. The current grant for Phase III, city of Hillsboro project, is 73 percent, therefore, no additional grant funding was recommended.

It was moved by Commissioner Thompson and seconded by Commissioner Berg that the State Water Commission approve a state cost participation grant not to exceed an additional allocation of $151,750 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Traill Rural Water District, Phase III, to support the city of Mayville project.

In discussion of the motion, representatives from the city of Mayville and Hillsboro expressed appreciation for the Commission's support, provided detailed information relating to their projects, and requested the Commission's favorable consideration of their requests which included additional state cost participation grants of $151,750 for the city of Mayville and $216,250 for the city of Hillsboro.

A substitute amendment to the original motion was offered by Commissioner Berg and seconded by Commissioner Thompson that the State Water Commission approve a state cost participation grant not to exceed an additional allocation of $368,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Traill Rural Water District, Phase III, to support the city of Mayville and the city of Hillsboro projects. This action is contingent upon the availability of funds, and is subject to future revisions.

Governor Dalrymple called the question on the substitute amendment to the original motion, and asked for a roll call vote:

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the substitute amendment to the original motion unanimously carried.

Governor Dalrymple called the question on the original motion, as amended, and asked for a roll call vote:

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the original motion, as amended, unanimously carried.

This action increases the total state grant allocations to $8,896,500 (Phase I - $3,199,000; Phase II - $2,579,500; and Phase III - $3,118,000).

SAFE DRINKING WATER ACT - APPROVAL OF PROJECT PRIORITY LIST IN FY 2014 INTENDED USE PLAN, DATED NOVEMBER 25, 2013 (SWC File AS-HEA)

The Drinking Water State Revolving Loan Fund was authorized by Congress in 1996 under the Safe Drinking Water Act with the intention of assisting public water systems in complying with the Act. Funding in North Dakota for public water systems is in the form of a loan program administered by the Environmental Protection Agency through the North Dakota Department of Health. North Dakota Century Code ch. 61-28.1, Safe Drinking Water Act, gives the Department the powers and duties to administer and enforce the Safe Drinking Water Act and to administer the program.

Section 1452(b) of the Safe Drinking Water Act requires each state to annually prepare an Intended Use Plan. The plan is to describe how the state intends to use the funds to meet the program objectives and further the goal of protecting public health. A public review period is required prior to submitting the annual plan to the Environmental Protection Agency as part of the capitalization grant application process. The North Dakota Department of Health held public hearings on the draft Intended Use Plan on November 18, 2013.

In accordance with North Dakota Century Code 61-28-1, the Department must administer and disburse the funds with the approval of the State Water Commission. The Department must establish assistance priorities and expend grant funds pursuant to the priority list for the Drinking Water State Revolving Loan Fund.

David Bruschwein, North Dakota Department of Health, presented the Fiscal Year 2014 Intended Use Plan for the North Dakota Drinking Water Revolving Loan Fund, dated November 25, 2013, for the State Water Commission's consideration. The 2014 Intended Use Plan is attached hereto as ***APPENDIX "C"***. The comprehensive project priority list includes 200 projects, with a cumulative total project cost of $672,000,000 for Fiscal Years 1997 through 2014. The fundable list for Fiscal Year 2014 is anticipated to be approximately $22,700,000 with 16 projects. Following the Commission's approval of the 2014 Comprehensive Project Priority List and Fundable List, the Department will submit an application to the U.S. Environmental Protection Agency for the program. Commission approval will enable the Department to proceed with disbursement of funds once the Agency has approved the capitalization grant.

It was the recommendation of Secretary Sando that the State Water Commission approve the comprehensive project priority list and the fundable list for Fiscal Year 2014 as listed in the 2014 Intended Use Plan, dated November 25, 2013, and authorize the North Dakota Department of Health to administer and disburse the Fiscal Year 2014 program funds pursuant to the 2014 Intended Use Plan.

It was moved by Commissioner Foley and seconded by Commissioner Thompson that the State Water Commission approve the comprehensive project priority list and the fundable list for Fiscal Year 2014 as listed in the 2014 Intended Use Plan, dated November 25, 2013, and authorize the North Dakota Department of Health to administer and disburse the Fiscal Year 2014 program funds pursuant to the 2014 Intended Use Plan.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

FARGO MOORHEAD AREA DIVERSION PROJECT REPORT (SWC Project No. 1928)

Keith Berndt, Fargo, representing Cass county, provided a report on the Fargo Moorhead Area Diversion project. An outline of the presentation is attached hereto as ***APPENDIX "D"***.

Final passage of a new Water Resources Development Act is anticipated in early 2014, which is expected to contain authorization for the Fargo Moorhead Area Diversion project. A bipartisan conference is working to reconcile the difference between the two versions of the bill that passed the

United States House of Representatives and the United States Senate, both versions authorize construction to begin on the diversion project. In addition to authorizing the diversion plan, the legislation also provides a comprehensive plan for improving the country's flood control projects and modernizing ports and waterways.

MOUSE RIVER ENHANCED FLOOD PROTECTION PROJECT STATUS REPORT (SWC Project No. 1974-01)

The Mouse River Enhanced Flood Protection project status report was provided, which is detailed in the staff memorandum dated November 26, 2013, and attached hereto as ***APPENDIX "E"***.

STOCHASTIC MODEL FOR MOUSE RIVER BASIN - APPROVAL OF STATE COST PARTICIPATION ($200,000) (SWC Project No. 1758)

Unprecedented flooding in the Mouse River Basin in 2011 caused extensive damage to the city of Minot and numerous smaller communities in North Dakota, Saskatchewan, and Manitoba. The severe flooding prompted the International Souris River Board to create a Mouse River task force to prepare a plan of study for evaluating potential reservoir operation changes and flood control measures to manage future floods and droughts. The task force plan indicated a need for developing stochastic methods to simulate future floods and droughts. The plan also indicated a need to evaluate the effects of multi-decadal climate variability and/or possible climate change on future flood and drought risk. The work described in the proposal would provide the scientific basis for evaluating uncertainty in future climate for the Mouse River basin and develop a stochastic model for simulating future streamflows that are consistent with climatic uncertainty, cover a full range of possibilities from extreme drought to extreme flood, and provide unbiased estimates of flood and drought risk during the 2014-2050 simulation period.

Although the International Joint Commission has not activated the task force to begin work identified in the Plan of Study that will review and update the International Agreement and analyze revisions to the Mouse River operating plan activities are under consideration in preparation for this work including the Mouse River regional and reconstructed hydrology which has been undertaken and is in review by the U.S. Army Corps of Engineers. The task force is allotted two years to complete its work.

One of the critical tasks of the Plan of Study is to perform and incorporate the results of stochastic and climatological studies. Discussions have been pursued with the U.S. Geological Survey regarding commissioning these studies so the information would be available to the task force. A project proposal prepared by the U.S. Geological Survey entitled "Stochastic model for

Mouse River basin precipitation, evapotranspiration, and streamflow for 2014-2050" was presented for the State Water Commission's consideration. The study proposal will produce: 1) a climatological model to identify the long-term scale of climatic (wet-dry) variation in the Mouse River basin; 2) a stochastic set of conditions (precipitation, temperature, evaportranspiration) which follows these trends, extending from 2014 to 2050; 3) a stochastic water balance model to simulate unregulated flows; and 4) a simplified reservoir operational model to route regulated flows. The estimated total cost of the study is $280,000. The U.S. Geological Survey will provide funds of $80,000 toward the studies.

It was the recommendation of Secretary Sando that the State Water Commission approve an allocation of $200,000 to the U.S. Geological Survey to support the stochastic model for simulating Mouse River basin precipitation, evapotranspiration, and streamflow for 2014-2050.

It was moved by Commissioner Foley and seconded by Commissioner Thompson that the State Water Commission approve an allocation not to exceed $200,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.S. 1020), to the U.S. Geological Survey to support the stochastic model for simulating Mouse River basin precipitation, evapotranspiration, and streamflow for 2014-2050. This action is contingent upon the availability of funds. SEE APPENDIX "F"

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

SOUTHWEST PIPELINE PROJECT - PROJECTS REPORT (SWC Project No. 1736-99)

The Southwest Pipeline Project report was presented, which is detailed in the staff memorandum dated November 19, 2013, attached as ***APPENDIX "G"***.

SOUTHWEST PIPELINE PROJECT - APPROVAL OF APPROPRIATION (2013 HOUSE BILL 1020 - $58,000,000) (SWC Project No. 1736-99)

The Sixty-third Legislative Assembly of North Dakota (2013) mandated legislative intent in House Bill 1020, the State Water Commission's appropriation bill for the 2013-2015 biennium, that $79,000,000 be dedicated to the Southwest Pipeline Project.

The Sixty-third Legislative Assembly of North Dakota (2013), in House Bill 1269, Section 2, declared an emergency measure providing for an appropriation of $21,000,000 (out of the $79,000,000 dedicated in H.B. 1020 to the Southwest Pipeline Project) for the purpose of advancing additional construction on the Southwest Pipeline Project, effective February 19, 2013 (signed by Governor Dalrymple), and ending June 30, 2015. On February 27, 2013, the State Water Commission approved the emergency measure legislative mandate (H.B. 1269) allocation not to exceed $21,000,000.

It was the recommendation of Secretary Sando that the State Water Commission approve an allocation not to exceed $58,000,000 from the funds appropriated in 2013 House Bill 1020 ($79,000,000 less $21,000,000 approved by the State Water Commission on February 27, 2013 under H.B. 1269) dedicated to the Southwest Pipeline Project.

It was moved by Commissioner Nodland and seconded by Commissioner Hanson that the State Water Commission approve an allocation not to exceed $58,000,000 from the funds appropriated to the State Water Commission in 2013 House Bill 1020 dedicated to the Southwest Pipeline Project. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Vosper, and Governor Dalrymple voted aye. Commissioner Thompson voted nay. Recorded votes were 7 ayes, 1 nay. Governor Dalrymple announced the motion carried.

SOUTHWEST PIPELINE PROJECT - AWARD OF CONTRACT 8-3, MERCER-OLIVER-NORTH DUNN REGIONAL SERVICE AREA, KILLDEER MOUNTAIN ELEVATED TANK, TO MAGUIRE IRON, INC., SIOUX FALLS, SD (SWC Project No. 1736-99)

On October 18, 2013, bid packages were opened for Southwest Pipeline Project, Oliver-Mercer-North Dunn Regional Service Area, Killdeer Mountain Elevated Tank, Contract 8-3. The scope of work generally consists of furnishing and installing one 250,000 gallon pedestal spheroid style elevated steel potable water storage tank with 170 feet to overflow, access road, related piping, foundation, control vault, and site work. The reservoir will be located in Dunn county, 9 miles west and 3 miles north of the city of Killdeer. This tank will serve the rural residents in the Grassy Butte, Killdeer Mountains and Fairfield service areas. The contract documents stipulate a substantial completion date of October 1, 2014.

Three bid packages were received for Contract 8-3 from Maguire Iron, Inc., Sioux Falls, SD; Phoenix Fabricators & Erectors, Inc., Avon, IN; and Caldwell Tanks, Inc., Louisville, KY. All bid packages appeared in

order and were opened. All of the bids received were significantly higher than the engineer's estimate ($1,088,500), due to the increased cost of construction and construction materials in the North Dakota oil impact area. The apparent low bid received was $1,277,000 submitted by Maguire Iron, Inc., Sioux Falls, SD.

The contract documents allow the State Water Commission to select the most advantageous bid. Based on the project engineer's review, the bid received from Maguire Iron, Inc., Sioux Falls, SD appeared to be in accordance with the advertisement for construction bid and the bid documents, and considered to be a responsive bid. It was the recommendation of the project engineer to award Contract 8-3 to Maguire Iron, Inc., Sioux Falls, SD. The award of the contract and notice to proceed are dependent on the satisfactory completion and submission of the contract documents by Maguire Iron, Inc., and review/approval by the Commission's legal counsel.

The contract will be funded from the 2013-2015 biennium State Water Commission allocation to the Southwest Pipeline Project.

It was the recommendation of Secretary Sando that the State Water Commission approve the award of Southwest Pipeline Project, Oliver-Mercer-North Dunn Regional Service Area, Killdeer Mountain Elevated Tank, Contract 8-3, to Maguire Iron, Inc., Sioux Falls, SD, in the amount of $1,277,000.

It was moved by Commissioner Foley and seconded by Commissioner Hanson that the State Water Commission approve the award of Southwest Pipeline Project, Oliver-Mercer-North Dunn Regional Service Area, Killdeer Mountain Elevated Tank, Contract 8-3, to Maguire Iron, Inc., Sioux Falls, SD, in the amount of $1,277,000. This action is contingent upon the satisfactory completion and submission of the contract documents by Maguire Iron, Inc., and the review/approval by the Commission's legal counsel.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

SOUTHWEST PIPELINE PROJECT - AWARD OF CONTRACT 3-IH, OLIVER-MERCER-NORTH DUNN REGIONAL SERVICE AREA, WATER TREATMENT PLANT, PHASE II, EXPANSION EQUIPMENT INSTALLATION, TO NORTHERN PLAINS CONTRACTING, INC., WOLVERTON, MN-GENERAL CONSTRUCTION; AND TO EDLING ELECTRIC, INC., BISMARCK, ND-ELECTRICAL CONSTRUCTION (SWC Project No. 1736-99)

On December 6, 2013, bid packages were opened for Southwest Pipeline Project, Oliver-Mercer-North Dunn Regional Service Area Water Treatment Plant, Phase II, Expansion and Equipment Installation, Contract 3-IH. The scope of work generally consists of the installation of owner-purchased membrane treatment and ozone equipment; furnishing and installing three additional vertical turbine pumps and two centrifugal pumps; process piping; chemical feed systems; furnishing and installing associated electrical power feed conduit and wiring; and instrumentation.

Separate bid schedules and scopes of work were provided for the General and Electrical contracts as required by state law. A combined single bid was also provided under the project to encompass all individual scopes of work. The project location is at the existing Oliver-Mercer-North Dunn water treatment plant site located approximately 8 miles north of Zap. The contract documents stipulate a substantial completion date of August 1, 2014 with a milestone completion date of June 15, 2014 for all work that requires a shutdown of the existing plant.

The bid form was divided into three bid schedules: Schedule I for General Construction, Schedule II for Electrical Construction, and Schedule III for a combined single bid. Three bid packages were received - two bids under Bid Schedule I, one bid under Bid Schedule II, and one bid under Bid Schedule III. All bid packages appeared in order and were opened. The apparent low bid received for Schedule I, General Construction was from Northern Plains Contracting, Inc., Wolverton, MN in the amount of $1,494,900; Schedule II, Electrical Construction was from Edling Electric, Inc., Bismarck, ND in the amount of $396,400; and Schedule III, single combined bid was from PKG Contracting, Inc., Fargo, ND, in the amount of $1,932,200. All of the bids received were significantly higher than the engineer's estimates due to the increased cost of construction and construction materials and decreased availability of contractors to do the work because of oil impacts in North Dakota.

The contract documents allow the State Water Commission to select the most advantageous bids. Based on the project engineer's review, the bids received for Schedule I for General Construction from Northern Plains Contracting, Inc., Wolverton, MN, and Schedule II for Electrical Construction from Edling Electric, Inc., Bismarck, ND appeared to be in accordance with the advertisement for construction bid and the bid documents, and are considered to be

responsive bids. It was the recommendation of the project engineer to award Contract 3-IH, General Construction, to Northern Plains Contracting, Inc., Wolverton, MN, and Contract 3-IH, Electrical Construction, to Edling Electric, Inc., Bismarck, ND. The award of the contracts and notices to proceed are dependent on the satisfactory completion and submission of the contract documents by Northern Plains Contracting, Inc. and Edling Electric, Inc., and review/approval by the Commission's legal counsel.

It was the recommendation of Secretary Sando that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 3-IH, General Construction, to Northern Plains Contracting, Inc., Wolverton, MN, in the amount of $1,494,900 based on Bid Schedule I, and Southwest Pipeline Project Contract 3-IH, Electrical Construction, to Edling Electric, Inc., Bismarck, ND, in the amount of $396,400 based on Bid Schedule II.

It was moved by Commissioner Nodland and seconded by Commissioner Vosper that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 3-IH, General Construction, to Northern Plains Contracting, Inc., Wolverton, MN, in the amount of $1,494,900 based on Bid Schedule I, and Southwest Pipeline Project Contract 3-IH, Electrical Construction, to Edling Electric, Inc., Bismarck, ND, in the amount of $396,400 based on Bid Schedule II. This action is contingent upon the satisfactory completion and submission of the contract documents by Northern Plains Contracting, Inc. and Edling Electric, Inc., and the review/approval by the Commission's legal counsel.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

SOUTHWEST PIPELINE PROJECT - APPROVAL OF CAPITAL REPAYMENT RATES, AND REPLACEMENT AND EXTRAORDINARY MAINTENANCE RATES FOR 2014 (SWC Project No. 1736-99)

Under the Agreement for the Transfer of Management, Operations, and Maintenance Responsibilities for the Southwest Pipeline Project, the Southwest Water Authority is required to submit a budget to the State Water Commission's secretary by December 15 of each year. The budget is deemed approved unless the Commission's secretary notifies the Authority of his disapproval by February 15. The Southwest Water Authority submitted its budget on November 20, 2013.

On October 19, 1998, the State Water Commission approved an amendment to the Transfer of Operations Agreement, which changed the Consumer Price Index (CPI) date used for calculating the project's capital repayment rates from January 1 to September 1. This amendment was necessary to bring the transfer of operations into line with the water service contracts and streamline the budget process. The agreement specifies that the water rates for capital repayment be adjusted annually based on the Consumer Price Index; the September 1, 2013 CPI was 233.9 versus 230.4 on September 1, 2012. The State Water Commission has the responsibility of adjusting the capital repayment rates annually.

At the June 22, 2005 meeting, the State Water Commission approved the 2005 capital repayment rate for rural users in Morton county receiving water through the Missouri West Water system transmission pipelines at $22.00 per month. Applying the Consumer Price Index adjustment to this figure results in a 2014 rate for these users of $27.17 per month.

The rate for replacement and extra-ordinary maintenance (REM) was approved by the State Water Commission at its February 9, 1999 meeting at $0.35 per thousand gallons. The original rate of $0.30 per thousand gallons was approved in 1991. Based on a recent study conducted by Bartlett & West/AECOM to determine the REM rate, which included the entire present and future planned infrastructure for the Southwest Pipeline Project, it is proposed to increase the REM rate to $0.50 from $0.40 per thousand gallons.

In preparation of the budget for 2014, the Southwest Water Authority proposed a $20.00 per thousand gallons water rate for oil industry contracts, which is an increase from the $18.25 per thousand gallons rate approved for 2013. The capital repayment rate for oil industry contracts, other than the Dickinson water depot built by the Southwest Water Authority, is proposed to increase to $6.67 from the $6.11 per thousand gallons, and increasing the REM rate to $6.67 from $1.00 per thousand gallons.

The capital repayment rate for the Dickinson water depot is proposed at $2.24 per thousand gallons with the REM rate at $4.67 per thousand gallons.

It was the recommendation of Secretary Sando that the State Water Commission concur with the proposed 2014 Southwest Pipeline Project capital repayment and replacement and extraordinary rates as presented. These proposed rates were approved by the Southwest Water Authority board of directors at its December, 2013 meeting:

Capital repayment for contract and rural customers:

Contract users	$ 1.12 per thousand gallons
Morton county with water service from Missouri West Water System	$ 27.17 per month
Other rural users	$ 34.30 per month

Capital Repayment for oil industry contracts:

City of Dickinson water depot	$ 2.24 per thousand gallons
Other oil industry contracts	$ 6.67 per thousand gallons

Replacement and extraordinary maintenance (REM):

Contract and rural users	$ 0.50 per thousand gallons
City of Dickinson water depot	$ 4.67 per thousand gallons
Other oil industry contracts	$ 6.67 per thousand gallons

It was moved by Commissioner Swenson and seconded by Commissioner Thompson that the State Water Commission approve the proposed 2014 capital repayment and replacement and extraordinary maintenance rates for the Southwest Pipeline Project as recommended.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

NORTHWEST AREA WATER SUPPLY (NAWS) PROJECT - STATUS REPORTS (SWC Project No. 237-04)

The Northwest Area Water Supply (NAWS) project and construction status reports were provided, which are detailed in the staff memorandum dated November 27, 2013, and attached as ***APPENDIX "H".***

DEVILS LAKE HYDROLOGIC AND PROJECTS UPDATES (SWC Project No. 416-15)

The Devils Lake hydrologic report, and project updates were provided, which are detailed in the staff memorandum, dated November 27, 2013, attached as ***APPENDIX "I".***

DEVILS LAKE WEST OUTLET STANDPIPE REPAIRS - APPROVAL OF $1,300,000 (SWC Project No. 416-10)

The State Water Commission members were informed of failures that occurred at the Round Lake and Josephine standpipes, which resulted in a shut-down of the Devils Lake west outlet for investigation.

The investigation determined there was significant damage to the center column of the Round Lake standpipe and there was evidence of similar failure beginning in the center column of the Josephine standpipe. Repairs to both standpipes are estimated at $1,300,000.

It was the recommendation of Secretary Sando that the State Water Commission approve an allocation not to exceed $1,300,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium for repairs to the Devils Lake west end outlet standpipes.

It was moved by Commissioner Vosper and seconded by Commissioner Berg that the State Water Commission approve an allocation not to exceed $1,300,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium for repairs to the Devils Lake west end outlet standpipes. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

DEVILS LAKE OUTLET AWARENESS COORDINATOR - JOE BELFORD RECOGNIZED FOR ADDRESSING FLOOD-RELATED EFFORTS IN DEVILS LAKE BASIN (SWC Project No. 416-01)

In 1998, the State Water Commission, the Garrison Diversion Conservancy District, the Devils Lake Basin Joint Water Resource Board, and the Forward Devils Lake Corporation initiated cost sharing in a contract securing the services of the Devils Lake Outlet Awareness coordinator, presently occupied by Joe Belford. The intended goal of this position was to function as a communicator to parties relative to the Devils Lake outlet projects and their flood protection benefits. The Devils Lake outlet awareness coordinator contract is funded through December 31, 2013.

Mr. Belford was recognized for his outstanding leadership and commitment of time, energy, and talent as the Devils Lake Outlet Awareness coordinator from 1998 to 2013 addressing flood-related issues in the Devils Lake basin. Governor Dalrymple expressed his gratefulness stating that Joe Belford's "admirable and dedicated efforts in promoting acceptance and understanding of the issues from a greater Red River basin perspective will continue to enhance the lives of people of the great State of North Dakota for generations to come."

MISSOURI RIVER REPORT (SWC Project No. 1392)

The Missouri River report was provided, which is detailed in the staff memorandum dated November 22, 2013, and attached hereto as ***APPENDIX "J"***.

MISSOURI RIVER - APPROVAL OF FUNDS FOR ORDINARY HIGH WATER MARK DELINEATIONS ($95,618) TO HOUSTON ENGINEERING, INC., BISMARCK, ND (SWC Project No. 1625)

Sovereign land is defined in North Dakota Century Code (NDCC) as "those areas, including beds and islands, lying within the ordinary high water mark of navigable lakes and streams." North Dakota Administrative Code defines the ordinary high water mark (OHWM) as "that line below which the action of the water is frequent enough either to prevent the growth of vegetation or to restrict its growth to predominantly wetland species. Islands in navigable streams and waters are considered to be below the ordinary high water mark in their entirety." The OHWM needs to be determined in order to accurately identify what lands are sovereign and are the responsibility of the State Engineer to "manage, operate, and supervise" as prescribed in NDCC 61-33.

The State Water Commission members were informed of issues relative to the location of the OHWM along the left bank of the Missouri River from the Misty Waters boat ramp to north of Sundown Acres in Burleigh county. On August 20, 2013, the State Engineer published a Request for Qualifications (RFQ) to delineate the OHWM at the defined location. Following the RFQ process, Houston Engineering, Inc., Bismarck, ND, was selected to conduct the OHWM delineations in 2014 using the OHWM Delineations Guidelines developed by the State Engineer in 2007.

In an effort to provide a potential phased approach for doing the required delineation work, it was the recommendation of Secretary Sando that the State Water Commission approve an allocation not to exceed $95,618 to Houston Engineering, Inc., Bismarck, ND, to delineate the ordinary high water mark along the left bank of the Missouri River starting at the abandoned Burnt Creek boat landing and ending above the Sundown Acres housing development to allow the State Engineer to identify and manage sovereign lands as required in North Dakota Century Code 61-33.

It was moved by Commissioner Swenson and seconded by Commissioner Hanson that the State Water Commission approve an allocation not to exceed $95,618 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to Houston Engineering, Inc., Bismarck, ND, to delineate the ordinary high water mark along the left bank of the Missouri River starting at the abandoned Burnt Creek boat landing and ending above the Sundown Acres housing development, to allow the State Engineer to identify and manage sovereign lands as required in North Dakota Century Code 61-33. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Nodland, Swenson, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Governor Dalrymple announced the motion unanimously carried.

STATE WATER PLAN - COMMISSIONER-HOSTED MEETINGS (SWC Project No. 322)

2013 House Bill 1206 requires the State Water Commission to hold commissioner-hosted meetings within the six major drainage basins of the state (Red River, James River, Mouse River, upper and lower Missouri River, and Devils Lake) as part of the water planning and budgeting process. The primary purpose of the meetings is to facilitate local project sponsor participation in the biennial water planning process.

Two rounds of meetings are proposed, the first round of six meetings were held in November and December, 2013. The agenda for the first round of meetings included: 1) outline the type of information that project sponsors will need to provide to the State Water Commission for consideration of inclusion in the agency's funding priorities for the 2015-2017 biennium; 2) provide an overview of the new draft project prioritization guidance concept; and 3) summarize changes, respond to questions, and collect input regarding proposed modifications to the State Water Commission's cost share policy. The draft Project Prioritization Guidance Concept was presented, the purpose of the prioritization concept is to assist with water project prioritization during future biennia. The draft modifications to the State Water Commission cost share policy were also provided. The second round of six meetings will be scheduled in the summer of 2014 for the purpose of collecting updated information from project sponsors.

GARRISON DIVERSION CONSERVANCY DISTRICT (SWC Project No. 237)

Dave Koland, Garrison Diversion Conservancy District general manager, provided a status report relating to the efforts of the Red River Valley Water Supply project, and the District's ongoing activities.

RED RIVER VALLEY WATER SUPPLY PROJECT REPORT (SWC Project No. 325)

Michelle Klose provided an update on the Red River Valley Water Supply project, which was authorized by the Dakota Water Resources Act of 2000 to provide a reliable water supply of quality drinking water for the Red River valley. The Garrison Diversion Unit Import to the Sheyenne River was selected as the preferred alternative after considering water permitting, environmental impacts, technical, hydrologic and design evaluations. The final Environmental Impact Statement was released in December, 2007. The Red River Valley Water Supply project is awaiting a record of decision from the Secretary of the Interior, and congressional authorization to use the Missouri River.

The Commission members were informed that the Commission staff and others are currently drafting a Request for Proposals to conduct a Red River Valley Water Supply value engineering study around the project alternatives to supply water from the Missouri River to the Red River valley users. The overall goal of the study is to assist the state in the selection of the alignment discussed in the proposal that would provide the best opportunity to complete the Red River Valley Water Supply project.

Governor Dalrymple exited the meeting due to scheduling commitments, and designated Secretary Sando to preside.

WESTERN AREA WATER SUPPLY PROJECT REPORT (SWC Project No. 1973)

2011 House Bill 1206 created the Western Area Water Supply (WAWS) project, under chapter 61-40 of the North Dakota Century Code. The project report was provided, which is detailed in the staff memorandum dated November 27, 2013, and attached as ***APPENDIX "K".***

Representatives of the Independent Water Providers appeared before the State Water Commission members and offered the following proposed policy changes regarding the expansion of the WAWS industrial water supply:

1) Rigorous State Water Commission (SWC) oversight of the WAWS project, especially with regard to rural build-out;

2) In reviewing any application for industrial water supply for oil and gas development, the SWC is requested to publish the application information on the SWC website for 30 days, and evaluate the request using the following criteria:
    a. objections from other providers of industrial water supply;
    b. private sector capacity to meet the requested demand;
    c. location and proximity of other private water supply infra-structure in the area;
    d. status of domestic water supply restrictions from the participating WAWS member, and whether the participating member is meeting all domestic water demands;
    e. whether the request follows the depot plan and financing structure approved by the 2011 Legislature in H.B.1206, or is it a deviation of that plan;
    f. the length of time for which the industrial water supply is requested; and
    g. the status of industrial water supply payments to meet obligations set forth in Section 19 of S.B. 2233; and

3) Any fees or charges for maintaining or operating the WAWS facilities shall be subject to SWC approval, after WAWS provides consultation with the State Engineer and SWC staff.

Representatives of the Western Area Water Supply Authority appeared before the State Water Commission and provided a status report focusing on current and future project efforts. Comments were offered from the Authority relative to the Independent Water Providers proposed policy changes. No action was taken by the State Water Commission at this meeting.

During other business, Gordon Johnson, North Valley Rural Water District, requested the State Water Commission reconsider its action taken during the October 7, 2013 meeting on water supply projects that were approved for a state cost participation allocation grant of 50 percent. Mr. Johnson provided detailed project information, and requested a 75 percent state cost participation grant for each of the projects, which was the original cost share request. The State Water Commission members discussed the request, and asked Mr. Johnson to resubmit his request for further review. No action was taken by the State Water Commission at this meeting.

There being no additional business to come before the State Water Commission, Secretary Sando adjourned the meeting at 1:30 p.m.

NORTH DAKOTA STATE WATER COMMISSION
MANAGING WATER RESOURCES OF THE STATE
for the BENEFIT of its PEOPLE
1937

Jack Dalrymple, Governor
Chairman, State Water Commission

Todd Sando, P.E.
North Dakota State Engineer,
and Chief Engineer-Secretary
to the State Water Commission

STATE WATER COMMISSION
ALLOCATED PROGRAM EXPENDITURES
FOR THE PERIOD ENDED OCTOBER 30, 2013
BIENNIUM COMPLETE: 17%

PROGRAM	SALARIES/ BENEFITS	OPERATING EXPENSES	GRANTS & CONTRACTS	19-Nov-13 PROGRAM TOTALS
ADMINISTRATION				
Allocated	2,492,011	2,323,966		4,815,977
Expended	403,017	234,099		637,116
Percent	16%	10%		13%
			Funding Source:	
			General Fund:	0
			Federal Fund:	10,272
			Special Fund:	626,843
PLANNING AND EDUCATION				
Allocated	1,334,304	301,110	107,000	1,742,414
Expended	192,061	38,102	13,452	243,615
Percent	14%	13%	13%	14%
			Funding Source:	
			General Fund:	0
			Federal Fund:	34,003
			Special Fund:	209,612
WATER APPROPRIATION				
Allocated	4,632,809	548,947	1,215,267	6,397,023
Expended	735,983	104,010	55,949	895,943
Percent	16%	19%	5%	14%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	895,943
WATER DEVELOPMENT				
Allocated	6,258,796	14,555,905	3,313,200	24,127,901
Expended	972,050	1,537,682	17,558	2,527,289
Percent	16%	11%	1%	10%
			Funding Source:	
			General Fund:	0
			Federal Fund:	214,394
			Special Fund:	2,312,895
STATEWIDE WATER PROJECTS				
Allocated			629,600,000	629,600,000
Expended			21,802,137	21,802,137
Percent			3%	3%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	21,802,137
ATMOSPHERIC RESOURCE				
Allocated	993,898	712,307	4,694,692	6,400,897
Expended	188,260	52,638	445,907	686,805
Percent	19%	7%	9%	11%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	686,805
SOUTHWEST PIPELINE				
Allocated	468,291	12,927,500	101,616,741	115,012,532
Expended	100,124	995,401	3,960,804	5,056,329
Percent	21%	8%	4%	4%
			Funding Source:	
			General Fund:	0
			Federal Fund:	456,692
			Special Fund:	4,599,637
NORTHWEST AREA WATER SUPPLY				
Allocated	650,021	16,498,500	53,800,540	70,949,061
Expended	83,470	259,487	34,142	377,099
Percent	13%	2%	0%	1%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	377,099
PROGRAM TOTALS				
Allocated	16,830,130	47,868,235	794,347,440	859,045,805
Expended	2,674,965	3,221,419	26,329,949	32,226,333
Percent	16%	7%	3%	4%

FUNDING SOURCE:	ALLOCATION	EXPENDITURES	REVENUE	
GENERAL FUND	0	0	GENERAL FUND:	104,684
FEDERAL FUND	37,310,283	715,361	FEDERAL FUND:	999,270
SPECIAL FUND	821,735,522	31,510,971	SPECIAL FUND:	28,547,047
TOTAL	859,045,805	32,226,333	TOTAL:	29,651,002

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 BIENNIUM

Oct-13

	BUDGET	SWC/SE APPROVED	OBLIGATIONS EXPENDITURES	REMAINING UNOBLIGATED	REMAINING UNPAID
FLOOD CONTROL					
FARGO	136,740,340	36,740,340	2,103,713	100,000,000	34,636,627
GRAFTON	7,175,000	7,175,000	0	0	7,175,000
MINOT	3,857,260	3,857,260	24,297	0	3,832,963
BURLEIGH COUNTY	1,282,400	1,282,400	0	0	1,282,400
VALLEY CITY	350,625	350,625	0	0	350,625
LISBON	700,650	700,650	0	0	700,650
FORT RANSOM	225,000	225,000	0	0	225,000
RICE LAKE RECREATION DISTRICT	2,842,200	2,842,200	0	0	2,842,200
RENWICK DAM	1,281,376	1,281,376	0	0	1,281,376
MOUSE RIVER FLOOD CONTROL	32,761,600			32,761,600	
SHEYENNE RIVER FLOOD CONTROL	22,141,705			22,141,705	
FLOODWAY PROPERTY ACQUISITIONS					
MINOT	33,684,071	33,684,071	916,939	0	32,767,132
WARD COUNTY	9,698,169	9,698,169	569,272	0	9,128,897
VALLEY CITY	1,822,598	1,822,598	0	0	1,822,598
BURLEIGH COUNTY	442,304	442,304	0	0	442,304
SAWYER	184,260	184,260	0	0	184,260
LISBON	888,750	888,750	0	0	888,750
WATER SUPPLY					
REGIONAL & LOCAL WATER SYSTEMS	80,026,227	55,574,309	5,448,743	24,451,918	50,125,565
FARGO WATER TREATMENT PLANT	27,864,069	12,864,069	533,711	15,000,000	12,330,358
SOUTHWEST PIPELINE PROJECT	85,972,021	27,972,021	4,599,637	58,000,000	23,372,384
NORTHWEST AREA WATER SUPPLY	21,241,433	7,241,433	117,233	14,000,000	7,124,200
COMMUNITY WATER LOAN FUND - BND	15,000,000	15,000,000	5,000,000	0	10,000,000
WESTERN AREA WATER SUPPY	79,000,000	40,000,000	0	39,000,000	40,000,000
RED RIVER VALLEY WATER SUPPLY	11,000,000			11,000,000	
IRRIGATION DEVELOPMENT	5,493,548	493,548	45,000	5,000,000	448,548
GENERAL WATER MANAGEMENT					
OBLIGATED	20,729,048	20,729,048	219,085	0	20,509,963
UNOBLIGATED	68,739,117			68,739,117	0
DEVILS LAKE					
BASIN DEVELOPMENT	68,085	68,085	4,484	0	63,601
OUTLET	872,403	872,403	0	0	872,403
OUTLET OPERATIONS	15,140,805	5,140,805	1,375,277	10,000,000	3,765,528
DL TOLNA COULEE DIVIDE	102,975	102,975	0	0	102,975
DL EAST END OUTLET	4,074,011	4,074,011	0	0	4,074,011
DL GRAVITY OUTFLOW CHANNEL	13,686,839	13,686,839	0		13,686,839
WEATHER MODIFICATIONS	805,202	805,202	123,997	0	681,205
TOTALS	705,894,092	305,799,751	21,081,387	400,094,342	284,718,364

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium

PROGRAM OBLIGATION

Approved By	SWC No	Dept	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Oct-13 Balance
				Flood Control:				
SB 2020	1928	5000	City of Fargo	Fargo Flood Control Project	6/23/2009	36,740,340	2,103,713	34,636,627
SWC	1771	5000	City of Grafton	Grafton Flood Control Project	3/11/2010	7,175,000	0	7,175,000
SB 2371	1974-06	5000	Souris River Joint WRI	Mouse River Enhanced Flood - pd to SRJWRB	12/9/2011	16,257	14,504	1,754
SB 2371	1974-08	5000	Souris River Joint WRI	Mouse River Reconnaissance Study to Meet Fed Guic	2/15/2013	10,603	9,793	809
	1974-09	5000	Souris River Joint WRI	4th Ave NE & Napa Valley/Forest Rd Flood Improvem	10/7/2013	3,830,400	0	3,830,400
SB 2371	1992-01	5000	Burleigh Co. WRD	Burleigh County's Tavis Road Storm Water Pump Stat	6/13/2012	1,282,400	0	1,282,400
SB 2371	1344	5000	Valley City	Sheyenne River Valley Flood Control Project	6/19/2013	350,625	0	350,625
SB 2371	1344	5000	Lisbon	Sheyenne River Valley Flood Control Project	6/19/2013	700,650	0	700,650
SB 2371	1344	5000	Fort Ranson	Sheyenne River Valley Flood Control Project	6/19/2013	225,000	0	225,000
	1997	5000	Rice Lake Recreation I	Renwick Dam Rehabilitation	6/13/2012	2,842,200	0	2,842,200
SWC	849	5000	Pembina Co. WRD	Renwick Dam Rehabilitation	5/17/2010	1,281,376	0	1,281,376
				Subtotal Flood Control		***54,454,851***	***2,128,010***	***52,326,841***
				Floodway Property Acquisitions:				
SB 2371	1993-05	5000	City of Minot	Minot Phase 1 - Floodway Acquisitions	1/27/2012	9,276,071	916,939	8,359,132
	1993-05	5000	City of Minot	Minot Phase 2 - Floodway Acquisitions	10/7/2013	24,408,000	0	24,408,000
SB 2371	1523-05	5000	Ward County	Ward County Phase 1, 2 & 3 - Floodway Acquisitions	1/27/2012	9,525,664	569,272	8,956,392
SB 2371	1523-02	5000	Ward County	Chaparelle Highwater Berm Project	2/27/2013	172,505	0	172,505
SB 2371	1504-05	5000	ValleyCity	Valley City Phase 1 - Floodway Acquisitions	12/9/2011	656,768	0	656,768
	1504-05	5000	ValleyCity	Valley City Phase 2 - Floodway Acquisitions	7/23/2013	1,165,830	0	1,165,830
SB 2371	1992-05	5000	Burleigh Co. WRD	Burleigh Co. Phase 1 - Floodway Acquisitions	3/7/2012	442,304	0	442,304
SB 2371	2000-05	5000	City of Sawyer	Sawyer Phase 1 - Floodway Acquisitions	6/13/2012	184,260	0	184,260
	1991-05	5000	City of Lisbon	Lisbon - Floodway Acquisition	9/27/2013	888,750	0	888,750
				Subtotal Floodway Property Acquisitions		***46,720,152***	***1,486,211***	***45,233,941***
SWC				***MRI Water Supply Advances:***				
	2373-24	5000	Garrison Diversion	Traill Regional Rural Water (Phase III)	8/18/2009	1,000,000	0	1,000,000
				MRI Water Supply Grants:				
	2373-32	5000	North Central Rural Wa	NCRW (Berthold-Carpio)	6/21/2011	2,807,902	2,253,176	554,726
	2373-33	5000	Stutsman Rural WRD	Stutsman Rural Water System - Phase II	6/21/2011	2,395,692	1,427,024	968,668
	2373-35	5000	Grand Forks - Traill WF	Grand Forks - Traill County WRD	6/13/2012	2,725,415	760,037	1,965,377
	2373-36	5000	Stutsman Rural WRD	Stutsman Rural Water System - Phase IIB, III	2/27/2013	10,000,000	987,092	9,012,908
	2373-37	5000	North Central Rural Wa	NCRW (Plaza)	2/27/2013	299,300	21,414	277,886
	1782-01	5000	McLean-Sheridan WRI	Blue & Brush Lakes Expansion Project	2/27/2013	100,000	0	100,000
	2373-38	5000	Stutsman Rural WRD	Kidder Co & Carrington Area Expansion	7/23/2013	1,207,000	0	1,207,000
	2373-39	5000	North Central Rural Wa	Carpio Berthold Phase 2	7/23/2013	1,950,000	0	1,950,000
	2373-40	5000	South Central Regional	Kidder County Expansion	7/23/2013	196,500	0	196,500
	2373-41	5000	North Central Rural Wa	Granville-Deering Area	7/23/2013	180,000	0	180,000
	2373-42	5000	Greater Ramsey WRD	SW Nelson County Expansion	7/23/2013	150,000	0	150,000
				Subtotal MRI Water Supply		***23,011,809***	***5,448,743***	***17,563,065***
				Water Supply Grants:				
	2050-01	5000	Missouri West Water S	South Mandan	10/7/2013	400,000	0	400,000
	2050-02	5000	Grand Forks Traill WRI	Improvements	10/7/2013	3,390,000	0	3,390,000
	2050-03	5000	Langdon RWD	ABM Pipeline Phase 1	10/7/2013	1,040,000	0	1,040,000
	2050-04	5000	Langdon RWD	North Valley Nekoma	10/7/2013	800,000	0	800,000
	2050-05	5000	North Valley WD	ABM Pipeline Phase 1	10/7/2013	565,000	0	565,000
	2050-06	5000	North Valley WD	93 Street	10/7/2013	1,290,000	0	1,290,000
	2050-07	5000	North Valley WD	Rural Expansion	10/7/2013	862,500	0	862,500
	2050-08	5000	Walsh RWD	Ground Storage	10/7/2013	684,000	0	684,000
	2050-09	5000	City of Park River	Water Tower	10/7/2013	1,350,000	0	1,350,000
	2050-10	5000	City of Surrey	Water Supply Improvements	10/7/2013	1,500,000	0	1,500,000
	2050-11	5000	Cass RWD	Phase 2 Plant Improvements	10/7/2013	2,600,000	0	2,600,000
	2050-12	5000	Central Plains WD	Improvements	10/7/2013	1,450,000	0	1,450,000
	2050-13	5000	City of Mandan	New Raw Water Intake	10/7/2013	1,270,000	0	1,270,000
	2050-14	5000	City of Mandan	Water Treatment Plant Improvements	10/7/2013	726,000	0	726,000
	2050-15	5000	City of Washburn	New Raw Water Intake	10/7/2013	1,795,000	0	1,795,000
	2050-16	5000	Tri-County WRD	Improvements	10/7/2013	650,000	0	650,000
	2050-17	5000	Barnes Rural WRD	Improvements	10/7/2013	4,600,000	0	4,600,000
	2050-18	5000	City of Grafton	Water Treatment Plant Phase 3	10/7/2013	2,600,000	0	2,600,000
	2050-19	5000	City of Grand Forks	Water Treatment Plant Improvements	10/7/2013	4,990,000	0	4,990,000
				Subtotal State Water Supply		***32,562,500***	***0***	***32,562,500***
	1984-02	5000	City of Fargo	Fargo Water Treatment Plant	6/13/2012	12,864,069	533,711	12,330,358
	1736-05	8000	SWPP	Southwest Pipeline Project	7/1/2013	27,972,021	4,599,637	23,372,384
	2374	9000	NAWS	Northwest Area Water Supply	7/1/2013	7,241,433	117,233	7,124,200
	2044-01	5000	Bank of North Dakota	Community Water Facility Fund	10/7/2013	15,000,000	5,000,000	10,000,000
	1973-02	5000	Bank of North Dakota	Western Area Water Supply - Loan	10/7/2013	40,000,000	0	40,000,000
				Subtotal Water Supply		***103,077,522***	***10,250,580***	***92,826,942***

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium

PROGRAM OBLIGATION

Approvec By	SWC No	Dept	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	*Oct-13* Balance
				Irrigation Development:				
SWC	222	5000	Buford Trenton Irrigatio	Buford Trenton Irrigation Transmission Line Reroute	7/23/2013	350,000	0	350,000
SWC	1389	5000	Bank of ND	BND AgPace Program	10/23/2001	25,966	20,000	5,966
SWC	AOC/IRA	5000	ND Irrigation Assoc	ND Irrigation Association	7/1/2013	100,000	25,000	75,000
SWC	1968	5000	Garrison Diversion	2009-11 McClusky Canal Mile Marker 7.5 Irrigation Pr	6/1/2010	17,582	0	17,582
				Subtotal Irrigation Development		***493,548***	***45,000***	***448,548***
				General Water Management				
				Hydrologic Investigations:		***900,000***		
SWC	1400/13	3000	Houston Engineering	Houston Engineering Water Permit Application Reviev	11/7/2011	1,975	1,975	0
SWC	1400/14	3000	Houston Engineering	Houston Engineering Water Permit Application Reviev	11/29/2012	10,910	3,991	6,919
SWC	1400	3000	Gordon Sturgeon	Consultant Services	3/23/2013	22,400	11,200	11,200
	862/859	3000	Arletta Herman	Arletta Herman- Well Monitor	8/28/2012	896	896	0
	967	3000	Holly Messmer - McDai	Holly Messmer - McDaniel - Well Monitor	4/19/2012	0	0	0
	1690	3000	Holly Messmer - McDai	Holly Messmer - McDaniel - Well Monitor	4/19/2012	624	624	0
	1703	3000	Thor Brown	Thor Brown- Well Monitor	3/27/2012	1,076	1,076	0
	1707	3000	Thor Brown	Thor Brown- Well Monitor	4/26/2011	1,268	1,267	0
	1761	3000	Gloria Roth	Gloria Roth - Well Monitor	4/19/2013	345	345	0
	1761	3000	Fran Dobits	Fran Dobits - Well Monitor	6/1/2011	575	575	0
	2041	3000	U. S. Geological Surve	Conversion of 17 groundwater recorder wells to real-ti	7/16/2013	34,000	34,000	0
	1395	3000	U. S. Geological Surve	Investigations of Water Resources in North Dakota	9/25/2013	491,275	0	491,275
	1395D	3000	U. S. Geological Surve	Eaton Irrigation Project on the Souris River	7/13/2012	15,300	0	15,300
				Hydrologic Investigations Obligations Subtotal		***580,643***	***55,949***	***524,694***
				Remaining Hydrologic Investigations Authority		***319,357***		
				Hydrologic Investigations Authority Less Payments				
				General Projects Obligated		***19,702,231***	***36,318***	***19,665,913***
				General Projects Completed		***126,818***	***126,818***	***0***
				Subtotal General Water Management		***20,729,048***	***219,085***	***20,509,963***
				Devils Lake Basin Development:				
SWC	416-01	5000	DLJWRB	DL Joint WRB Manager	7/1/2013	60,000	0	60,000
SWC	416-05	2000	Joe Belford	DL Downstream Acceptance	7/1/2013	8,085	4,484	3,601
SWC	416-07	5000	Multiple	Devils Lake Outlet	7/1/2013	872,403	0	872,403
SWC	416-10	4700	Operations	Devils Lake Outlet Operations	7/1/2013	5,140,805	1,375,277	3,765,528
SWC	416-13	5000	Multiple	DL Tolna Coulee Divide	7/1/2013	102,975	0	102,975
SWC	416-15	5000	Multiple	DL East End Outlet	7/1/2013	4,074,011	0	4,074,011
SWC	416-17	5000	Multiple	DL Emergency Gravity Outflow Channel	9/21/2013	13,686,839	0	13,686,839
				Devils Lake Subtotal		***23,945,119***	***1,379,761***	***22,565,358***
SWC		7600		Weather Modification	7/1/2011	805,202	123,997	681,205
				TOTAL		***305,799,751***	***21,081,387***	***284,718,364***

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium
Resources Trust Fund

GENERAL PROJECT OBLIGATIONS

Approved By	SWC No	Dept	Approved Biennum	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	*Oct-13* Balance
HB 1009	1986	5000	2013-15	USDA-APHIS,ND Dept Agricu	USDA Wildlife	8/20/2013	250,000	0	250,000
HB 1020	1932	5000	2005-07	Nelson Co. WRD	Michigan Spillway Rural Flood Assessment Drain	8/30/2005	500,000	0	500,000
HB 2305	1963	5000	2009-11	Emmons County WRD	Beaver Bay Embankment Feasibilitly Study	8/10/2009	53,644	26,318	27,326
SB 2020	1131	5000	2009-11	Nelson Co. WRD	Flood Related Water Projects	6/1/2011	55,455	0	55,455
SE	1967	5000	2009-11	Grand Forks Co. WRD	Grand Forks County Legal Drain No. 55 2010 Contruc	11/30/2010	9,652	0	9,652
SE	1301	5000	2009-11	City of Lidgerwood	City of Lidgerwood Engineering & Feasibility Study for	2/4/2011	15,850	0	15,850
SE	1607	5000	2011-13	Ward Co. WRD	Flood Inundation Mapping of Areas Along Souris & De	6/15/2011	13,011	0	13,011
SE	1301	5000	2011-13	City of Wahpeton	City of Wahpeton Water Reuse Feasibility Study/Richl	9/8/2011	2,500	0	2,500
SE	391	5000	2011-13	Sargent Co WRD	Sargent Co WRD, Silver Lake Dam Emergency Repai	10/12/2011	2,800	0	2,800
SE	1312	5000	2011-13	Walsh Co. WRD	Skyrud Dam 2011 EAP	12/15/2011	10,000	0	10,000
SE	1312	5000	2011-13	Walsh Co. WRD	Union Dam 2011 EAP	12/15/2011	10,000	0	10,000
SE	1577	5000	2011-13	Burleigh Co. WRD	Fox Island 2012 Flood Hazard Mitigation Evaluation St	5/22/2012	23,900	0	23,900
SE	1998	5000	2011-13	Grand Forks Co. WRD	Upper Turtle River Dam #1 2012 EAP	6/28/2012	10,000	0	10,000
SE	1303	5000	2011-13	Sargent Co WRD	Shortfoot Creek Preliminary Soils Analysis & Hydraulic	6/29/2012	24,861	0	24,861
SE	2002	5000	2011-13	Grand Forks Co. WRD	Trutle River Dam #4 2012 EAP	6/29/2012	10,000	0	10,000
SE	2003	5000	2011-13	Southeast Cass WRD	Re-Certification of the Horace to West Fargo Diversio	6/29/2012	42,835	0	42,835
SE	2005	5000	2011-13	Grand Forks Co. WRD	Turtle River Dam #8 2012 EAP	6/29/2012	10,000	0	10,000
SE	2008	5000	2011-13	City of Mapleton	Mapleton Flood Control Levee Project	6/29/2012	24,410	0	24,410
SE	2003	5000	2011-13	Southeast Cass WRD	Re-Certification of the West Fargo Diversion Levee Sy	7/26/2012	45,879	0	45,879
SE	1681	5000	2011-13	U.S. Geological Survey	Repair & stabilization of the Missouri River bank adjac	9/6/2012	28,000	0	28,000
SE	AOC/RRBC	5000	2011-13	Red River Basin Commission	Stream Gaging & Precipitation Network Study in the R	9/14/2012	20,000	0	20,000
SE	1993	5000	2011-13	Houston Engineering	Minot 100-yr Floodplain Map and Profiles	10/9/2012	10,000	0	10,000
SE	2001	5000	2011-13	Traill Co. WRD	Elm River Diversion Project	10/31/2012	10,423	0	10,423
SE	1992	5000	2011-13	Burleigh Co. WRD	Burleigh Co Flood Control Alternatives Assessment	1/30/2013	25,175	0	25,175
SE	1991	5000	2011-13	City of Lisbon	Sheyenne River Snagging & Clearing Project	2/12/2013	5,000	0	5,000
SE	1461	5000	2011-13	Pembina Co. WRD	O'Hara Bridge Bank Stabilization	4/26/2013	24,633	0	24,633
SE	1289	5000	2011-13	McKenzie Co. Weed Control E	Control of Noxious Weeds on Sovereign Lands	6/11/2013	24,810	0	24,810
SE	871	5000	2011-13	Pembina Co. WRD	Pembina Snagging & Clearing Project	6/14/2013	7,500	0	7,500
SE	1174	5000	2013-15	Richland Co. WRD	Drain No. 31 Reconstruction Project	8/30/2013	32,393	0	32,393
SE	1965	5000	2013-15	NCRS & Corps St. Louis Dist.	Joint LiDAR Collection	9/12/2013	40,000	0	40,000
SE	1640	5000	2013-15	U.S. Geological Survey	Maintenance of gaging station on Missouri River below	9/25/2013	8,710	0	8,710
SE	1244	5000	2013-15	Traill Co. WRD	Traill Co. Drain No. 27 (Moen) Lateral Channel Improv	9/27/2013	29,914	0	29,914
SE	1296	5000	2016-15	Pembina Co. WRD	Bathgate-Hamilton & Carlisle Watershed Study	10/17/2013	38,500	0	38,500
SE	1814	5000	2013-15	Richland Co. WRD	Wild Rice River Snagging & Clearing - Reach 2	10/17/2013	49,500	0	49,500
SE	1814	5000	2013-15	Richland Co. WRD	Wild Rice River Snagging & Clearing - Reach 3	10/17/2013	49,500	0	49,500
SWC	1932	5000	2005-07	Nelson Co. WRD	Michigan Spillway Rural Flood Assessment	8/30/2005	1,012,219	0	1,012,219
SWC	620	5000	2007-09	Lower Heart WRD	Mandan Flood Control Protective Works (Levee)	9/29/2008	125,396	0	125,396
SWC	1921	5000	2007-09	Morton Co. WRD	Square Butte Dam No. 6/(Harmon Lake) Recreation F	3/23/2009	821,058	0	821,058
SWC	1638	5000	2009-11	Mutiple	Red River Basin Non-NRCS Rural/Farmstead Ring Di	6/23/2009	226,364	0	226,364
SWC	1069	5000	2009-11	North Cass Co. WRD	Cass County Drain No. 13 Improvement Reconstructic	8/18/2009	122,224	0	122,224
SWC	1088	5000	2009-11	Maple River WRD	Cass County Drain No. 37 Improvement Recon	8/18/2009	92,668	0	92,668
SWC	1960	5000	2009-11	Ward Co. WRD	Puppy Dog Coulee Flood Control Diversion Ditch Cons	8/18/2009	796,976	0	796,976
SWC	1792	5000	2009-11	Southeast Cass WRD	SE Cass Wild Rice River Dam Study Phase II	12/11/2009	130,000	0	130,000
SWC	322	5000	2009-11	ND Water Education Foundati	ND Water: A Century of Challenge	2/22/2010	36,800	0	36,800
SWC	1244	5000	2009-11	Traill Co. WRD	Traill Co. Drain No. 27 (Moen) Reconstruction & Exten	3/11/2010	336,491	0	336,491
SWC	1577	5000	2009-11	Mercer Co. WRD & City of Ha	Hazen Flood Control Levee (1517) & FEMA Accreditat	3/11/2010	184,984	0	184,984
SWC	1966	5000	2009-11	City of Oxbow	City of Oxbow Emergency Flood Fighting Barrier Syste	6/1/2010	188,400	0	188,400
SWC	281	5000	2009-11	Three Affiliated Tribes	Three Affiliated Tribes/Fort Berthold Irrigation Study	10/26/2010	37,500	0	37,500
SWC	646	5000	2009-11	City of Fargo	Christine Dam Recreation Retrofit Project	10/26/2010	184,950	0	184,950
SWC	646	5000	2009-11	City of Fargo	Hickson Dam Recreation Retrofit Project	10/26/2010	44,280	0	44,280
SWC	347	5000	2009-11	City of Velva	City of Velva's Flood Control Levee System Certificatic	3/28/2011	102,000	0	102,000
SWC	1161	5000	2009-11	Pembina Co. WRD	Drain 55 Improvement Reconstruction	3/28/2011	13,846	0	13,846
SWC	1245	5000	2009-11	Traill Co. WRD	Traill Co. Drain No. 28 Extenstion & Improvement Proj	3/28/2011	336,007	0	336,007
SWC	1969	5000	2009-11	Walsh Co. WRD	Walsh Co. Construction of Legal Assessment Drain #	3/28/2011	38,154	0	38,154
SWC	1970	5000	2009-11	Walsh Co. WRD	Walsh Co. Construction of Legal Assessment Drain #	3/28/2011	39,115	0	39,115
SWC	1344	5000	2011-13	Southeast Cass WRD	Southeast Cass Sheyenne River Diversion Low-Flow (	6/14/2011	716,609	0	716,609
SWC	980	5000	2011-13	Maple River WRD	Maple River Watershed Food Water Retention Study/	9/21/2011	0	0	0
SWC	1101	5000	2011-13	Dickey Co. WRD	Yorktown-Maple Drainage Improvement Dist No. 3	9/21/2011	354,500	0	354,500
SWC	1101	5000	2011-13	Dickey-Sargent Co WRD	Riverdale Township Improvement District #2 - Dickey	9/21/2011	500,000	0	500,000
SWC	1219	5000	2011-13	Sargent Co WRD	City of Forman Floodwater Outlet	9/21/2011	31,472	0	31,472
SWC	1252	5000	2011-13	Walsh Co. WRD	Walsh Co. Reconstruction Drain No. 97	9/21/2011	24,933	0	24,933
SWC	1705	5000	2011-13	Red River Joint Water Resour	Red River Joint WRD Watershed Feasibility Study - Pl	9/21/2011	60,000	0	60,000
SWC	1975	5000	2011-13	Walsh Co. WRD	Walsh Co. Drain No. 31 Reconstruction Project	9/21/2011	37,742	0	37,742
SWC	1977	5000	2011-13	Dickey-Sargent Co WRD	Jackson Township Improvement Dist. #1	9/21/2011	500,000	0	500,000
SWC	829	5000	2011-13	Rush River WRD	Rush River WRD Berlin's Township Improvement Dist	10/19/2011	163,695	0	163,695
SWC	1224	5000	2011-13	Traill Co. WRD	Preston Floodway Reconstruction Project	10/19/2011	208,570	0	208,570
SWC	1978	5000	2011-13	Richland & Sargent Joint WRI	Richland & Sargent WRD RS Legal Drain No. 1 Exten	10/19/2011	245,250	0	245,250
SWC	1918	5000	2001-13	Maple River WRD	Normanna Township Improvement District No. 71	12/9/2011	287,900	0	287,900
SWC	1983	5000	2011-13	City of Harwood	City of Harwood Engineering Feasibility Study	12/9/2011	62,500	0	62,500
SWC	1138	5000	2011-13	Pembina Co. WRD	Drain No. 8 Reconstruction Project	3/7/2012	12,215	0	12,215
SWC	1227	5000	2011-13	Traill Co. WRD	Mergenthal Drain No. 5 Reconstruction	3/7/2012	84,670	0	84,670
SWC	1396	5000	2011-13	U.S. Geological Survey	(USGS) Missouri River Geomorphic Assessment	3/7/2012	90,000	10,000	80,000
SWC	1989	5000	2011-13	Barnes Co WRD	Hobart Lake Outlet Project	3/7/2012	266,100	0	266,100
SWC	1990	5000	2011-13	Mercer Co. WRD	Lake Shore Estates High Flow Diverstion Project	3/7/2012	43,821	0	43,821
SWC	PS/WRD/JAM	5000	2011-13	James River Joint WRD	James River Engineering Feasibility Study Phase 1	3/7/2012	29,570	0	29,570
SWC	227	5000	2011-13	Eaton Flood Irrigation District	District's Mouse River Riverbank Stabilization Project	6/13/2012	120,615	0	120,615
SWC	829	5000	2011-13	Rush River WRD	Rush River Watershed Retention Plan	6/13/2012	0	0	0
SWC	1063	5000	2011-13	Rush River WRD	Amenia Township Improvement District Drain No. 74 F	6/13/2012	459,350	0	459,350
SWC	1344	5000	2009-11	Southeast Cass WRD	Horace Diversion Channel Site A (Section 7 - Phase V	6/13/2012	1,812,822	0	1,812,822
SWC	1344	5000	2009-11	Southeast Cass WRD	Sheyenne Diversion Exterior Pump Station	6/13/2012	3,751	0	3,751
SWC	1344	5000	2011-13	Southeast Cass WRD	Sheyenne Diversion Phase VI - Weir Improvements	6/13/2012	225,050	0	225,050
SWC	1523	5000	2011-13	Ward Co. WRD	Countryside Villas/Whispering Meadows Drainage Imp	6/13/2012	157,211	0	157,211
SWC	1806-02	5000	2011-13	City of Argusville	Re-Certification of the City of Argusville Flood Control	6/13/2012	84,164	0	84,164

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium
Resources Trust Fund

GENERAL PROJECT OBLIGATIONS

Approved By	SWC No	Dept	Approved Biennum	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	*Oct-13* Balance
SWC	2007	5000	2011-13	Maple River WRD	Pontiac Township Improvement District No. 73 Project	6/13/2012	500,000	0	500,000
SWC	2010	5000	2011-13	Barnes Co WRD	Meadow Lake Outlet	6/13/2012	500,000	0	500,000
SWC	1878-02	5000	2011-13	Maple River WRD	Upper Maple River Dam Environmental Assessment -	6/13/2012	112,500	0	112,500
SWC	1992	5000	2011-13	Burleigh Co. WRD	Bismarck Flood Control Channel Project	9/17/2012	187,500	0	187,500
SWC	1996	5000	2011-13	Traill Co. WRD	Drain #62 - Wold Drain Project	9/17/2012	112,400	0	112,400
SWC	2003-02	5000	2011-13	Southeast Cass WRD	Re-Certification of the West Fargo Diversion Levee Sy	9/17/2012	91,400	0	91,400
SWC	2009-02	5000	2011-13	Southeast Cass WRD	Recertification of the Horace to West Fargo Diversion	9/17/2012	72,600	0	72,600
SWC	2012	5000	2011-13	Southeast Cass WRD	Lower Sheyenne River Watershed Retention Plan	9/17/2012	80,000	0	80,000
SWC	2013	5000	2011-13	Richland-Cass Joint WRD	Wild Rice River Watershed Retention Plan	9/17/2012	90,000	0	90,000
SWC	2014	5000	2011-13	Traill Co. WRD	Elm River Watershed Retention Plan	9/17/2012	75,000	0	75,000
SWC	1069	5000	2011-13	North Cass - Rush River JWR	Drain #13 Channel Improvements	9/27/2012	217,000	0	217,000
SWC	1401	5000	2009-11	Pembina Co. WRD	International Boundary Roadway Dike Pembina	9/27/2012	331,799	0	331,799
SWC	240	5000	2011-13	Eddy County WRD	Warwick Dam Repair Project	12/7/2012	110,150	0	110,150
SWC	1303	5000	2011-13	Sargent Co WRD	Frenier Dam Improvement Project	12/7/2012	158,373	0	158,373
SWC	1523	5000	2011-13	Ward Co. WRD	Souris River Minot to Burlington Snagging & Clearing	12/7/2012	109,000	0	109,000
SWC	1705	5000	2011-13	Red River Joint Water Resour	Red River Basin Distributed Plan Study	12/7/2012	560,000	0	560,000
SWC	2019	5000	2011-13	Valley City	Sheyenee River Snagging & Clearing Project	12/7/2012	75,000	0	75,000
SWC	2020	5000	2011-13	Minot Park District	Souris Valley Golf Course Bank Stabilization	12/7/2012	335,937	0	335,937
SWC	346	5000	2011-13	Williams County WRD	Epping Dam Evaluation Project	2/27/2013	66,200	0	66,200
SWC	1135	5000	2011-13	Pembina Co. WRD	Drain #4 Reconstruction Project	6/19/2013	221,628	0	221,628
SWC	1207	5000	2011-13	Richland Co. WRD	Drain #65 Extension Project	6/19/2013	123,200	0	123,200
SWC	1312	5000	2011-13	Walsh Co. WRD	Forest River Flood Contral Feasibility Study	6/19/2013	79,956	0	79,956
SWC	1438	5000	2011-13	Cavalier County WRD	Mulberry Creek Phase IV Reconstruction Project	6/19/2013	324,010	0	324,010
SWC	1992	5000	2011-13	Burleigh Co. WRD	Burnt Creek Flood Restoration Project	6/19/2013	87,805	0	87,805
SWC	2022	5000	2011-13	Pembina Co. WRD	Drain #73 Project	6/19/2013	350,400	0	350,400
SWC	AOC/RRBC	5000	2013-15	Red River Basin Commission	Red River Basin Commission Contractor	7/1/2013	200,000	0	200,000
SWC	PS/WRD/MRJ	5000	2013-15	Missouri River Joint WRB	Missouri River Joint Water Board (MRRIC) T. FLECK	7/1/2013	40,000	0	40,000
SWC	PS/WRD/MRJ	5000	2013-15	Missouri River Joint WRB	Missouri River Joint Water Board, (MRJWB) Start up	7/1/2013	20,000	0	20,000
SWC	AOC/WEF	5000	2013-15	ND Water Education Foundati	ND Water Magazine	7/1/2013	36,000	0	36,000
SWC	PS/WRD/USRJV	5000	2013-15	Upper Sheyenne River Joint V	Upper Sheyenne River WRB Administration (USRJWF	7/1/2013	12,000	0	12,000
SWC	1753	5000	2013-15	Ward Co. Hwy Dept	County Road 18 Flood Control Project	7/23/2013	133,268	0	133,268
SWC	1859	5000	2013-15	ND Dept of Health	NonPoint Source Pollution, Section 319	8/20/2013	200,000	0	200,000
SWC	1444	5000	2011-13	City of Pembina	US Army Corps of Eng Section 408 Review City Flood	9/19/2013	146,700	0	146,700
SWC	1270	5000	2013-15	Burleigh Co. WRD	Apple Creek Industrial Park Levee Feasibility Study	10/7/2013	65,180	0	65,180
SWC	2004	5000	2013-15	Grand Forks Co. WRD	Drain No. 57 Project	10/7/2013	413,576	0	413,576
SWC	2040	5000	2013-15	Walsh Co. WRD	Drain #74 Project	10/7/2013	317,852	0	317,852
SWC	PS/WRD/MRJ	5000	2013-15	Missouri River Joint WRB	Missouri River Coordinator	10/7/2013	175,000	0	175,000
					TOTAL		19,702,231	36,318	19,665,913

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium
Resources Trust Fund

COMPLETED GENERAL PROJECTS

Approved By	SWC No	Dept	Approved Biennum	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	*Oct-13* Balance
SWC	228	5000	2011-13	U.S. Geological Survey	Additional USGS gage Missouri River- ANNUAL	9/17/2012	8,500	8,500	0
SWC	1219	5000	2011-13	Sargent Co WRD	District Drain No. 4 Reconstruction Project	9/21/2011	125,500	86,723	38,777
SE	1289	5000	2013-15	McKenzie Co. Weed Control Board	Control of Noxious Weeds on Sovereign Lands	9/20/2013	10,496	9,779	717
SE	1395	5000	2013-15	U.S. Geological Survey	Operation & maintenance of seven water level monitori	7/16/2013	17,500	17,500	0
SWC	416-18	5000	2011-13	ND Game & Fish	DL Johnson Farms Water Storage Site	6/10/2011	125,000	4,316	120,685
SWC	CON/WILL-CA	5000	2011-13	Garrison Diversion	Will/Carlson Consultant	10/17/2011	26,174	0	26,174
					TOTAL		313,170	126,818	186,352

2014 INTENDED USE PLAN
FOR THE
NORTH DAKOTA DRINKING WATER STATE REVOLVING LOAN FUND

PREPARED BY THE
DRINKING WATER STATE REVOLVING LOAN FUND PROGRAM
MUNICIPAL FACILITIES DIVISION
ENVIRONMENTAL HEALTH SECTION
NORTH DAKOTA DEPARTMENT OF HEALTH

November 25, 2013

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ATTACHMENTS

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A. Introduction

On August 6, 1996, President Clinton signed into law the Safe Drinking Water Act (SDWA) Amendments of 1996 (P.L. 104-182). Section 1452 of the SDWA authorizes a Drinking Water State Revolving Loan Fund (DWSRF) program. It further requires the U.S. Environmental Protection Agency (EPA) to enter into agreements with and make capitalization grants to eligible states to assist public water systems (PWSs) in financing the costs of infrastructure needed to achieve or maintain compliance with the SDWA and to protect public health.

North Dakota's DWSRF federal allotments for fiscal years (FY) 1997 through 2013 totaled $162,238,767 and the anticipated 2014 allotment is $9,000,000. Allotted funds are provided by the EPA through capitalization grants and matched 20% by North Dakota.

DWSRF funds may be used for: loans, loan guarantees, as a source of reserve and security for leveraged loans (the proceeds of which must be placed in the DWSRF), to buy or refinance existing local debt obligations (publicly-owned systems only) where the initial debt was incurred and construction started after July 1, 1993, and to earn interest prior to disbursement of assistance. To the extent that there are a sufficient number of eligible projects, at least 15 percent of the funds available for construction must be annually used to provide loan assistance to PWSs that serve fewer than 10,000 persons. Up to 30 percent of the funds available for construction may also be used to provide subsidized loans to disadvantaged communities. A portion of the DWSRF allotments may also be used for nonproject set-aside activities such as: administration (up to 4 percent), state program assistance (up to 10 percent), small system technical assistance (up to 2 percent), and local assistance and state programs including the delineation and assessment of source water protection areas (up to 10 percent for any one activity with a maximum of 15 percent for all activities combined).

PWSs eligible for DWSRF assistance include community water systems, both publicly- and privately-owned, and nonprofit noncommunity water systems. Federally-owned PWSs are not eligible to receive DWSRF assistance. Attachment 1 depicts the types of projects and project-related costs that are eligible and ineligible for DWSRF assistance.

Section 1452(b) of the SDWA requires each state to annually prepare an Intended Use Plan (IUP). The IUP must describe how the state intends to use the DWSRF funds to meet the objectives of the SDWA and further the goal of protecting public health. The IUP must be made available to the public for review and comment prior to submitting it to the EPA as part of the capitalization grant application. Specifically, the IUP must include:

1. A priority list of projects, including a description of the projects and the present size of the PWSs served.

2. A description of the criteria and methods to be used for the distribution of funds.

3. A description of the financial status of the DWSRF program, including the use of set-asides along with funds reserved, and the amount of funds that will be used to assist disadvantaged communities; and,

4. A description of the short and long-term goals of the DWSRF program, including how the capitalization grant funds will be used to ensure compliance and protect public health.

This document is intended to serve as the state of North Dakota's IUP for 2014 and will stay in effect until superseded by a subsequent IUP. As per the authority granted to the North Dakota Department of Health (NDDH) under NDCC Chapter 61-28.1, this document, as amended based on comments received from the public, will be incorporated into a capitalization grant application and submitted to the EPA to further capitalize the state's DWSRF program in the amount of $9,000,000 (anticipated amount). State match bonds were issued in 2011 to provide the 20 percent match for capitalization grants from FY2012-FY2017.

B. Priority List of Projects

Background

States are required to develop and maintain a comprehensive priority list of eligible projects for funding and identify projects that will receive funding in the first year after the capitalization grant award. In determining funding priority, states must ensure, to the maximum extent practicable, that priority for the use of funds be given to projects that: 1) address the most serious risks to human health, 2) are necessary to ensure compliance under the SDWA, and 3) assist systems most in need on a per household basis (i.e., affordability).

Development Process

As part of the IUP development process, all potential DWSRF loan recipients were requested to notify the NDDH if they had a drinking water project not presently on the list for which they were interested in pursuing DWSRF financial assistance. Systems with already ranked and listed projects were requested to provide the NDDH with a written update for each project either not yet under construction, or under construction using other than DWSRF funds. The updates were to include a detailed project description and cost estimate, the amount of DWSRF funds needed, and, as applicable, the anticipated construction start date. In lieu of this information, systems were asked to inform the NDDH if they no longer intended to complete a project, or no longer intended to complete a project using DWSRF assistance. Systems requesting

ranking of new projects were provided ranking questionnaires. Requests for project reranking or deletion were evaluated on a case-by-case basis, with ranking questionnaires provided as needed. Several projects were deleted due to completion (with or without DWSRF assistance) or the acquisition of other funding sources.

Finalized Project Priority Lists may be amended to include new non-emergency projects. Amendments are subject to public review and comment and may require State Water Commission approval.

Comprehensive Project Priority List

See Attachment 2.

Fundable List

The fundable list represents those projects from the comprehensive project priority list anticipated to receive loan assistance this year. The list of projects is based on anticipated start dates, projected funding needs, and expected available loan funds (see Section E). The list will change if such information or assumptions vary, if higher ranked projects not on the list become ready to proceed, or if projects on the list are bypassed (see Section C).

C. Criteria and Methods for the Distribution of Funds

Background

A DWSRF may provide assistance only for expenditures (excluding operation, maintenance, and monitoring) of a type or category which will facilitate compliance or otherwise significantly further health protection under the SDWA. Projects eligible for DWSRF financial assistance include investments to: address present SDWA exceedances, prevent future SDWA exceedances (of regulations presently in effect), replace aging infrastructure, restructure or consolidate water supplies, and buy or refinance existing debt obligations (publicly-owned systems only) where the initial debt was incurred and construction started after July 1, 1993. Attachment 1 provides additional information concerning the types of projects and project-related costs that are eligible for DWSRF financial assistance.

To the maximum extent possible, states are required to prioritize projects needed for SDWA compliance, projects that provide the greatest public health protection, and those projects that assist systems most in need based on affordability. The information below describes the process used by the NDDH to select projects for potential DWSRF assistance.

Priority Ranking System

The priority ranking system was developed by the NDDH, the state agency with primary enforcement authority for the SDWA. The priority ranking system is designed to ensure that DWSRF funds are focused on projects that address the most serious risks to human health, rectify SDWA compliance problems, and assist those systems most in need based on affordability considerations. The priority ranking system has received both EPA Region VIII and Headquarter concurrence. The priority ranking system will be amended as needed to reflect the changing nature of the SDWA and the DWSRF Program. Any significant amendments will be presented for public review and comment in an IUP.

Ranking and Project Bypass Considerations

It is the intent of the NDDH that DWSRF funds are directed towards North Dakota's most pressing SDWA compliance problems and public health protection needs. To this end, the NDDH reserves the right to require the separation, if feasible, of project components into separate projects if necessary to focus on critical water supply problems. Project components which are separated will be ranked independently. Projects for existing PWSs, including refinancing projects, will be given preference over projects for the development of new water systems.

Under the SDWA, DWSRF funds may be used to buy or refinance existing local debt obligations (publicly-owned systems only) where the initial debt was incurred and construction started after July 1, 1993. DWSRF assistance requests of this type, if eligible, will be ranked based on the original purpose and success of the constructed improvements. In the event of a tie in project rankings, new projects for existing systems will be given preference over refinancing projects.

The NDDH reserves the right to fund lower-ranked projects ahead of higher-ranked projects based on the considerations below. To the maximum extent possible, the NDDH will work with bypassed projects to ensure that they will be eligible for funding in the following fiscal year. Criteria reviewed in bypassing a project included:

1. Readiness to proceed

2. Willingness to proceed (i.e., applicant withdraws project from consideration, obtains other funding sources, or is nonresponsive)

3. Emergency conditions (i.e., an unanticipated failure occurs requiring immediate attention to protect public health)

4. Financial (includes inability to pay and loan repayment issues), technical, or managerial capability

5. Meet the 15 percent requirement (i.e., funding lower-ranked project would satisfy the requirement that at least 15 percent of the funds available for construction be annually used to provide loan assistance to PWSs that serve fewer than 10,000 persons)

6. Meet the Green Project Reserve requirement

7. Initial ranking score cannot be verified

The NDDH, without going through a public review process, reserves the right to fund unanticipated, non-ranked emergency projects determined to require immediate attention to protect public health. Such assistance will be limited to eligible PWS types and project features, and to situations involving acute contaminants, loss or potential loss of a water supply in the near future, or that otherwise represent an unreasonable risk to health.

Capacity

Section 1452 of the 1996 SDWA Amendments precludes states from providing DWSRF assistance to any eligible PWS that lacks the capacity to maintain SDWA compliance unless the PWS owner or operator agrees to undertake feasible and appropriate changes to ensure compliance over the long term. States are also precluded from providing DWSRF assistance to any eligible PWS that is in significant noncompliance with any requirement of a National Primary Drinking Water Regulation (NPDWR) or variance unless such assistance will ensure compliance. PWS capacity, in the context of the SDWA, refers to the overall technical, managerial, and financial capability of a PWS to consistently produce and deliver drinking water meeting all NPDWRs. The NDDH has the legal authority and responsibility under NDCC Chapter 61-28.1 to ensure PWS capacity.

The NDDH will use the DWSRF loan application as the principal control point for capacity assessment. Information from the loan application, and other available and relevant information (such as SDWA compliance data, sanitary survey reports, and operator certification status), will be evaluated to assess capacity at present and for the foreseeable future. The North Dakota Public Finance Authority (PFA), as financial agent for the DWSRF Program through formal agreement, will evaluate the financial information requested in the loan application. Based upon input provided by the DWSRF Program regarding technical and managerial capability, the PFA will make recommendations to the DWSRF Program concerning financial capability. The final decision regarding overall capacity will made by the DWSRF Program.

As required by the SDWA, DWSRF assistance will be denied to applicants that are considered a Priority System because they score eleven or higher in the Enforcement

Tracking Tool if it is determined that the project will not ensure compliance. Likewise, DWSRF assistance will be denied to applicants that lack capacity if they are unwilling or unable to undertake feasible and appropriate changes to ensure capacity over the long term. The lack of capacity at the time of loan application will not preclude DWSRF assistance if the project will ensure compliance, or the applicant agrees to implement changes that will rectify capacity problems. On a case-by-case basis, special conditions may be included in loan agreements to rectify compliance and/or capacity problems. As needed and appropriate, the NDDH will utilize other specific legal authorities as control points to ensure capacity. This includes the review and approval of plans and specifications. Under North Dakota Century Code Chapter 61-28.1 and North Dakota Administrative Code Chapters 33-03-08 and 33-18-01, the NDDH is both empowered and required to review and approve plans and specifications for all new or modified drinking water facilities prior to construction.

D. Set-Aside and Fee Activities

Background

Under the SDWA, states are required to set aside a certain percentage of their available DWSRF loan funds to provide financial assistance to small systems. States at their option may also set aside a portion of their federal DWSRF allotment for certain other project and nonproject activities, and assess fees on loans to help support administration costs. A description of the different set-asides and past/proposed activities related to both set-asides and fees follows.

Mandatory Small System Project Set-Aside

States must annually use at least 15 percent of all funds credited to the DWSRF loan fund to provide loan assistance to PWSs that serve fewer than 10,000 people to the extent that there are a sufficient number of eligible projects to fund. States that exceed the 15 percent requirement in any one year are permitted to bank the excess toward future years.

One hundred sixty nine (169) loans totaling $385,625,596 have been approved to date. One hundred forty eight (148) of these loans (totaling $176,296,374 or 46 percent of loan total) represent PWSs that serve fewer than 10,000 people. The NDDH envisions that additional loans will be made to small PWSs based on the comprehensive project list and fundable list (See Attachment 2).

Mandatory Additional Subsidization Set-Aside

Congress has mandated in several previous appropriations bills that 20 to 30 percent of assistance provided from DWSRF capitalization grants be in the form of additional subsidies. The DWSRF program provides these additional subsidies as loan

forgiveness. The NDDH has the authority under state law, N.D.C.C. Chapter 61-28.1, to provide financial assistance through the DWSRF as authorized by federal law and the USEPA.

Criteria for determining the amount of loan forgiveness is on a project specific basis. Loan forgiveness will be based on the relative future water cost index (RFWCI). The RFWCI is defined as the ratio of expected average annual residential user charge for water service resulting from the project, including costs recovered through special assessments, to the local median household income (based on 2006-2010 American Communities Survey (ACS) 5-Year Estimate).

Projects with a RFWCI of 2.0 percent or greater will qualify for 60 percent loan forgiveness. Projects with a RFWCI of 1.5 percent to 1.9 percent will qualify for 30 percent loan forgiveness. Projects with a RFWCI less than 1.5 percent will not qualify for any loan forgiveness. Projects that do not qualify for loan forgiveness still qualify for a traditional DWSRF loan. The loan forgiveness cap for any one project is $1.0 million.

Timely progression of additional subsidization projects is required. To ensure this, there will be an application deadline and a binding commitment deadline. If projects identified as receiving additional subsidization do not meet these deadlines the additional subsidization set-aside will be used to fund lower ranked projects on the project priority list.

It is unknown at this time if mandatory additional subsidization will apply to the FY2014 DWSRF allotment. To address this potential requirement, the fundable portion of the 2014 comprehensive project priority list depicts at least 20 percent ($1,800,000) additional subsidization through loan forgiveness. Adjustments will be made, as necessary, based on the actual required subsidization level and capitalization grant amount.

Mandatory Green Project Reserve (GPR) Set-Aside

Congress has mandated in several previous appropriations bills that 10 to 20 percent of assistance provided from DWSRF capitalization grants, to the extent there are sufficient eligible project applications, be used for water efficiency, energy efficiency, green infrastructure, or other environmentally innovative activities. Where it is not clear that a project or component qualifies to be included as counting towards the requirement, the files for such projects will contain documentation of the business case on which the project was judged to qualify, as described in the 2014 DWSRF capitalization grant requirements. Projects on the PPL meeting one or more objectives are designated as GPR.

It is unknown at this time if mandatory GPR will apply to the FY2014 allotment. To address this potential requirement, the fundable portion of the 2014 comprehensive

project priority list depicts at least 20 percent ($1,800,000) of GPR. Adjustments will be made, as necessary, based on the actual GPR requirement and capitalization grant amount.

Optional Project Set-Asides

States may provide additional loan subsidies (i.e., reduced interest or negative interest rate loans, principal forgiveness) to benefit communities meeting the definition of disadvantaged or which the state expects to become disadvantaged as the result of the project. A disadvantaged community is one in which the entire service area of a PWS meets affordability criteria established by the state following public review and comment. The value of the subsidies cannot exceed 30 percent of the amount of the federal capitalization grant for any fiscal year. The EPA is required to provide guidance to assist states in developing affordability criteria.

The NDDH has not developed a disadvantaged community program, and is not proposing to do so in this IUP. This decision is based primarily upon majority opinions obtained during initial development of the DWSRF Program, and the NDDH's desire to maximize the long-term availability of funds for construction purposes.

Optional Nonproject Set-Asides

States may use a portion of their federal DWSRF allotment (up to specified ceilings) for the following nonproject set-aside activities:

- DWSRF Administration - up to 4 percent
- State Program Administration - up to 10 percent
- Public Water Supply Supervision (PWSS) Program, source water protection program(s), capacity development program, and operator certification program
- Small System Technical Assistance (serving 10,000 or fewer people) - up to 2 percent
- Local Assistance and Other State Programs - up to 10 percent for any one activity with a maximum of 15 percent for all activities combined
- Loans to PWSs to acquire land or conservation easements for source water protection programs
- Loans to community water systems to implement source water protection measures, or to implement recommendations in source water petitions
- Assist PWSs in capacity development
- Assist states in developing/implementing an EPA-approved wellhead protection program

States may transfer funds among the nonproject set-aside categories, or between the loan fund and such set-aside categories, provided that the statutory set-aside ceilings are not exceeded. Nonproject set-aside funds may be transferred at any time to the

loan fund. However, loan commitments must be made for the transferred funds within one year of the transfer if payments have already been taken for the set-aside funds. Monies intended for the loan fund may be transferred to nonproject set-asides only if no payments have yet been taken for the monies to be transferred. Otherwise, funds in or transferred to the loan fund must remain in the loan fund. Transfers may be done only if described in an IUP and approved by the EPA as part of a capitalization grant agreement or amendment.

Nonproject Set-Aside and Fee Activity

Attachment 4 depicts nonproject set-aside and fee activity through 2014. The anticipated FY 2014 federal DWSRF allotment for North Dakota is $9,000,000. The NDDH intends to set aside $954,000 of the allotment for non-project activities. The NDDH also intends to reserve $486,000 of set-aside funds for use in future years. The state program administration (PWSS Program) set-aside is $500,000 and an additional $400,000 will be held in reserve for future years. The 2 percent set-aside is for small system technical assistance is $94,000 and an additional 86,000 will be held in reserve for use in future years. The 4 percent set-aside for DWSRF administration is $360,000. The 4 percent set-aside will be held for ongoing and future DWSRF program administration. The 10 percent set-aside will also be held for ongoing and future PWSS administration. The 2 percent set-aside will be held for ongoing and future small system technical assistance. Should the FY2014 capitalization grant be different from $9,000,000, the set-aside for DWSRF program administration will be adjusted to 4 percent of the actual capitalization grant awarded. The amount held in reserve from the 2 percent and state program administration will be changed to hold in reserve the remainder of the set-aside that is not being taking in the FY2014.

The NDDH has limited and will continue to limit the usage of set-asides to maximize funds available for construction. Set-aside usage has been restricted to that necessary to administer the program (4 percent set-aside), provide technical assistance to small PWSs (2 percent set-aside), to provide state program administration (10 percent set-aside), and to complete source water assessments mandated under the SDWA (15 percent set-aside).

The 4 percent set-aside is inadequate to cover the cost of administering the DWSRF Program. Also, Congress will choose at some point to no longer capitalize the program, at which time no new funds will be available for program administration. Based on these considerations, the NDDH considers it both prudent and necessary to set-aside and hold the full 4 percent from each grant, and to hold accumulated loan administration fees to enable ongoing and future administration of the program.

Funds from the 2 percent set-aside have been used to assist small PWSs in capacity development, financial capacity, operator certification, managerial capacity and source water protection. Funds from this set-aside will continue to be used for these purposes

and for new initiatives such as assisting these communities with operator safety training. The NDDH closely monitors demand and need for this set-aside to avert over-accumulation of funds.

The 10 percent state program administration set-aside will be used to help fund administration of the PWSS program in pursuit of its mission. This set-aside requires 1:1 match by the state. One of the sources of funds for this 1:1 match is the 0.5 percent loan administration fee. Another source of funding for the 1:1 match is credit for state match funds spent in 1993 on administration of the PWSS program. This credit is good for up to half of the 1:1 match with a maximum credit of $167,240 per year. This match credit does not represent spendable funds.

Under the SDWA, states are permitted to assess fees on loans to support DWSRF administration costs. North Dakota DWSRF loan recipients are required to pay an annual loan administration fee presently set at 0.5 percent of the outstanding loan principal balance. This loan administration fee is payable semiannually on each loan payment date. The fees are held under the master trust indenture and are available to pay DWSRF program administration costs allowable under the SDWA. To enable continued management of the DWSRF once it is no longer annually capitalized through federal grants, loan administration fees will be held and used for loan-bond servicing and DWSRF Program administration as allowed under the SDWA. Also, starting in 2008 the loan administration fees are used as a source of 1:1 match that is required when using the state program administration set-aside to administer the PWSS program.

E. Financial Status

Background

States are required to provide a description of the financial status of their DWSRF Program. The information presented below describes the financial structure of the North Dakota DWSRF, the method used to generate the required state match, transfers between SRF's (State Revolving Loan Funds), the basis for approving loans, loan assistance terms including a discussion concerning market interest rates in North Dakota, sources and intended use of funds, and special considerations for State and Tribal Assistance Grants.

Financial Structure

Bonds for the 20 percent state match are issued by the PFA under a master trust indenture adopted by the Industrial Commission of North Dakota. The PFA may also issue leveraged bonds under the master trust indenture, the proceeds of which can be used to fund loans.

The current demand for DWSRF loan assistance in North Dakota exceeds authorized federal DWSRF allotments and the required state match for those allotments. Under the financial structure initially established for the DWSRF, excess leveraging and higher loan interest rates would be needed to satisfy this excess demand.

A modified financial structure within the existing master trust indenture has been implemented to better satisfy the continuing high demand for DWSRF financial assistance, yet avert excessive leveraging and higher loan interest rates. Under the modified structure, DWSRF allotments and state match bond proceeds will be used first to fund loans. Leveraged bonds will be issued only if loan demand exceeds the amount of DWSRF allotments and state match available for loans or if deemed in the best interest of the program. If leveraged bonds are issued, they will be sized, together with DWSRF allotments and state match, to satisfy current cash flow needs as represented by the projected annual construction costs of eligible projects. This funding approach will expedite loan assistance to more projects that are ready to proceed to construction, avert premature or unnecessary bond issuances, and ensure a more reliable loan repayment stream to satisfy both bond debt service requirements and future loan demand.

The master trust indenture for the DWSRF provides that, in the event there are insufficient amounts available to make scheduled principal and interest payments on outstanding DWSRF bonds when payments are due, the trustee may transfer available excess revenues from the Clean Water State Revolving Fund (CWSRF) to the DWSRF bond fund to meet the deficiency. Following such a transfer, the DWSRF has an obligation to reimburse the CWSRF with future available DWSRF excess revenues.

State 20 Percent Match Requirement

Under the SDWA, states are required to match their DWSRF allotment at an amount at least equal to 20 percent. North Dakota has issued state match bonds to satisfy the FY 1997 through 2017 match requirements.

Anticipated Proportionality Ratio

Bonds were sold in late 2011 to provide the required 20 percent state match for 2012 through 2017. Payments were made using 100 percent state match funds until all of the match funds were disbursed. The program is in an over-matched condition at this time. Funds will be disbursed at a rate of 100 percent federal, leveraged, or FCLA funds because of this over-match condition.

Disbursement of Funds

Funds will be dispersed in the following order: federal, state match, leveraged bond proceeds, and FCLA. To increase the rate of draw for both capitalization grant and

leveraged funds, leveraged bonds proceeds will be used to fund loan payment requests. Capitalization grant funds will be immediately requested to replace the disbursed leveraged bond proceeds and deposited into the FCLA account.

The DWSRF is currently over-matched with no state match funds available for disbursement. Set-asides are closely monitored and disbursed quickly when requests are made to ensure timely expenditure and over-accumulation. All federal funds are disbursed in a first-in, first-out manner.

Transfer of Funds Between DWSRF and CWSRF

At the governor's discretion, a state may transfer up to 33 percent of its DWSRF capitalization grant to the CWSRF or an equal amount from the CWSRF to the DWSRF. Transfers could not occur until at least one year after receipt of the first capitalization grant, which was August 24, 1998. This transfer authority was effective through fiscal year 2001. One-year extensions of this transfer authority were granted through the Veterans Administration, Housing and Urban Development, and Independent Agencies Appropriation Bill for fiscal years 2002 - 2005. This provision was made permanent in the FY06 appropriation bill. In addition to transferring grant funds, states can also transfer state match, investment earnings, or principal and interest repayments between SRF programs. These types of transfers were authorized by the Governor in 2002 and 2004. A combined total of $14.0 million was transferred from the CWSRF to the DWSRF and $10.0 million was transferred back from the DWSRF to the CWSRF.

Due to strong drinking water project demand, NDDH received authorization to transfer up to an additional $20.0 million from its CWSRF to its DWSRF in 2007. These funds will be transferred to the DWSRF program on an as needed basis. A total of $8,577,672 of this $20.0 million authorization has been transferred into the DWSRF program as of December 31, 2010. The source of CWSRF funds to be transferred will be unrestricted cumulative excess, restricted cumulative excess, FCLA, and grant funds. Since prior transfers have occurred between the two SRFs, NDDH will transfer funds on a net basis, as described by the table below. With this transfer, the DWSRF Program will be able to fund additional drinking water projects during 2013. Transferring funds will not impact DWSRF set-aside funding. The long-term impact to the DWSRF with a $20.0 million transfer from the CWSRF authorized in 2007 is estimated to be an average revolving level increase of $2 million/year (from $19 million/year to $21 million/year) over the next 20 years. Attachment 5 itemizes the amount of funds transferred to and from the DWSRF program.

Funding Process

Projects may be submitted to the NDDH each year for consideration and inclusion into an IUP. A new IUP is developed for public review and comment in the fall of each year.

New and eligible projects for which ranking questionnaires are submitted are evaluated, ranked (if possible), and included on the comprehensive project priority list. Requests for reranking of already-listed and ranked projects are evaluated on a case-by case basis, and may require the completion of an updated ranking questionnaire.

Loan approvals are based on project ranking, readiness to proceed, and availability of funds based on cash flow considerations including projected disbursements under already approved and potential new loans. The NDDH is prepared to issue leveraged bonds if the loan demand exceeds the amount of available DWSRF allotments and state match or if it is in the best interest of the program.

Loan Assistance Terms

The maximum repayment period for DWSRF loans under the SDWA is 20 years following project completion. The NDDH may utilize shorter repayment periods on a project-by-project basis. Candidate projects include low-cost projects for which minimal water rate increases will be required to retire the loan debt. The present loan interest rate is 2.0 percent for PWSs that qualify for tax-exempt financing and 3.0 percent for those that do not qualify for tax-exempt financing, with the exception of projects that use leveraged bond proceeds. Leveraged bonds will be discussed later in this section. As discussed under Section D, an annual loan fee of 0.5 percent is assessed on all loans to support DWSRF administration.

The SDWA requires that the interest rate for a loan be less than or equal to the market interest rate. The NDDH will monitor compliance with this requirement by establishing as the market interest rate the average interest rate received by the North Dakota political subdivisions on bond issues with twenty-year maturity sold on a competitive or negotiated basis during the prior quarter. This rate will be calculated and updated quarterly based upon the prior quarter bond sales. If there are no qualified bond sales, the market rate for that quarter will be calculated using comparable regional bond issues. Based upon fourth quarter 2013 North Dakota twenty-year competitive bond sales, the current market interest rate is 3.0 percent

Leveraging the fund is appropriate where financing needs significantly exceed available funds; however, it impacts the DWSRF by reducing the interest rate subsidy provided or reducing future loan capacity. By continuing to leverage, the program will be able to assist more communities currently on the priority list and help those communities achieve or remain in compliance with the SDWA. Loans necessitating leveraging will be subject to a loan interest rate (including the 0.5 percent administration fee) of 75 percent of the current market interest rate if needed to maintain program viability. The interest rate on these loans will be more than regular DWSRF interest rate, which currently is 2.5 percent (which includes the 0.5 percent administration fee).

Sources and Uses of Funds

Attachment 6 depicts a detailed breakdown of sources and uses of funds from FY1997 through FY2014. Sources of funds include $14,649,962 in funds available from prior years. An additional $8,046,000 of new funds are anticipated to become available in 2014. Thus $22,695,962 of funds is available for projects. All of the funds are allocated to projects as shown in the Comprehensive Project Priority List and Fundable List (Attachment 2). This amount does not include any leveraged bonds, but the NDDH is prepared to issue bonds if the near-term loan demand exceeds available funds.

State and Tribal Assistance Grants

State and Tribal Assistance Grants (STAG grants) are grants that pass through EPA and go straight to drinking water systems. These grants are for 55 percent of the project. The system must provide the remaining 45 percent of the project as a local match. To avoid the higher cost of issuing municipal bonds, most systems wish to utilize DWSRF loan funds to satisfy the match requirement for these grants. By EPA policy, only non-federal DWSRF funds may be used toward the match. Non-federal funds are limited to loan repayments, earnings, bond proceeds in excess of the capitalization grants, and other state contributions in excess of the required 20 percent state match. Initially the North Dakota DWSRF had insufficient non-federal funds to satisfy match requirements for these grants. Consequently, the NDDH in the past has transferred $14.0 million from the CWSRF to the DWSRF to acquire sufficient non-federal funds to assist systems in this matter. The DWSRF has transferred back $10 million in federal funds to the CWSRF.

Currently Grafton and BDW have open STAG grants and must provide a 45 percent local match. Systems in North Dakota have received a combined $28.7 million in STAG grants since 1999 and must provide a combined $23.0 million in matching funds. The NDDH will fund loans to these and other systems that are awarded STAG grants as long as the program has non-federal funds available. Should the program not have non-federal funds to make loans, loans will be made in future years as these funds become available.

F. Short- and Long-Term Goals

Background

The 1996 SDWA Amendments authorize a DWSRF Program to assist PWSs finance the costs of infrastructure needed to achieve or maintain compliance with SDWA requirements and to protect public health. The objectives of the NDDH's DWSRF Program include addressing public problems and priorities, ensuring compliance with the SDWA, assisting systems to ensure affordable drinking water, and maintaining the long-term viability of the fund. To address these objectives, the DWSRF Program will

help ensure that North Dakota's public water supplies remain safe and affordable through prioritized financial assistance, enhanced source water protection activities, and increased technical assistance to small systems. The short and long-term goals set forth below are established to accomplish these objectives.

Short-Term Goals

1. On December 13, obtain North Dakota State Water Commission approval of this IUP.

2. Continue to implement the DWSRF program for the state of North Dakota by funding projects for systems that are having problems maintaining compliance with the total coliform rule, ground water treatment rule, the arsenic rule, the disinfection byproduct rule series and the surface water treatment rule series.

Long-Term Goals

1. Help North Dakota PWSs achieve and maintain compliance with the SDWA. This is accomplished by coordinating with the PWSS Program and targeting those rules that systems in the state are having problems maintaining in compliance. These include total coliform rule, ground water treatment rule, arsenic, disinfection byproduct rule series and the surface water treatment rule series.

2. Assist the PWSS Program meet their goals. The DWSRF program assistance includes providing technical support on infrastructure issues, capacity reviews and small system technical assistance. Through the small system technical assistance set-aside the DWSRF Program helps operators become certified, systems return to compliance, ensure wellhead protection plans are updated and systems maintain capacity.

3. Administer the DWSRF Program in a manner that will maximize the long-term availability of funds for eligible and needed drinking water infrastructure improvements.

4. Assist North Dakota PWSs in improving drinking water quality, quantity, and dependability by providing reduced interest rate, long-term financial assistance for eligible and needed drinking water infrastructure improvements. This infrastructure assistance helps with compliance of drinking water rules, regionalization/consolidation and replacement of aging infrastructure.

5. Continue to integrate to the maximum extent possible DWSRF funding with other available funding to maximize the benefits to public water systems and needed drinking water projects statewide. The cooperating agencies include the United

States Department of Agriculture, Community Development Block Grant Program, and the North Dakota State Water Commission.

Environmental Results

3. Loan Fund
   a. Through 6/30/13, the fund utilization rate, as measured by the ratio of executed loans to funds available for projects, was 98 percent, which is above the national average of 90 percent. For 2014, the goal of the DWSRF program is to maintain the fund utilization rate at 90 percent or above.
   b. Through 6/30/13, the rate at which projects progressed as measured by disbursements as a percentage of assistance provided was 74 percent. This is below the national average of 80 percent. The FY 2014 goal is to return the construction pace to 80 percent.
   c. The DWSRF program funded 6 projects, including 1 loan increase, in 2013 totaling $69.4 million and serving a population of 131,794. For 2014, the goal of the DWSRF program is to fund 16 loans, totaling $22.7 million and serving a population of 9,700.

4. Set asides, Small System Technical Assistance
   a. In 2013, 149 systems received training. For 2014, the goal is 120.
   b. In 2013, 56 systems received on-site technical assistance. The goal for 2014 is 75.

G. Public Participation

Background

States are required to make their annual IUP available to the public for review and comment prior to submitting it to the EPA as part of its capitalization grant application. States are also required to describe the public review process used and how it responded to major comments and concerns that were received.

Process

The public was invited to comment on the draft 2014 IUP at a public hearing held in Bismarck on November 18, 2013. Written comments were also accepted until November 22, 2013. No comments were received at the November 18 hearing. One written comment was received. The City of Jamestown requested to update a previously ranked project and requested one ranked project be divided into three separate and distinct projects. These changes were made to the Comprehensive Project Priority List.

ATTACHMENT 1

ELIGIBLE AND INELIGIBLE PROJECTS AND PROJECT-RELATED COSTS UNDER THE DRINKING WATER STATE REVOLVING LOAN FUND (DWSRF) PROGRAM

EXAMPLES OF ELIGIBLE PROJECTS AND PROJECT-RELATED COSTS

- Projects that address present Safe Drinking Water Act (SDWA) exceedances
- Projects that prevent future SDWA exceedances (applies only to regulations in effect)
- Projects to replace aging infrastructure
  -rehabilitate or develop drinking water sources (excluding reservoirs, dams, dam rehabilitation and water rights) to replace contaminated sources
  -install or upgrade drinking water treatment facilities if the project would improve the quality of drinking water to comply with primary or secondary SDWA standards
  -install or upgrade storage facilities, including finished water reservoirs, to prevent microbiological contaminants from entering the water system
  -install or replace transmission and distribution piping to prevent contamination caused by leaks or breaks, or to improve water pressure to safe levels
- Projects to restructure and consolidate water supplies to rectify a contamination problem, or to assist systems unable to maintain SDWA compliance for financial or managerial reasons (assistance must ensure compliance)
- Projects that purchase a portion of another system's capacity, if such purchase will cost-effectively rectify a SDWA compliance problem
- Land acquisition
  -land must be integral to the project (i.e., needed to meet or maintain compliance and further public health protection such as land needed to locate eligible treatment or distribution facilities)
  -acquisition must be from a willing seller
  Note: The cost of complying with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (the Uniform Act) is an eligible cost.
- Planning (including required environmental assessment reports) , design, and construction inspection costs associated with eligible projects

EXAMPLES OF INELIGIBLE PROJECTS AND PROJECT-RELATED COSTS

- Dams, or rehabilitation of dams
- Water rights, except if the water rights are owned by a system that is being purchased through consolidation as part of a capacity development strategy
- Reservoirs, except for finished water reservoirs and those reservoirs that are part of the treatment process and are located on the property where the treatment facility is located
- Drinking water monitoring costs
- Operation and maintenance costs
- Projects needed mainly for fire protection
- Projects for systems that lack adequate technical, managerial and financial capability, unless assistance will ensure compliance
- Projects for priority systems in the Enforcement Tracking Tool, unless funding will ensure compliance
- Projects primarily intended to serve future growth

Attachment 2
State of North Dakota
Drinking Water State Revolving Loan Fund Program
Comprehensive Project Priority List and Fundable List for 2014[1]

Shaded projects are on the fundable list

Priority Ranking	Priority Points	Project No.	System Name	Present Population	Project Description	Construction Start Date	Cost ($1000)		Green Project	
							Project	Cumulative	Type	Cost($1000)
1	38	3100744-01	*New Town* [2]	2,500	WTP expansion	2014	4,925	4,925		
2	35	3100838-02	*Ross* [2]	630	Replacement wells, chlorine contact tank	2014	699	5,624		
3	32	0901530-01	*Leonard*	223	Consolidation of existing users to regional water system (arsenic)	2015	3,600	9,224		
4	28	5300809-04	*Ray* [2]	1,600	New treated water storage reservoir and transmission main	2014	3,334	12,558	B/C, wtr & nrg effcy	3,334
5	28	0700198-02	*Columbus*	125	Watermain replacement, smart meters, treated water storage reservoir	2014	1,585	14,143		
6	26	2600556-01	*Lehr*	80	Well and watermain replacement	2014	400	14,543		
7	24	4100428-01	*Gwinner*	753	FE/MN removal equipment, membrane treatment and WTP renovation	2014	2,086	16,629		
8	24	2900789-03	*Pick City*	123	Installation of water reservoir	2014	1,125	17,754		
9	23	1000543-06	*Langdon*	1,878	New well field	2015	6,000	23,754		
10	23	4000854-02	*St. John*	341	Well rehabilitation and transmission main replacement	2014	250	24,004		
11	23	1100306-01	*Ellendale*	1,394	Water tank replacement	2015	1,244	25,248		
12	22	2000203-06	*Cooperstown*	984	WTP rehabilitation	2014	210	25,458		
13	22	2900789-04	*Pick City*	123	Watermain replacement	2014	1,500	26,958		
14	21	1000543-04	*Langdon*	1,878	Intake structure and raw water transmission line improvements	2015	3,200	30,158		
15	21	2300535-02	*Kulm*	354	Water tower replacement	2014	900	31,058		
16	21	4000834-02	*Rolla*	1,280	WTP upgrade	2014	3,700	34,758		
17	20	5100593-02	*Makoti*	154	New reservoir	2014	1,125	35,883		
18	20	2701506-01	*Arnegard*	700	New distribution system	2016	4,078	39,961		
19	20	0300553-04	*Leeds*	427	WTP improvements	2014	313	40,274		
20	20	0700344-01	*Flaxton*	66	Watermain replacement and additional well	2014	417	40,691		
21	20	5200927-02	*Sykeston*	117	Watermain replacement	2014	2,060	42,751		
22	20	4000834-01	*Rolla*	1,280	Watermain replacement & looping	2014	4,320	47,071		
23	20	0201032-02	*Wimbledon*	216	Water tower replacement	2014	775	47,846		
24	19	4701303-04	*SRWD*	3,048	Treated water reservoir, booster station, watermain and WTP improvements	2014	7,295	55,140		
25	19	5201309-02	*CPWD*	2,607	Booster station improvements and back up generation	2015	1,270	56,410		
26	19	5000408-03	*Grafton*	4,913	Filtration, backwash recycle, and misc WTP improvements	2015	7,260	63,670		
27	19	1900162-01	*Carson*	319	Watermain replacement	2014	4,201	67,871		
28	19	0300553-03	*Leeds*	427	Upgrade wells, transmission lines, pumps	2014	313	68,184		
29	19	0300553-06	*Leeds*	427	Watermain replacement and looping	2014	550	68,734		
30	19	0300553-05	*Leeds*	427	Water tower improvements	2014	400	69,134		
31	18	0900217-01	*Davenport*	252	New transmission main, increased storage and control replacement	2014	448	69,582		
32	18	3700314-06	*Enderlin*	1,082	New lime softening WTP & storage	2014	8,065	77,647		
33	18	4700922-03	*Streeter*	170	New well	2014	300	77,947		
34	18	4000833-02	*Rolette*	594	Watermain replacement	2014	4,600	82,547		
35	17	2900074-01	*Beulah*	3,200	WTP improvements and water storage	2014	1,734	84,281		
36	17	0201058-03	*BRWD*	4,020	WTP rehabilitation and expansion	2014	2,624	86,904		
37	17	2500446-01	*Towner*	620	WTP improvements and well replacement	2014	1,616	88,520		

Priority Ranking	Priority Points	Project No.	System Name	Present Population	Project Description	Construction Start Date	Cost ($1000)		Green Project	
							Project	Cumulative	Type	Cost($1000)
38	17	5000408-07	*Grafton*	4,913	Pretreatment and advanced oxidation WTP improvements	2020	8,000	96,520		
39	17	2300969-01	*Verona*	85	Watermain and water meter replacement	2014	515	97,035		
40	17	5100593-03	*Makoti*	154	Watermain replacement	2014	2,500	99,535		
41	17	1500571-03	*Linton*	1,097	Watermain replacement	2014	1,362	100,897		
42	16	3201072-02	*TCWD*	2,475	WTP rehabilitation and expansion	2014	1,040	101,937		
43	16	0400638-01	*Medora*	112	Water reservoir replacement	2014	660	102,597		
44	16	5101189-02	*NPRWD*	5,903	Water storage rehabilitation	2014	1,820	104,417		
45	16	1001380-01	*Langdon RWD*	2,092	Replace or renovate transmission and water mains, reservoir and booster station	2014	3,797	108,214		
46	16	3901068-11	*SEWUD*	5,385	Reservoir D improvements	2014	389	108,603		
47	16	2300537-01	*LaMoure*	889	Water tower replacement, reservoir upgrade and pumping upgrade	2014	1,030	109,633		
48	16	5201309-03	*CPWD*	2,607	WTP improvements and membrane softening	2014	2,913	112,546		
49	16	5000773-04	*Park River*	5,042	Water tower replacement	2014	3,300	115,846		
50	16	4700922-01	*Streeter*	170	Watermain replacement	2014	500	116,346		
51	16	4700922-02	*Streeter*	170	WTP improvements	2014	300	116,646		
52	16	4000834-03	*Rolla*	1,417	New well	2014	180	116,826		
53	15	3900183-02	*Christine*	150	Watermain replacement and looping	2014	551	117,377		
54	15	4800152-01	*Cando*	1,115	Water treatment plant improvements and well replacement	2014	1,500	118,877		
55	15	2000446-02	*Hannaford*	150	Water tower replacement	2014	700	119,577		
56	15	0200958-03	*Valley City*	6,585	Watermain replacement	2014	17,000	136,577		
57	15	3900567-01	*Lidgerwood*	652	Transmission main replacement	2014	510	137,087		
58	14	2700990-03	*Watford City*	2,566	Looping project	2014	730	137,817		
59	14	3100898-01	*Stanley*	2,500	Watermain, water tower and pump replacement	2014	1,910	139,727		
60	14	0900999-05	*West Fargo*	28,500	New SW/GW WTP	2014	52,685	192,412		
61	14	0900524-01	*Kindred*	692	Water tower and watermain replacement	2015	1,061	193,473		
62	14	5300936-03	*Tioga*	1,336	Reservoir, transmission main and watermain replacement	2014	8,400	201,873		
63	14	2801487-04	*NPRWD*	4,110	Expansion of water distribution system	2014	2,600	204,473		
64	14	1801062-03	*GF-Traill RWD*	8,457	Transmission main, membrane softening, and SCADA improvements	2014	6,597	211,070		
65	14	0900134-02	*Buffalo*	225	Replace existing watermains, gate valves and hydrants	2014	1,085	212,155		
66	14	2500956-01	*Upham*	133	Gate valve replacement and water meters	2014	171	212,326		
67	14	1200748-02	*Noonan*	225	Watermain replacement	2014	471	212,797		
68	14	2500415-02	*Granville*	251	Water main replacement	2014	206	213,003		
69	14	2100726-01	*New England*	600	Watermain replacement	2015	2,650	215,653		
70	14	3700314-07	*Enderlin*	1,082	Water tower replacement	2014	1,957	217,610		
71	14	0100476-01	*Hettinger*	1,226	Watermain replacement	2015	500	218,110		
72	14	1400732-05	*New Rockford*	1,391	Watermain replacement	2014	5,000	223,110		
73	14	1100758-03	*Oakes*	1,856	Water tower replacement	2014	1,200	224,310		
74	14	1100758-04	*Oakes*	1,856	WTP expansion	2014	1,700	226,010		
75	13	5100138-01	*Burlington*	1,134	New water tower, transmission main and pump station	2014	1,608	227,618		
76	13	3900333-01	*Fairmount*	367	Water tower and controls replacement	2015	927	228,545		
77	13	3400269-02	*Drayton*	824	Replace clearwell, replace chemical feed and rehab water tower	2015	1,634	230,179		
78	13	3700574-08	*Lisbon*	2,154	Upgrade to well #1	2014	144	230,324		
79	13	0900387-01	*Gardner*	80	Watermain replacement and looping	2014	400	230,724		
80	13	3901043-01	*Wyndmere*	429	Watermain looping	2014	330	231,054		
81	13	5200458-04	*Harvey*	1,783	Water reservoir replacement	2015	1,300	232,354		
82	13	1600159-02	*Carrington*	2,600	Watermain replacement	2014	3,016	235,370		

Priority Ranking	Priority Points	Project No.	System Name	Present Population	Project Description	Construction Start Date	Cost ($1000)		Green Project	
							Project	Cumulative	Type	Cost($1000)
83	13	0200958-04	*Valley City*	6,585	Water tower replacement and tower recirculation	2018	2,950	238,320		
84	13	2000203-06	*Cooperstown*	984	Reservoir replacement	2015	600	238,920		
85	13	3700314-05	*Enderlin*	1,082	Watermain replacement (first loan in 2002)	2014	773	239,692		
86	13	2800389-05	*Garrison*	1,453	Watermain Replacement	2014	4,500	244,192		
87	13	1100758-05	*Oakes*	1,856	Well and well house replacement	2014	400	244,592		
88	12	3800397-01	*Glenburn*	380	Watermain replacement and looping	2014	1,018	245,610		
89	12	0700804-01	*Powers Lake*	400	Water treatment plant	2014	1,410	247,020		
90	12	3900443-03	*Hankinson*	919	Watermain looping	2014	561	247,581		
91	12	3400170-01	*Cavalier*	1,537	Water tower rehabilitation	2014	1,929	249,510		
92	12	5100593-01	*Makoti*	154	Well repair, new well and transmission line	2014	338	249,848		
93	12	3401128-03	*NVWD*	7,987	Transmission main capacity improvements and meter replacement	2014	5,021	254,869		
94	12	0900336-05	*Fargo*	105,539	Distribution flow control improvements	2014	570	255,439		
95	12	0900336-08	*Fargo*	105,539	Raw water intake and pump station	2014	9,015	264,454		
96	12	0900336-15	*Fargo*	105,539	Ground storage reservoir #2 and pump station	2028	15,670	280,124		
97	12	0200858-01	*Sanborn*	194	Watermain replacement	2014	500	280,624		
98	12	5000408-06	*Grafton*	4,913	Park River water intake improvements	2017	776	281,400		
99	12	4000833-01	*Rolette*	538	New well	2014	125	281,525		
100	12	2800389-04	*Garrison*	1,453	WTP expansion, new intake and pumps	2014	5,000	286,525		
101	12	1000543-05	*Langdon*	1,878	WTP rehabilitation and equalization basin upgrade	2014	7,000	293,525		
102	12	4600487-02	*Hope*	303	Service to west side of railroad tracks	2014	165	293,690		
103	12	1100758-06	*Oakes*	1,856	Water tower rehabilitation	2015	400	294,090		
104	12	3900567-02	*Lidgerwood*	652	Water reservoir demolition	2014	65	294,155		
105	11	5100923-01	*Surrey*	5,000	New water tower & transmission main	2015	3,001	297,156		
106	11	3700876-01	*Sheldon*	116	Pump and control replacement	2014	170	297,325		
107	11	0901060-01	*CRW*	10,040	Reservoir expansion, watermain upgrade and expansion (refinance)	2014	1,702	299,027		
108	11	0900999-01	*West Fargo*	28,500	Transmission main from new WTP	2014	28,325	327,352		
109	11	3900196-01	*Colfax*	121	Watermain replacement and looping	2014	439	327,791		
110	11	0200763-01	*Oriska*	128	Pump house and reservoir replacement	2014	530	328,321		
111	11	0900035-01	*Arthur*	337	Water tower replacement	2014	721	329,042		
112	11	2800389-02	*Garrison*	1,453	New water tower	2014	1,335	330,377		
113	11	2001061-01	*Dakota RWD*	3,523	Watermain replacement, upgrade vaults	2015	697	331,074		
114	11	0901060-04	*CRW*	10,040	System elevated tower	2016	3,583	334,657		
115	11	4600341-02	*Finley*	445	Water tower replacement	2015	690	335,347		
116	11	2300537-02	*LaMoure*	889	Chemical feed replacement	2014	206	335,553		
117	11	4800152-02	*Cando*	1,115	Watermain replacement	2014	1,000	336,553		
118	11	1400732-04	*New Rockford*	1,391	WTP upgrades	2014	500	337,053		
119	11	0500620-01	*Maxbass*	100	New water meters	2014	20	337,073		
120	11	3700314-04	*Enderlin*	1,082	New wells & transmission line	2014	1,648	338,721		
121	10	3900703-01	*Mooreton*	197	Replace gate valves and add bladder tank	2014	180	338,901		
122	10	5301012-05	*Williston*	22,000	New water tower, pumping station and transmission main	2014	10,135	349,036		
123	10	0900030-03	*Argusville*	300	Watermain replacement and looping	2015	973	350,009		
124	10	1300520-01	*Killdeer*	1,400	Watermain replacement	2014	1,070	351,079		
125	10	4700498-05	*Jamestown*	16,000	North east pressure zone improvements	2014	1,725	352,804		
126	10	4700498-06	*Jamestown*	16,000	Phase 3 - Transmission line	2016	8,610	361,414		
127	10	2801400-02	*McLean-S RWD*	2,300	Blue Lake and Brush Lake area improvements	2014	2,210	363,624		
128	10	5001075-03	*Walsh RWD*	3,404	Reservoir expansion	2014	1,414	365,038		
129	10	0900336-07	*Fargo*	105,539	Water tower level controls	2015	369	365,407		
130	10	0900945-02	*Tower City*	252	Watermain replacement	2014	1,300	366,707		
131	10	1501310-02	*State Line WC*	260	Water tower rehabilitation	2014	75	366,782		
132	10	2400715-01	*Napoleon*	707	Water meter replacement	2014	570	367,352		

Priority Ranking	Priority Points	Project No.	System Name	Present Population	Project Description	Construction Start Date	Cost ($1000)		Green Project	
							Project	Cumulative	Type	Cost($1000)
133	10	2400715-02	*Napoleon*	707	Extend water service to residents with wells	2014	820	368,172		
134	10	1100758-07	*Oakes*	1,856	New reservoir, pump station and transmission main	2014	720	368,892		
135	9	2700990-05	*Watford City*	2,556	New water tower (NW)	2014	3,290	372,182		
136	9	3000596-06	*Mandan*	23,827	Transmission main replacement	2014	5,167	377,349		
137	9	3900973-04	*Wahpeton*	7,766	Well upgrades, new well and raw water transmission main	2015	1,221	378,570		
138	9	3900973-05	*Wahpeton*	7,766	Watermain replacement and looping	2016	440	379,010		
139	9	5300425-01	*Grenora*	400	Watermain replacement	2014	891	379,901		
140	9	5300425-02	*Grenora*	400	Watermain replacement	2014	883	380,783		
141	9	0900613-03	*Mapleton*	762	Watermain replacement	2016	1,622	382,406		
142	9	4900465-01	*Hatton*	777	Water tower replacement	2014	721	383,127		
143	9	1400732-03	*New Rockford*	1,391	Watermain replacement	2014	378	383,505		
144	9	2800389-03	*Garrison*	1,453	New elevated tower	2014	1,335	384,840		
145	9	3700574-09	*Lisbon*	2,154	New well field and raw water transmission main	2015	545	385,385		
146	9	3700574-10	*Lisbon*	2,154	Watermain replacement	2015	2,410	387,795		
147	9	2800989-03	*Washburn*	1,246	Water tower rehabilitation	2015	474	388,268		
148	9	5101189-03	*NPRWD*	5,903	Distribution, storage & pumping improvements	2014	1,600	389,868		
149	8	1000768-01	*Osnabrock*	160	Watermain rehabilitation	2014	200	390,068		
150	8	3200536-02	*Lakota*	781	WTP renovation and new water tower	2014	2,035	392,103		
151	8	5101447-01	*West River WD*	625	Service line replacement (from water main to curb stop)	2014	399	392,502		
152	8	2800989-05	*Washburn*	1,246	Horizontal collector well	2016	3,700	396,202		
153	8	3900973-03	*Wahpeton*	7,766	Lime storage, slaker additions & misc WTP improvements	2014	1,373	397,575		
154	8	4700498-09	*Jamestown*	16,000	Filter bay renovations and media replacement	2014	800	398,375		
155	8	3000596-08	*Mandan*	23,827	New raw water intake	2015	17,132	415,507		
156	8	3200653-02	*Michigan*	345	Water tower rehabilitation	2014	75	415,582		
157	8	3200653-03	*Michigan*	345	Curb stop replacement	2014	25	415,607		
158	8	3200653-01	*Michigan*	345	Water meter replacement and WTP upgrades	2014	88	415,695		
159	8	1400732-02	*New Rockford*	1,391	Water tower rehabilitation	2014	204	415,899		
160	8	1000543-02	*Langdon*	1,878	Water main replacement	2015	700	416,599		
161	8	1000543-03	*Langdon*	1,878	Water tower rehabilitation	2015	450	417,049		
162	8	0901060-05	*CRW*	10,040	Increased capacity to Casselton Area - wellfield, WTP, reservoir, and transmission main improvements	2015	5,220	422,269		
163	8	0900336-04	*Fargo*	105,539	Water tower (#3) rehabilitation 2014	2014	1,298	423,567		
164	8	0900336-06	*Fargo*	105,539	Water tower rehabilitation 1 & 2	2015	1,765	425,332		
165	8	0900336-09	*Fargo*	105,539	Water tower rehabilitation 4 & 5	2016	3,037	428,369		
166	8	0900336-10	*Fargo*	105,539	Radio read water metering improvements	2017	8,774	437,143		
167	8	0900336-11	*Fargo*	105,539	Low lift transfer pump station	2020	8,389	445,532		
168	8	0900336-12	*Fargo*	105,539	WTP residuals facility	2018	24,674	470,206		
169	8	0900336-13	*Fargo*	105,539	Water tower rehabilitation 6 & 7	2017	2,292	472,498		
170	8	0900336-14	*Fargo*	105,539	Water tower rehabilitation 8 & 9	2021	2,233	474,731		
171	7	2901054-01	*Zap*	231	Water storage rehabilitation	2014	141	474,871		
172	7	3900333-02	*Fairmount*	367	Watermain replacement and looping	2014	639	475,510		
173	7	2700990-04	*Watford City*	2,566	New water tower (SW)	2015	1,890	477,400		
174	7	3000596-07	*Mandan*	23,827	Pressure problem correction and water tower rehabilitation	2015	1,244	478,644		
175	7	0900999-04	*West Fargo*	24,000	Additional new well	2014	500	479,144		
176	7	0900999-02	*West Fargo*	28,500	Underground storage reservoir	2014	2,493	481,637		
177	7	4100357-01	*Forman*	504	Water tower replacement	2014	773	482,409		
178	7	0801031-01	*Wilton*	711	Watermain replacement	2014	21,563	503,972		
179	7	2800989-04	*Washburn*	1,245	Watermain replacement	2015	2,072	506,044		
180	7	0900166-02	*Casselton*	2,329	Water tower replacement	2015	1,845	507,889		

Priority Ranking	Priority Points	Project No.	System Name	Present Population	Project Description	Construction Start Date	Cost ($1000)		Green Project	
							Project	Cumulative	Type	Cost($1000)
181	7	1800410-04	*Grand Forks*	55,158	WTP, facility plan, and design	2016	133,000	640,889		
182	7	1800410-03	*Grand Forks*	55,518	Water distribution improvements-24th Ave. S. (S. 12th St. to Cherry St.)	2014	1,086	641,975		
183	7	0900945-01	*Tower City*	252	Water tower rehabilitation	2014	144	642,119		
184	7	3800397-01	*Glenburn*	380	Water tower rehabilitation	2014	424	642,543		
185	6	5100868-03	*Sawyer*	367	Transmission line replacement	2017	556	643,099		
186	6	4700498-08	*Jamestown*	16,000	SCADA Improvements	2014	403	643,502		
187	6	4700498-10	*Jamestown*	16,000	East end reservior renovations	2016	495	643,997		
188	6	4700498-07	*Jamestown*	16,000	Water meter replacement	2016	1,539	645,536		
189	5	0801154-04	*SCRWD*	15,400	Distribution to Braddock, Kyntire & Wishek	2014	10,300	655,836		
190	5	3800877-02	*Sherwood*	251	Watermain replacement	2014	376	656,212		
191	5	4900803-01	*Portland*	606	Water tower replacement	2014	721	656,933		
192	5	0600119-01	*Bowman*	1,600	Watermain replacement	2014	530	657,463		
193	5	2700990-02	*Watford City*	2,566	Watermain replacement	2014	465	657,928		
194	5	0900999-06	*West Fargo*	28,500	Surface water intake structure	2014	3,900	661,828		
195	5	3601424-02	*GRWD*	3,508	Water system expansion	2014	4,000	665,828		
196	4	0900999-07	*West Fargo*	28,500	North side water tower	2015	2,266	668,094		
197	2	2601055-01	*Zeeland*	141	Water meter replacement	2014	200	668,294		
198	2	2800953-01	*Underwood*	812	Water tower rehabilitation	2014	813	669,107		
199	2	2801430-03	*Garrison RWD*	1,498	New reservoir and pump station	2014	659	669,766		
200	2	0900999-03	*West Fargo*	28,500	South side water tower	2014	2,266	672,032		

(1) - It is unknown at this time if mandatory additional subsidization and GPR will apply to the 2014 DWSRF allotment. To address these potential requirements, funding levels of $1,800,000 and $900,000 have been assumed for additional subsidization (as loan forgiveness) and GPR, respectively. Adjustments will be made, as necessary, based on the actual requirements and capitalization grant amount.

(2) - These projects appear eligible for 60% loan forgiveness with a cap of $1,000,000 of loan forgiveness. The actual loan forgiveness amount is dependant upon available funds. Loan forgiveness eligibility will be confirmed when the loan application is submitted.

Abbreviations

B/C = Business Case for Green Project Reserve Required
Cat = Categorically Approved Green Project Reserve Project
FE/MN = Iron and Manganese
GPR = Green Project Reserve
GW = Groundwater
nrg effcy = Energy Efficiency
SCADA = Supervisory Control and Data Acquisition
SW = Surface Water
WTP = Water Treatment Plant
wtr effcy = Water Efficiency

BRWD = Barnes Rural Water District
CPWD = Central Plains Water District
CRW = Cass Rural Water
GRWD = Greater Ramsey Water District
NPRWD = North Prairie Rural Water District
NVWD = North Valley Water District
SCRWD = South Central Regional Water District
SEWUD = Southeast Water Users District
SRWD = Stutsman Rural Water District
TCWD = Tri-County Water District
WRWD = Williams Rural Water District
RWD = Rural Water District

Attachment 3

STATE OF NORTH DAKOTA

PRIORITY RANKING SYSTEM FOR FINANCIAL ASSISTANCE THROUGH THE DRINKING WATER STATE REVOLVING LOAN FUND (DWSRF) PROGRAM

DWSRF PROGRAM
DIVISION OF MUNICIPAL FACILITIES
ENVIRONMENTAL HEALTH SECTION
NORTH DAKOTA DEPARTMENT OF HEALTH

OCTOBER, 2013

The following criteria and point system is utilized by the DWSRF Program to rank eligible projects for potential financial assistance through the DWSRF Program:

1. Water Quality (Maximum Points Limited to 35)
2. Water Quantity (Maximum Points = 20)
3. Affordability (Maximum Points = 15)
4. Infrastructure Adequacy (Maximum Points Limited to 15)
5. Consolidation or Regionalization of Water Supplies (Maximum Points = 10)
6. Operator Safety (Maximum Points = 5)

Maximum Total Points = 100

DWSRF funds may be used to buy or refinance existing local debt obligations (publicly-owned systems only) where the initial debt was incurred and the construction started after July 1, 1993. DWSRF assistance requests of this type, if eligible, will be ranked based on the original purpose and success of the constructed improvements.

Creation of New Systems - Eligible projects are those that, upon completion, will create a community water system (CWS) to address existing public health problems with serious risks caused by unsafe drinking water provided by individual wells or surface water sources. Eligible projects are also those that create a new regional CWS by consolidating existing systems that have technical, financial, or managerial difficulties. Projects to address existing public health problems associated with individual wells or surface water sources must be limited in scope to the specific geographic area affected by contamination. Projects that create new regional CWSs by consolidation existing systems must be limited in scope to the service area of the systems being consolidated. A project must be a cost-effective solution to addressing the problem. Applicants must ensure that sufficient public notice has been given to potentially affected parties and consider alternative solutions to addressing the problem. Capacity to serve future population growth cannot be a substantial portion of the project.

	CATEGORY	POINTS
1.	Water Quality - Select All That Apply (Maximum Points Limited to 35)[1,3]	
	A. Documented waterborne disease outbreak(s) within last 2 years	20
	B. Unresolved nitrate or nitrite maximum contaminant level (MCL) exceedance(s), OR acute microbiological MCL exceedance(s) within last 12 months	15
	C. Exceedance(s) of EPA-established unreasonable risk to health (URTH) level(s) within last 4 years for regulated chemicals or radionuclides (excludes nitrate and nitrite)	10
	D. Disinfection treatment inadequate to satisfy the Surface Water Treatment Rule (SWTR), the enhanced SWTR or ESWTR, or the groundwater disinfection rule (GWDR) once finalized, OR groundwater source(s) deemed by the DWP to be under the direct influence of surface water, OR multiple turbidity treatment technique requirement (TTR) violations within last 2 years (includes at least one event where the maximum allowed turbidity was exceeded)	8
	E. Multiple turbidity TTR violations within last 2 years (no events where the maximum allowed turbidity was exceeded), OR 3 or more non-acute microbiological MCL violations within last 12 months	7
	F. MCL or TTR exceedance(s) (no URTH level exceedances) within last 4 years (excludes microbiological contaminants, nitrate, nitrite, and turbidity)	6
	G. Potential MCL or TTR compliance problems based on most recent 4 year period (excludes microbiological contaminants and turbidity)	
	75% to 100% of MCL or TTR	5
	50% to 74% of MCL or TTR	4
	H. General water quality problem (see page 7)	
	significant general water quality problem	4
	moderate general water quality problem	3
	minor general water quality problem	2

2. Water Quantity - Select One If Applicable (Maximum Points = 20)[2,3]

A. Correction of a critical water supply problem involving the loss or imminent loss of a water supply in the near future	20
B. Correction of an extreme water supply problem Maximum water available <150 gallons per capita per day (gpcd) (community water systems only), OR continuous water shortages during all periods of operation (nonprofit noncommunity water systems only)	10
C. Correction of a serious water supply problem Maximum water available <200 gpcd (community water systems only), OR daily water shortages, or inability to meet peak daily water demand, at a frequency of at least once per week during all periods of operation (nonprofit noncommunity water systems only)	7
D. Correction of a moderate water supply problem Maximum water available <250 gpcd (community water systems only), OR occasional daily water shortages, or occasional inability to meet peak daily water demands, on a seasonal basis (nonprofit noncommunity water systems only)	4
E. Correction of a minor water supply problem Maximum water available <300 gpcd (community water systems only), OR sporadic water shortages or occasional inability to meet peak water demands (nonprofit noncommunity water systems only)	2

3. Affordability - For the Applicable Sub-Category, Select One For Each Item (Maximum Points = 15)

A. Community Water Systems

1. Relative income index - ratio of local or service area annual median household income (AMHI) to the state nonmetropolitan AMHI (based on 2006-2010 ACS 5-Year Estimates)

< 60%	8
61% to 70%	7
71% to 80%	5
81% to 90%	3
91% to 100%	1

2. Relative future water cost index - ratio of expected average annual residential user charge for water service resulting from the project, including costs recovered through special assessments, to the local AMHI (based on 2006-2010 ACS 5-Year Estimates)

>2.5%	7
2.0% to 2.5%	6
1.5% to 1.9%	5
1.0% to 1.4%	3
0.5% to 0.9%	1

B. Nonprofit Noncommunity Water Systems

1. Relative income index - ratio of local or service area AMHI to the state nonmetropolitan AMHI (based on 2006-2010 ACS 5-Year Estimates)

≤ 60%	8
61% to 70%	7
71% to 80%	5
81% to 90%	3
91% to 100%	1

2. Relative future water cost index - ratio of expected annual water service expenditures resulting from the project to total annual operating expenses

>20%	7
15% to 20%	6
10% to 14%	5
5% to 9%	3
2% to 4%	1

4. Infrastructure Adequacy - Select All That Apply (Maximum Points Limited to 15)

A. Correction of general disinfection treatment deficiencies - excludes improvements necessary to directly comply with the SWTR, the ESWTR, or the GWDR (once finalized)	3
B. Correction of well construction or operating deficiencies	3
C. Correction of distribution system pressure problems (dynamic pressure <20 psi)	3
D. Replacement of deteriorated water mains	3

E.	Replacement of deteriorated finished water storage structures	3
F.	Replacement of distribution system piping/materials shown via DWP-approved testing to contribute unacceptable levels of lead or asbestos	3
G.	Water treatment plant operating at or above design capacity	3
H.	Water treatment plant operating at or beyond useful or design life	3
I.	Correction of specific design or operating deficiencies associated with water treatment plant unit processes (excludes disinfection treatment)	2
J.	Correction of specific design or operating deficiencies associated with surface water intake facilities	2
K.	Correction of specific or design or operating deficiencies associated with finished water storage facilities	2
L.	Correction of specific design or operating deficiencies associated with raw or finished water pumping facilities	2
M.	Correction of specific design or operating deficiencies associated with raw or finished water distribution system piping	2
N.	Correction of specific design or operating deficiencies associated with chemical feed installations (excludes disinfection)	2
O.	For systems relying solely on their own groundwater supply, provision of a second well where only one functional well exists	2
P.	Replacement of inoperative, obsolete, or inadequate instrumentation or controls	2

5. Consolidation or Regionalization of Water Supplies - Select All That Apply (Maximum Points = 10)

A. Correction of Safe Drinking Water Act (SDWA) compliance problem(s), or extreme to critical water supply problem(s), for 1 or more PWS through consolidation with or regionalized service by another PWS	4
B. Correction of contamination problems (regulated contaminants), or extreme water quantity problems (no water, imminent loss of water supply, or continuous/ frequent daily water shortages), for individual residences or businesses through consolidation with or regionalized service by a PWS	3
C. Correction of potential MCL or TTR compliance problems, general water quality problems, or moderate to serious water quantity problems for 1 or more PWSs through consolidation with or regionalized service by another PWS	2
D. Correction of general water quality problems, or moderate water quantity problems (occasional daily or seasonal water shortages), for individual residences or businesses through consolidation with or regionalized service by a PWS	1

6. Operator Safety - Select One If Applicable (Maximum Points = 5)[2]

A. Correction of a problem that poses a critical and chronic safety hazard for operators	5
B. Correction of a problem that poses an intermittent safety hazard for operators	3
C. Correction of a potential significant safety hazard for operators	1

[1] Applies to community and nonprofit noncommunity public water systems only. Water quality problems must be ongoing and unresolved under the present system configuration. Analysis applies to finished water after all treatment (raw water if no treatment is provided).

[2] Applies to community and nonprofit noncommunity public water systems only. Projects intended mainly to increase water availability for or to improve fire protection are not eligible for DWSRF assistance. Fire protection features, in order to be eligible, must represent an ancillary project benefit or secondary project purpose.

[3] Projects intended to address multiple community and/or nonprofit noncommunity public water system water quality and/or quantity problems will be ranked based on the highest level problem to be solved.

GENERAL WATER QUALITY

DEFINITIONS

Significant General Water Quality Problem (4 points) = Score of 6 or greater
Moderate General Water Quality Problem (3 points) = Score of 4 or 5
Minor General Water Quality Problem (2 points) = Score of 3 or less
All values expressed in milligrams per liter

Total Dissolved Solids (TDS)

500 - 999	Score of 1
1,000 - 1,499	Score of 2
≥1,500	Score of 3

Total Hardness as Calcium Carbonate (TH)

200 - 424	Score of 1
425 - 649	Score of 2
≥650	Score of 3

Iron (FE)

0.3 - 0.89	Score of 1
0.9 - 2.0	Score of 2
>2.0	Score of 3

Manganese (MN)

0.05 - 0.25	Score of 1
0.26 - 1.00	Score of 2
>1.00	Score of 3

Sodium (NA)

200 - 424	Score of 1
425 - 649	Score of 2
≥650	Score of 3

Sulfate (SO_4)

250 - 499	Score of 1
500 - 750	Score of 2
>750	Score of 3

Attachment 4
Nonproject Set-Aside and Fee Activity (1)
North Dakota Drinking Water State Revolving Loan Fund Program

Set-Aside	Set Aside Through 9/30/2013	Transferred To Loan Fund	Expended Through 9/30/2013	Balance Available	Planned Set-Asides For 2014	Total Set-Aside Funds Available 2014	Reserved Through 2013	Reserved From 2014 Allotment	Total Reserved Through 2014
4% Administration	6,718,884	0	6,400,235	318,649	360,000	678,649	0	0	0
10% State Program Assistance									
PWSS Supervision	1,870,000	0	977,082	892,918	500,000	1,392,918	0	400,000	400,000
Source Water Protection									
Capacity Development									
Operator Certification									
2% Small System Technical Assistance	2,545,332	0	2,273,785	271,547	94,000	365,547	0	86,000	86,000
15% Local Assistance (2)									
Land Acquisition									
Capacity Development									
Wellhead Protection									
Source Water Petition Programs									
Source Water Protection (3)	1,255,880	820,612	435,268	0	NA	0	0	NA	0
Totals	12,390,096	820,612	10,086,370	1,483,114	954,000	2,437,114	0	486,000	486,000

Fee Type	Collected Through 9/30/13	Transferred to Loan Fund	Expended Through 09/30/13	Balance Available 09/30/13	Projected Funds 01/01/14 - 12/31/14	Total Funds Available Through 12/31/14	Total Funds Held Through 12/31/14
Loan Fee	6,330,954	0	523,762	5,807,192	876,735	7,207,689	6,683,927

(1) The set-aside amounts are based on percentages (4%, 2%, or 10%) of the respective federal DWSRF allotments. The FY 1997 through 2013 allotments have been awarded. The anticipated allotment for FY 2014 is $9,000,000. The FY 2014 allotment will be applied for by July 1, 2014. The funds expended and the balance available are a of September 30, 2013. The loan fee amounts reflect loans approved up to September 30, 2013. The amounts may increase based upon repayments due (if any) under loans approved after this date. (2) No more than 10% may be used for any one activity with a maximum of 15% for all activities combined. (3) Only the FY 1997 allotment may be used to complete the mandatory source water assessments. All funds not used by April 25, 2003, from this set aside were transferred to the Loan Fund.

Attachment 5
Amounts Available to Transfer Between State Revolving Fund Programs
North Dakota Drinking Water State Revolving Loan Fund Program

Year	Transaction Description	Banked Transfer Ceiling	Transferred from DWSRF to CWSRF	Transferred from CWSRF to DWSRF	DWSRF Funds Available for Transfer	CWSRF Funds Available for Transfer
1998	DW Grant	4.1			4.1	4.1
1998	DW Grant	6.5			6.5	6.5
2000	DW Grant	9			9	9
2000	DW Grant	11.5			11.5	11.5
2001	DW Grant	14.1			14.1	14.1
2002	DW Grant	16.7			16.7	16.7
2002	Transfer		10	3	9.7	23.7
2003	DW Grant	19.4			12.4	26.4
2003	Transfer		0	5.9	18.3	20.5
2004	DW Grant	22.1			21	23.2
2004	Transfer		0	2.6	23.6	20.6
2005	DW Grant	24.8			26.3	23.3
2005	Transfer		0	0.1	26.4	23.2
2006	DW Grant	27.5			29.1	25.9
2006	Transfer		0	1.5	30.6	24.4
2007	DW Grant	30.3			33.4	27.2
2007	Transfer		0	4.9	38.3	22.3
2008	DW Grant	33			41	25
2008	Transfer		0	3	44	22
2009	DW Grant	35.7			46.7	24.7
2009	Transfer		0	0.7	47.7	24
2010	DW Grant	40.1			52.1	28.8
2010	Transfer		0	0.8	52.9	28
2011	DW Grant	43.2			56	31.1
2012	DW Grant	46.1			59.9	34
2013	DW Grant	48.6			62.4	36.5
2014	DW Grant	51.1			65.1	39.2
2014	Transfer		**0**	**0**	65.1	39.2

Attachment 6
Sources and Uses Table
North Dakota Drinking Water State Revolving Loan Fund Program
Cumulative Amounts as of September 30, 2013

	SOURCES
Federal Capitalization Grants	162,238,767.00
State Match	35,932,137.00
Transfers from CWSRF	22,577,672.00
Net Leveraged Bonds	103,941,728.00
Investment Earnings	33,941,218.00
Interest Payments	32,037,057.00
Principal Repayments	94,565,257.00
TOTAL SOURCES OF FUNDS	$485,233,836

	USES
4% Administration	6,718,884.00
2% SSTA	2,545,332.00
10% DW Program Set-Aside	1,870,000.00
15% Local Asst. Set-Aside	435,268.00
Transfers to CWSRF	10,000,000.00
Reserves	7,082,623.00
Bond Principal Repayments	18,166,252.00
Bond Interest Expense	33,572,396.00
Arbitrage	755,617.00
Closed Agreements	385,625,502.00
Loans Approved by Industrial Commission	3,812,000.00
TOTAL USES OF FUNDS	$470,583,874

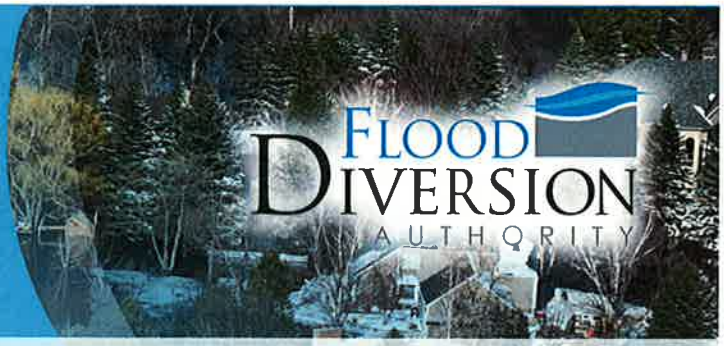
DWSRF Funds Available for Projects in 2014*	$14,649,962

	ANNUAL SOURCES FOR 2014
FY14 Capitalization Grant	9,000,000.00
Set-asides taken from FY14 Capitalization Grant	(954,000.00)
State Match (if applicable)	-
Leveraged Bonds (if applicable)	-
Transfers with CW +/- (if applicable)	-
Total New 2014 Funds	$8,046,000
TOTAL DWSRF FUNDS AVAILABLE FOR 2014	$22,695,962
TOTAL DWSRF PROJECTS ON FUNDABLE LIST	$22,695,962
AVAILABLE FUNDS	$0

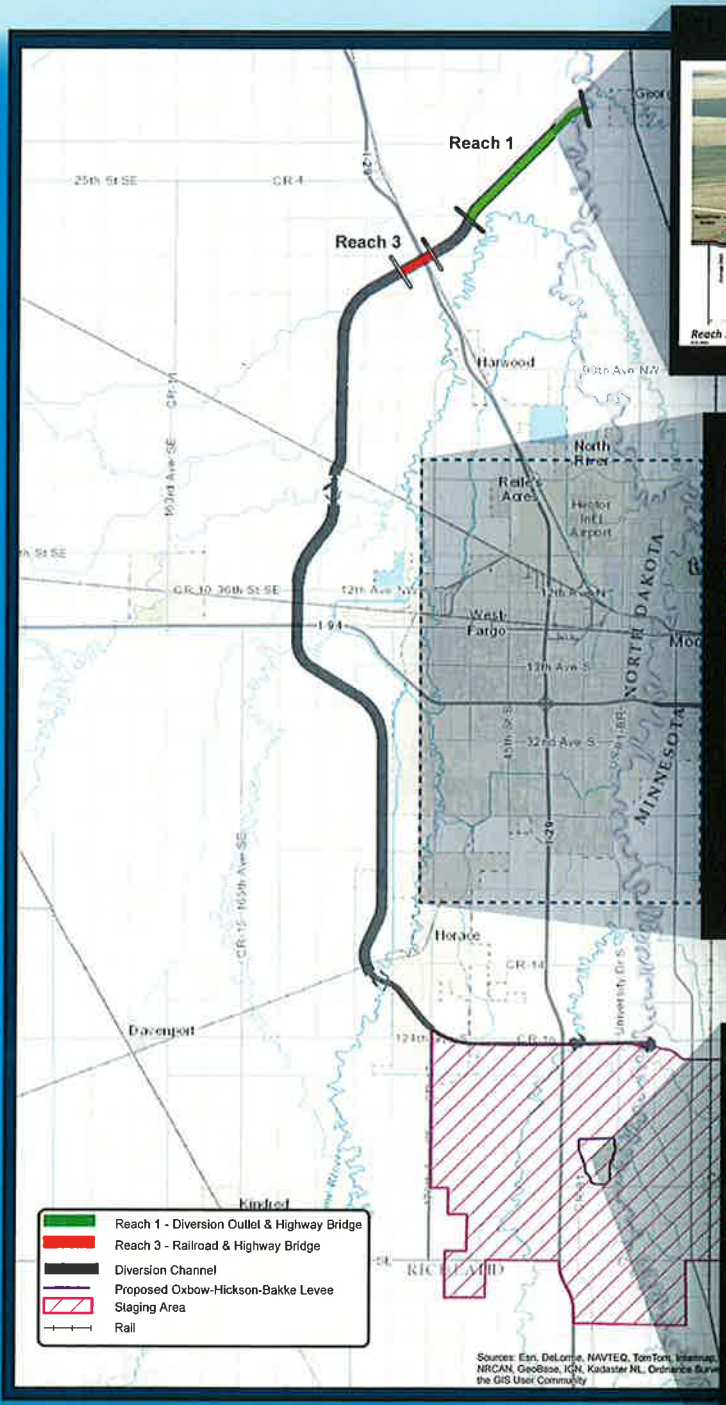
APPENDIX "D"
December 13, 2013

FM Area Diversion Project

FLOOD PROTECTION FOR 1 IN 5 NORTH DAKOTANS



UPDATE TO STATE WATER COMMISSION DEC. 13, 2013



DIVERSION CHANNEL


Reach 1 Artist Rendering

Federally Authorized by U.S. House and Senate

95% Designed - Reaches 1-4, including County bridges

IN-TOWN FLOOD PROTECTION

Diversion-related flood protection for Downtown Fargo approved and expected to begin in 2014

14 Miles of Existing Levees Built Since 2009

Adopted Additional $247 Million Comprehensive Flood Protection Plan, including 11 Miles of Levees

OXBOW-HICKSON-BAKKE**

Ring Levee Construction expected to begin in 2014

Provides ~200 Residences with 500-year Flood Protection

North Dakota State Water Commission

900 EAST BOULEVARD AVENUE, DEPT 770 • BISMARCK, NORTH DAKOTA 58505-0850
701-328-2750 • TTY 800-366-6888 • FAX 701-328-3696 • INTERNET: http://swc.nd.gov

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E. Chief Engineer - Secretary
SUBJECT: Mouse River Enhanced Flood Protection Project SWC 1974
DATE: November 26, 2013

Following the action of the Commission at the last meeting approving cost share for design engineering of two components of the project, the Souris River Joint Board and the City of Minot have been developing the agreements and relationships necessary to begin the work. The date for release of the Request for Proposals has not yet been determined.

State Water Commission staff has been working with the International Joint Commission, the International Souris River Board, and local sponsors on a plan of study that will review and update the International Agreement. A recommendation to begin the studies necessary for this effort is provided in a separate memo.

TSS:JTF:pdh/1974

Project Proposal – Stochastic model for simulating Souris River Basin precipitation, evapotranspiration, and streamflow for 2014-50

Submitted to North Dakota State Water Commission by U.S. Geological Survey, North Dakota Water Science Center

BACKGROUND

Historically unprecedented flooding in the Souris River Basin in 2011 caused extensive damage to Minot, North Dakota, and numerous smaller communities in Saskatchewan, Manitoba and North Dakota. The severe flooding prompted the International Souris River Board to create a Souris River Flood Task Force, which prepared a plan of study for evaluating potential reservoir operation changes and flood control measures to manage future floods and droughts (ISRB, 2013). The task force plan indicated a need for developing stochastic methods to simulate future floods and droughts that, like 2011, may be extremely unlikely judging by the available historical record but may not be so extreme in a much longer historical context. Furthermore, the plan indicated a need to evaluate the effects of multi-decadal climate variability and/or possible climate change on future flood and drought risk. The work described in this proposal would provide the scientific basis for evaluating uncertainty in future climate for the Souris Basin and develop a stochastic model for simulating future streamflows that are consistent with climatic uncertainty, cover the full range of possibilities from extreme drought to extreme flood, and provide unbiased estimates of flood and drought risk during the 2014-50 simulation period.

PURPOSE AND SCOPE

The purposes of the proposed work are to 1) evaluate available precipitation and temperature records from meteorological stations (1900-present) and tree ring climate proxy data (circa 1500's to present) from the Souris and surrounding basins to determine if climate in the basin is subject to multi-decadal to century-scale changes; 2) develop a stochastic model for simulating precipitation, temperature, and potential evapotranspiration (ET) data that reproduces the long-term behavior (frequency, duration, and spatial extent of wet/dry periods, etc.) of the historical data; 3) develop a stochastic water-balance model for simulating unregulated inflows to major upstream reservoirs and downstream tributary and local inflows in response to precipitation, ET, soil-moisture storage, and groundwater or surface runoff; and 4) develop a simplified reservoir storage/flow routing model to approximate regulated flows. To make the simulation model efficient for generating 10's of thousands of potential future realizations, it will be necessary to select an appropriate time scale and spatial resolution. It is anticipated that a 10-day time step and a spatial resolution of about 8 km x 8 km will be sufficient for simulating the climatic inputs, performing the water-balance analysis, and simulating the required flows.

The stochastic simulations will be used to scope potential reservoir operation changes or flood control measures being considered and select the most promising features for more detailed engineering and design studies. Selected realizations from the stochastic model will be disaggregated to a daily time step for use in deterministic storage and routing models such as a model being developed by the Corps of Engineers (Corps of Engineers, 2013).

APPROACH

Task 1. Analysis of long-term climate variability/change

The study region for the climate analysis will include the Souris Basin and parts of surrounding basins including the Assiniboine, Red, Devils Lake, and Missouri River Basins (fig. 1). Long-term meteorological stations (at least 80 years of record) from Canada (provinces of Manitoba and Saskatchewan) and the U.S. (NOAA) will be identified and daily precipitation and temperature data from each station aggregated to obtain times series of temperature and precipitation for three 4-month seasons – November-February, March-June, and July-October. Using an approach similar to Vecchia (2002), variable transformations and periodic autoregressive models will be used to model the precipitation and temperature data for each station. Long-term persistence will be modeled using a Markov Chain Monte Carlo approach similar to Vecchia (2008). Such persistence consists of abrupt changes between wet and dry states and is caused by ocean temperature and atmospheric pressure anomalies. Gradual increases or decreases due to climate change (for example, increase in temperature due to global warming) also will be examined.

The time series model described in the previous paragraph can be calibrated using observed station data to reproduce seasonal temperature and precipitation fluctuations during wet or dry periods. However, to accurately determine the frequency and duration of the periods requires a much longer record. Therefore, climate proxy data based on tree rings will be used to help determine the frequency, duration, and severity of wet and dry periods. Pre-existing tree ring data for the study region (fig. 1), dating back to about the 16th century, will be compared to long-term simulations from the time series model to ensure that the model is accurately reproducing long-term climatic persistence and variability. Tree ring records from the Saskatchewan (Fleming and Sauchyn, 2013) and South Dakota (Shapely and others, 2005) and lake sediments from Devils Lake (Vecchia, 2008) clearly indicate the presence of long-term climatic persistence in the interior of North America.

Task 2. Stochastic simulation of precipitation, temperature, and potential ET

The time series model described previously for simulating seasonal precipitation and temperature data will be used to simulate future climatic inputs at the spatial and temporal scale required for a stochastic water-balance analysis. Simulated precipitation and temperature data for each meteorological station for the March-June and July-October seasons will be disaggregated into 3 values per month, or an approximately 10-day time step, using a two-stage statistical disaggregation technique. In the first stage, seasonal values will be disaggregated into monthly values and in the second stage, monthly values will be disaggregated into 3 values per month. In the winter season (November-February), precipitation generally remains in frozen storage and

average temperatures are generally below freezing. Therefore, for that season precipitation and temperature will be assumed to be constant for each 10-day time step.

The simulated point-wise data for the locations of the meteorological stations needs to be used to simulate values for an 8 km x 8 km grid of pixels covering the Souris Basin (approximately 1,000 pixels). This will be done using a locally weighted regression on latitude, longitude, and elevation to interpolate values for the center of each pixel (Ryberg and others, 2012). Potential ET for each time step and pixel will be computed from the simulated temperature data using the Hamon method.

Task 3. Stochastic water-balance model for simulating unregulated streamflow

In a report on Regional Reconstructed Hydrology of the Souris River (Corps of Engineers, 2013), the Corps of Engineers developed estimates of daily unregulated streamflows for 1946-2011 for inflows to major upstream reservoirs (Boundary, Rafferty, and Alameda), major downstream tributary flows, and local flows for intermediate reaches for the Souris River Basin upstream of its confluence with the Assinibione River. These unregulated flows will be aggregated to a 3-per-month time step and used along with the precipitation, temperature, and potential ET data for the same period to develop a water-balance model for estimating runoff (discharge per unit area) for each sub-basin. A water-balance model developed by Vining and Vecchia (2007), with potential modifications, will be used simulate snow accumulation and melt, groundwater storage, actual ET, surface runoff, and groundwater runoff on the basis of precipitation, temperature, and potential ET. Model parameters will be estimated so that the modeled runoff is unbiased (modeled and actual runoff have the same mean for any given time of year) and the variability of modeled runoff for any given time of year matches variability of actual runoff. In addition, serial correlation of runoff for each sub-basin and cross-correlation between runoff from different sub-basins will be maintained. After carefully verifying the model for the calibration period, it can be used along with the stochastic simulation model for precipitation, temperature, and potential ET to simulate realizations of future flows for 2014-50.

Task 4. Stochastic simulation of regulated streamflow using simplified storage/routing model

The generated sequences, or traces, of unregulated streamflow for 2014-50 will be converted to traces of regulated streamflow using a conceptual reservoir storage and flow routing model. The approach will be similar to a simulation model developed for the Sheyenne River to evaluate the effects of the Devils Lake outlet (Vecchia, 2011). Each upstream reservoir will be represented by a series of interconnected storage compartments. Inflows and net evaporation (precipitation minus evaporation on the lake surface) will be available from the stochastic water-balance model and reservoir outflow will be computed using fixed algorithms to mimic actual operating rules as closely as possible. Reservoir outflows will be routed downstream and combined with tributary inflows and local inflows. Major downstream regulation, such as Lake Darling and impoundments in Des Lacs and J. Clark Salyer wildlife refuges, will be simulated using a series of interconnected storage compartments in a similar manner to the upstream reservoirs. Storage and routing equations for computing regulated flows for a 10-day time step are much simpler than those required for a daily time step. The storage and routing model will be calibrated and verified

by comparing available known gaged flows from Environment Canada and USGS gaging stations to simulated regulated flows for 1946-2011 and ensuring that the simulated flows are statistically representative of known flows.

RELEVANCE AND BENEFITS

Following the extreme flood of 2011, municipal, provincial/state, and national water management agencies need to re-evaluate the adequacy of existing flood protection measures and determine if new zoning laws, flood insurance rates, or flood control projects are required to protect future life and property throughout the Souris Basin. Recent droughts, such as the drought of 1988-91, also point to the need for re-evaluating reservoir operating rules during drought periods. This proposed work would provide essential data and information for evaluating the best alternatives to carry forward in order to manage risk during the highly variable and unpredictable future of the Souris Basin in coming decades. With respect to the Souris River Task Force Plan of Study (ISRB, 2013), this work would satisfy the requirements for project 8 (stochastic simulation of future flows) and project 11 (climate change scenarios), and provide much of the input data required for projects 11-15.

PRODUCTS

Results of the analysis of long-term climate variability/change will be published as a journal article in a peer-reviewed journal such as the Canadian Water Resources Journal or the Journal of the American Water Resources Association. Results of the entire investigation will be distributed in a USGS Scientific Investigation Report (SIR) that will be available online. Also, data will be made available on the USGS North Dakota Water Science Center website.

WORKPLAN

This workplan is only an estimate, and may be adjusted based on future modifications to the proposed scope or initial start date.

	FY2014												FY2015		
Task	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
1.Climate analysis (including journal article)		X	X	X	X										
2.Stochastic climate simulation model				X	X	X									
3.Stochastic water-balance model						X	X	X	X						
4.Storage/routing model									X	X	X	X			
SIR writing, review, publication											X	X	X	X	X

BUDGET

The following budget represents estimated costs for all salary, benefits, and travel.

Task	Fiscal Year	Cost (USGS)	Cost (NDSWC)	Cost (Total)
Climate analysis	2014	$ 25,000	$ 25,000	$ 50,000
Stochastic climate simulation model	2014	15,000	35,000	50,000
Stochastic WB model	2014	10,000	60,000	70,000
Storage/routing model	2014	10,000	60,000	70,000
SIR	2014	5,000	5.000	10,000
	2015	15,000	15,000	30,000
Total all tasks		$ 80,000	$ 200,000	$ 280,000

REFERENCES

Corps of Engineers, 2013, Regional Reconstructed Hydrology of the Souris River: U.S. Army Corps of Engineers, St. Paul District (draft, 8/7/2013).

Fleming, S.W., and Sauchyn, D.J., 2013, Availability, volatility, stability, and teleconnectivity changes in prairie water supply from Canadian Rocky Mountain sources over the last millennium: *Water Resources Research*, v.49, p.1-11.

ISRB, 2013, Plan of Study for the Review of the Operating Plan Contained in Annex A of the 1989 International Agreement Between the Government of Canada and the Government of the United States: International Souris River Board, Task Force Report (draft, April 2011).

Ryberg, K., Lin, W., and Vecchia, A., 2012, Impact of Climate Variability on Runoff in the North Central United States: *J. Hydrol. Eng.*, 10.1061/(ASCE)HE.1943-5584.0000775.

Shapley, M.D., Johnson, W.C., Emgstrom, D.R., and Osterkamp, W.R., 2005, Late-Holocene flooding and drought in the Northern Great Plains, USA, reconstructed from tree rings, lake sediments, and ancient shorelines: *The Holocene*, v.15, p.29-41.

Vining, K.C., and Vecchia, A.V., 2007, Water-balance simulations of runoff and reservoir storage for the Upper Helmand watershed and Kajakai Reservoir, central Afghanistan: U.S. Geological Survey Scientific Investigations Report 2007-5148, 16p.

Vecchia, A.V, 2002, Simulation of a proposed emergency outlet from Devils Lake, North Dakota: U.S. Geological Survey Water-Resources Investigations Report 02-4042, 129p.

Vecchia, A.V., 2008, Climate simulation and flood risk analysis for 2008-40 for Devils Lake, North Dakota: U.S. Geological Survey Scientific Investigations Report 2008-5011, 28p.

Vecchia, A.V., 2011, Simulation of the effects of Devils Lake outlet alternatives on future lake levels and downstream water quality in the Sheyenne River and Red River of the North: U.S. Geological Survey Scientific Investigations Report 2011-5050, 60p.

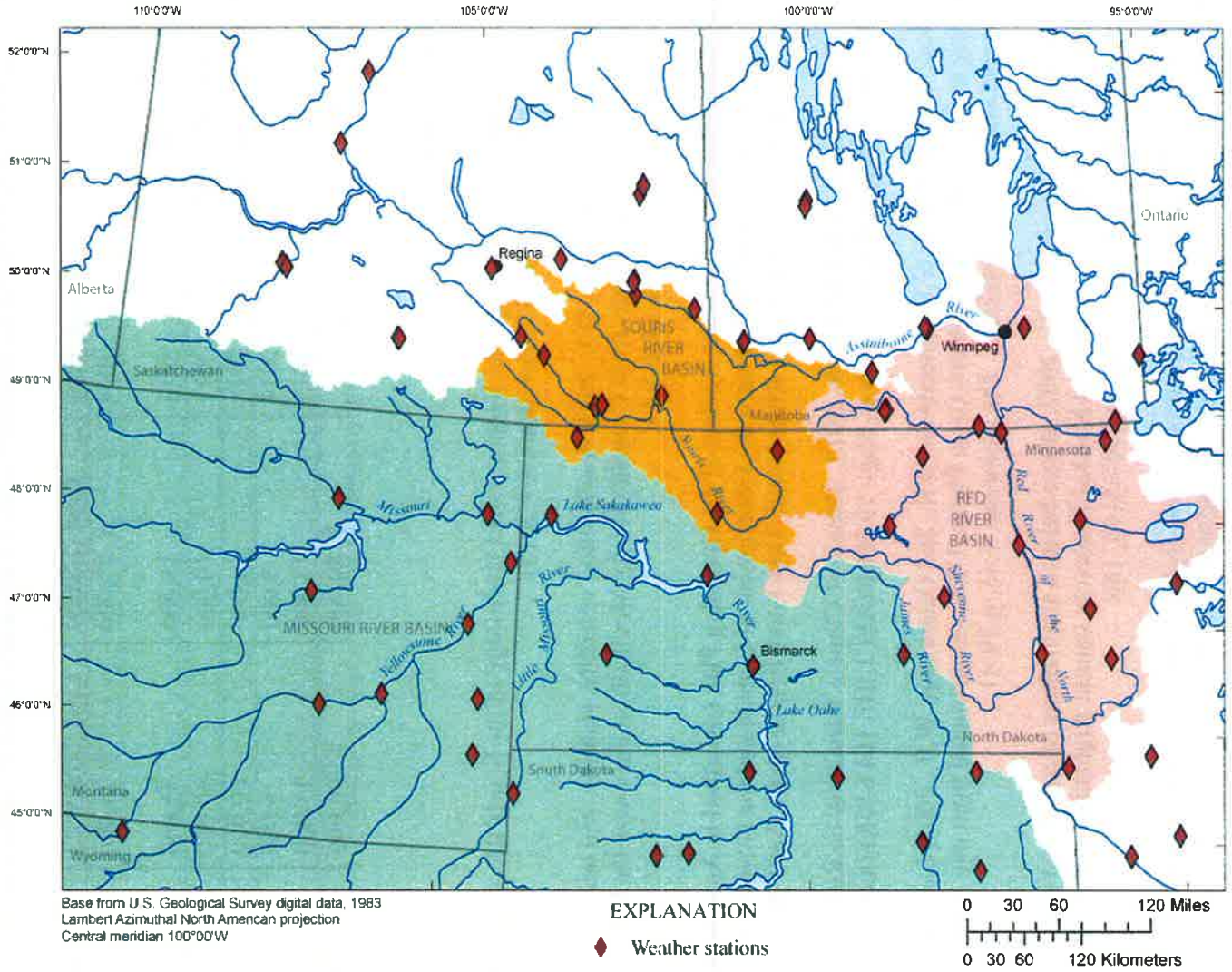


Figure 1. Study area for analysis of climate variability/change, including the Souris Basin and parts of surrounding basins, and locations of meteorological stations with long-term historical record of daily precipitation and temperature.

North Dakota State Water Commission
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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: SWPP Project Update
DATE: November 19, 2013

Oliver, Mercer, North Dunn (OMND) Regional Service Area

Zap Service Area (SA) Rural Distribution System 7-9C & 7-9D:
Pipeline installation is complete on Contract 7-9C and the contractor is working on punch list items. Pipeline installation is complete on Contract 7-9D; all users have been turned over to Southwest Water Authority (SWA) as ready for service.

Center SA Rural Distribution System 7-9E & 7-9F:
The State Water Commission (SWC) at its October 7, 2013 meeting awarded the contract to Eatherly Constructors Inc. Notice of Award has been sent to the contractor and we are waiting for the executed contract documents from the contractor.

Contract 7-9E is the west Center SA rural distribution system. Preliminary design drawings have been forwarded to the archeology sub consultant. We anticipate the cultural survey to be completed this Fall, the results of which will be incorporated in the design of the submittal set of plans. We anticipate bidding this contract early next year.

Contract 2-8E/2-8F Dunn Center SA Main Transmission Line (MTL):
Contract 2-8E is the MTL from the OMND WTP to a combination reservoir and booster station north of Halliday (Dunn Center booster station). This contract was awarded on May 21, 2013 and the contractor started installation on July 24, 2013. This contract involves furnishing and installing approximately 25 miles of pipe, an above grade booster station with concrete reservoir, PRV/Control vault, road crossings and related appurtenances. The contractor has installed roughly 13 miles of pipe. The substantial completion date is July 1, 2014.

Contract 2-8F is the MTL west of Halliday to west of Killdeer. Water from the OMND WTP will be pumped to the Dunn Center booster station and again from the Dunn Center booster station to the Dunn Center elevated tank. Difficulties in easement acquisition have delayed bidding of this contract. This contract will be bid once a satisfactory percentage of easements have been secured.

Contract 4-6 Dunn Center SA Pumps inside OMND WTP:
The Notice to Proceed was issued on June 17, 2013. The preconstruction conference was held on July 18, 2013. The contractor mobilized to site on September 17, 2013. The substantial

completion date is December 31, 2013. The contractor has completed demolition and the concrete work required for the new pump bases. The foundation and slab to support the oxygen generation building was included as a change order to this contract and the concrete placement is complete.

Contract 5-17 Dunn Center Elevated Reservoir:
This contract includes furnishing and installing a 1,000,000 gallon elevated composite reservoir. The notice to proceed for this contract was issued on July 16, 2013. A preconstruction conference was held on August 22, 2013 and the construction commenced the same day. Foundation work is complete and the contractor has completed 19 rings out of the total 23 rings in the pedestal. The pedestal and dome for the tank is expected to be complete this winter. The substantial completion date is August 15, 2014.

Contract 5-15B 2nd Zap Reservoir:
This contract includes furnishing and installing a 1,650,000 gallon ground storage reservoir. Contract documents have been executed and notice to proceed was issued on August 9, 2013. The substantial completion date is August 15, 2014. Contractor has not requested for a preconstruction conference for this contract.

Contract 8-3 Killdeer Mountain Elevated Reservoir:
This contract includes furnishing and installing a 250,000-gallon elevated reservoir. This contract was bid on October 18, 2013. The bid results and recommendation to award are discussed in a separate memo.

OMND Water Treatment Plant (WTP) Phase II Expansion:
Contract documents for contract 3-1G – Membrane Systems Procurement have been executed and submittals have been reviewed. This contract is a sole source procurement contract. The Original Base Bid, as provided as a Bid Alternate for the SWPP Contract 3-1C Phase One Membrane Procurement, is listed on the bid form in the Amount of $1,731,800.00. As specified in the SWPP 3-1C Contract Documents, an inflation adjustment was applied to the bid from the time the SWPP Contract 3-1C Bid was received (November 2009) until May 2013 (The date when the contract was awarded) using the Engineering New Record (ENR) US Material Cost Index for the Minneapolis Region. This inflation adjustment, as provided in the Contract Documents, is $356,231.92. The total base bid including the inflation adjustment up to May 2013 is $2,088,031.92. Contract documents have been executed by all parties and a Notice to Proceed with Construction Phase Services was issued on October 8, 2013. The inflation adjustment included in the bid did not include the inflation costs incurred from May 2013 until the Notice to Proceed for the Construction Phase Services was issued as agreed upon in the contract agreement. A draft change order in the amount of $43,539.00 has been forwarded to Wigen for review. The change order covers this inflation adjustment from May 2013 to August 2013, and also changes identified with Phase I operation. Final shipment dates will be discussed during the pre-construction conference for 3-1H sometime in January 2014.

Contract documents have been executed and Notice to Proceed was issued on August 6, 2013 for Contract 3-1F, Ozone Procurement System. Submittals are under review for this contract. The

anticipated delivery date will be adjusted following a pre-construction meeting for the installation Contract 3-1H.

The scope of Contract 3-1H OMND WTP Phase II expansion generally consists of the installation of the membranes and equipment procured by 3-1F and 3-1G contracts, furnishing and installing process pumps, piping, installing VFD drive for the pump, furnishing and installing motor starters, furnishing and installing electrical power feed conduit and wiring, furnishing and installing instrumentation control wiring and making all connections. This contract is divided into General and Electrical contract. The contract is currently being advertised for bids with bid opening on December 6, 2013.

Other Contracts

Contract 7-1C/7-8H Hydraulic Improvements in the Davis Buttes, New Hradec and South Fryburg SA:
This contract is substantially complete. We have been contacted by one of the suppliers indicating non-payment by the contractor and we are also aware that the supplier has contacted the bonding company making a claim against the contractor's bond. Retainage is usually not released on contracts prior to receipt of lien waivers from the suppliers. The claim that we are aware of will be covered by the retainage that we have on this contract.

Contract 8-1A New Hradec Reservoir:
This contract involves furnishing and installing a 296,000 gallons fusion powder coated bolted steel reservoir. The contract documents were executed on May 16, 2013 and the Notice to Proceed was issued on June 3, 2013. Foundation earthwork is completed. The substantial completion date was September 15, 2013. Foundation concrete work is ongoing. Additional retainage is being withheld to cover possible liquidated damages.

Contract 4-5 Finished Water Pumping Station (FWPS):
Geotechnical testing at the finished water pumping station is complete. A memorandum of understanding that addresses the cost sharing of the joint FWPS has been executed between the City, SWC and SWA. The City of Dickinson owns the approximate 4-acre lot east of the existing WTP. The new 6 MGD WTP will be located at that site and the land cost of the lot will be used towards City's cost share towards the FWPS. The city has appraised the land at $750,000. R.M.Hoefs & Associates from Fargo was hired to do an appraisal for the SWC and the appraised value was $1,065.000.

We have received the 50% submittal set of plans for the FWPS from Bartlett & West/ AECOM. The environmental scan of the groundwater sample at the FWPS detected the presence of low concentration of total petroleum hydrocarbons as diesel range organics. Additional samples at the FWPS and at the WTP site have been collected and were analyzed for contaminants. Water analysis at the WTP site indicate no diesel fuel organics at this location in excess of the Maximum Contaminant Level (MCL) of 0.5 mg/L. A pumping test was also conducted in October at the FWPS to establish hydro-geologic parameters such as transmissivity so that

estimates of the water quantity requiring treatment can be developed. This contract is expected to be bid in January 2014.

Contract 1-2A Supplemental Raw Water Intake:
Contract documents have been executed. Project specifics, such as definite size of caisson, intake pipe and method of construction are necessary in order to finalize the US Army Corps of Engineers (USACE) permit and construction license. The contractor indicated that they would like to use reinforced concrete pipe with an outside diameter of 101" with an inside diameter of 78" to 80" at the preconstruction conference. The contractor is also proposing 7m (22.96 ft) inside diameter caisson. We have been working with USACE to finalize the easement and temporary construction license. The contractor anticipates installing a dewatering well this winter to assess the groundwater conditions and commence construction next spring.

Contract 3-2 Six (6) MGD Water Treatment Plant at Dickinson:
Specific authorizations for completing the bid ready documents for the membrane filtration equipment procurement (Contract 3-2A) and softening equipment procurement (Contract 3-2B) have been executed with BW/AECOM. Equipment procurement is the first step in the design of the WTP. The specifications of the process equipment largely determine the WTP layout, piping design, and process design, which will be incorporated in the WTP building design. The design of the WTP will likely require 9 to 12 months. We anticipate bidding the WTP construction contract in Spring 2015.

Project Update:

July Storm Damage:
The windstorm on July 8, 2013 resulted in damage to the Halliday reservoir and telemetry antenna at the Dodge Pump Station. The tank, built in 1995, is 31 feet in diameter and 47 feet in height. The tank was designed with the possibility to be raised to a future height of 63 feet. Hydraulic analysis as to whether raising the tank is necessary is ongoing. Cost estimates from Engineering America Inc., (EAI) the original tank contractor, have been received. The cost to replace the 5 rings of damaged panels is approximately $157,000. The cost to increase the height of the tank adds an additional $70,000. It appears that vacuum caused by high winds caused the tank wall to collapse. The tank manufacturer suggested increasing the steel thickness of the top panels in order to address the vacuum issue. A cost estimate of around $40,000 was quoted for increasing the steel thickness in the top 5 rings. BW/AECOM advised that raising the tank to an overflow of 61 feet was not worth the added cost. The SWA instructed EAI to proceed with the replacing the 5 rings of the tank. EAI has ordered the steel for the tank and it is anticipated that the tank repair will take place during third week of December.

City of Rhame:
The City of Rhame voted to connect to the SWPP at its July 9, 2013 special election. Rhame did not elect to connect to SWPP when the Bowman-Scranton Service Area was constructed in 2000-2003, so no capacity for them was included in the design. Service to Rhame requires paralleling 3 miles of pipeline on the suction side of the Rhame Booster, connection to the city's

distribution system and upgrading the pumps in the Rhame booster from 15 hp to 20 hp. The City of Rhame is responsible for the parallel piping, connection to the city's distribution system and 25% of the pump upgrades. The remaining 75% of the pump replacement cost will be requested from the Replacement and Extraordinary Maintenance funds. The City of Rhame has hired BW/AECOM as their engineer for this project. City of Rhame is responsible for the estimated project cost of $375,000 and has been approved for Community Development Block Grant to cover portions of this project. The City is currently working with landowners to obtain the necessary easements.

TSS:SSP:1736-99

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer-Secretary
SUBJECT: NAWS – Project Update
DATE: November 27, 2013

Supplemental EIS

Reclamation continues to work on the Supplemental Environmental Impact Statement (SEIS). Comments have been provided to Reclamation by the cooperating agencies on Chapter 1 (Introduction), Chapter 3 (Affected Environment), Transbasin Effects Analysis Technical Report, and Appraisal Level Design Report. Reclamation and their consulting team are currently drafting Chapter 2 (Alternatives) and Chapter 4 (Environmental Impacts). Chapter 2 will be presented to the Cooperating Agency Team in December along with responses to comments on previously review components. Chapter 4 will be reviewed and presented in a Cooperating Agency Team meeting in January. The draft SEIS is roughly 90% complete and should be out for review in early spring of 2014. The original schedule anticipated a draft SEIS last summer, but additional time was needed in order to ensure a scientifically sound and procedurally correct NEPA document.

Manitoba & Missouri Lawsuit

The Federal Court issued an order on March 5, 2010, requiring Reclamation to take a hard look at (1) the cumulative impacts of water withdrawal on the water levels of Lake Sakakawea and the Missouri River, and (2) the consequences of biota transfer into the Hudson Bay Basin, including Canada. The most recent order dated October 25, 2010, allows construction on the improvements in the Minot Water Treatment Plant to proceed. However, it does not allow design work to continue on the intake. The court ordered a conference call on November 15, 2012. The court expressed concerns about construction taking place under the previously approved and unopposed injunction modifications possibly affecting the outcome of the SEIS. A briefing explaining the additional construction on the northern tier, justifying the need and explaining the independence from supply or biota treatment alternatives was filed December 6, 2012. Missouri and Manitoba filed responses January 6, 2013 and our response was filed January 22, 2013. The Court issued an opinion on March 1, 2013 modifying the injunction to not permit 'new pipeline construction or new pipeline construction contracts'. We are working with our legal counsel to determine what we are able to work on while Reclamation is completing the environmental review.

Current Construction

All current construction contacts are substantially complete with only minor punch list items and finishing clean up and reclamation work remaining. Remaining obligations are primarily retainage on all contracts.

Design and Construction Update

Table 1 - NAWS Contracts under Construction

Contract	Contract Award	Contractor	Contract Amount	Remaining Obligations
2-2D Mohall	7/24/09	American Infrastructure, CO **In default – assumed by the surety - EMC**	$5,196,586.13	$407,919.91
2-3A Minot AFB	1/4/11	S.J. Louis Construction	$6,291,181.65	$158,693.68
2-3B Upper Souris/Glenburn	1/4/11	S.J. Louis Construction	$3,869,118.35	$111,430.96
7-1A Minot WTP Filter Rehab and SCADA	11/30/11	PKG Contracting, Inc. Main Electric, Inc.	$8,258,678.85	$681,006.85
Total Remaining Construction Contract Obligations				**$1,359,051.40**

TSS:TJF:pdh/237-4

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission

FROM: Todd Sando, P.E., Chief Engineer/Secretary

SUBJECT: Devils Lake – Projects and Hydrologic Update

DATE: November 27, 2013

Hydrologic Update

The current Devils Lake water surface elevation is at 1452.24 ft-msl. The lake is 0.9 feet higher than it was last year at this time. The total volume of the lake is 3.77 million ac-ft and total area is 185,000 acres. Annual inflow was about 420,000 acre-feet for 2013, which is the 4 highest recorded. During the Devils Lake Basin Joint Water Resource Board meeting on November 13th, the members reported that soil moisture within their counties is variable but overall the soils are slightly to mostly saturated.

Outlets

The east end outlet was started on June 18th and operated until November 9th when the pumps were shut off due to low temperatures. The west end outlet was started on July 1st and operated until October 17th when pumps were shut down due to the failure of the Round Lake standpipe (tank). Below is a summary of monthly and total volume pumped from the outlets for 2013.

Month in 2013	Volume -West End	Volume – East End	Volume - Combined
---	Acre-Feet	Acre-Feet	Acre-Feet
June	0	2,328	2,328
July	14,110	19,722	33,832
August	15,566	22,509	38,075
September	12,542	21,545	34,087
October	6,694	20,783	27,477
November	0	5,984	5,984
Totals	48,912	92,871	141,783

The total volume of 141,783 acre-feet corresponds to 10 inches of depth off the lake at elevation 1450.0. Another way to envision this volume is to consider the city limits of Devils Lake (6.5 square miles) submerged by a depth of 34 feet.

JK:EC:ph/416

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer/Secretary
SUBJECT: Missouri River Update
DATE: November 22, 2013

System/Reservoir Status

System storage on November 20 in the six mainstem reservoirs was 50.8 million acre-feet (MAF), 5.3 MAF below the base of flood control. This is 2.4 MAF below the average system storage for the end of November, and 1.9 MAF more than last year.

On November 20, Lake Sakakawea was at an elevation of 1834.7 feet msl, 2.8 feet below the base of flood control. This is 3.7 feet higher than a year ago and 0.9 feet below its average end of November elevation. The minimum end of November elevation was 1809.2 feet msl in 2006 and the maximum end of November elevation was 1846.9 feet msl in 1972.

The elevation of Lake Oahe was 1601.9 feet msl on November 20, 5.6 feet below the base of flood control. This is 8.0 feet higher than last year and 3.0 feet higher than the average end of November elevation. The minimum end of November elevation was 1573.1 feet msl in 2006, and the maximum end of November elevation was 1614.2 feet msl in 1997.

The elevation of Fort Peck was 2223.8 feet msl on November 20, 10.2 feet below the base of flood control. This is 5.3 feet lower than a year ago and 6.2 feet lower than the average end of November elevation. The minimum end of November elevation was 2199.9 feet msl in 2004, and the maximum end of November elevation was 2245.8 feet msl in 1975.

The November runoff forecast for calendar year 2013 is 25.9 MAF, 102% of normal. Runoff for the month of October this year above Sioux City, IA was 2.8 MAF, which is 240% of normal for the month of October and the second highest October runoff since recordkeeping began in 1898. October runoff in the Oahe reach was highest on record (1,873% of normal) and was second highest on record in the Fort Randall reach (4,525% of normal).

Despite the high runoff for the month of October, drought conservation measures will be implemented this winter, based on the September 1st storage check. Current releases from Garrison Dam are 13,000 cfs and it is forecasted to remain at 13,000 cfs until the end of November. It is anticipated that releases will increase to 16,000 cfs by the end of December and further increased to 18,000 cfs by the end of January.

Drought conservation measures provide that releases this winter from Gavins Point be set at 12,000 cfs. Based on river conditions and tributary inflows this winter, releases may be increased above 12,000 cfs to accommodate intakes below Gavins Point. Last winter the Corps was scheduled to release 12,000 cfs from Gavins Point as specified in the Master Manual. Due to bed degradation and low tributary flows, actual releases were held at 14,000 cfs to accommodate four downstream water system intakes. The volume of water released from the upstream reservoirs collectively due to the increased flow last winter was approximately 400,000 to 500,000 acre-feet.

Hydrometeorological Conditions

On November 15, the National Weather Service Missouri Basin River Forecast Center provided an update on basin conditions. It is predicted that the Missouri River Basin will have "Neutral" El Nino/La Nina conditions for the winter, which means that there are no indicators regarding snow accumulation in the mountains and plains. Current soil moisture is estimated to be greater than 60% in a majority of the basin, with most of the eastern part being above 80% (see attached map). The first official spring outlook for the Missouri River Basin is scheduled for mid-February.

Annual Operating Plan

Due to the recent shutdown of the federal government, the five Annual Operating Plan public meetings scheduled for October 8-10 were cancelled. A conference call was held on October 28 to provide a brief overview on basin conditions and plans for regulating the reservoir system in 2014. The Corps' public comment period closed on November 15. The State Water Commission's comments are attached.

Missouri River Recovery Implementation Committee (MRRIC)

In Section 5018 of the 2007 Water Resources Development Act (WRDA) Congress authorized the Missouri River Recovery Implementation Committee (MRRIC). The Committee is to make recommendations and provide guidance on activities resulting from the Missouri River Recovery Program (MRRP). The Committee was established in 2008. MRRIC has nearly 70 members representing local, state, tribal, and federal interests throughout the Missouri River Basin.

During a meeting in Omaha, NE from November 5 to 7, MRRIC reached final consensus on a set of actions regarding the Corps' land acquisition program, which mitigates for habitat lost to the Bank Stabilization and Navigation Project. The recommended set of actions provides for improved communication and outreach practices during the land acquisition process and future management of that land.

MRRIC received an update on the Missouri River Recovery Management Plan (MRRMP) and Environmental Impact Statement (EIS). The MRRMP and EIS is a three-year effort that will evaluate the effectiveness of actions taken by the Corps to recover the least tern, piping plover, and pallid sturgeon. The evaluation will determine modifications to current recovery efforts, if

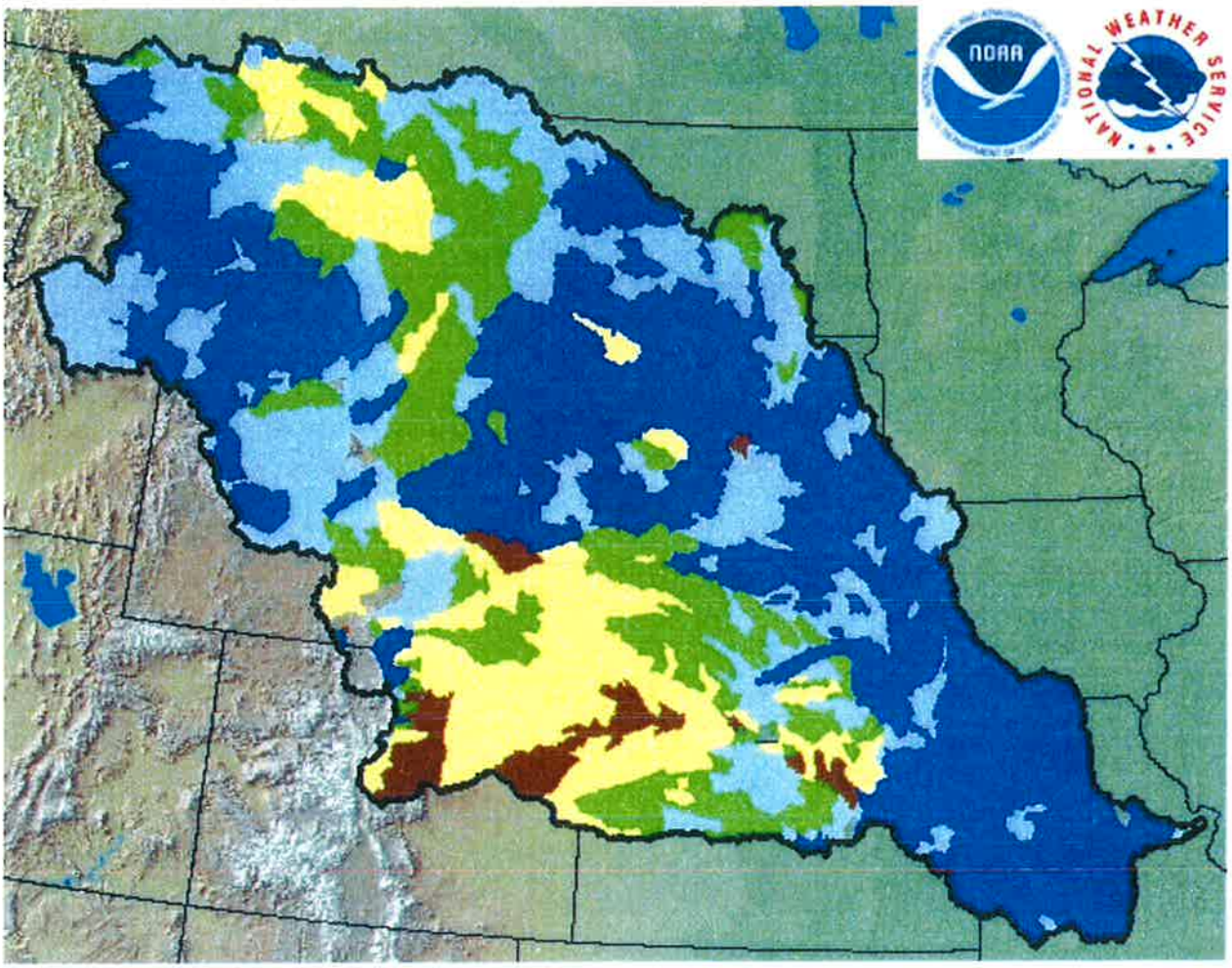
necessary, and will result in an adaptive management plan for Missouri River Recovery Management Plan actions. The MRRMP and EIS are scheduled to be complete in May 2016. For this effort, MRRIC is currently assisting the Corps in developing a set of objectives and performance metrics that would represent the human uses and needs of the Missouri River. These objectives and performance metrics will be used by the Corps to screen the alternatives developed for the recovery of the three species.

During the November meeting, MRRIC was informed by the U.S. Fish and Wildlife Service (Service) that according to their most recent 5-year review, the Service will be recommending the de-listing of the endangered Least Tern.

Surplus Water/Reallocation

In June 2013, the Corps released their draft *Municipal and Industrial Reallocation Study* and the State Water Commission staff responded with comments. In a November 19 update, the Corps stated that all comments have been addressed and they were waiting on final approval for the incorporation of those comments into the reallocation report. The Corps is also working on completing the analysis of impacts to project purposes and on finalizing the scoping report.

TS:LA:ph/1392



MBRFC Experimental Moisture Index
Valid: 11/21/2013

Percent Saturation

0 - 20 | 20 - 40 | 40 - 60 | 60 - 80 | 80 - 100

North Dakota State Water Commission

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October 15, 2013

Brigadier General John S. Kem
U.S. Army Corps of Engineers, Northwestern Division
Attn: Missouri River Water Management
1616 Capitol Ave, Suite 365
Omaha, NE 68102

Dear Brigadier General Kem,

It is unfortunate that the recent shutdown of the federal government has resulted in the cancellation of the Annual Operating Plan (AOP) public meetings. These meetings provide a valuable forum for the public to meet U.S. Army Corps of Engineers' (Corps) staff and have their questions answered. In the absence of a public venue, the North Dakota State Water Commission is submitting the following comments regarding the 2013-2014 AOP.

I will start by thanking the Corps for continuing their drought conservation measures. I strongly encourage the Corps to take all possible measures to conserve water. While conditions can change, history shows us that droughts typically last multiple years. Conservation of water benefits the authorized purposes of recreation, fish & wildlife, hydropower, water supply and water quality upon which our communities and regional economies are dependent. Early and consistent conservation of water is critical to lessening the affects of drought.

Last winter the Corps was scheduled to release 12,000 cfs from Gavins Point as specified in the Master Manual. Due to bed degradation and low tributary flows, actual releases were held at 14,000 cfs to accommodate four downstream water system intakes. The volume of water released from the upstream reservoirs collectively due to the increased flow last winter was approximately 400,000 to 500,000 acre-feet. It is our understanding that some of these water system intakes have not been modified since last winter to function properly at a release rate of 12,000 cfs.

The AOP specifies that winter releases from Gavins Point will be 12,000 cfs (page 13). The plan also states that these releases may be increased to meet downstream water supply needs, to the extent reasonably possible, if downstream runoff is low (page 11). The Master Manual does provide that the Corps may release water, to the extent reasonable, for water supply. At the same time, it is also reasonable to expect people to adapt to an ever-changing environment. We recognize the extenuating circumstances requiring this operational deviation; however, because drought conditions continue to affect a large portion of the upper Missouri River Basin, we urge the Corps to conserve water and ensure that inadequate water system intakes are

modified to allow them to operate at the specified minimum flow release levels. North Dakota's water users along the Missouri River System have had to make investments in water supply intakes to deal with low water levels. Downstream water users should be expected to do the same.

The AOP indicates (pages 15 and 16) that there will most likely be a full-length navigation season with flows below full service at the start of the season, followed by slightly below full service flow support following the July 1st storage check. In the past, large volumes of water were passed to provide full service and full season navigation as navigational targets were continually met - even when river reaches lacked barge traffic. In the event that there is no commercial navigation scheduled, I urge the Corps to conserve water and not provide navigation flow support when and where there is no navigation.

Last year, Mississippi River interests repeatedly pressured the Corps to provide additional releases from the Missouri River mainstem reservoirs to alleviate low water conditions in the Mississippi navigation channel. The Corps upheld its legal authority by denying support to Mississippi navigation because it is not an authorized purpose of the Pick-Sloan projects. The State of North Dakota agrees with this position and strongly encourages the Corps to continue to deny this illegal release of water.

Open water and ice jam induced flooding are concerns on the Missouri River in North Dakota. Although ice jam induced flooding can occur anywhere along the Missouri River in North Dakota, there is heightened concern in the Bismarck-Mandan area. The AOP (pages 13 and 14) states that winter releases will be increased to accommodate winter power loads and to better balance storage in the upper three reservoirs. It also specifies that releases will be temporarily reduced, most likely in December, to prevent ice-induced flooding during freeze-in followed by a gradual increase as conditions permit. The flood stage at the Missouri River at Bismarck stream gage station is 14.5 feet. In both the AOP and Master Manual (page VII-21), the Corps has indicated that they plan on preventing the exceedance of a stage of 13 feet. The Master Manual, however, states that the flood stage at the Bismarck gage is 16 feet (page VII-40). Because the flood stage has been lowered 1.5 feet since the last update of the Master Manual, I suggest that the Corps plan on preventing the exceedence of a stage of 11.5 feet, rather than 13 feet.

I also recommend increasing the fall discharge from Lake Sakakawea and reducing the winter flows to offset channel changes. Current releases from Garrison Dam are 13,000 cfs, which combined with the channel changes caused by the flood of 2011 result in the lowest stage at the Bismarck gage since the reservoir was filled. The channel changes have also increased the risk of ice jams. Finally, I recommend continued communication with other federal, state, and local entities during periods of freeze-in and ice-out to ensure awareness of rapidly changing conditions.

While it is not really an AOP issue, I remind the Corps that the State of North Dakota is adamantly opposed to any effort by the Corps to charge our water users, or interfere with water use, for water that rightfully belongs to the people of our state. The basin states have a clear right to the use of the natural flow of the Missouri River without obligation to the federal government.

Sincerely,

Todd Sando, P.E.
State Engineer

TSS:BWE:LCA:pdh/1392
cc: Jody Farhat, Chief, Missouri River Water Management Office

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer-Secretary
SUBJECT: Western Area Water Supply – Project Update
DATE: November 27, 2013

Funding

The Western Area Water Supply Authority's (Authority) October capital accounting report shows approved project expenses total at $111.4 million. The Authority has drawn the $25 million loan from the Contract Fund, the $50 million loan from Bank of North Dakota, the $25 million General Fund loan, the $10 million loan from the Contract Fund, and $2.6 million from the $40 million loan from Bank of North Dakota. The original project cost estimate was $150 million for service to a population of approximately 40,000 and received approval for $110 million. The housing study indicates the population could reach 90,000 and the project cost has been updated to $368 million due to increase demand in the rural areas and increase in construction costs. The October industrial sales report shows August through October sales at $7.18 million.

Design Work

The Authority approved the project engineer to complete design on several projects for water service in McKenzie County, Williams Rural Water, R&T Rural, R&T Epping, and BDW Rural.

Construction Update

A summary of the current and completed construction contracts is shown on the attached table.

Industrial Sales and Lateral Approval

2013 Senate Bill 2233, Section 19, requires State Water Commission approvals on industrial sales connections starting August 1, 2013. The State Water Commission delegated the Chief Engineer the authority to either approve or deny these connections and contracts. Review and approval has been made on seven industrial sales applications. These lateral connections are short term in nature, such as water supply for development of an oil well, where the connection time is approximately three weeks. The one remaining active lateral will end service on December 10.

TS:MK/1973

State Water Commission - Western Area Water Supply Project Update

Progress through October 2013

Nov-27-2013

Project	Contractor	Cost	Payments	Completion
McKenzie System IV	Merryman Excavation	$8,914,563.22	$8,093,162.60	91%
8" to 2" pipeline west of Alexander - 190 Miles			Part 1	est 11/30/12
			Part 2	est 11/30/13
R&T Regional Service Pipeline To Crosby/BDW	Wagner Construction	$5,014,522.12	$4,659,648.96	81%
26 miles of 14" to 8" pipeline from Wildrose to Crosby (The original 12" line was increased to a 14" line for increase in domestic signups)				est 10/1/13
Regional Water Service Phase II Pump Station/ Meter Vault	Gen- John T Jones Const	$5,275,420.00	$5,254,271.00	100%
Heading south Williston: 5.3 MGD Station at Lewis and Clark - 6/15/2013 Heading south Williston: 5.4 MGD Station at Indian Hills - 4/15/2012 Heading south Williston: 5.2 MGD Station at Alexander - 6/30/2013	Mech- Cofell's Plumbing & Heating	$420,670.00	$382,589.00	91%
Heading north Williston: 6.6 MGD Station at 13 mile corner - 6/30/2013 Heading north Williston: 2.1 MGD Station at Ray By-Pass - 7/3/2013	Elec- John's Refrigeration & Elec	$2,496,479.60	$2,266,400.00	91%
Regional Water Service Ph II Reservoirs	Engineering America, Inc.	$5,216,020.00	$4,941,070.00	95%
0.5 MG reservoirs at Wildrose				est 11/30/12
0.5 MG reservoirs at Alexander 11-30-12				est 06/01/13
0.5 MG reservoirs at Arnegard 11-30-12				est 06/01/13
2 MG reservoirs at 13-mile corner 10-30-12				est 06/01/13
2 MG reservoirs at Ray 10-30-12				est 06/01/13
Regional Water Service Phase II Pipeline To Ray (R&T Water)	S.J. Louis Construction	$15,314,412.55	$14,572,478.97	95%
30 miles of 24" to 20" pipeline starting north of Williston and east to Ray.				6/22/13
Regional Water Service Phase II Pipeline To Watford City	Ryan Construction	$12,887,326.20	$12,758,453.00	99%
30 miles of 20" pipeline starting south of Williston and east to Watford City.				est 06/01/13
Phase II Bulk Water Fill Stations - Part 1	Lakeshore Toltest Corporation	$3,399,723.75	$2,380,505.00	70%
Approximately 8 industrial water depots are included in this phase and will range in size from 2 to 6 fill points, with a fill point averaging delivery of 200 gallons per minute over a 24 hour period.	13-Mile Corner			est 11/26/12
	Alexander			est 11/26/12
	Indian Hill			est 11/30/12
Williams Rural Water West Expansion Phase 1				est 7/31/13
Contract 1 - 7.7 miles of 16" pipeline west of Williston	Niebur Development Inc.	$2,082,127.55	$2,082,128.00	100%
Contract 2 - 7.4 miles of 16" to 10" pipeline west of Williston	Western Municipal Construction	$1,139,355.11	$1,114,355.10	98%
Bulk Water Fill Depots - Ray - Tioga				est 11/30/12
Industrial water depots are included in this phase and will range in size from 2 to 6 fill points, with a fill point averaging delivery of 200 gallons per minute over a 24 hour period.	Glacier Construction Co., Inc.	$374,772.00	$374,772.00	100%
Regional Water Service Phase II Pipeline Watford City By-Pass	Merrymen Excavation	$3,130,190.08	$3,028,730.33	97%
14 miles of 16" to 6" pipeline starting west of Watford City and continuing east.				est 05/31/13
Williston Regional Water Treatment Plant Phase III Improvements	10 MGD to 14 MGD			est 05/21/14
Contract 1 - General	PKG Contracting, Inc.	$12,187,169.00	$8,805,723.55	72%
Contract 2 - Mechanical	Williams Plumbing and Heating	$243,854.00	$97,110.00	40%
Contract 2 - Electrical	Colstrip Electrical Inc.	$1,952,238.75	$1,406,070.18	72%
Williston Regional Water Treatment Plant Phase IV Improvements	14 MGD to 21 MGD			est 01/31/15
Contract 1 - General	PKG Contracting, Inc.	$22,796,900.00	$967,809.00	4%
McKenzie System I	Wagner Construction	$1,110,450.00	$1,110,450.00	100%
8.6 miles of 12" to 2" pipeline around Watford city (Change under contract No. 1)				10/1/13
R&T Water Supply Well Expansion				
Additional Well Capacity	PKG Contracting, Inc.	$1,121,969.00	$1,065,870.55	95% 11/30/13

State Water Commission - Western Area Water Supply Project Update

Progress through October 2013 — Nov-27-2013

R&T Water Supply Water Treatment Facility Modification	PKG Contracting Inc	$328,069.00	$241,562.00	74%
				10/15/13
WRWD West Expansion				
	American General Contracting	$ 2,116,000		0%
	Maguire Iron, Inc.	$ 2,095,000		0%
MCRWD Cherry Creek Pump Station (Keene Loop)				10/1/13
Contract 1 -General	PKG Contracting, Inc.	$1,636,900.00		0%
Contract 2 - Electrical	John's Refrigeration & Electric	$750,000.00		0%
MCRWD East Transmission Line Expansion				
	Merrymen Excavation	$3,956,133.00		0%
Williston WTP Pre-Treatment Improvements				
	Jim Myer and Sons, Inc (JMS)	$518,081.00		0%
	Current Construction	$116,478,345.93	$75,603,159.24	

Completed

US 2 to County Hwy No. 7 Watermain	Metro Construction	$3,986,068.58	$3,986,068.58	Completed
24" to 12" pipeline west side Williston				12/1/11
Res No. 1 to Bakken Ind. Park Pipeline	Merryman Excavation	$4,049,188.00	$4,049,188.00	Completed
30" to 24" pipeline NW of Williston				5/31/12
26th St Pump Station	John T Jones Construction	$761,640.20	$761,640.20	Completed
Increase discharge pressure				5/4/12
NW Williston Reservoir - Ph 1	Natgun Corporation	$4,499,052.50	$4,499,052.50	Completed
5 Million Gallons Storage NW of Williston				2/26/13
Bulk Water Fill Depot - Watford City				Completed
Industrial water depots are included in this phase and will range in size from 2 to 6 fill points, with a fill point averaging delivery of 200 gallons per minute over a 24 hour period.	PKG Contracting, Inc.	$2,558,649.14	$2,558,649.14	10/31/13
	Fargo Equipment	$33,105.00	$33,105.00	5/31/12
	Completed Construction	$15,887,703.42	$15,887,703.42	
	Total Construction	$132,366,049.35	$91,490,862.66	
	Engineering/Program Management	$ 24,185,413	$ 18,977,929	
	Legal (Capitalized)	$ 870,196	$ 870,196	
	Easements	$ 1,700,000	$ 1,668,246	
	Cost Share	$ (3,020,791)	$ (3,020,791)	
	Crop Damage	$ 528,524	$ 528,524	
	Granite Peaks	$ 2,005,154	$ 2,005,154	
	Non Construction Total	$ 26,268,496	$ 21,029,258	
	Total	$158,634,545.73	$112,520,120.93	

North Dakota State Water Commission

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Agenda A 1-3)

MEMORANDUM

TO: Governor Jack Dalrymple
North Dakota Water Commission Members

FROM: Todd Sando P.E.
Chief Engineer-Secretary

SUBJECT: Financial Updates

DATE: March 4, 2014

1. Agency Program Budget Expenditures

Attached is an expenditure spreadsheet for the biennium through January 31, 2014. With only two special line items, Administrative and Support Services and Water and Atmospheric Resources Expenditures our legislatively approved budget does not contain specific amounts for Salaries, Operations, and Grants and Contracts. In order to manage the Division's budgets we have allocated dollar amounts to each of these categories, however, division managers have the ability to shift dollars from one category to another (see page 3.)

The Contract Fund spreadsheet summarizes information on the committed and uncommitted funds from the Resources Trust Fund and the Water Development Trust Fund (see page 4.) A detailed breakdown of the individual projects follows on pages 5 through 9.The current Contract Fund spreadsheet shows approved projects totaling $371,642,763 leaving a balance of $334,251,329 available to commit to projects in the 2013-2015 biennium.

2. 2013 – 2015 Resources Trust Fund and Water Development Trust Fund Revenues

Oil extraction tax deposits into the Resources Trust Fund total $172,558,925 through February 2014 and are currently $18,721,325 or 12.2 percent above budgeted revenues.

No deposits have been received for the Water Development Trust Fund this biennium. The first planned deposit is for $9 million in April of 2014.

3. The Commission currently has the following bond issues outstanding:

Southwest Pipeline Project	2000 Series A	$ 675,000
Southwest Pipeline Project	2005 Series A	1,876,500
Southwest Pipeline Project	2005 Series B	537,000
Southwest Pipeline Project	2007 Series A	1,375,548
Southwest Pipeline Project	2009 Series A	2,939,285
Southwest Pipeline Project	2007 Series B	11,900,000
Statewide Water Development	2005 Series A	17,310,000
Statewide Water Development	2005 Series A	46,355,000

The first 5 issues can be retired on July 1, 2014. The Legislature included funding to retire bonds with the restriction that available funding from the Resources Trust Fund for water projects must exceed $287,000,000. The balance in the Resources Trust Fund as of January 31, 2014 was $392,621,636. This is being presented to you at this time because the trustee has informed us that they require a 55 day notice of intend to retire the bonds.

The remaining 3 issues have 10 year redemption clauses that prevent retirement at an earlier date, however they may be defeased prior to that. We will address defeasement of these bonds later in the biennium.

I recommend that the Commission proceed with the retirement of the 2000 Series A; the 2005 Series A; the 2005 Series B; the 2007 Series A and the 2009 Series A bond issues on July 1, 2014.

STATE WATER COMMISSION
ALLOCATED PROGRAM EXPENDITURES
FOR THE PERIOD ENDED JANUARY 31, 2014
BIENNIUM COMPLETE: 29%

PROGRAM	SALARIES/ BENEFITS	OPERATING EXPENSES	GRANTS & CONTRACTS	3-Mar-14 PROGRAM TOTALS
ADMINISTRATION				
Allocated	2,492,011	2,323,966		4,815,977
Expended	705,391	483,527		1,188,918
Percent	28%	21%		25%
			Funding Source:	
			General Fund:	0
			Federal Fund:	17,526
			Special Fund:	1,171,392
PLANNING AND EDUCATION				
Allocated	1,334,304	301,110	107,000	1,742,414
Expended	335,775	48,120	21,322	405,217
Percent	25%	16%	20%	23%
			Funding Source:	
			General Fund:	0
			Federal Fund:	48,825
			Special Fund:	356,392
WATER APPROPRIATION				
Allocated	4,632,809	548,947	1,215,267	6,397,023
Expended	1,292,190	182,834	191,431	1,666,455
Percent	28%	33%	16%	26%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	1,666,455
WATER DEVELOPMENT				
Allocated	6,258,796	14,555,905	3,313,200	24,127,901
Expended	1,669,422	2,857,886	76,020	4,603,328
Percent	27%	20%	2%	19%
			Funding Source:	
			General Fund:	0
			Federal Fund:	396,897
			Special Fund:	4,206,431
STATEWIDE WATER PROJECTS				
Allocated			629,600,000	629,600,000
Expended			34,251,386	34,251,386
Percent			5%	5%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	34,251,386
ATMOSPHERIC RESOURCE				
Allocated	993,898	712,307	4,694,692	6,400,897
Expended	282,534	70,668	553,306	906,508
Percent	28%	10%	12%	14%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	906,508
SOUTHWEST PIPELINE				
Allocated	468,291	12,927,500	101,616,741	115,012,532
Expended	174,340	1,813,149	7,494,585	9,482,074
Percent	37%	14%	7%	8%
			Funding Source:	
			General Fund:	0
			Federal Fund:	741,378
			Special Fund:	8,740,696
NORTHWEST AREA WATER SUPPLY				
Allocated	650,021	16,498,500	53,800,540	70,949,061
Expended	146,016	471,588	217,525	835,129
Percent	22%	3%	0%	1%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	835,129
PROGRAM TOTALS				
Allocated	16,830,130	47,868,235	794,347,440	859,045,805
Expended	4,605,669	5,927,772	42,805,576	53,339,016
Percent	27%	12%	5%	6%

FUNDING SOURCE:	ALLOCATION	EXPENDITURES	REVENUE	
GENERAL FUND	0	0	GENERAL FUND:	104,734
FEDERAL FUND	37,310,283	1,204,627	FEDERAL FUND:	1,535,546
SPECIAL FUND	821,735,522	52,134,390	SPECIAL FUND:	49,789,576
TOTAL	859,045,805	53,339,016	TOTAL:	51,429,857

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 BIENNIUM

Jan-14

	BUDGET	SWC/SE APPROVED	OBLIGATIONS EXPENDITURES	REMAINING UNOBLIGATED	REMAINING UNPAID
FLOOD CONTROL					
FARGO	136,740,340	36,740,340	3,233,561	100,000,000	33,506,779
GRAFTON	7,175,000	7,175,000	0	0	7,175,000
MINOT	3,857,260	3,857,260	24,297	0	3,832,963
BURLEIGH COUNTY	1,282,400	1,282,400	0	0	1,282,400
VALLEY CITY	350,625	350,625	0	0	350,625
LISBON	700,650	700,650	0	0	700,650
FORT RANSOM	225,000	225,000	0	0	225,000
RICE LAKE RECREATION DISTRICT	2,842,200	2,842,200	0	0	2,842,200
RENWICK DAM	1,281,376	1,281,376	0	0	1,281,376
MOUSE RIVER FLOOD CONTROL	32,761,600			32,761,600	
SHEYENNE RIVER FLOOD CONTROL	22,141,705			22,141,705	
FLOODWAY PROPERTY ACQUISITIONS					
MINOT	33,684,071	33,684,071	1,835,448	0	31,848,623
WARD COUNTY	9,698,169	9,698,169	1,433,895	0	8,264,274
VALLEY CITY	1,822,598	1,822,598	124,572	0	1,698,026
BURLEIGH COUNTY	442,304	442,304	0	0	442,304
SAWYER	184,260	184,260	0	0	184,260
LISBON	888,750	888,750	529,722	0	359,028
WATER SUPPLY					
REGIONAL & LOCAL WATER SYSTEMS	80,026,227	55,942,309	9,634,598	24,083,918	46,307,710
FARGO WATER TREATMENT PLANT	27,864,069	12,864,069	895,217	15,000,000	11,968,852
SOUTHWEST PIPELINE PROJECT	85,972,021	85,972,021	8,740,696	0	77,231,325
NORTHWEST AREA WATER SUPPLY	21,241,433	7,241,433	462,924	14,000,000	6,778,508
COMMUNITY WATER LOAN FUND - BND	15,000,000	15,000,000	5,000,000	0	10,000,000
WESTERN AREA WATER SUPPY	79,000,000	40,000,000	0	39,000,000	40,000,000
RED RIVER VALLEY WATER SUPPLY	11,000,000			11,000,000	
IRRIGATION DEVELOPMENT	5,493,548	693,548	45,000	4,800,000	648,548
GENERAL WATER MANAGEMENT					
OBLIGATED	28,004,060	28,004,060	3,187,076	0	24,816,984
UNOBLIGATED	61,464,105			61,464,105	0
DEVILS LAKE					
BASIN DEVELOPMENT	68,085	68,085	7,107	0	60,978
OUTLET	872,403	872,403	0	0	872,403
OUTLET OPERATIONS	15,140,805	5,140,805	2,548,465	10,000,000	2,592,340
DL TOLNA COULEE DIVIDE	102,975	102,975	0	0	102,975
DL EAST END OUTLET	2,774,011	2,774,011	0	0	2,774,011
DL GRAVITY OUTFLOW CHANNEL	13,686,839	13,686,839	0	0	13,686,839
DL STANDPIPE REPAIR	1,300,000	1,300,000	71,885	0	1,228,115
WEATHER MODIFICATIONS	805,202	805,202	127,296	0	677,906
TOTALS	705,894,092	371,642,763	37,901,760	334,251,329	333,741,003

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium

PROGRAM OBLIGATION

Approved By	SWC No	Dept	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	*Jan-14* Balance
				Flood Control:				
SB 2020	1928	5000	City of Fargo	Fargo Flood Control Project	6/23/2009	36,740,340	3,233,561	33,506,779
SWC	1771	5000	City of Grafton	Grafton Flood Control Project	3/11/2010	7,175,000	0	7,175,000
SB 2371	1974-06	5000	Souris River Joint WRE	Mouse River Enhanced Flood - pd to SRJWRB	12/9/2011	16,257	14,504	1,754
SB 2371	1974-08	5000	Souris River Joint WRE	Mouse River Reconnaissance Study to Meet Fed Guid	2/15/2013	10,603	9,793	809
	1974-09	5000	Souris River Joint WRE	4th Ave NE & Napa Valley/Forest Rd Flood Improvem	10/7/2013	3,830,400	0	3,830,400
SB 2371	1992-01	5000	Burleigh Co. WRD	Burleigh County's Tavis Road Storm Water Pump Stat	6/13/2012	1,282,400	0	1,282,400
SB 2371	1344	5000	Valley City	Sheyenne River Valley Flood Control Project	6/19/2013	350,625	0	350,625
SB 2371	1344	5000	Lisbon	Sheyenne River Valley Flood Control Project	6/19/2013	700,650	0	700,650
SB 2371	1344	5000	Fort Ranson	Sheyenne River Valley Flood Control Project	6/19/2013	225,000	0	225,000
	1997	5000	Rice Lake Recreation D	Renwick Dam Rehabilitation	6/13/2012	2,842,200	0	2,842,200
SWC	849	5000	Pembina Co. WRD	Renwick Dam Rehabilitation	5/17/2010	1,281,376	0	1,281,376
				Subtotal Flood Control		***54,454,851***	***3,257,858***	***51,196,993***
				Floodway Property Acquisitions:				
SB 2371	1993-05	5000	City of Minot	Minot Phase 1 - Floodway Acquisitions	1/27/2012	9,276,071	1,835,448	7,440,623
	1993-05	5000	City of Minot	Minot Phase 2 - Floodway Acquisitions	10/7/2013	24,408,000	0	24,408,000
SB 2371	1523-05	5000	Ward County	Ward County Phase 1, 2 & 3 - Floodway Acquisitions	1/27/2012	9,525,664	1,261,390	8,264,274
SB 2371	1523-02	5000	Ward County	Chaparelle Highwater Berm Project	2/27/2013	172,505	172,505	0
SB 2371	1504-05	5000	ValleyCity	Valley City Phase 1 - Floodway Acquisitions	12/9/2011	656,768	124,572	532,196
	1504-05	5000	ValleyCity	Valley City Phase 2 - Floodway Acquisitions	7/23/2013	1,165,830	0	1,165,830
SB 2371	1992-05	5000	Burleigh Co. WRD	Burleigh Co. Phase 1 - Floodway Acquisitions	3/7/2012	442,304	0	442,304
SB 2371	2000-05	5000	City of Sawyer	Sawyer Phase 1 - Floodway Acquisitions	6/13/2012	184,260	0	184,260
	1991-05	5000	City of Lisbon	Lisbon - Floodway Acquisition	9/27/2013	888,750	529,722	359,028
				Subtotal Floodway Property Acquisitions		***46,720,152***	***3,923,637***	***42,796,515***
SWC				***MRI Water Supply Advances:***				
	2373-24	5000	Garrison Diversion	Traill Regional Rural Water (Phase III)	8/18/2009	1,368,000	331,387	1,036,613
				MRI Water Supply Grants:				
	2373-32	5000	North Central Rural Wa	NCRW (Berthold-Carpio)	6/21/2011	2,807,902	2,807,902	0
	2373-33	5000	Stutsman Rural WRD	Stutsman Rural Water System - Phase II	6/21/2011	2,395,692	2,395,692	0
	2373-35	5000	Grand Forks - Traill WF	Grand Forks - Traill County WRD	6/13/2012	2,725,415	1,085,770	1,639,645
	2373-36	5000	Stutsman Rural WRD	Stutsman Rural Water System - Phase IIB, III	2/27/2013	10,000,000	2,752,393	7,247,607
	2373-37	5000	North Central Rural Wa	NCRW (Plaza)	2/27/2013	299,300	261,455	37,845
	1782-01	5000	McLean-Sheridan WRE	Blue & Brush Lakes Expansion Project	2/27/2013	100,000	0	100,000
	2373-38	5000	Stutsman Rural WRD	Kidder Co & Carrington Area Expansion	7/23/2013	1,207,000	0	1,207,000
	2373-39	5000	North Central Rural Wa	Carpio Berthold Phase 2	7/23/2013	1,950,000	0	1,950,000
	2373-40	5000	South Central Regional	Kidder County Expansion	7/23/2013	196,500	0	196,500
	2373-41	5000	North Central Rural Wa	Granville-Deering Area	7/23/2013	180,000	0	180,000
	2373-42	5000	Greater Ramsey WRD	SW Nelson County Expansion	7/23/2013	150,000	0	150,000
				Subtotal MRI Water Supply		***23,379,809***	***9,634,598***	***13,745,210***
				Water Supply Grants:				
	2050-01	5000	Missouri West Water S	South Mandan	10/7/2013	400,000	0	400,000
	2050-02	5000	Grand Forks Traill WRI	Improvements	10/7/2013	3,390,000	0	3,390,000
	2050-03	5000	Langdon RWD	ABM Pipeline Phase 1	10/7/2013	1,040,000	0	1,040,000
	2050-04	5000	Langdon RWD	North Valley Nekoma	10/7/2013	800,000	0	800,000
	2050-05	5000	North Valley WD	ABM Pipeline Phase 1	10/7/2013	565,000	0	565,000
	2050-06	5000	North Valley WD	93 Street	10/7/2013	1,290,000	0	1,290,000
	2050-07	5000	North Valley WD	Rural Expansion	10/7/2013	862,500	0	862,500
	2050-08	5000	Walsh RWD	Ground Storage	10/7/2013	684,000	0	684,000
	2050-09	5000	City of Park River	Water Tower	10/7/2013	1,350,000	0	1,350,000
	2050-10	5000	City of Surrey	Water Supply Improvements	10/7/2013	1,500,000	0	1,500,000
	2050-11	5000	Cass RWD	Phase 2 Plant Improvements	10/7/2013	2,600,000	0	2,600,000
	2050-12	5000	Central Plains WD	Improvements	10/7/2013	1,450,000	0	1,450,000
	2050-13	5000	City of Mandan	New Raw Water Intake	10/7/2013	1,270,000	0	1,270,000
	2050-14	5000	City of Mandan	Water Treatment Plant Improvements	10/7/2013	726,000	0	726,000
	2050-15	5000	City of Washburn	New Raw Water Intake	10/7/2013	1,795,000	0	1,795,000
	2050-16	5000	Tri-County WRD	Improvements	10/7/2013	650,000	0	650,000
	2050-17	5000	Barnes Rural WRD	Improvements	10/7/2013	4,600,000	0	4,600,000
	2050-18	5000	City of Grafton	Water Treatment Plant Phase 3	10/7/2013	2,600,000	0	2,600,000
	2050-19	5000	City of Grand Forks	Water Treatment Plant Improvements	10/7/2013	4,990,000	0	4,990,000
				Subtotal State Water Supply		***32,562,500***	***0***	***32,562,500***
	1984-02	5000	City of Fargo	Fargo Water Treatment Plant	6/13/2012	12,864,069	895,217	11,968,852
	1736-05	8000	SWPP	Southwest Pipeline Project	7/1/2013	85,972,021	8,740,696	77,231,325
	2374	9000	NAWS	Northwest Area Water Supply	7/1/2013	7,241,433	462,924	6,778,508
	2044-01	5000	Bank of North Dakota	Community Water Facility Fund	10/7/2013	15,000,000	5,000,000	10,000,000
	1973-02	5000	Bank of North Dakota	Western Area Water Supply - Loan	10/7/2013	40,000,000	0	40,000,000
				Subtotal Water Supply		***161,077,522***	***15,098,838***	***145,978,685***

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium

PROGRAM OBLIGATION

Approved By	SWC No	Dept	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	*Jan-14* Balance
				Irrigation Development:				
SWC	222	5000	Buford Trenton Irrigatio	Buford Trenton Irrigation Transmission Line Reroute	7/23/2013	350,000	0	350,000
SWC	1389	5000	Bank of ND	BND AgPace Program	10/23/2001	25,966	20,000	5,966
SWC	1389	5000	Bank of ND	BND AgPace Program	12/13/2013	200,000	0	200,000
SWC	AOC/IRA	5000	ND Irrigation Assoc	ND Irrigation Association	7/1/2013	100,000	25,000	75,000
SWC	1968	5000	Garrison Diversion	2009-11 McClusky Canal Mile Marker 7.5 Irrigation Pr	6/1/2010	17,582	0	17,582
				Subtotal Irrigation Development		***693,548***	***45,000***	***648,548***
				General Water Management				
				Hydrologic Investigations:		***900,000***		
SWC	1400/13	3000	Houston Engineering	Houston Engineering Water Permit Application Reviev	11/7/2011	1,975	1,975	0
SWC	1400/14	3000	Houston Engineering	Houston Engineering Water Permit Application Reviev	11/29/2012	10,910	3,991	6,919
SWC	1400	3000	Gordon Sturgeon	Consultant Services	3/23/2013	39,200	22,400	16,800
	862/859	3000	Arletta Herman	Arletta Herman- Well Monitor	8/28/2012	896	896	0
	862	3000	Lori Bjorgen	Lori Bjorgen - Well Monitor	8/28/2012	224	224	0
	967	3000	Holly Messmer - McDa	Holly Messmer - McDaniel - Well Monitor	4/19/2012	0	0	0
	1690	3000	Holly Messmer - McDa	Holly Messmer - McDaniel - Well Monitor	4/19/2012	936	936	0
	1703	3000	Thor Brown	Thor Brown- Well Monitor	3/27/2012	1,463	1,463	0
	1707	3000	Thor Brown	Thor Brown- Well Monitor	4/26/2011	1,499	1,498	0
	1761	3000	Gloria Roth	Gloria Roth - Well Monitor	4/19/2013	462	461	0
	1761	3000	Fran Dobits	Fran Dobits - Well Monitor	6/1/2011	769	769	0
	2041	3000	U. S. Geological Surve	Conversion of 17 groundwater recorder wells to real-ti	7/16/2013	34,000	34,000	0
	1395	3000	U. S. Geological Surve	Investigations of Water Resources in North Dakota	9/25/2013	491,275	122,818	368,457
	1395D	3000	U. S. Geological Surve	Eaton Irrigation Project on the Souris River	7/13/2012	15,300	0	15,300
				Hydrologic Investigations Obligations Subtotal		***598,908***	***191,431***	***407,477***
				Remaining Hydrologic Investigations Authority		***301,092***		
				Hydrologic Investigations Authority Less Payments				
				General Projects Obligated		***24,611,848***	***503,432***	***24,108,415***
				General Projects Completed		***2,492,213***	***2,492,213***	***0***
				Subtotal General Water Management		***28,004,060***	***3,187,076***	***24,816,984***
				Devils Lake Basin Development:				
SWC	416-01	5000	DLJWRB	DL Joint WRB Manager	7/1/2013	60,000	0	60,000
SWC	416-05	2000	Joe Belford	DL Downstream Acceptance	7/1/2013	8,085	7,107	978
SWC	416-07	5000	Multiple	Devils Lake Outlet	7/1/2013	872,403	0	872,403
SWC	416-10	4700	Operations	Devils Lake Outlet Operations	7/1/2013	5,140,805	2,548,465	2,592,340
SWC	416-13	5000	Multiple	DL Tolna Coulee Divide	7/1/2013	102,975	0	102,975
SWC	416-15	5000	Multiple	DL East End Outlet	7/1/2013	2,774,011	0	2,774,011
SWC	416-17	5000	Multiple	DL Emergency Gravity Outflow Channel	9/21/2013	13,686,839	0	13,686,839
SWC	416-19	5000	Multiple	DL Standpipe Repairs	12/13/2013	1,300,000	71,885	1,228,115
				Devils Lake Subtotal		***23,945,119***	***2,627,457***	***21,317,662***
SWC		7600		Weather Modification	7/1/2011	805,202	127,296	677,906
				TOTAL		***371,642,763***	***37,901,760***	***333,741,003***

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium
Resources Trust Fund

GENERAL PROJECT OBLIGATIONS

Approved By	SWC No	Dept	Approved Biennum	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	*Jan-14* Balance
HB 1009	1986	5000	2013-15	USDA-APHIS,ND Dept Agricu	USDA Wildlife	8/20/2013	250,000	0	250,000
HB 1020	1932	5000	2005-07	Nelson Co. WRD	Michigan Spillway Rural Flood Assessment Drain	8/30/2005	500,000	0	500,000
HB 2305	1963	5000	2009-11	Emmons County WRD	Beaver Bay Embankment Feasibilitly Study	8/10/2009	53,644	26,318	27,326
SB 2020	1131	5000	2009-11	Nelson Co. WRD	Flood Related Water Projects	6/1/2011	55,455	0	55,455
SE	1967	5000	2009-11	Grand Forks Co. WRD	Grand Forks County Legal Drain No. 55 2010 Contruc	11/30/2010	9,652	0	9,652
SE	1301	5000	2009-11	City of Lidgerwood	City of Lidgerwood Engineering & Feasibility Study for	2/4/2011	15,850	0	15,850
SE	1607	5000	2011-13	Ward Co. WRD	Flood Inundation Mapping of Areas Along Souris & De	6/15/2011	13,011	0	13,011
SE	1301	5000	2011-13	City of Wahpeton	City of Wahpeton Water Reuse Feasibility Study/Richl	9/8/2011	2,500	0	2,500
SE	391	5000	2011-13	Sargent Co WRD	Sargent Co WRD, Silver Lake Dam Emergency Repai	10/12/2011	2,800	0	2,800
SE	1312	5000	2011-13	Walsh Co. WRD	Skyrud Dam 2011 EAP	12/15/2011	10,000	0	10,000
SE	1312	5000	2011-13	Walsh Co. WRD	Union Dam 2011 EAP	12/15/2011	10,000	0	10,000
SE	1577	5000	2011-13	Burleigh Co. WRD	Fox Island 2012 Flood Hazard Mitigation Evaluation St	5/22/2012	23,900	0	23,900
SE	1998	5000	2011-13	Grand Forks Co. WRD	Upper Turtle River Dam #1 2012 EAP	6/28/2012	10,000	0	10,000
SE	1303	5000	2011-13	Sargent Co WRD	Shortfoot Creek Preliminary Soils Analysis & Hydraulic	6/29/2012	24,861	0	24,861
SE	2002	5000	2011-13	Grand Forks Co. WRD	Trutle River Dam #4 2012 EAP	6/29/2012	10,000	0	10,000
SE	2005	5000	2011-13	Grand Forks Co. WRD	Turtle River Dam #8 2012 EAP	6/29/2012	10,000	0	10,000
SE	2008	5000	2011-13	City of Mapleton	Mapleton Flood Control Levee Project	6/29/2012	24,410	0	24,410
SE	1732	5000	2011-13	City of Beulah	Beulah Dam Emergency Action Plan	7/26/2012	20,440	0	20,440
SE	1681	5000	2011-13	U.S. Geological Survey	Repair & stabilization of the Missouri River bank adjac	9/6/2012	28,000	0	28,000
SE	AOC/RRBC	5000	2011-13	Red River Basin Commission	Stream Gaging & Precipitation Network Study in the R	9/14/2012	20,000	0	20,000
SE	1993	5000	2011-13	Houston Engineering	Minot 100-yr Floodplain Map and Profiles	10/9/2012	10,000	0	10,000
SE	1992	5000	2011-13	Burleigh Co. WRD	Burleigh Co Flood Control Alternatives Assessment	1/30/2013	25,175	0	25,175
SE	1991	5000	2011-13	City of Lisbon	Sheyenne River Snagging & Clearing Project	2/12/2013	5,000	0	5,000
SE	1461	5000	2011-13	Pembina Co. WRD	O'Hara Bridge Bank Stabilization	4/26/2013	24,633	0	24,633
SE	1289	5000	2011-13	McKenzie Co. Weed Control E	Control of Noxious Weeds on Sovereign Lands	6/11/2013	24,810	0	24,810
SE	1174	5000	2013-15	Richland Co. WRD	Drain No. 31 Reconstruction Project	8/30/2013	32,393	0	32,393
SE	1640	5000	2013-15	U.S. Geological Survey	Maintenance of gaging station on Missouri River below	9/25/2013	8,710	0	8,710
SE	1244	5000	2013-15	Traill Co. WRD	Traill Co. Drain No. 27 (Moen) Lateral Channel Improv	9/27/2013	29,914	0	29,914
SE	1296	5000	2016-15	Pembina Co. WRD	Bathgate-Hamilton & Carlisle Watershed Study	10/17/2013	38,500	0	38,500
SE	1814	5000	2013-15	Richland Co. WRD	Wild Rice River Snagging & Clearing - Reach 2	10/17/2013	49,500	0	49,500
SE	1814	5000	2013-15	Richland Co. WRD	Wild Rice River Snagging & Clearing - Reach 3	10/17/2013	49,500	0	49,500
SE	1987	5000	2013-15	City of Burlington	Interim Levee Project	11/22/2013	49,000	0	49,000
SE	1814	5000	2013-15	Richland Co. WRD	Wild Rice River Snagging & Clearing - Reach 4	12/13/2013	20,000	0	20,000
SWC	1932	5000	2005-07	Nelson Co. WRD	Michigan Spillway Rural Flood Assessment	8/30/2005	2,263,925	0	2,263,925
SWC	620	5000	2007-09	Lower Heart WRD	Mandan Flood Control Protective Works (Levee)	9/29/2008	125,396	0	125,396
SWC	1921	5000	2007-09	Morton Co. WRD	Square Butte Dam No. 6/(Harmon Lake) Recreation F	3/23/2009	821,058	0	821,058
SWC	1638	5000	2009-11	Mutiple	Red River Basin Non-NRCS Rural/Farmstead Ring Di.	6/23/2009	226,364	0	226,364
SWC	1069	5000	2009-11	North Cass Co. WRD	Cass County Drain No. 13 Improvement Reconstructic	8/18/2009	122,224	0	122,224
SWC	1088	5000	2009-11	Maple River WRD	Cass County Drain No. 37 Improvement Recon	8/18/2009	92,668	0	92,668
SWC	1960	5000	2009-11	Ward Co. WRD	Puppy Dog Coulee Flood Control Diversion Ditch Cons	8/18/2009	796,976	0	796,976
SWC	1792	5000	2009-11	Southeast Cass WRD	SE Cass Wild Rice River Dam Study Phase II	12/11/2009	130,000	0	130,000
SWC	322	5000	2009-11	ND Water Education Foundati	ND Water: A Century of Challenge	2/22/2010	36,800	0	36,800
SWC	1244	5000	2009-11	Traill Co. WRD	Traill Co. Drain No. 27 (Moen) Reconstruction & Exten	3/11/2010	336,491	0	336,491
SWC	1577	5000	2009-11	Mercer Co. WRD & City of Ha	Hazen Flood Control Levee (1517) & FEMA Accredital	3/11/2010	184,984	0	184,984
SWC	1966	5000	2009-11	City of Oxbow	City of Oxbow Emergency Flood Fighting Barrier Syste	6/1/2010	188,400	0	188,400
SWC	281	5000	2009-11	Three Affiliated Tribes	Three Affiliated Tribes/Fort Berthold Irrigation Study	10/26/2010	37,500	0	37,500
SWC	646	5000	2009-11	City of Fargo	Christine Dam Recreation Retrofit Project	10/26/2010	184,950	0	184,950
SWC	646	5000	2009-11	City of Fargo	Hickson Dam Recreation Retrofit Project	10/26/2010	44,280	0	44,280
SWC	347	5000	2009-11	City of Velva	City of Velva's Flood Control Levee System Certificatic	3/28/2011	102,000	0	102,000
SWC	1161	5000	2009-11	Pembina Co. WRD	Drain 55 Improvement Reconstruction	3/28/2011	13,846	0	13,846
SWC	1245	5000	2009-11	Traill Co. WRD	Traill Co. Drain No. 28 Extenstion & Improvement Proj	3/28/2011	336,007	0	336,007
SWC	1969	5000	2009-11	Walsh Co. WRD	Walsh Co. Construction of Legal Assessment Drain #	3/28/2011	38,154	0	38,154
SWC	1970	5000	2009-11	Walsh Co. WRD	Walsh Co. Construction of Legal Assessment Drain #	3/28/2011	39,115	0	39,115
SWC	980	5000	2011-13	Maple River WRD	Maple River Watershed Food Water Retention Study/	9/21/2011	0	0	0
SWC	1101	5000	2011-13	Dickey Co. WRD	Yorktown-Maple Drainage Improvement Dist No. 3	9/21/2011	354,500	0	354,500
SWC	1101	5000	2011-13	Dickey-Sargent Co WRD	Riverdale Township Improvement District #2 - Dickey	9/21/2011	500,000	0	500,000
SWC	1219	5000	2011-13	Sargent Co WRD	City of Forman Floodwater Outlet	9/21/2011	31,472	0	31,472
SWC	1252	5000	2011-13	Walsh Co. WRD	Walsh Co. Reconstruction Drain No. 97	9/21/2011	24,933	0	24,933
SWC	1705	5000	2011-13	Red River Joint Water Resour	Red River Joint WRD Watershed Feasibility Study - Pl	9/21/2011	60,000	0	60,000
SWC	1975	5000	2011-13	Walsh Co. WRD	Walsh Co. Drain No. 31 Reconstruction Project	9/21/2011	37,742	0	37,742
SWC	1977	5000	2011-13	Dickey-Sargent Co WRD	Jackson Township Improvement Dist. #1	9/21/2011	500,000	0	500,000
SWC	829	5000	2011-13	Rush River WRD	Rush River WRD Berlin's Township Improvement Dist	10/19/2011	163,695	54,440	109,255
SWC	1224	5000	2011-13	Traill Co. WRD	Preston Floodway Reconstruction Project	10/19/2011	208,570	0	208,570
SWC	1978	5000	2011-13	Richland & Sargent Joint WRI	Richland & Sargent WRD RS Legal Drain No. 1 Exten	10/19/2011	245,250	0	245,250
SWC	1918	5000	2001-13	Maple River WRD	Normanna Township Improvement District No. 71	12/9/2011	287,900	0	287,900
SWC	1983	5000	2011-13	City of Harwood	City of Harwood Engineering Feasibility Study	12/9/2011	62,500	0	62,500
SWC	1138	5000	2011-13	Pembina Co. WRD	Drain No. 8 Reconstruction Project	3/7/2012	12,215	0	12,215
SWC	1227	5000	2011-13	Traill Co. WRD	Mergenthal Drain No. 5 Reconstruction	3/7/2012	84,670	0	84,670
SWC	1396	5000	2011-13	U.S. Geological Survey	(USGS) Missouri River Geomorphic Assessment	3/7/2012	90,000	20,000	70,000
SWC	1989	5000	2011-13	Barnes Co WRD	Hobart Lake Outlet Project	3/7/2012	266,100	0	266,100
SWC	1990	5000	2011-13	Mercer Co. WRD	Lake Shore Estates High Flow Diverstion Project	3/7/2012	43,821	0	43,821
SWC	227	5000	2011-13	Eaton Flood Irrigation District	District's Mouse River Riverbank Stabilization Project	6/13/2012	120,615	0	120,615
SWC	829	5000	2011-13	Rush River WRD	Rush River Watershed Retention Plan	6/13/2012	0	0	0
SWC	1063	5000	2011-13	Rush River WRD	Amenia Township Improvement District Drain No. 74 F	6/13/2012	459,350	0	459,350
SWC	1344	5000	2009-11	Southeast Cass WRD	Sheyenne Diversion Exterior Pump Station	6/13/2012	3,751	0	3,751
SWC	1523	5000	2011-13	Ward Co. WRD	Countryside Villas/Whispering Meadows Drainage Imp	6/13/2012	157,211	0	157,211
SWC	1806-02	5000	2011-13	City of Argusville	Re-Certification of the City of Argusville Flood Control	6/13/2012	84,164	0	84,164
SWC	2007	5000	2011-13	Maple River WRD	Pontiac Township Improvement District No. 73 Project	6/13/2012	500,000	0	500,000
SWC	2010	5000	2011-13	Barnes Co WRD	Meadow Lake Outlet	6/13/2012	500,000	0	500,000
SWC	1878-02	5000	2011-13	Maple River WRD	Upper Maple River Dam Environmental Assessment -	6/13/2012	112,500	0	112,500
SWC	1992	5000	2011-13	Burleigh Co. WRD	Bismarck Flood Control Channel Project	9/17/2012	187,500	0	187,500
SWC	1996	5000	2011-13	Traill Co. WRD	Drain #62 - Wold Drain Project	9/17/2012	112,400	0	112,400
SWC	2003-02	5000	2011-13	Southeast Cass WRD	Re-Certification of the West Fargo Diversion Levee Sy	9/17/2012	91,400	91,400	0

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium
Resources Trust Fund

GENERAL PROJECT OBLIGATIONS

Approved By	SWC No	Dept	Approved Biennum	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	*Jan-14* Balance
SWC	2009-02	5000	2011-13	Southeast Cass WRD	Recertification of the Horace to West Fargo Diversion	9/17/2012	72,600	42,835	29,765
SWC	2012	5000	2011-13	Southeast Cass WRD	Lower Sheyenne River Watershed Retention Plan	9/17/2012	80,000	0	80,000
SWC	2013	5000	2011-13	Richland-Cass Joint WRD	Wild Rice River Watershed Retention Plan	9/17/2012	90,000	0	90,000
SWC	1069	5000	2011-13	North Cass - Rush River JWR	Drain #13 Channel Improvements	9/27/2012	217,000	171,381	45,619
SWC	1401	5000	2009-11	Pembina Co. WRD	International Boundary Roadway Dike Pembina	9/27/2012	331,799	70,767	261,032
SWC	240	5000	2011-13	Eddy County WRD	Warwick Dam Repair Project	12/7/2012	110,150	0	110,150
SWC	1303	5000	2011-13	Sargent Co WRD	Frenier Dam Improvement Project	12/7/2012	158,373	0	158,373
SWC	1523	5000	2011-13	Ward Co. WRD	Souris River Minot to Burlington Snagging & Clearing	12/7/2012	109,000	0	109,000
SWC	1705	5000	2011-13	Red River Joint Water Resour	Red River Basin Distributed Plan Study	12/7/2012	560,000	0	560,000
SWC	2019	5000	2011-13	Valley City	Sheyenee River Snagging & Clearing Project	12/7/2012	75,000	0	75,000
SWC	2020	5000	2011-13	Minot Park District	Souris Valley Golf Course Bank Stabilization	12/7/2012	335,937	0	335,937
SWC	346	5000	2011-13	Williams County WRD	Epping Dam Evaluation Project	2/27/2013	66,200	0	66,200
SWC	1135	5000	2011-13	Pembina Co. WRD	Drain #4 Reconstruction Project	6/19/2013	221,628	0	221,628
SWC	1207	5000	2011-13	Richland Co. WRD	Drain #65 Extension Project	6/19/2013	123,200	0	123,200
SWC	1312	5000	2011-13	Walsh Co. WRD	Forest River Flood Contral Feasibility Study	6/19/2013	79,956	0	79,956
SWC	1438	5000	2011-13	Cavalier County WRD	Mulberry Creek Phase IV Reconstruction Project	6/19/2013	324,010	0	324,010
SWC	1992	5000	2011-13	Burleigh Co. WRD	Burnt Creek Flood Restoration Project	6/19/2013	87,805	0	87,805
SWC	2022	5000	2011-13	Pembina Co. WRD	Drain #73 Project	6/19/2013	350,400	0	350,400
SWC	AOC/RRBC	5000	2013-15	Red River Basin Commission	Red River Basin Commission Contractor	7/1/2013	200,000	0	200,000
SWC	PS/WRD/MRJ	5000	2013-15	Missouri River Joint WRB	Missouri River Joint Water Board (MRRIC) T. FLECK	7/1/2013	40,000	9,776	30,224
SWC	PS/WRD/MRJ	5000	2013-15	Missouri River Joint WRB	Missouri River Joint Water Board, (MRJWB) Start up	7/1/2013	20,000	0	20,000
SWC	AOC/WEF	5000	2013-15	ND Water Education Foundati	ND Water Magazine	7/1/2013	36,000	9,000	27,000
SWC	PS/WRD/USRJV	5000	2013-15	Upper Sheyenne River Joint V	Upper Sheyenne River WRB Administration (USRJWF	7/1/2013	12,000	0	12,000
SWC	1753	5000	2013-15	Ward Co. Hwy Dept	County Road 18 Flood Control Project	7/23/2013	133,268	0	133,268
SWC	1859	5000	2013-15	ND Dept of Health	NonPoint Source Pollution, Section 319	8/20/2013	200,000	0	200,000
SWC	1270	5000	2013-15	Burleigh Co. WRD	Apple Creek Industrial Park Levee Feasibility Study	10/7/2013	65,180	0	65,180
SWC	2004	5000	2013-15	Grand Forks Co. WRD	Drain No. 57 Project	10/7/2013	413,576	0	413,576
SWC	2040	5000	2013-15	Walsh Co. WRD	Drain #74 Project	10/7/2013	317,852	0	317,852
SWC	PS/WRD/MRJ	5000	2013-15	Missouri River Joint WRB	Missouri River Coordinator	10/7/2013	175,000	0	175,000
SWC	568	5000	2013-15	Southeast Cass WRD	Sheyenne River Snagging & Clearing Project Reaches	10/13/2013	165,000	0	165,000
SWC	1056	5000	2013-15	Bottineau Co. WRD	Scandia/Scotia Drain Project	12/13/2013	140,634	0	140,634
SWC	1242	5000	2013-15	Traill Co. WRD	Rust Drain No. 24 Project	12/13/2013	187,736	0	187,736
SWC	1523	5000	2013-15	Ward Co. WRD	Mouse River Snagging & Clearing Project	12/13/2013	347,466	0	347,466
SWC	1554	5000	2013-15	McLean Co. WRD	City of Underwood Floodwater Outlet Project	12/13/2013	1,100,727	0	1,100,727
SWC	1625	5000	2013-15	Houston Engineering	(OHWM) Ordinary High Water Mark Delineations	12/13/2013	95,618	7,515	88,103
SWC	1758	5000	2013-15	USGS	Stochastic Model for the Mouse River Basin	12/13/2013	200,000	0	200,000
SWC	2043	5000	2013-15	Pembina Co. WRD	District's Drain 78 Outlet Extension Project	12/13/2013	287,778	0	287,778
SWC	2046	5000	2013-15	Walsch Co. WRD	North Branch Park River Comprehensive Flood Dama	12/13/2013	134,400	0	134,400
SWC	1878-02	5000	2011-13	Maple-Steele WRD	Upper Maple River Dam Construction Phase	12/13/2013	3,991,500	0	3,991,500
SWC	CON/WIL/CARL	5000	2013-15	Garrison Diversion Conservan	Will and Carlson Consulting Contract	12/13/2013	70,000	0	70,000
					TOTAL		24,611,848	503,432	24,108,415

STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium
Resources Trust Fund

COMPLETED GENERAL PROJECTS

Approved By	SWC No	Dept	Approved Biennum	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	*Jan-14* Balance
SE	2003	5000	2011-13	Southeast Cass WRD	Re-Certification of the Horace to West Fargo Diversion	6/29/2012	42,835	42,775	60
SE	2003	5000	2011-13	Southeast Cass WRD	Re-Certification of the West Fargo Diversion Levee Sy	7/26/2012	45,879	45,879	0
SE	2001	5000	2011-13	Traill Co. WRD	Elm River Diversion Project	10/31/2012	10,423	6,076	4,347
SE	871	5000	2011-13	Pembina Co. WRD	Pembina Snagging & Clearing Project	6/14/2013	7,500	7,500	0
SE	1395	5000	2013-15	U.S. Geological Survey	Operation & maintenance of seven water level monitori	7/16/2013	17,500	17,500	0
SE	2045	5000	2013-15	CRS & Corps St. Louis Di	Joint LiDAR Collection	9/12/2013	40,000	40,000	0
SE	1289	5000	2013-15	enzie Co. Weed Control E	Control of Noxious Weeds on Sovereign Lands	9/20/2013	10,496	9,779	717
SWC	416-18	5000	2011-13	ND Game & Fish	DL Johnson Farms Water Storage Site	6/10/2011	125,000	4,316	120,685
SWC	1344	5000	2011-13	Southeast Cass WRD	Southeast Cass Sheyenne River Diversion Low-Flow C	6/14/2011	716,609	33,535	683,074
SWC	1219	5000	2011-13	Sargent Co WRD	District Drain No. 4 Reconstruction Project	9/21/2011	125,500	86,723	38,777
SWC	CON/WILL-CA	5000	2011-13	Garrison Diversion	Will/Carlson Consultant	10/17/2011	26,174	0	26,174
SWC	PS/WRD/JAM	5000	2011-13	James River Joint WRD	James River Engineering Feasibility Study Phase 1	3/7/2012	29,570	29,490	80
SWC	1344	5000	2011-13	Southeast Cass WRD	Sheyenne Diversion Phase VI - Weir Improvements	6/13/2012	225,050	224,192	858
SWC	1344	5000	2009-11	Southeast Cass WRD	Horace Diversion Channel Site A (Section 7 - Phase V	6/13/2012	1,812,822	1,810,744	2,078
SWC	228	5000	2011-13	U.S. Geological Survey	Additional USGS gage Missouri River- ANNUAL	9/17/2012	8,500	8,500	0
SWC	2014	5000	2011-13	Traill Co. WRD	Elm River Watershed Retention Plan	9/17/2012	75,000	62,371	12,629
SWC	1444	5000	2011-13	City of Pembina	US Army Corps of Eng Section 408 Review City Flood	9/19/2013	73,200	62,833	10,367
					TOTAL		3,392,058	2,492,213	899,845

North Dakota State Water Commission

900 EAST BOULEVARD AVENUE, DEPT 770 • BISMARCK, NORTH DAKOTA 58505-0850
701-328-2750 • TTY 800-366-6888 • FAX 701-328-3696 • INTERNET: http://swc.nd.gov

Agenda E1)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – Rush River Water Resource District's Cass County Drain No. 30 Channel Improvements Project
DATE: March 3, 2014

In their correspondence dated January 30, 2014, the Rush River Water Resource District requested state cost-share participation for their Cass County Drain No. 30 Channel Improvements Project.

The project is the reconstruction of approximately 2 miles of an existing legal assessment drain located southeast of Argusville in Harwood Township, Cass County. The drainage channel begins at the Sheyenne River in the SW ¼ SW ¼ of Section 10 and continues upstream (west) to the diversion from Drain No. 13 to Drain No. 30 within the SW ¼ SW ¼ of Section 8, near the intersection of 169th Ave SE and Cass County Highway 81. The flow carried by Drain No. 13 from its upstream contributing areas is diverted partially to Drain No. 30 through a culvert opening on the downstream side of Cass County Highway 81.

The District has decided to improve the existing legal assessment Drain No. 30, which has experienced significant channel bottom erosion and sliding on the side slopes. The drain will be reconstructed with a 10' channel bottom and 4:1 side slopes. The new design will tie into the proposed design for the Metro Flood Diversion Project channel, which will intersect the existing legal drain. The project will include the improvements of the culvert and bridge crossings within the reach. The District expects to begin project design and right of way acquisition in the spring of 2014 and complete construction by the end of 2015.

The project is estimated to cost $500,000, of which $317,373 is eligible for 45% cost share assistance as a flood control project, for an amount not to exceed $142,818 in state funds.

I recommend that the State Water Commission approve this request by the Rush River Water Resource District for state cost participation in the District's Cass County Drain No. 30 Channel Improvements Project, at an amount not to exceed $142,818 from the funds appropriated to the State Water Commission in the 2013-2015 biennium. This approval is subject to a signed drain permit and the entire contents of the recommendation contained herein and availability of funds.

TS:MMB/1082

CASS COUNTY GOVERNMENT

Rush River
Water Resource
District

Raymond Wolfer
Manager
Argusville, North Dakota

William A. Hejl
Manager
Amenia, North Dakota

Dick Sundberg
Manager
Harwood, North Dakota

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Secretary-Treasurer

1201 Main Avenue West
West Fargo, ND 58078-1301

701-298-2381
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January 30, 2014

Melissa Ward
North Dakota State Water Commission
900 East Boulevard Avenue, Dept. 770
Bismarck, ND 58505-0850

Dear Melissa:

RE: Cass County Drain No. 30 Channel Improvements
Harwood Township, Cass County, North Dakota

The Cass County Drain No. 30 Channel Improvements project is the reconstruction of approximately 2 miles of an existing legal assessment drain located southeast of Argusville within Harwood Township of Cass County, North Dakota. More specifically, the drainage channel begins at the Sheyenne River in the SW 1/4 SW 1/4 of Section 10 and continues upstream (west) to the diversion from Drain No. 13 to Drain No. 30 within the SW 1/4 SW 1/4 of Section 8, near the intersection of 169th Ave SE and Cass County Highway 81. The flow carried by Drain No. 13 from its upstream contributing areas (37.244 sq. mi.) is diverted partially to Drain No. 30 through a culvert opening on the downstream side of Cass County Highway 81.

The Rush River Water Resource District (the "District") has decided to improve the existing legal assessment Drain No. 30, which has experienced significant channel bottom erosion and sliding on the side slopes. The drain will be reconstructed with a stable 10' channel bottom profile and 4:1 side slopes. The new design will tie into the proposed design for the Metro Flood Diversion Project channel, which will intersect the existing legal drain. The project will include the improvement of the culvert and bridge crossings within the reach. The District expects to begin project design and right-of-way acquisition in the spring of 2014 and complete construction by the end of 2015.

With this letter and submission of supporting data, the District respectfully requests cost-share from the State Water Commission at 45% of the eligible costs in the amount of $132,596 under the Rural Flood Control section of the Cost-Share Policy.

Enclosed is a cost-share request form, an Engineer's Opinion of Probable Cost, and a set of preliminary construction plans. If you have any questions, please feel free to contact me or our project engineer, Chris Gross, Moore Engineering, Inc., at 701-282-4692.

Sincerely,

RUSH RIVER WATER RESOURCE DISTRICT

Carol Harbeke Lewis
Secretary-Treasurer

Enclosures

ND STATE WATER COMMISSION
Project Information and Cost-Share Request Form

This form is to be filled out by the project or program sponsor, with SWC staff assistance as needed. Upon receipt of a request form, the information will be reviewed and added to the state's project/program database. This form will serve as the first step in obtaining cost-share assistance. Once a project has been fully developed, detailed cost and engineering information should then be submitted with a request for the project to be considered for SWC cost-share. For assistance, contact the SWC Water Development Division at (701) 328-4952.

Please answer the questions as completely as possible. Supporting documents such as maps and engineering reports should be attached to this form. If additional space is required, please use extra sheets as necessary.

1. Project, program, or study name: Cass County Drain No. 30 Channel Improvements

2. Sponsor(s): Rush Rive Water Resource District

3. Location (county, city, township, etc.): Harwood Township, Cass County

4. Description of request: ☑ **New** ☐ **Update (previously submitted)**

5. Specific needs addressed by the project, program, or study:

a. If study, what type:

☐ **Water Supply** ☐ **Hydrologic** ☐ **Floodplain Mgmt** ☐ **Feasibility**
☐ **Other**

b. If project/program:

☐ **Flood Control**	☐ **Snagging & Clearing**	☐ **Water Quality**
☐ **Recreation**	☐ **Bank Stabilization**	☑ **Rural Flood Control**
☐ **Channel Imp.**	☐ **Irrigation**	☐ **Other**
☐ **Multi-Purpose**	☐ **Water Supply**	

6. Jurisdictions/Stakeholders involved: Rush River Water Resource District

7. Description of problem or need and how project addresses that problem or need:

Cass County Drain No. 30 is an existing legal assessment drain that has experienced significant channel bottom erosion and sliding on the side slopes. The drain will be reconstructed with a stable channel bottom profile and flatter side slopes. The new design will tie into the proposed design for the FM Diversion channel which will intersect the existing legal drain.

8. Has a feasibility study been completed?: ☑ **Yes** ☐ **No** ☐ **Ongoing** ☐ **Not Applicable**

9. Has engineering design been completed?: ☐ **Yes** ☐ **No** ☑ **Ongoing** ☐ **Not Applicable**

10. Have land or easements been acquired?: ☐ **Yes** ☐ **No** ☑ **Ongoing** ☐ **Not Applicable**

11. Have you applied for any state permits?: ☑ Yes ☐ No ☐ Not Applicable
a. If yes, please explain: Submitted with cost-share application

12. Have you been approved for any state permits?: ☐ Yes ☑ No ☐ Not Applicable
a. If yes, please explain:

13. Have you applied for any local permits?: ☐ Yes ☑ No ☐ Not Applicable
a. If yes, please explain:

14. Have you been approved for any local permits?: ☐ Yes ☑ No ☐ Not Applicable
a. If yes, please explain:

15. Briefly explain the level of review the project or program has undergone:
Preliminary design has been coordinated with USACE for compatibility with FM Diversion.

16. Do you expect any obstacles to implementation (i.e., problems with land acquisition, permits, funding, local opposition, environmental concerns, etc.)?
None expected

17. Estimated project or program total implementation costs: $

Source	*Cash*	*In-kind*
Federal	$0	$0
State	$132,596	$0
Local	$367,404	$0
Total	$500,000	$0

18. Funding timeline (carefully consider when SWC cost-share will be needed):

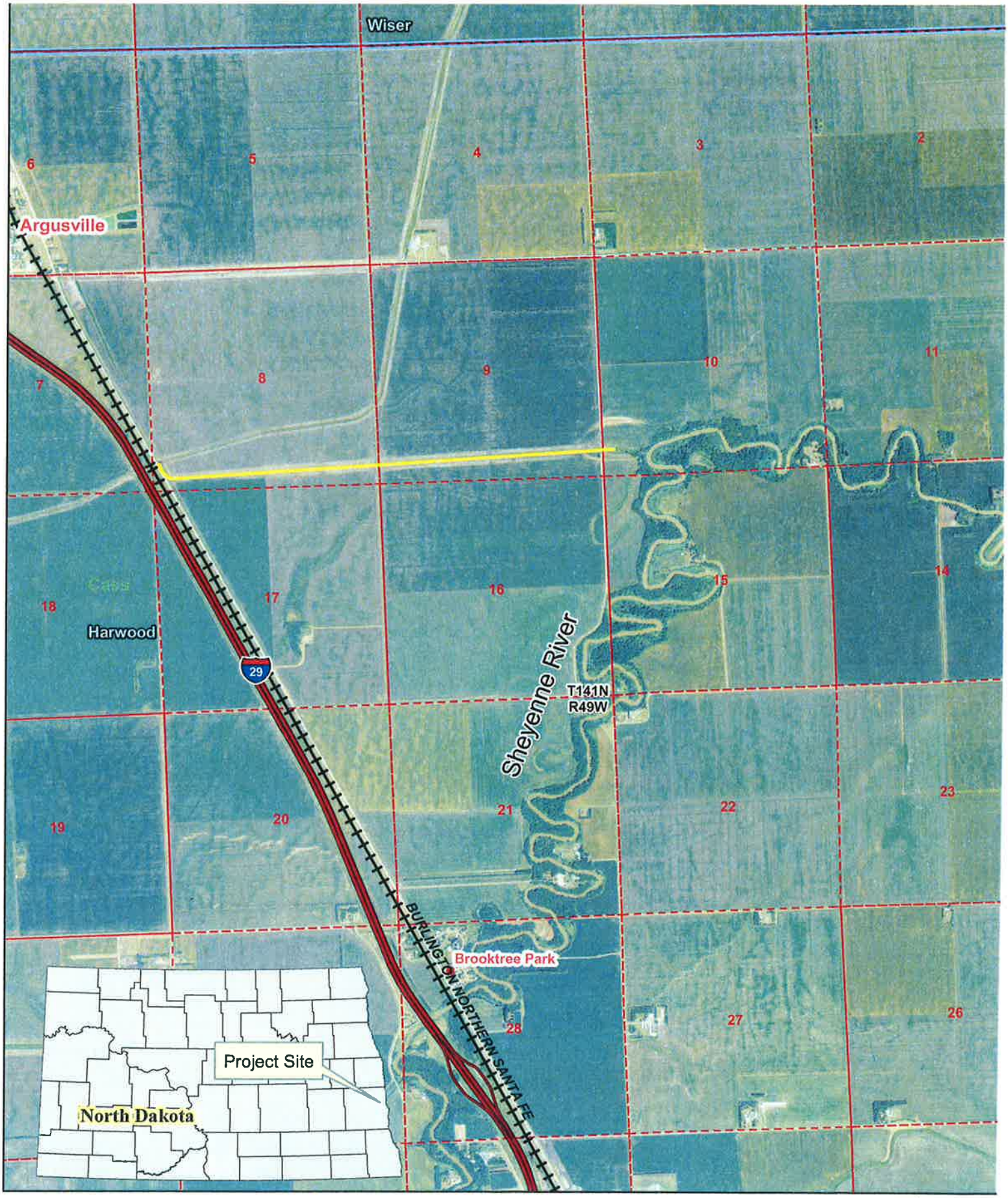
Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	$	$0	$	$	$
State	$	$132,596	$	$	$
Local	$	$367,404	$	$	$
Total	$0	$500,000	$0	$0	$0

19. Please explain implementation timelines, considering all phases and their current status: The Rush River WRD will begin project design and right-of-way acquisition Spring 2014 and construction will be completed by the end of 2015.

20. Have assessment districts been formed?: ☑ Yes ☐ No ☐ Ongoing ☐ Not Applicable

Submitted by: Rush River Water Resource District, Carol Lewis, Secretary
Date: 1/21/2014
Address and telephone: 1201 Main Ave W, West Fargo, ND 58078 701-298-2381

Mail to: ND State Water Commission, ATTN: Melissa Behm, 900 E Boulevard Ave. Dept. 770, Bismarck, ND 58505-0850



Rush River Water Resource District
Cass County Drain No. 30 Channel Improvements

North Dakota State Water Commission

900 EAST BOULEVARD AVENUE, DEPT 770 • BISMARCK, NORTH DAKOTA 58505-0850
701-328-2750 • TTY 800-366-6888 • FAX 701-328-3696 • INTERNET: http://swc.nd.gov

Agenda E 2)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – City of Mapleton Flood Control Levee Recertification
DATE: March 3, 2014

In their submitted correspondence dated February 17, 2014, the City of Mapleton (City) requested cost share assistance for Recertification of their Flood Control Levee System.

Currently, the levee is listed as a Provisionally Accredited Levee (PAL). If the city does not get the levee certified, FEMA could de-accredit the levee, which would mean the area behind the levee would no longer be recognized and being protected from the 1% chance flood. Those people with properties currently under a mortgage would then be required to purchase flood insurance. The City received cost-share participation in the amount of $24,410 on June 29, 2012 for a geotechnical analysis, which was the first phase of the recertification process.

The City is now moving forward with the remainder of the project as required by FEMA to accredit the levee. The project includes flattening the riverbank slope so that it is shaped to a gradient of 6:1 side slopes. Due to its proximity to the river, a sheet pile retaining wall will be installed adjacent to the toe of the levee in order to achieve the FEMA required factor of safety concerning slope stability. This has been identified as a critical aspect of the levee system that needs to be addressed prior to certification of the levee.

The project will also involve clearing and grubbing of trees. The Corps now requires the City to have a 15' vegetative clear zone from the toe of the levee. This clear zone was not a requirement from the Corps when the original levee was constructed in 1998, therefore this is not a maintenance issue, but rather an additional program requirement.

The City is also requesting cost share on an alternate scope of work to upgrade an undersized storm sewer main that serves a large section of the City. A portion of the storm sewer main is located under a building, therefore at risk of failing without the ability of timely repair. This project would relocate the storm sewer main around the building and upsize a smaller 15" diameter storm sewer pipe to a 30" diameter. The Recertification Report that will be prepared for FEMA requires an internal drainage analysis to identify that there is adequate drainage within the levee system for a 100-yr event that will not cause internal flooding. If it is found that this area of town does not have adequate drainage/storage, the city will need to correct those deficiencies for the levee system to be certified, then accredited by FEMA. This portion of the project is estimated to cost $215,000 and is not included in the overall project cost estimate. Storm sewer costs are not eligible for cost share policy and are not being recommended as eligible for cost share assistance.

The project is estimated to cost $1,635,000, of which $1,198,235 is eligible for 60% cost share assistance as a flood control project, for an amount not to exceed $718,941 in state funds.

I recommend the State Water Commission approve this request by the City of Mapleton for state cost participation in the City's Recertification of their Flood Control Levee System Project, at an amount not to exceed $718,941 from the 2013-2015 appropriated funds. This approval is subject to the entire contents of the recommendation contained herein and the availability of funds.

TS:MW/2008

City of Mapleton

P O Box 9 - 651 2nd Street, Mapleton, ND 58059
701-282-6992 phone 701-282-0080 fax
city.mapletonnd@midconetwork.com
www.mapletonnd.com

February 17, 2014

Melissa Ward
North Dakota State Water Commission
900 East Boulevard Avenue, Dept. 770
Bismarck, ND 58505-0850

RE: SWC Cost-Share Request – Recertification of Flood Control Levee System
City of Mapleton, North Dakota

Dear Melissa:

As you know, FEMA has been updating its Flood Insurance Rate Maps (FIRM) as part of the Map Modernization Process. As part of its effort for the new Cass County Flood Insurance Study (FIS), FEMA determined that the levee protecting Mapleton was accredited in the previous FIS based on the information available and on the mapping standards at that time. For FEMA to accredit the levee on the new FIRM, documentation must be provided that shows the levee meets federal requirements for levees as per 44 CFR 65.10. It is the City of Mapleton's responsibility to provide this data. If the levee is not certified, all residences shown as protected from the base flood will be required to purchase flood insurance. This would be detrimental, as most of the City's homes and businesses are in the protected area (see enclosed map provided by FEMA).

Currently, the levee is listed as a Provisionally Accredited Levee (PAL). If the city does not get the levee certified, FEMA will de-accredit the levee and mandate flood insurance for the area mapped into the base flood floodplain. It is vitally important that FEMA accredit the levee. The recertification requirements for this flood control facility are very expensive for the City to fund on its own. The first phase of the project included a geotechnical analysis to determine if any re-construction is necessary to meet Federal criteria for the base flood. The Geotechnical Evaluation Report was completed by Braun Intertec on April 17, 2013. The SWC approved a 60% cost share of $24,410 for the geotechnical analysis, which was a total cost of $40,686.

The City is now moving forward with the remainder of the project as required by FEMA to accredit the levee. The city is respectfully requesting cost share of eligible items to recertify the levee. The eligible items requested for cost share include levee stability improvements, flood closure structure improvements (Alternate 1), grubbing of trees where required by Federal agencies, utility company relocations where required by Federal agencies, preparation of a FEMA approved levee certification report and other miscellaneous costs required for recertification estimated to be $1,830,000 as shown on the enclosed Engineer's Opinion of Probable Cost. A General Layout map has also been enclosed that identifies the improvements stated above. As per SWC cost-share policy, the City respectfully requests a 60% cost-share for the above mentioned items, which totals **$848,950.85**.

The City is also considering an Alternate scope of work to upgrade an undersized storm sewer main that serves a large section of the city. A portion of that storm sewer main is also located under a building, therefore at risk of failing without the ability for timely repair. This scope of work will relocate the storm sewer main around the building and upsize a smaller 15" diameter storm sewer pipe to a 30" diameter. We feel this is necessary to protect this development from internal flooding if that section of storm sewer pipe were to fail since it is the only outlet through the levee for that section of the city. The total cost for Alternate 2 is estimated to be $215,000 as shown on the enclosed Engineer's Opinion of Probable Cost. The General Layout map identifies the improvements as Alternate 2. The city respectfully request cost-share for the above mentioned items if they are eligible.

We have enclosed the SWC Cost Share request form showing the assumption that all work, including Alternates 1 and 2, would be eligible for cost share.

As a note, the SWC cost share shown on the Engineer's Opinion of Probable Cost includes the $24,410.00 geotechnical report cost share already approved by the SWC.

As time is of the essence, please consider this request at your next meeting so that the project can move forward to complete the levee recertification. Thank you for your consideration in helping the City address this important matter. Please do not hesitate to contact me if you have any questions.

Sincerely,

Eric Hillman
Mayor, City of Mapleton

Enclosures

Cc: Brandon Oye – Moore Engineering, Inc

ND STATE WATER COMMISSION
Project Information and Cost-Share Request Form

This form is to be filled out by the project or program sponsor, with SWC staff assistance as needed. Upon receipt of a request form, the information will be reviewed and added to the state's project/program database. This form will serve as the first step in obtaining cost-share assistance. Once a project has been fully developed, detailed cost and engineering information should then be submitted with a request for the project to be considered for SWC cost-share. For assistance, contact the SWC Water Development Division at (701) 328-4952.

Please answer the questions as completely as possible. Supporting documents such as maps and engineering reports should be attached to this form. If additional space is required, please use extra sheets as necessary.

1. Project, program, or study name: Levee Improvement District No. 2012-1

2. Sponsor(s): City of Mapleton

3. Location (county, city, township, etc.): Mapleton, ND

4. Description of request: ☑ **New** ☐ **Update (previously submitted)**

5. Specific needs addressed by the project, program, or study:

a. If study, what type:

☐ **Water Supply** ☐ **Hydrologic** ☐ **Floodplain Mgmt** ☐ **Feasibility**
☑ **Other**

b. If project/program:

☑ **Flood Control**	☐ **Snagging & Clearing**	☐ **Water Quality**
☐ **Recreation**	☐ **Bank Stabilization**	☐ **Rural Flood Control**
☐ **Channel Imp.**	☐ **Irrigation**	☐ **Other**
☐ **Multi-Purpose**	☐ **Water Supply**	

6. Jurisdictions/Stakeholders involved: City of Mapleton and Residents, Cass County Hwy Dept

7. Description of problem or need and how project addresses that problem or need:
FEMA is requiring the City to provide documentation that its current levee system meets the minimum Federal requirements for accreditation against the base flood. This request includes all construction and engineering required to correct deficiencies with the current levee system and finalize the certification report to FEMA.

8. Has a feasibility study been completed?: ☑ **Yes** ☐ **No** ☐ **Ongoing** ☐ **Not Applicable**

9. Has engineering design been completed?: ☐ **Yes** ☐ **No** ☑ **Ongoing** ☐ **Not Applicable**

10. Have land or easements been acquired?: ☐ **Yes** ☐ **No** ☑ **Ongoing** ☐ **Not Applicable**

11. Have you applied for any state permits?: ☐ Yes ☐ No ☑ Not Applicable
a. If yes, please explain:

12. Have you been approved for any state permits?: ☐ Yes ☐ No ☑ Not Applicable
a. If yes, please explain:

13. Have you applied for any local permits?: ☐ Yes ☐ No ☑ Not Applicable
a. If yes, please explain:

14. Have you been approved for any local permits?: ☐ Yes ☐ No ☑ Not Applicable
a. If yes, please explain:

15. Briefly explain the level of review the project or program has undergone:
An Engineer's Report has been completed to determine feasibility of the improvements.

16. Do you expect any obstacles to implementation (i.e., problems with land acquisition, permits, funding, local opposition, environmental concerns, etc.)?
None expected

17. Estimated project or program total implementation costs: $

Source	*Cash*	*In-kind*
Federal	$0	$0
State	$932,847	$0
Local	$1,067,153	$0
Total	$2,000,000	$0

18. Funding timeline (carefully consider when SWC cost-share will be needed):

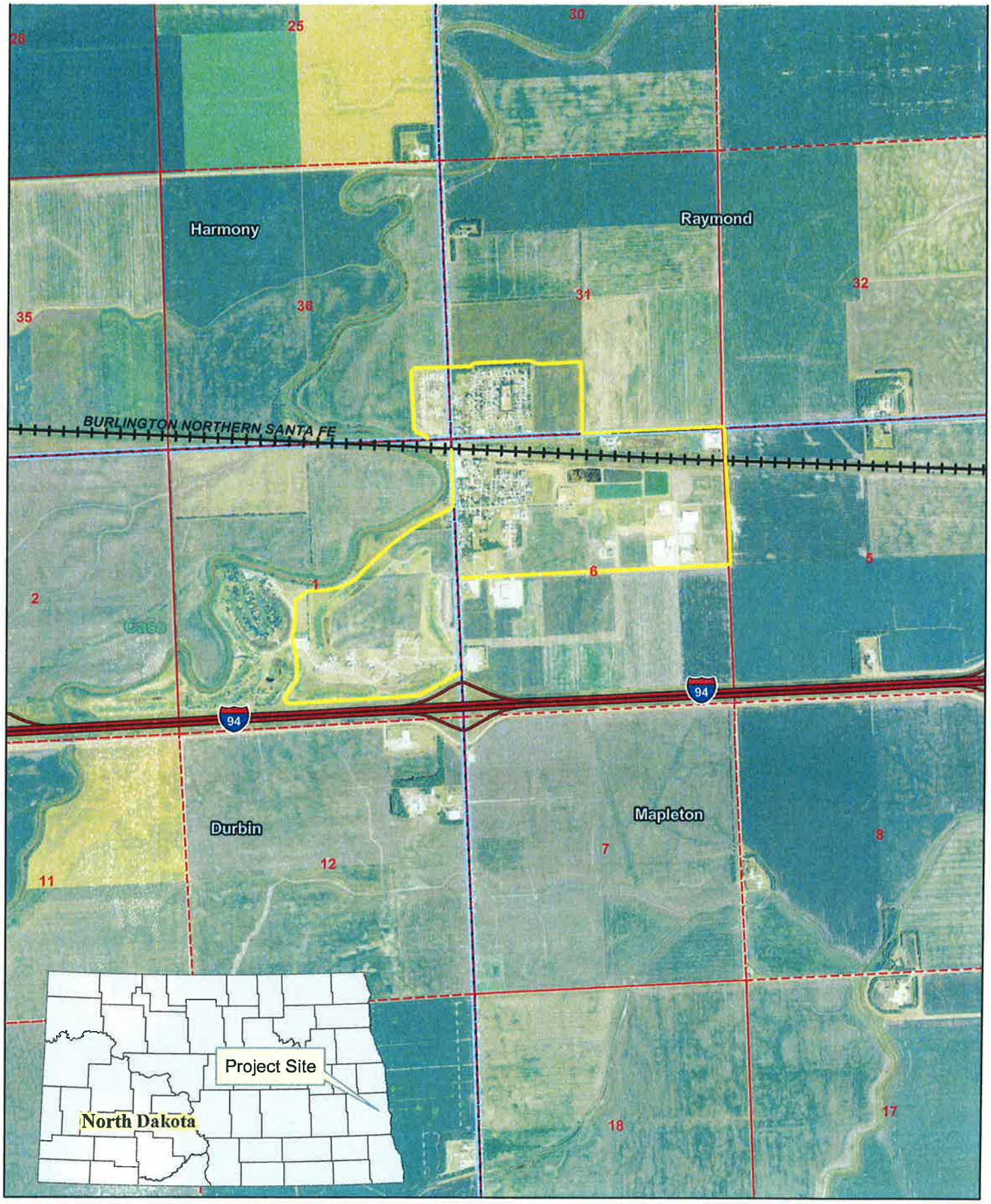
Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	$	$0	$	$	$
State	$	$932,847	$	$	$
Local	$	$1,067,153	$	$	$
Total	$0	$2,000,000	$0	$0	$0

19. Please explain implementation timelines, considering all phases and their current status: April 2013 - Geotechnical Report completed
Late Winter 2014 - Completed plans and specifications
Spring 2014- Bid and award construction contract
Summer/Fall 2014- Construction
Fall 2014- Certification Report submitted to FEMA for approval

20. Have assessment districts been formed?: ☑ Yes ☐ No ☐ Ongoing ☐ Not Applicable

Submitted by: Eric Hillman, Mayor, City of Mapleton
Date: 2/17/2014
Address and telephone: PO Box 9, 651 2nd St, Mapleton, ND 58059

Mail to: ND State Water Commission, ATTN: Melissa Behm, 900 E Boulevard Ave. Dept. 770, Bismarck, ND 58505-0850



City of Mapleton
Flood Control Levee System Recertification

North Dakota State Water Commission

900 EAST BOULEVARD AVENUE, DEPT 770 • BISMARCK, NORTH DAKOTA 58505-0850
701-328-2750 • TTY 800-366-6888 • FAX 701-328-3696 • INTERNET: http://swc.nd.gov

Agenda E 3)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – Garrison Diversion Conservancy District's McClusky Canal Mile Marker 10 and 49 Irrigation Projects
DATE: March 3, 2014

In their submitted correspondence dated February 11, 2014, the Garrison Diversion Conservancy District (District) requested cost share assistance for their Mile Marker 10 and 49 Irrigation Projects.

The Dakota Water Resources Act of 2000 authorizes approximately 24,000 acres of irrigation along the McClusky Canal. Two projects have been selected by the District to serve approximately 425 acres.

The mile marker 10 project will be served by a variable speed 75 HP electric centrifugal pump station. The pump station and main line will serve two pivots totaling an estimated 205 acres.

The mile marker 49 project will be served by a variable speed 130 HP electric vertical turbine pump station. The pump station and main line will serve approximately 220 acres.

Based on the 425 acres, the cost for the water delivery systems will be approximately $1,263 per acre. In addition to these costs, the irrigator must finance and install pivots at a cost of approximately $1,167 per acre, for a total cost of approximately $2,428 per acre.

The project is estimated to cost $1,033,284 of which $512,642 is considered eligible at 50% cost share as off farm expenses in the amount of $256,321. Off farm expenses include intakes, pump stations, controls and main transmission pipelines from the canal to the field edge.

I recommend the State Water Commission approve this request by the Garrison Diversion Conservancy District for state cost participation in the McClusky Canal Mile Marker 10 and 49 Irrigation Project, at an amount not to exceed $256,321 from the 2013-2015 appropriated funds. This approval is subject to the entire contents of the recommendation contained herein and the availability of funds.

TS:MMB/1968

GARRISON DIVERSION
CONSERVANCY DISTRICT
P.O. BOX 140
CARRINGTON, N.D. 58421
(701) 652-3194
FAX (701) 652-3195
gdcd@daktel.com
www.garrisondiversion.org

February 11, 2014

Todd Sando, State Engineer
State Water Commission
State Office Building
900 East Boulevard
Bismarck, ND 58505

Dear Todd:

The Dakota Water Resources Act of 2000 authorizes approximately 24,000 acres of irrigation along the McClusky Canal. Over the last year, the Garrison Diversion Conservancy District has been canvassing the area for future projects. Two projects have been selected at this time. The irrigable acreage in these two areas is approximately 205 acres and 220 acres.

The total cost of the central supply works is estimated to be $537,050. Garrison Diversion respectfully requests 50% cost share funding, not to exceed $268,524, for the intakes, pump stations, controls, main transmission pipelines and power grids.

These two projects will serve approximately 425 acres. Garrison Diversion will use special assessment authority to be paid by the irrigators for the remaining 50% of the central supply works. The costs of the pivots and connection to the water delivery system will be paid for by the irrigator with personal financing.

Based on the 425 acres, the cost for the water delivery systems will be approximately $1,263 per acre. In addition to these costs, the irrigator must finance and install pivots at a cost of approximately $1,167 per acre, for a total approximate cost of $2,428 per acre. Including the cost share, the cost of the project is reduced to $1,797 per acre. Enclosed with this letter are the cost estimates for the projects.

According to a report developed by the North Dakota State University titled, *A Reevaluation of Garrison Diversion Unit Irrigation,* development of the 24,000 designated acres will create up to 403 new jobs in the region and increase business activity by $7 to $10 million annually in 1991 dollars. This demonstrates the value to the state to complete this project.

Suitability of the soils for irrigation in this area was evaluated using NDSU irrigation guidelines and previous U.S. Bureau of Reclamation land class determinations. The majority of soils in the project area are irrigable without condition. Some areas were identified that are conditionally irrigable and may require increased management to prevent salt buildup and the potential need for some drainage.

Sincerely,

Kip Kovar, PE
District Engineer

KK/slg
Enclosures

205 **MM 10**

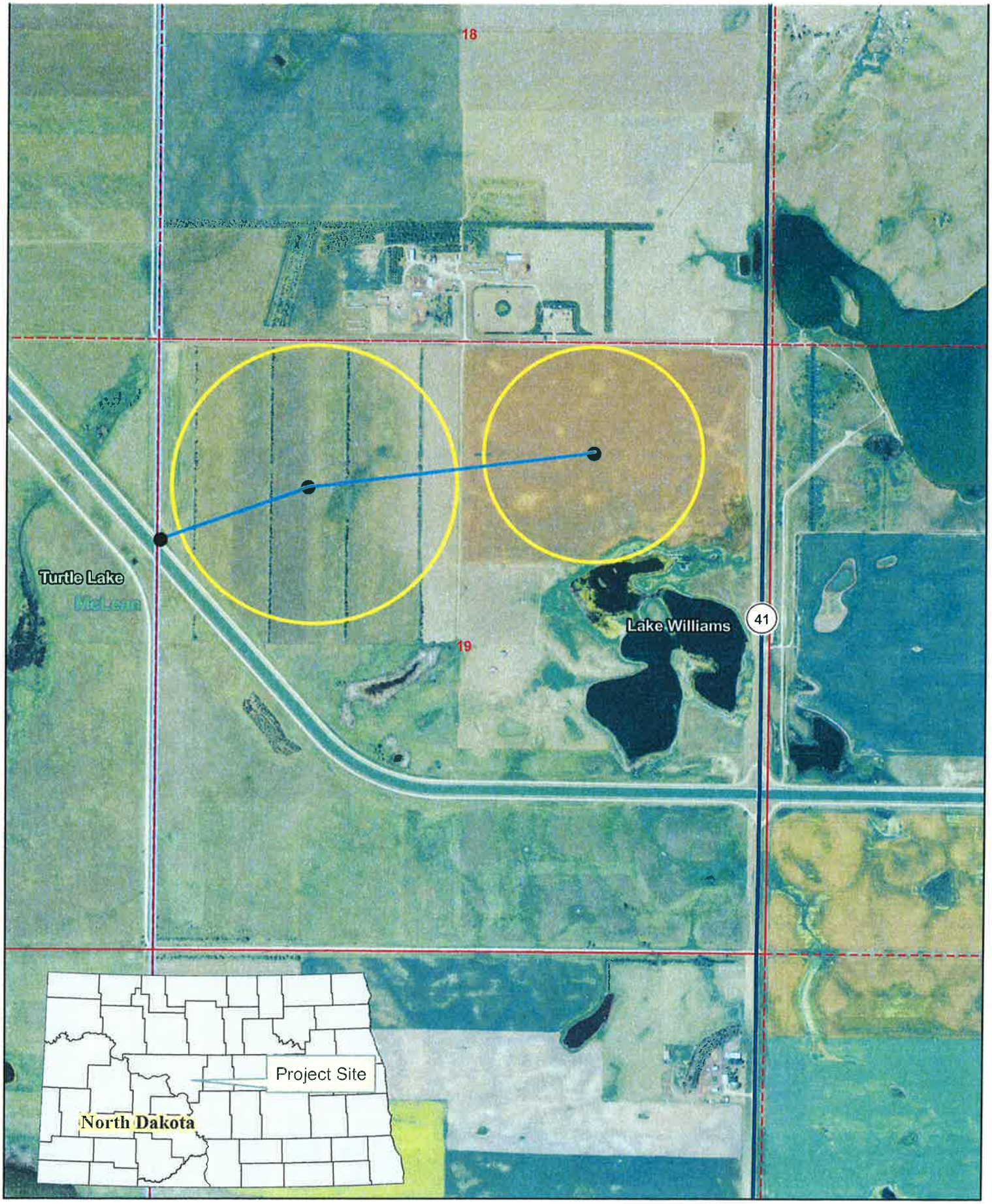
	Items	Qty	Unit Price	Line Total	Cost Share Eligibility	Expense With Cost Share
On Farm Costs	New Center Pivots	2	$73,000	$146,000	NO	$146,000
	Freight & Installation	2	6825	13,650	NO	13,650
	Concrete Pivot Pads	2	2000	4,000	NO	4,000
	Pivot Point Fittints-dogleg,block	2	3000	6,000	NO	6,000
	10" Farmers on Farm 80lb pvc install	2470	10	24,700	NO	24,700
	12" Farmers on Farm 80lb pvc installed	1350	12	16,092	NO	16,092
	#1/0 Cable in Conduit from pivot 2-1	2700	4	11,070	NO	11,070
	10% Contigency			22,151		22,151
	ON FARM Sub Total			**$243,663**		**$243,663**
Off Farm Costs-Opened bids 4-5-2103	Bonding	1	12530	12,530	YES	6,265
	Mobilizatioin	1	4000	4,000	YES	2,000
	Erosion Control	1	100	100	YES	50
	Traffic Control	1	200	200	YES	100
	10" Aluminum Pipe Flx	19	39	743	YES	371
	10" Steel Watermain	104	58	5,999	YES	2,999
	12" PVC Watermain (100pip)	300	13	4,020	YES	2,010
	10" PVC Watermain (80pip)	0	10	-	YES	-
	10" Flex Coupler FlxFl	2	516	1,032	YES	516
	10" 22.5 Degree Steel Bend FlxFl	1	156	156	YES	78
	4"x10" Steel Reducer FlxFlx	1	156	156	YES	78
	10"x10"x10" Fl Steel Side-Out Tee	1	461	461	YES	231
	10" Blind Flange	1	25	25	YES	13
	10"x12" Steel Reducer	1	250	250	YES	125
	10" 45 Degree Steel Bend PexPe	1	250	250	YES	125
	10" 45 Degree Steel Bend FlxPe	1	250	250	YES	125
	12" Steel Epoxy Pip Starter Coupler	1	250	250	YES	125
	10" Gear Operated Butterfly Valve	2	728	1,456	YES	728
	10" Globe Style Check Valve	1	1584	1,584	YES	792
	4" Fl Cam-lock w/ Dust Cap	1	100	100	YES	50
	3" Ball Valve	1	144	144	YES	72
	Pressure Transmitter Assembly	1	255	255	YES	128
	Drain Assembly	2	493	986	YES	493
	Combination Air Valve Assembly	1	428	428	YES	214
	manifold Assembly	1	5354	5,354	YES	2,677
	3" Combination Air Release Valve	1	428	428	YES	214
	Rock Excavation	10	25	250	YES	125
	Furnish & Install Pump Station	1	120000	120,000	YES	60,000
	No-Wrench Screw Anchor	2	190	380	YES	190
	Electrical Work	1	18000	18,000	YES	9,000
	Capitol Elec. Coop. power	3000	18	54,000	YES	27,000
	Transformer & meter			-	YES	-
	10% Contigency			23,379		11,689
	OFF FARM Sub Total			**$257,165**		**$128,582**
	Total			500,828		372,246
	Cost To Construct per Acre			2,443		
	Cost to Construct per Acre with 50% Cosh Share					1,816
	On Farm Costs		243,663			
	Off Farm Costs		257,165			
	Amount Requested from SWC		128,582			

NE

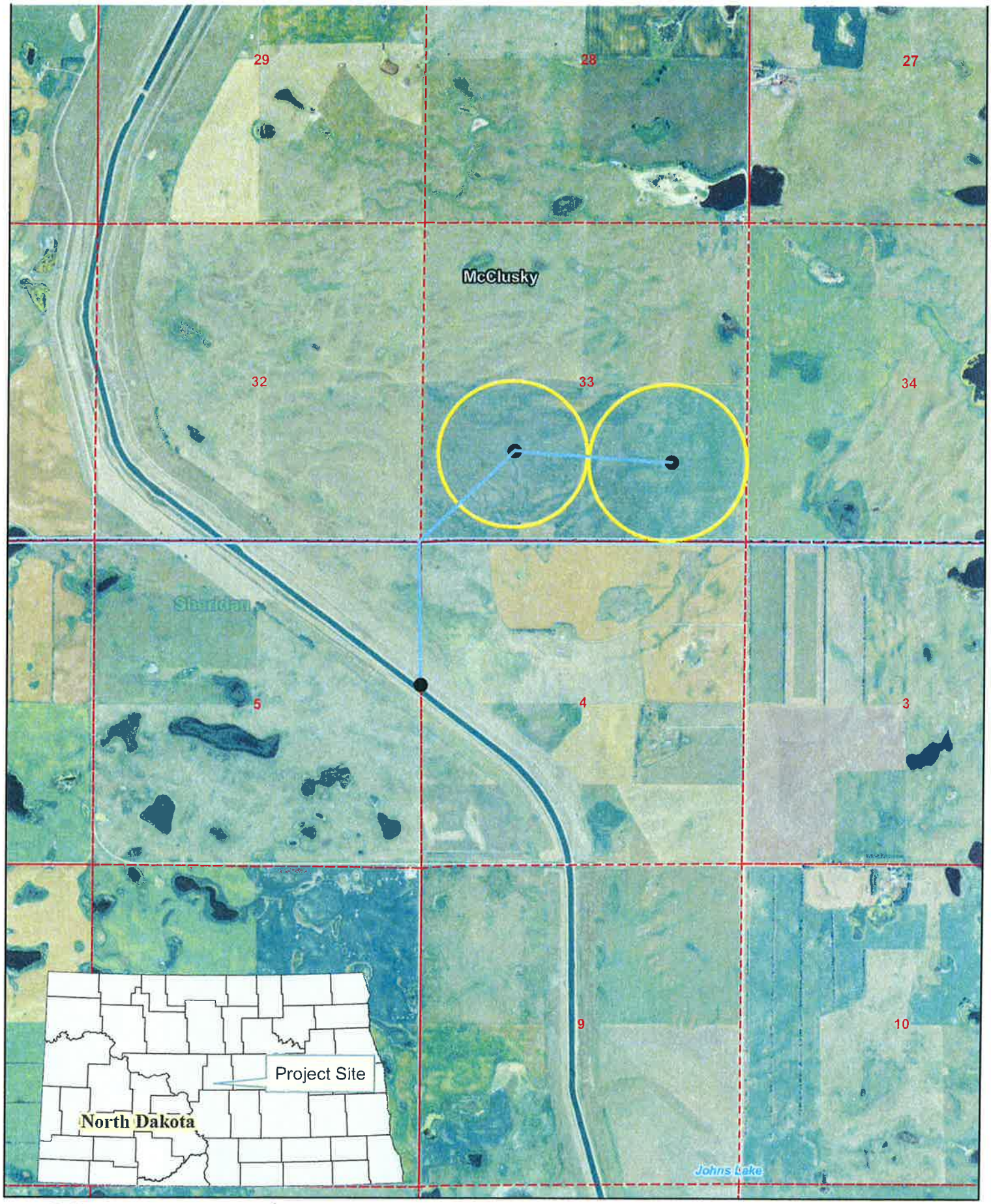
220 **MM 49**

	Items	Qty	Unit Price	Line Total	Cost Share Eligibility	Expense With Cost Share
On Farm Costs	New Center Pivots	2	$73,000	$146,000	NO	$146,000
	Freight & Installation	2	6825	13650	NO	13650
	Concrete Pivot Pads	2	2000	4000	NO	4000
	Pivot Point Fittints-dogleg,block	2	3000	6000	NO	6000
	10" Farmers on Farm 80lb pvc install	2505	10	25050	NO	25050
	12" Farmers on Farm 80lb pvc installed	2000	12	23840	NO	23840
	#1/0 Cable in Conduit from pivot 2-1	2700	4	11070	NO	11070
	10% Contigency			22961		22961
	"ON FARM" Sub Total			**$252,571**		**$252,571**
Off Farm Costs-Opened bids 4-5-2103	Bonding	1	11878	11878	YES	5939
	Mobilizatioin	1	4000	4000	YES	2000
	Erosion Control	1	100	100	YES	50
	Traffic Control	1	200	200	YES	100
	10" Aluminum Pipe Flx	19	39	743	YES	371
	10" Steel Watermain	104	58	5999	YES	2999
	12" PVC Watermain (100pip)	1890	13	25326	YES	12663
	10" PVC Watermain (80pip)	0	10	0	YES	0
	10" Flex Coupler FlxFl	2	516	1032	YES	516
	10" 22.5 Degree Steel Bend FlxFl	1	156	156	YES	78
	4"x10" Steel Reducer FlxFlx	1	156	156	YES	78
	10"x10"x10" Fl Steel Side-Out Tee	1	461	461	YES	231
	10" Blind Flange	1	25	25	YES	13
	10"x12" Steel Reducer	1	250	250	YES	125
	10" 45 Degree Steel Bend PexPe	1	250	250	YES	125
	10" 45 Degree Steel Bend FlxPe	1	250	250	YES	125
	12" Steel Epoxy Pip Starter Coupler	1	250	250	YES	125
	10" Gear Operated Butterfly Valve	2	728	1456	YES	728
	10" Globe Style Check Valve	1	1584	1584	YES	792
	4" Fl Cam-lock w/ Dust Cap	1	100	100	YES	50
	3" Ball Valve	1	144	144	YES	72
	Pressure Transmitter Assembly	1	255	255	YES	128
	Drain Assembly	2	493	986	YES	493
	Combination Air Valve Assembly	1	428	428	YES	214
	manifold Assembly	1	5354	5354	YES	2677
	3" Combination Air Release Valve	1	428	428	YES	214
	Rock Excavation	10	25	250	YES	125
	Furnish & Install Pump Station	1	120000	120000	YES	60000
	No-Wrench Screw Anchor	2	190	380	YES	190
	Electrical Work	1	18000	18000	YES	9000
	Capitol Elec. Coop. power	3000	18	54000	YES	27000
	Transformer & meter			0	YES	0
	10 % Contigency			25444		12722
	"OFF FARM" Sub Total			**$279,885**		**$139,942**
	Total			532,456		392,513
	Cost To Construct per Acre			2,420		
	Cost to Construct per Acre with 50% Cosh Share					1,784
	On Farm Costs		252,571			
	Off Farm Costs		279,885			
	Amount Requested from SWC		139,942			

NGV



Garrison Diversion Conservancy District
McClusky Canal
MM10 McLean County



Garrison Diversion Conservancy District
McClusky Canal
MM 49 Sheridan County

North Dakota State Water Commission

900 EAST BOULEVARD AVENUE, DEPT 770 • BISMARCK, NORTH DAKOTA 58505-0850
701-328-2750 • TTY 800-366-6888 • FAX 701-328-3696 • INTERNET: http://swc.nd.gov

Agenda E-4)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission

FROM: Todd Sando, PE, Chief Engineer/Secretary

SUBJECT: NDSWC Cost-Share Participation Request – City of Pembina 2014 Flood Protection System Modifications Project

DATE: March 3, 2014

The City of Pembina (City) received approval for state cost-share participation for their US Army Corps of Engineers Section 408 Review on the City's Flood Control Levee Certification Project in the amount of $181,200. The City began work on the certification project after receiving a Provisionally Accredited Levee (PAL) letter from FEMA in 2009.

In May 2011, the City submitted a proposal to the US Army Corps of Engineers (Corps) to raise the floodwall and levee as part of the certification process. Because the City's flood protection system was built by the Corps, any modification to it requires Corps approval. Even though the City has not received the final Section 408 Major Modification approval from the Corps, it is anticipated.

The project is located in the W ½ of Section 4, E ½ of Section 5, NE ¼ of Section 8 and NW ¼ NW ¼ of Section 9, Township 163 North, Range 51 West.

The City plans to begin construction this spring. In order to meet the certification criteria outlined in 44 CFR 65.10, the levee must be raised and the floodwall must be rehabilitated and raised along with other related improvements. The project is intended to address these requirements and ensure the levee system continues to be shown as providing protection from the 1% chance flood.

The earthen levee portion of the protection system will be raised an average of .3 feet and the concrete floodwall will be raised an average of .7 feet. The dike will have a top width of 10 feet with interior and exterior side slopes of 3:1. The dike will also be vegetated with developer sod to prevent erosion.

The City is aware that engineering may be considered as an eligible expense in the near future and has asked to have costs retroactively approved when the new cost share policy is finalized. As this request is being considered under the current cost share policy, I am not recommending any retroactive costs be considered for assistance.

The project is estimated to cost $1,441,911, of which $1,101,500 is eligible for 60% cost share assistance as a flood control project, for an amount not to exceed $660,900 in state funds.

I recommend the State Water Commission approve this request by the City of Pembina for state cost participation in the City's 2014 Flood Protection System Modifications Project, at an amount not to exceed $660,900 from the 2013-2015 appropriated funds. This approval is subject to the entire contents of the recommendation contained herein and the availability of funds.

TS:MMB/1444

CITY OF
PEMBINA
152 W. ROLETTE STREET
PEMBINA, NORTH DAKOTA 58271

Phone (701) 825-6819
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email: pcityofc@invisimax.com
Web: http://cityofpembina.org

February 07,2014

Mr. Todd Sando, P.E.
State Engineer
North Dakota State Water Commission
900 East Boulevard Avenue, Dept. 770
Bismarck, ND 58505-0850

Mr. Sando:

The City of Pembina requests a construction cost share agreement with the North Dakota State Water Commission (SWC) for the proposed 2014 Flood Protection System Modifications (Project). The Project has undergone significant review by both the U.S. Army Corps of Engineers (USACE) and SWC in the past year, and we have information from the USACE Project Manager that gives the City reason to believe that USACE approval of the Section 408 Major Modification proposal is imminent. Thus, with our intentions of beginning construction this Spring 2014, we are making this request now in order for our request to be considered at the upcoming SWC meeting in March 2014. We understand that cost-share approval will be contingent upon USACE 408 and SWC construction permit approval.

We propose that this request be given consideration in light of the fact that the Project has already received cost share for prior expenses relating to the preliminary FEMA (PAL) Provisional Accredited Levee and follow-on USACE 408 Major Modification Submittals. In addition, the City has already applied for a SWC Construction Permit (Summer 2013), and the Project related materials presented at that time have not changed.

Lastly, we understand that proposed cost share policy changes are currently under consideration, but will not likely be enacted within the critical timeframe the City is working under. Therefore, we ask that you consider allowing final policy changes to be grandfathered and retroactively approved for the City of Pembina Project when they become finalized. The City of Pembina respectfully requests consideration of cost-share for 35-50% of future anticipated engineering expenses expected for final pre-construction engineering and post-construction FEMA accreditation work, estimated at $37,500 (50% of $75,000).

We have attached the latest Project estimate for your consideration and planning purposes. Once the construction contract is awarded this Summer, we will provide the actual Project costs for construction. We look forward to discussing our request in further detail regarding any questions you may have, and are also available to attend a future SWC meeting upon request.

Sincerely,

Kyle Dorion
Mayor of Pembina

FEB 12 2014

"Oldest Settlement in the Dakotas"

ND STATE WATER COMMISSION
Project Information and Cost-Share Request Form

This form is to be filled out by the project or program sponsor, with SWC staff assistance as needed. Upon receipt of a request form, the information will be reviewed and added to the state's project/program database. This form will serve as the first step in obtaining cost-share assistance. Once a project has been fully developed, detailed cost and engineering information should then be submitted with a request for the project to be considered for SWC cost-share. For assistance, contact the SWC Water Development Division at (701) 328-4952.

Please answer the questions as completely as possible. Supporting documents such as maps and engineering reports should be attached to this form. If additional space is required, please use extra sheets as necessary.

1. **Project, program, or study name:** Flood Protection System Modifications

2. **Sponsor(s):** City of Pembina, North Dakota

3. **Location (county, city, township, etc.):** City of Pembina, Pembina County

4. **Description of request:** ☐ **New** ☑ **Update (previously submitted)**

5. **Specific needs addressed by the project, program, or study:**
   a. **If study, what type:**
   ☐ **Water Supply** ☐ **Hydrologic** ☐ **Floodplain Mgmt** ☐ **Feasibility**
   ☐ **Other**

   b. **If project/program:**
   ☑ **Flood Control** ☐ **Snagging & Clearing** ☐ **Water Quality**
   ☐ **Recreation** ☐ **Bank Stabilization** ☐ **Rural Flood Control**
   ☐ **Channel Imp.** ☐ **Irrigation** ☐ **Other**
   ☐ **Multi-Purpose** ☐ **Water Supply**

6. **Jurisdictions/Stakeholders involved:** Pembina County Water Resource District

7. **Description of problem or need and how project addresses that problem or need:**
   FEMA has notified the City that the flood protection system must be accredited in order for the City to remain out of the 100 year administrative floodplain. In order to meet the certification criteria outlined in CFR 65.10, the levee must be raised and the floodwall must be rehabilitated and raised along with other minor infrastructure improvements. The project is intended to address these requirements and keep the City protected and out of the floodplain.

8. **Has a feasibility study been completed?:** ☑ **Yes** ☐ **No** ☐ **Ongoing** ☐ **Not Applicable**

9. **Has engineering design been completed?:** ☑ **Yes** ☐ **No** ☐ **Ongoing** ☐ **Not Applicable**

10. **Have land or easements been acquired?:** ☑ **Yes** ☐ **No** ☐ **Ongoing** ☐ **Not Applicable**

11. **Have you applied for any state permits?:** ☑ Yes ☐ No ☐ Not Applicable
    a. **If yes, please explain:** NDSWC Construction Permit

12. **Have you been approved for any state permits?:** ☐ Yes ☑ No ☐ Not Applicable
    a. **If yes, please explain:**

13. **Have you applied for any local permits?:** ☐ Yes ☐ No ☑ Not Applicable
    a. **If yes, please explain:**

14. **Have you been approved for any local permits?:** ☐ Yes ☐ No ☑ Not Applicable
    a. **If yes, please explain:**

15. **Briefly explain the level of review the project or program has undergone:**
    Extensive review has occurred through the USACE Section 408 Major Mod process.
16. **Do you expect any obstacles to implementation (i.e., problems with land acquisition, permits, funding, local opposition, environmental concerns, etc.)?**
    There are no obstacles to implementation known at this time.
17. **Estimated project or program total implementation costs:** $ 1,500,000

Source	*Cash*	*In-kind*
Federal	$0	$
State	$900,000	$
Local	$600,000	$
Total	$1,500,000	$0

18. **Funding timeline (carefully consider when SWC cost-share will be needed):**

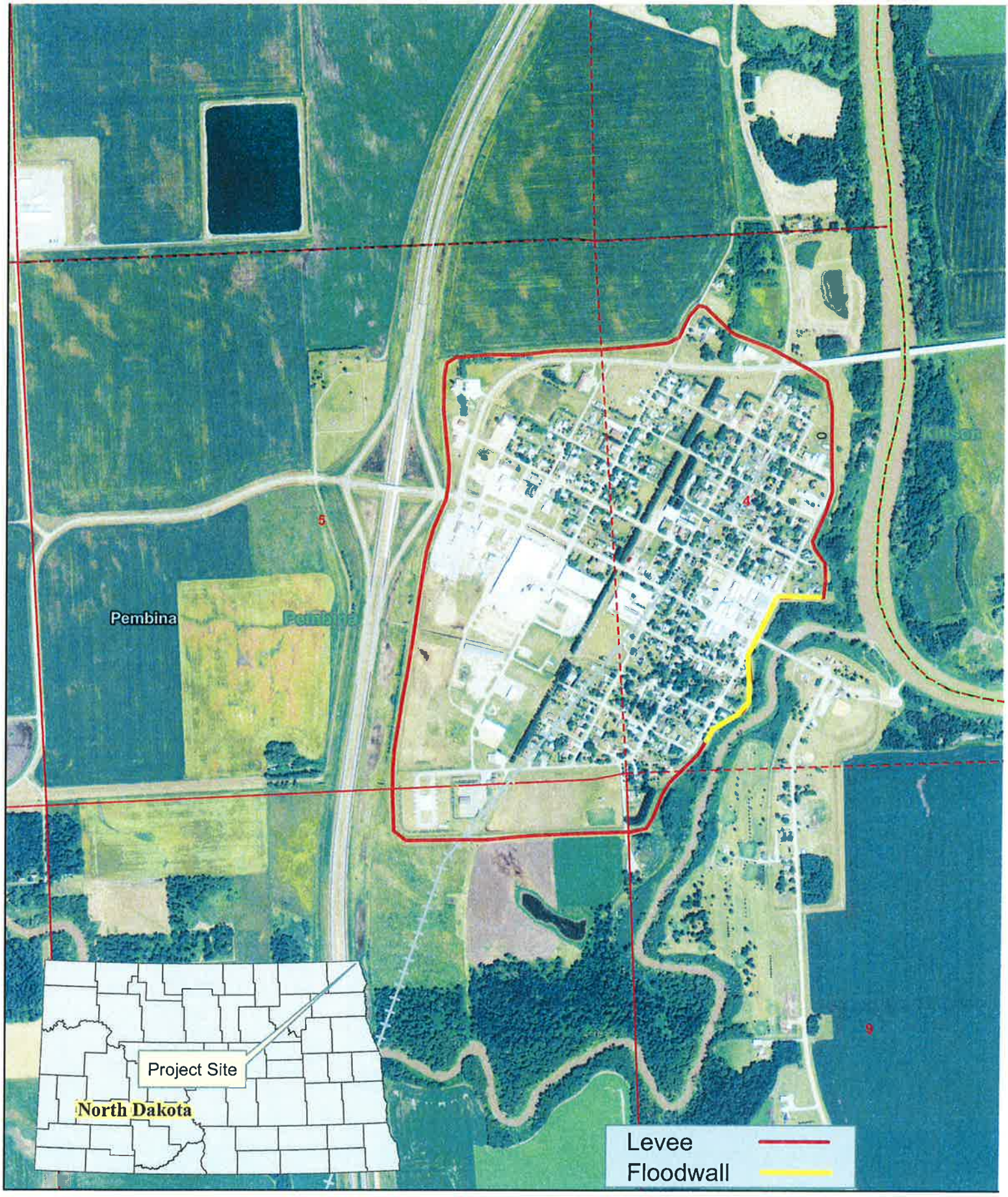
Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	$	$0	$	$	$
State	$	$900,000	$	$	$
Local	$	$600,000	$	$	$
Total	$0	$1,500,000	$0	$0	$0

19. **Please explain implementation timelines, considering all phases and their current status:** The City wishes to proceed with construction Spring 2014, as soon as river levels have receded. It is critical to begin construction as soon as possible so that the project is complete prior to Spring 2015.

20. **Have assessment districts been formed?:** ☐ Yes ☑ No ☐ Ongoing ☐ Not Applicable

Submitted by: Nate Dalager, P.E., HDR Engineering
Date: 2/7/14
Address and telephone: 324 2nd St. E., Thief River Falls, MN 56701

Mail to: ND State Water Commission, ATTN: Melissa Behm, 900 E Boulevard Ave. Dept. 770, Bismarck, ND 58505-0850



City of Pembina
Flood Protection System Modifications

North Dakota State Water Commission

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Agenda F1)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer–Secretary
SUBJECT: 2013-2015 State Water Supply – Missouri West Water System South Mandan
DATE: March 3, 2014

Missouri West Water System is requesting a 75 percent grant of $122,000 on a rural expansion project with an estimated cost of $162,700. The expansion includes installing 35,700 feet of pipeline to add seven rural users to the South Mandan Project. The water supply is from the city of Mandan and Southwest Water Authority. On October 7, 2013, the State Water Commission approved a 50 percent grant of $400,000 towards the $800,000 South Mandan Project to install 13.2 miles of 6" to 4" transmission pipeline improve flow rates through areas impacted by sudden growth of population along existing under-sized pipelines in three sections of the Missouri West Water System in Morton County. The area serves 275 existing users.

I recommend the State Water Commission approve a 75 percent cost share of eligible costs, not to exceed an additional $122,000, to the Missouri West Water System from the funds appropriated to the State Water Commission in the 2013 - 2015 biennium. The funding is contingent on available funding and subject to future revisions.

TS:JM:ph/2050-MIS

BARTLETT & WEST

SERVICE. THE BARTLETT & WEST WAY.

February 11, 2014

Mr. Jeffrey Mattern
North Dakota State Water Commission
900 East Boulevard Ave.
Bismarck, ND 58505

Dear Jeffrey:

This letter is provided to your office on behalf of the Missouri West Water System (MWWS), Mandan, ND. Bartlett & West serves as their consulting engineer and is acting as their representative.

By this letter, MWWS is formally requesting consideration for additional cost share funding through the North Dakota State Water Commission (NDSWC) for the planned expansion project within their existing system. During the easement acquisition process for the previously approved project, MWWS was approached by several landowners interested in the opportunity to receive water. The new users are shown in yellow on the attached map. The currently approved portion of the expansion project (indicated by the red line on the map) will provide additional capacity in the area south of the Mandan Airport including the necessary capacity required to add these users who were previously unable to receive water.

The proposed project would add 7 users (with a possibility of at least 2 more) with a total estimated project cost of $162,250.00. Attached to this letter is a detailed construction cost estimate for the additional users proposed to be added. MWWS is requesting a 75% matching grant from the NDSWC. MWWS would plan to provide the local share of project costs from their reserve funds as is being done on the originally approved project. If the funds are made available to add these users, it would be the intent of MWWS to add these additional users to the previously approved project that will be bid in the spring of 2014. We feel that better prices will be obtained for addition of these users if it is included in the larger overall project.

If you have any additional questions or need additional information please feel free to contact me.

ESTIMATE $162,700
75% = 122,000

Sincerely,

BARTLETT & WEST, INC.

Bryan Ziegler, P.E.
Project Manager

cc: MWWS – Mike Kemnitz
BW – Bryan Ziegler
File: MWWS – Expansion Project

3456 E CENTURY AVENUE ■ BISMARCK ND 58503-0737
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North Dakota State Water Commission

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Agenda F 2)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer–Secretary
SUBJECT: 2013-2015 Water Supply - Greater Ramsey Water District Expansion Project
DATE: March 3, 2014

Greater Ramsey Water District is requesting a 75 percent grant of $4,500,000 on the Expansion Project with an estimated cost of $6,000,000. The project involves water service to 235 rural users, installation of 110 miles of pipeline, and construction of a 120-foot high 300,000-gallon elevated water tower. The tower will provide service to both the new users and existing water users located in the eastern half of the water system. The project is anticipating beginning construction in June 2014.

On July 23, 2013, the State Water Commission approved a 75 percent grant of $150,000 towards the project design and cultural resource study estimated cost of $200,000. The additional grant towards construction would be $4,350,000.

I recommend the State Water Commission approve a 75 percent cost share, not to exceed an additional $4,350,000, for design and construction on the Greater Ramsey Water District Expansion Project from the funds appropriated to the State Water Commission in the 2013 - 2015 biennium. The funding is contingent on available funding, and subject to future revisions.

TS:JM:ph/2050-RAM

113 Shamrock Ln SE PO Box 1257
Devils Lake, ND 58301
Phone: 701-662-5781
Fax: 701-662-6623
Toll-Free: 888-223-0090
www.grwdnd.com

GREATER RAMSEY WATER DISTRICT

February 26, 2014

Mr. Jeffery Mattern
North Dakota State Water Commission
900 East Boulevard Ave
Bismarck, ND 58505

Dear Mr. Jeffery Mattern:

Per our conversation, please accept this letter as a revision to our February 17, 2014 funding request letter. The 2014 GRWD Expansion Project has quickly grown to a point that our existing system's infrastructure cannot adequately provide adequate pressure to our existing users and to the new users that are being added under this expansion project. To alleviate this problem, a 120' high 300,000 gallon elevated water tower will need to be constructed as part of this expansion project. The tower will provide water service to both our existing users and the new users located in the eastern half of our water system.
The expansion project will provide water service to 235 new users with the installation of approximately 110 miles of PVC pipeline. Below is a table that lists the estimated total project costs, which is projected to be nearly $6,000,000. We are respectively requesting a 75% grant ($4,500,000) from the State MR&I Program to complete this expansion project. We anticipate beginning construction in June of 2014.

Greater Ramsey 2014 Expansion Project		
	Quantity	**Cost**
Pipeline (110 +/- miles of 1" - 6" Dia Pipe)		$3,043,000
Appurtenances (Meters, valves, etc.)	15%	$456,000
	Subtotal	$3,499,000
120' Elevated Tank - 300,000 Gal		$1,300,000
	Construction Costs Total	**$4,799,000**
Engineering, Legal, & Administration	20%	$960,000
Contingencies & Subsequent Users	5%	$240,000
	Total Project Costs	**$5,999,000**

We have also included an overall project map which shows the location of the new proposed elevated water tower, near the existing water treatment plant.

Sincerely,

Nels Halgren

Nels Halgren
GRWD Manager

Cc: BW-James Landenberger
File: GRWD 2014 Expansion Project – 1.0 Correspondence

North Dakota State Water Commission

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Agenda F3)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer–Secretary
SUBJECT: Stutsman Rural Water District – Phase II Expansion
DATE: March 3, 2014

Stutsman Rural Water District has requested additional 70 percent grant funding of $1,400,000 for Phase II of an overall expansion project. State Water Commission has approved grant funding of $18,007,000 towards expansion project. Project descriptions, project costs, and State Water Commission funding is summarized as follows.

- **Phase II (2011)** - On June 21, 2011, approval given for Phase II for the Northern Stutsman area and the Woodworth area involving 298 miles of 8" to 1.5" pipeline for 90 rural users and service capacity for Woodworth.
- **Phase II-B** - On February 27, 2013, approval given for Phase II-B for West Central Stutsman for an area between Woodworth and southeast to Windsor involving 76 miles of 8" to 1.5" pipeline for 244 rural users and adding a 250,000 gallon storage tank.
- **Phase III** - On February 27, 2013, approval given for Phase III involving 270 miles of 8" to 1.5" pipeline for 330 rural users and service to Streeter.
- **Kidder County** - On July 23, 2013, approval given for Kidder County area including 32 miles of 4" to 1.5" pipeline for 17 rural users to be included in Phase III.
- **Carrington Area** - On July 23, 2013, approval given for the Carrington Area involving 35 miles of 3" to 1.5" pipeline for 27 rural users to be included in Phase II-B.
- **Phase II (2014)** – The additional funding request for Phase II for the Northern Stutsman area and the Woodworth area involving 22 miles of pipeline for 105 rural users.

State Water Commission Action	Project	Estimate Cost	Grant %	Grant
Approved	Phase II (2011)	$ 9,700,000	70	$6,800,000
Approved	Phase II-B	$ 3,600,000	70	$2,500,000
Approved	Phase III	$10,000,000	75	$7,500,000
Approved	Kidder County	$ 867,000	75	$ 650,000
Approved	Carrington Area	$ 742,500	75	$ 557,000
Pending	Phase II (2014)	$ 2,000,000	70	$1,400,000
	Total	**$26,909,500**		**$19,407,000**

I recommend the State Water Commission approve a 70 percent cost share, not to exceed $1,400,000, for the Expansion Project to the Stutsman Rural Water District from the available funds appropriated to the State Water Commission in the 2013 - 2015 biennium. The funding is in the form of a grant towards eligible costs, contingent on available funding, and subject to future revision.

TS:JM:ph/237-03STU

STUTSMAN RURAL WATER DISTRICT

1812 Hwy. 281 North
Jamestown, ND 58401

Phone: 701-252-7727
Fax: 701-252-8711
TDD: 1-800-366-6889

Office E-mail:
srwdistrict@daktel.com

Manager:
Geneva Kaiser
E-mail:
genevasrwdistrict@daktel.com

February 14, 2014

Mr. Jeffrey Mattern
North Dakota State Water Commission
900 East Boulevard Ave.
Bismarck, ND 58505

Dear Jeffrey:

By this letter, Stutsman Rural Water District is formally requesting consideration for additional funding through the North Dakota State Water Commission (NDSWC) for completion of Phase 2 of the SRWD Expansion Project. Phase 2 of the expansion project was originally bid with 270 miles of 8" and smaller gasketed joint PVC pipe with service to 259 users and the town of Woodworth. Through field orders and change orders, an additional 22 miles and 105 users were added to Phase 2, for an additional project cost of $1,975,000. Please refer to the attached spreadsheet for the original project costs and the remaining shortfall to complete construction. SRWD is requesting a 70% matching grant from the NDSWC in the amount of $1,382,500.

Please contact me if you need additional information, or with any questions you may have.

Sincerely,

Geneva Kaiser

Geneva Kaiser, Manager
Stutsman Rural Water District

ESTIMATE $2,000,000
70% = $1,400,000

Enc.

Cc: BW – Bob Keller

RECEIVED
FEB 10 2014

North Dakota State Water Commission

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Agenda F+)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer–Secretary
SUBJECT: City of Fargo Water Treatment Plant Improvements
DATE: March 3, 2014

The city of Fargo is requesting an additional 50 percent grant of $15 million towards the $60 million sulfate treatment improvement project which involves design and construction of a reverse osmosis membrane system and appropriate pretreatment processes for the Fargo water treatment plant. The purpose is to have a treatment process to meet the targeted finished water quality goals (sulfate reduction, hardness reduction, bromide reduction, etc.). The overall water treatment plant improvement project is estimated at $96 million because the Water Treatment Plant Facility Plan and the Reverse Osmosis Pilot Study concluded that the additional costs of incorporating capacity expansion along with baseline sulfate treatment will provide large operating cost savings and position the City of Fargo for anticipated growth and expansion of regional water service. A regional system could include West Fargo and Harwood with Fargo currently providing water service to Cass Rural Water Users District. Project costs and State Water Commission funding are summarized in the following table.

SWC Action	Project	Estimate Cost	Grant %	SWC Grant
Approved 6-21-11	Pilot Study (2011)	$ 1,200,000	50	$ 600,000
Approved 6-13-12	Reverse Osmosis (2012)	$28,800,000	50	$14,400,000
Pending	Reverse Osmosis (2014)	$30,000,000	50	$15,000,000
	Total	**$60,000,000**		**$30,000,000**

The City's total request for 50 percent cost share of $30,000,000 of the $60,000,000 sulfate improvement project requires an additional grant of $15,000,000.

I recommend the State Water Commission approve a 50 percent cost share, not to exceed an additional $15,000,000, towards the Fargo Water Treatment Plant Improvement Project to the city of Fargo, from the funds appropriated to the State Water Commission in the 2013 - 2015 biennium. The funding is in the form of a grant towards eligible costs, contingent on available funding, and subject to future revisions.

TSS:JNM:pdh/1984

Mayor Dennis R. Walaker
200 N. 3rd Street
Fargo, ND 58102
Phone: 701-241-1310
Fax: 701-476-4136

February 1, 2014

Todd Sando, PE, State Engineer
North Dakota State Water Commission
900 East Boulevard Avenue
Bismarck, ND 58505

Re: 2013-2015 Cost Share Request – Devils Lake Downstream Water Quality Impacts City of Fargo Water Treatment Plant Improvements

Dear Todd:

The City of Fargo (City) greatly appreciates the State Water Commission's (SWC) 50 percent ($30 million) cost share participation for water treatment plant (WTP) improvements that are necessary to address downstream water quality impacts from operation of the Devils Lake outlets. As you are aware, the City previously requested $15 million in the 2011-2013 biennium for sulfate treatment improvements at the WTP. Thus, this is the second request for $15 million which will satisfy the State's 50% cost share participation in the project. As illustrated on the attached project schedule, we are planning to advertise for bids in March 2014 with a scheduled bid opening date in April 2014. Based on the current project timeline, it is anticipated that a notice to proceed will be issued in May 2014 with project construction commencing shortly thereafter. The SWC's $15 million cost-share in the 2013-2015 biennium would be used for construction of the treatment plant improvements.

Attached for your reference is an updated project summary for sulfate treatment improvements at the WTP. We sincerely appreciate your continued participation in this important project for the City of Fargo and we are eager to move forward with bidding and construction of the sulfate treatment improvements.

Sincerely,

Dennis R. Walaker
Mayor

c: Pat Zavoral, City Administrator
Bruce Grubb, Enterprise Director
Eric Dodds, AE2S

City of Fargo
Sulfate Treatment Capital Improvements
Last Updated: February 1, 2014

NEED FOR PROJECT

- The City of Fargo must make capital improvements to its Water Treatment Plant (WTP) to address increased sulfate concentrations in the City's water supply source, the Sheyenne River, due to the operation of the Devils Lake Emergency Outlets.
  - ✓ Unexpected water quality changes are primarily attributed to elevated sulfate concentrations in the Devils Lake basin, which is discharged through Emergency Outlets into the Sheyenne River north of Lake Ashtabula. (Other constituents in the water, such as bromide, hardness, chloride, sodium, total dissolved solids, total organic carbon, and others also pose drinking water challenges for the City of Fargo.)
  - ✓ Both the Environmental Protection Agency (EPA) and the North Dakota Department of Health (NDDH) indicate that sulfate concentrations exceeding 250 mg/L is not recommended for public drinking water.
  - ✓ The transfer of water from Devils Lake into the Sheyenne River is designated as a water-to-water inter-basin transfer. As such, the sulfate concentration in the Sheyenne River will be controlled to achieve the aquatic life standard of 750 mg/L, well above the recommended level for drinking water.
  - ✓ Water containing high levels of sulfates produces a laxative effect on consumers, especially persons unaccustomed to the water, such as transient populations, which are common to Fargo as a regional destination.
  - ✓ Fargo's existing WTP was not designed with processes to remove sulfate because historic sulfate concentrations were lower than the recommended drinking water level.
  - ✓ In addition to serving as a regional water provider for Cass Rural Water Users District, the City of Fargo is discussing the possibility of an expanded regional water solution with the Cities of West Fargo and Harwood. As such, sulfate treatment improvements for the Fargo WTP have the potential to benefit a larger region of users.
- The North Dakota State Water Commission (SWC) expanded the West Emergency Outlet from a capacity of 100 cubic feet per second (cfs) to 250 cfs in 2010. In addition, the SWC constructed in 2012 the East Emergency Outlet with a capacity of 350 cfs on the east side of Devils Lake where sulfate concentrations are even higher. A gravity outlet from West Stump Lake is also under current consideration, which could further increase flows into the Sheyenne River.
- A control structure at the Tolna Coulee was also constructed in 2012 to prevent catastrophic overflow of the lake. If the lake continues to rise, this outlet control structure could allow significant volumes of high sulfate water into the Sheyenne River.

PROPOSED PROJECT

The City of Fargo completed a WTP Facility Plan, which identified and evaluated six improvement alternatives to treat the changing water quality in the Sheyenne River as a result of Devils Lake Emergency Outlets operation. The WTP Facility Plan indicated that the City would need to integrate sulfate treatment through reverse osmosis and appropriate pretreatment processes to continue to meet historic water quality goals. To meet the EPA's sulfate standard of 250 mg/L with an anticipated source water sulfate concentration of 750 mg/L, the WTP Facility Plan identified a baseline sulfate treatment capital improvements cost of approximately $60 million, for which the City of Fargo has requested 50 percent state cost participation. However, the WTP Facility Plan and the Reverse Osmosis Pilot Study conclude that the additional costs of incorporating capacity expansion along with baseline sulfate treatment will provide large operating cost savings and position the City of Fargo for anticipated growth and expansion of regional water service. The recommended sulfate treatment improvement option costs an estimated $96 million in 2015 dollars, of which $60 million is related to sulfate treatment and the portion for cost share participation of the SWC. The City is nearly complete with design of the proposed Membrane WTP Improvements Project and intends to start construction of the sulfate treatment improvements as soon as possible due to water quality changes already being experienced in the Sheyenne River.

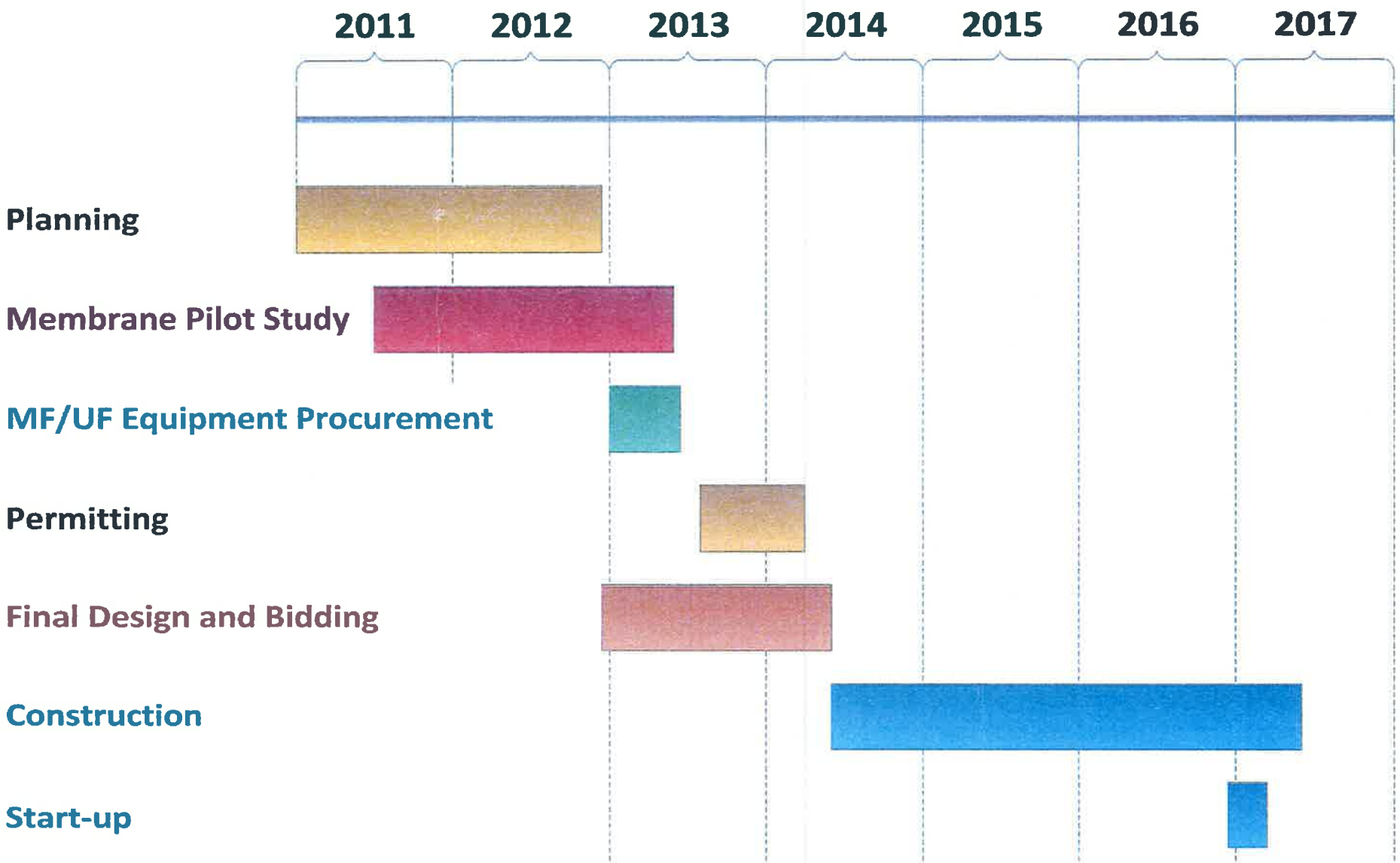
COST SHARE SUMMARY OF CURRENT FUNDING REQUEST FOR BASELINE SULFATE TREATMENT*

	2011 – 2013 Biennium		2013 – 2015 Biennium	
	State	Local	State	Local
Pilot Study	$600,000	$600,000		
Baseline Sulfate Treatment	$14.4 Million	$14.4 Million	$15.0 Million	$15.0 Million
Total	$15.0 Million	$15.0 Million	$15.0 Million	$15.0 Million

**State and Local cost share to be split 50/50 for Sulfate Treatment.*

Fargo Membrane WTP Improvements Timeline

February 1, 2014



North Dakota State Water Commission

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Agenda #1)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer - Secretary
SUBJECT: MREFP Project Status Update
DATE: March 3, 2014

The Souris River Joint Water Resources Board and the city of Minot have published a Request For Qualifications for design of the Napa Valley, Forrest Road and North 4th Avenue features of the project. A selection committee has been formed and has met to discuss the selection process. Deadline for receipt of proposals is March 14, 2014. Selection committee member rankings of the proposals are due for tabulation March 28, 2014. The schedule for the remainder of the selection process will be made after that date.

The Souris River Joint Board has added a permanent member from the city of Minot. They are currently considering future phases and priorities for a long range project implementation plan.

A number of issues and potential measures for local relief in the downstream reaches of the river have been identified by local interests. Most of these can be screened for feasibility and eligibility for cost share by State Water Commission staff with the tools developed by the consulting team. The effort is currently under way.

TS:TF:WE:ph/1974

North Dakota State Water Commission

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Agenda #2

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: Souris River Joint Board Funding
DATE: March 3, 2014

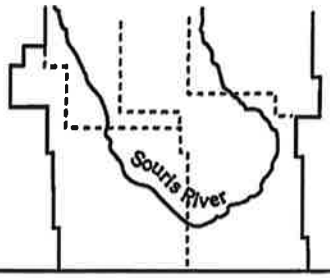
At the December 9, 2011 meeting the Commission considered the Souris River Joint Board's request for funding assistance to enable them to fulfill their obligations as local sponsor of the Mouse River Enhanced Flood Protection Project. At that time the Board estimated an ultimate need of $250,000. The Commission approved $50,000 at that meeting.

Since that time the Joint Board has been active in all facets of sponsoring the project and working on methods to develop its independent funding sources expending the initial $50,000. In July The City of Minot will be implementing a one-half cent sales tax to fund the project. The Joint Board is pursuing imposing a 2 mill levy in Renville, Ward, McHenry and Bottineau counties.

As the project moves into design and towards implementation phases the Joint Board faces increasing financial burdens as well as increased demands on the board member's time. The increased pace of the project has created the need for the Joint Board to hire a project manager with a suitable background to act on the Joint Board's behalf. Moving forward the board will face a demand for legal and administrative services much higher than they have in the past. With these anticipated expenses the Joint Board is requesting the additional $200,000. It is expected that this cost share would be matched over time by the sales tax & mill levy with those taking over the legal and administrative costs of the project. Therefore, this would be the final cost share approval for legal and administrative costs for this project.

I recommend the SWC approve an allocation in an amount not to exceed $200,000 to the Souris River Joint Board to support their responsibilities as the local sponsor of the Mouse River Enhanced Flood Protection Project from funds appropriated to the State Water Commission in thee 2013-2015 biennium. This funding is subject to the entire contents of the recommendation contained herein and availability of funds.

TS:TF:WE:ph/1974
Attachment



SOURIS RIVER
JOINT WATER RESOURCE BOARD

Renville County Water Resource District
Ward County Water Resource District
McHenry County Water District
Bottineau County Water Resource District

December 3, 2013

Honorable Jack Dalrymple
Governor of North Dakota
600 E Blvd. Ave.
Bismarck, ND 58505-0100

State Engineer Todd Sando
ND State Water Commission
900 E Blvd. Ave.
Bismarck, ND 58505

Dear Governor Dalrymple and State Engineer Sando:

On behalf of the Souris River Joint Water Resource Board, I would like to express our deep appreciation and gratitude for the leadership and strong support you have provided to the cities and rural areas in the Mouse River Basin as a result of the devastating floods of 2011. Your leadership and support has enabled us to begin the process of both recovery and future flood protection for our region.

At the request of the State Water Commission, and with the support of political subdivisions in the Mouse River Basin, the Souris River Joint Water Resource Board has again agreed to be local cooperative sponsor for the Mouse River Enhanced Flood Protection Project. The Souris River Joint Water Resource Board was the local sponsor for the flood control works constructed in the late 1980s and early 1990s, and we developed a strong working partnership with all of the cities and other political subdivisions in our region. We intend to provide the same coordination and consensus effort to address all flooding issues in the Mouse River Basin as effectively as possible.

There are extensive areas where a coordinated and consensus approach is essential, including hazard mitigation applications, acquisitions, local cost share, flood protection works, river management, and basin wide objectives. It is the intent of the Souris River Joint Water Resource Board to provide professional, effective and efficient local sponsorship for the Mouse River Flood Project.

The State Water Commission has provided initial funding for the engineering stuides of the Mouse River Flood Project, both in the City of Minot and the entire Souris River Basin in North Dakota. For this we are very grateful. On November 9, 2011, the Souris River Joint Board requested that the State Water Commission provide funding in the amount of $250,000 to the Souris River Joint Water Resource Board to facilitate our efforts to provide local sponsorship. While we understand the need for a local cost share as part of the local sponsorship for this project as we move forward, these initial funds will enable us to implement all of the various processes and work tasks necessary to provide the coordinated and consensus approach at the local level to help make implementation of this project successful.

At the State Water Commission meeting in December, 2011, the Commission approved the following recommendation:

> **To support and continue these efforts, the WRD has estimated funding in the amount of $250,000 may be necessary. At this point an amount of $50,000 is needed to move into a more active phase of project sponsorship.**
>
> **I recommend that the State Water Commission approve Souris River Joint Water District's funding request at an amount not to exceed $50,000 to support its responsibilities as local sponsor of the Mouse River Enhanced Flood Protection Plan from the funds appropriated to the Stated Water Commission in the 2011-2013 biennium. This approval is subject to the entire contents of the recommendation contained herein and availability of funds.**

The Souris River Joint Water Resource Board is in the process of developing local agreements between the Joint Board and political subdivisions, and establishing consistent local policies. This is to request the remainder of the $200,000 requested in the November 9, 2011, letter of request. Thank you.

Sincerely,

David Ashley
Chairman
Souris River Joint Water Resource Board

North Dakota State Water Commission

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Agenda (1)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: SWPP Project Update
DATE: February 24, 2014

Oliver, Mercer, North Dunn (OMND) Regional Service Area

Zap Service Area (SA) Rural Distribution System 7-9C & 7-9D:
Work on these two contracts is mostly complete. Bartlett & West/AECOM (BW/AECOM) is currently processing the GPS data, which will be used to finalize quantities for the final change order.

Center SA Rural Distribution System 7-9E & 7-9F:
The State Water Commission (SWC) at its October 7, 2013 meeting awarded the contract to Eatherly Constructors Inc. Executed contract documents have been received. This contract consists of 250 miles of 8" -1½" PVC pipe serving 330 rural water customers. This contract has an intermediate completion date of September 15, 2014 for a portion of service area identified in the plans and has a substantial completion date of September 15, 2015 for the entire contract. Nine users were identified as high-cost users after the bid opening, these users have been contacted and all of them or their neighbors have signed up for more units and the lines are now within the feasibility criteria.

Contract 7-9E is the west Center SA rural distribution system. Easement acquisition has begun and we anticipate bidding this contract in Spring 2014.

Contract 2-8E/2-8F Dunn Center SA Main Transmission Line (MTL):
Contract 2-8E is the MTL from the OMND WTP to a combination reservoir and booster station north of Halliday (Dunn Center booster station). This contract was awarded on May 21, 2013 and the contractor started installation on July 24, 2013. This contract involves furnishing and installing approximately 25 miles of pipe, an above grade booster station with concrete reservoir, PRV/Control vault, road crossings and related appurtenances. The contractor has installed roughly 15 miles of pipe. The substantial completion date is July 1, 2014.

Contract 2-8F is the MTL west of Halliday to west of Killdeer. This contract involves furnishing and installing approximately 40 miles of 16"-6" PVC pipe, connection to existing pipelines, 2 prefabricated steel meter vaults, road crossings and related appurtenances. This contract has two intermediate completion dates. The first intermediate completion date is August 15, 2014 for Bid Schedule 1, which is from north of Halliday to Dunn Center Elevated tank. The second intermediate completion date is November 15, 2014 for Bid Schedule 2A which will provide connection to the Cities of Dunn Center and Killdeer. The Bid Schedule 2B and the entire project

is to be substantially complete on or before August 1, 2015 which includes 2 prefabricated below grade booster pump stations and connection of Killdeer Mountain, Grassy Butte and part of Fairfield service area from the OMND Water Treatment Plant (WTP).

The Commission awarded this Contract to Carstensen Contracting Inc., at its February 27, 2014 conference call meeting.

Contract 4-6 Dunn Center SA Pumps inside OMND WTP:
The contractor has completed most of the work under this contract with startup of the pumps, painting and pump motor retrofits remaining.

Contract 5-17 Dunn Center Elevated Reservoir:
This contract includes furnishing and installing a 1,000,000 gallon elevated composite reservoir. The contractor, Caldwell Tanks, Inc., has completed 19 out of the total 23 rings on the pedestal and ceased operation for the winter. The substantial completion date on this contract is August 15, 2014.

Contract 5-15B 2nd Zap Reservoir:
This contract includes furnishing and installing a 1,650,000 gallon ground storage reservoir. Contract documents have been executed and notice to proceed was issued on August 9, 2013. The substantial completion date is August 15, 2014.

Contract 8-3 Killdeer Mountain Elevated Reservoir:
This contract includes furnishing and installing a 250,000-gallon elevated reservoir. This contract was bid on October 18, 2013. The State Water Commission awarded this contract to Maguire Iron, Inc. of Sioux Falls, South Dakota at its December 13, 2013 meeting. Executed contract documents have been received. The substantial completion date is October 1, 2014.

OMND Water Treatment Plant (WTP) Phase II Expansion:
The State Water Commission awarded Contract 3-1H, OMND WTP Phase II expansion to Northern Plains Contracting Inc., and Edling Electric Inc. at its December 13, 2013 meeting. Some of the equipment from Contract 3-1G Membrane Procurement contract and Contract 3-1F, Ozone equipment contract has been delivered to site and the preconstruction conference for Contract 3-1H was held on January 29, 2014. The electrical and general contractors on Contract 3-1H are currently on site. The installation of the ozone equipment has commenced.

Other Contracts

Contract 7-1C/7-8H Hydraulic Improvements in the Davis Buttes, New Hradec and South Fryburg SA:
At the direction of the sole director of Manitou Construction Inc., we are working with their surety company Philadelphia Insurance Companies. The contract is substantially complete. Administrative items and punch list items remain to be completed.

Contract 8-1A New Hradec Reservoir:
This contract involves furnishing and installing a 296,000 gallons fusion powder coated bolted steel reservoir. The contract documents were executed on May 16, 2013 and the Notice to Proceed was issued on June 3, 2013. The tank erection is complete. Pressure testing of the inlet and outlet piping, testing, cleaning and disinfection of the tank remain to be completed.

Contract 4-5 Finished Water Pumping Station (FWPS):
This contract consists of the construction of a 60' by 85' reinforced concrete and precast concrete building and the installation of pumping, piping, mechanical, and electrical and instrumentation systems. We anticipate bidding this contract before the Commission meeting with a bid opening date soon after the Commission meeting. This contract is discussed in detail in a separate memo.

An agreement that defines the cost sharing of the joint FWPS with the City of Dickinson is also discussed in a separate memo.

Contract 1-2A Supplemental Raw Water Intake:
The preconstruction conference for this contract was held on October 17, 2013. The contractor, James W. Fowler Inc., has indicated that they will provide a 72" outside diameter reinforced concrete pipe with an internal diameter of 54". The contract documents specified a 14-foot minimum inside diameter for the caisson. The contractor has indicated that they would be using a 7.5-meter (24.6 feet) inside diameter caisson. Because of the larger caisson size than initially anticipated, it is possible to have bigger pumps in case the future needs exceed the current projection. The possibility of designing the pump station and supporting slab to accommodate larger pumps is being analyzed.

The construction trailer is on site, a temporary fence defining the construction limits is installed, and temporary power for construction is available on site. The contractor will install a dewatering well to discharge any groundwater encountered during the caisson construction this winter. The groundwater will de discharged to the lake by a connection to the SWPP's concentrate discharge line which will be installed this winter. The contractor will mobilize heavy equipment to the site before the load restrictions become effective in spring.

Contract 3-2 Six (6) MGD Water Treatment Plant at Dickinson:
Contract 3-2A Membrane Equipment Procurement – The State Water Commission awarded this contract to Tonka Water from Plymouth, Minnesota at its February 27, 2014 conference call meeting.

Contract 3-2B Softening Equipment Procurement – We anticipate bidding this contract before the Commission meeting with a bid opening date soon after the Commission meeting. This contract is discussed in detail in a separate memo.

Project Update:

July Storm Damage:

The windstorm on July 8, 2013 resulted in damage to the Halliday reservoir and telemetry antenna at the Dodge Pump Station. The tank, built in 1995, is 31 feet in diameter and 47 feet in height. The tank was designed with the possibility to be raised to a future height of 63 feet. Hydraulic analysis as to whether raising the tank was beneficial was performed. Cost estimates from Engineering America Inc., (EAI) the original tank contractor, have been received. The cost to replace the 5 rings of damaged panels is approximately $157,000. The cost to increase the height of the tank adds an additional $70,000. BW/AECOM advised that raising the tank to an overflow of 61 feet was not worth the added cost. It appears that vacuum caused by high winds caused the tank wall to collapse. The tank manufacturer suggested increasing the steel thickness of the top panels in order to address the vacuum issue. A cost estimate of around $40,000 was quoted for increasing the steel thickness in the top 5 rings. The SWA instructed EAI to proceed with the replacing the 5 rings of the tank without increasing the wall thickness. EAI is currently working on the repairs of the tank and anticipates finishing the repairs before the peak water usage season. The majority of the costs for this repair will be reimbursed by insurance.

TSS:SSP:pdh1736-99

North Dakota State Water Commission

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Agenda (#2)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: SWPP Finished Water Pump Station (FWPS) Agreement
DATE: February 25, 2014

Attached is the agreement between the city of Dickinson (City), Southwest Water Authority (Authority) and the State Water Commission (Commission) regarding the joint Finished Water Pump Station (FWPS) at Dickinson.

The agreement defines the cost sharing of the FWPS, transfer of the existing Water Treatment Plant (WTP) and the 6 – Million Gallon reservoir from the City to the Commission and transfer of land east of the existing WTP from the City to the Commission.

I recommend the State Water Commission authorize the Chief Engineer-Secretary to execute the agreement between the City of Dickinson, State Water Commission and the Southwest Water Authority regarding the joint Finished Water Pump Station facility at Dickinson.

TSS:SSP:pdh/1736-99
Attachment

SOUTHWEST PIPELINE PROJECT AGREEMENT
Regarding the Joint Finished Water Pumping Station, Existing Dickinson Water Treatment Plant, and Proposed Water Treatment Plant

I. PARTIES

This agreement is entered between the City of Dickinson ("City"), the Southwest Water Authority ("SWA"), and the State of North Dakota, acting through the State Water Commission ("Commission").

II. PURPOSE

Pursuant to North Dakota Century Code (N.D.C.C.) chapter 54-40, the purpose of this agreement is to state the terms and conditions upon which the parties shall jointly provide for cost sharing of the engineering, design, and construction of a Finished Water Pumping Station, as well as conveyances of land for the Existing Water Treatment Plant and New Water Treatment Plant.

III. EFFECTIVE DATE

Upon approval of the respective governing bodies of the parties, this agreement shall be effective March 3, 2014.

IV. INTRODUCTION

1. The Commission is developing a water pipeline, water supply, and water distribution project known as the Southwest Pipeline Project ("Project").

2. The Authority, created under N.D.C.C. chapter 61-24.5, provides operation, maintenance, and management of the Project.

3. The Project uses the City's Water Treatment Plant for treating water.

4. In 1991, an agreement between the Commission and the City provided for the Project to use the City's Water Treatment Plant. Under that agreement, the City was treating the water for the Project ("1991 Agreement").

5. In 1995, the Commission entered into an agreement with the Authority transferring to the Authority the completed portions of the Project for operation, maintenance, and management ("1995 Agreement").

6. In 2000, the City, the Commission, and the Authority executed an agreement that assigned the management, operations, and

maintenance responsibilities of the Dickinson Water Treatment Plant from the City to the Authority ("2000 Agreement").

7. In 2012, the City, the Commission, and the Authority executed a Memorandum of Understanding regarding the Finished Water Pumping Station, the Existing Water Treatment Plant, and the New Water Treatment Plant. This agreement amends and supplements the 2012 Memorandum of Understanding.

V. DEFINITIONS

The following definitions apply to this agreement:

1. "Authority" means the Southwest Water Authority, a political subdivision created pursuant to N.D.C.C. § 61-24.5-03.

2. "FWPS" means the Joint Finished Water Pumping Station, which will house the pumps for the City and the Project.

3. "FWPS Project" means the FWPS along with the pumping, piping, sanitary sewer, underdrain, and other modifications to the Existing WTP facilities.

4. "Existing WTP" means the existing water treatment plant, which was built by the City in phases and upgraded by the City and the Commission through the years beginning in 1951; all of Lot 2 and the west 42 feet of Lot 3 of Auditor's Plat Seven of the City of Dickinson; and those facilities described under Exhibit A to the 2000 Agreement, including the chloramination facilities at the Dodge Pump Station, lime sludge ponds located to the south of the existing water treatment plant, and the permanent lime disposal facilities in the S ½ of the SE ¼ of the SW ¼ of Section 16, Township 139 North Range 96 West.

5. "New WTP" means the six MGD water treatment plant that is currently under design to meet the increased needs of the City and the Project.

6. "MGD" means million gallons per day.

7. "6 - MG Reservoir" means the existing six million gallon reservoir that was built by the City located at the Existing WTP site.

VI. COST SHARING OF THE FWPS

The FWPS will be owned by the Commission and will house the pumps for the City and the Project. The City shall have free and perpetual access at all times to the FWPS in order to service and maintain its pumps, to observe operations

of the FWPS, or otherwise to monitor, control, or manage the delivery of water from the FWPS to the City's potable water system. The FWPS will be located on the site of the Existing WTP. Costs of operations and maintenance for the FWPS will be addressed by the Parties in a separate agreement.

1. **Engineering Design**

a. **City's Responsibility:**

The engineering design and engineering costs of the City's pumps, electrical switchgear, and finalizing exterior site piping will be the responsibility of the City, and the City will pay its engineering firm directly for such work. The City's engineering firm will further assist with planning, development, and finalizing the design of the joint FWPS, and the City shall be responsible for and shall pay its engineering firm directly for such work.

b. **Commission's Responsibility:**

Engineering design and engineering costs for all other facilities associated with the FWPS Project will be the responsibility of the Commission, and the Commission will pay its engineer directly for such work.

2. **Construction Costs**

The Commission will advertise for bids and award the contract or contracts for the construction of the FWPS Project in accordance with N.D.C.C. chapter 48-01.2. The Commission shall submit the contract or contracts for the construction of the joint FWPS to the City for review and approval prior to awarding. The City and the Commission will share in the costs of the FWPS Project based upon the percentages shown in the following table. Each of the items described in the table will as far as practicable be separated in the bid form. If not separated in the bid form, the cost for each line in the following table will be determined using the schedule of values from the contractor.

S. No.	Item	City's Share	Commission's Share
1.	Building (Structural Cost)	50%	50%
2.	Building (Mechanical Cost)	50%	50%
3.	Building (Electrical Cost)	50%	50%
4.	Piping modifications to and from existing WTP and 6 - MG Reservoir, modifications inside Existing WTP	33%	67%
5.	City Pumps and Electrical Switchgear	100%	0%

6.	City High Service Piping inside and outside the facility	100%	0%
7.	SWPP Transfer Pumps and Electrical Switchgear	0%	100%
8.	SWPP Supply Piping inside and outside the facility	0%	100%
9.	Standby Electrical Generator	50%	50%
10.	SCADA Modifications for City	100%	0%
11.	SCADA Modifications for SWPP	0%	100%

Construction costs adjusted by means of change orders will be borne by the City or the Commission depending on the change that resulted in the increased or decreased costs.

3. Construction Engineering

The Commission's engineering consultant will be responsible for construction management. The City is responsible for 50% of the construction engineering costs.

4. Reimbursement from the City

The Commission will initially pay the contractors for the construction cost and the Commission's engineering consultant for the construction management in full upon receiving applications for payment from the contractor and invoices from the engineering firm. The Commission will then determine the City's share and submit a request for reimbursement along with supporting documentation to the City. Upon verification of the costs, the City will reimburse the Commission within forty-five days of the request. The appraised value of the land east of the Existing WTP, which the City will transfer to the Commission (see Section IX), will be credited toward the City's share of the FWPS costs.

VIII. EXISTING WTP AND 6 - MG RESERVOIR

The City owns the Existing WTP and the 6 - MG Reservoir, as stated in the 2000 Agreement. The City will transfer ownership of the Existing WTP and the 6 MG - Reservoir to the Commission by means of a quit claim deed. The City shall retain access to the 6 - MG Reservoir by means of the pumps located inside the FWPS in order to pump and distribute treated water from the reservoir. The City will transfer ownership of the Existing WTP and the 6 - MG Reservoir at no cost to the Commission. The quit claim deed transferring the property shall have a reverter clause, providing that the City shall regain ownership of the property if the Commission and the Authority cease or abandon the use of the property for the Project.

IX. TRANSFER OF LAND EAST OF THE EXISTING WTP

The Commission is currently designing a new 6 MGD WTP to meet the increased water supply needs of the City and the Project. The New WTP will be located at the site east of the Existing WTP. The property is a 4.89 acre lot, described as Parcel A, part of lot 3 of Auditor's plat No. 7, N1/2 Section 9, Township 139 North, Range 96 West. The City will transfer the 4.89 acre lot to the Commission through a quit claim deed. The deed transferring the property will have a reverter clause, providing that the City shall regain ownership of the property if the Commission and the Authority cease or abandon the use of the property for the Project. The City will transfer the 4.89 acre lot to the Commission for $750,000, as determined by the City's appraisal. The $750,000 will be credited toward the City's share of the FWPS Project cost.

X. GENERAL PROVISIONS

1. All notices or other communications required under this agreement must be given either in person or by mail at the address shown on the signature page of this agreement, or by electronic mail or facsimile. Notice provided under this provision does not meet the notice requirements for monetary claims against the Commission found at N.D.C.C. § 32-12.2-04.

2. The use of any remedy specified herein to enforce this agreement is not exclusive and does not prohibit or limit the application of any other remedy available by law.

3. Each party shall promptly notify the other parties of all potential claims that arise or result from this agreement. Each party shall also take all reasonable steps to preserve all physical evidence and information that may be relevant to the circumstances surrounding a potential claim, while maintaining public safety. Each party shall have the opportunity to review and inspect such evidence, including the scene of an accident.

4. Any waiver by any party of its rights in connection with this agreement does not waive any other default or matter.

5. If any term of this agreement is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms is unaffected, and if possible, the rights and obligations of the parties are to be construed and enforced as if the agreement did not contain that term.

6. The parties may not assign, transfer, or delegate any right or duty without the express written consent of all the parties.

7. This agreement is governed by and construed in accordance with the laws of the state of North Dakota. Any action to enforce this agreement must be brought in the District Court of Burleigh County, North Dakota.

8. Each party understands that all parties are, respectively, governed by the North Dakota open records law and must disclose to the public upon request any records it receives from any other party, to the extent required by North Dakota law. Each party further understands that any records that are obtained or generated by any party under this agreement, except for records that are exempt under N.D.C.C. chapter 44-04, are open to the public upon request under the North Dakota open records law. Each party agrees to contact the other parties immediately upon receiving a request for information under the open records law with respect to the subject matter of this agreement, to coordinate with the Commission regarding the same, and to comply with North Dakota law in responding to the request.

XI. MERGER

Except as to the agreements and memorandum of understanding recited in Section IV, this Agreement constitutes the entire agreement between the parties, and there are no understandings, agreements, or representations, oral or written, not specified within this agreement. This agreement may not be modified, supplemented, or amended in any manner except by written agreement signed by each party.

STATE WATER COMMISSION
900 East Boulevard Avenue
Bismarck, ND 58505
By:

_____
Todd Sando
State Engineer
ND State Water Commission

Date _____

SOUTHWEST WATER AUTHORITY
4665 2nd Street SW
Dickinson, ND 58601-7231
By:

_____
Larry Bares
Chairman
Board of Directors

Date _____

CITY OF DICKINSON
99 2nd Street East,
Dickinson, ND 58601
By:

_____
Dennis W. Johnson, President
Board of City Commissioners

Date _____

North Dakota State Water Commission

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Agenda (3)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: SWPP Contract 4-5 Finished Water Pumping Station – Authorize to award
DATE: February 27, 2014

Southwest Pipeline Project (SWPP) Contract 4-5, Finished Water Pump Station (FWPS) is the joint facility that will house the pumps for the SWPP and the City of Dickinson. This contract generally consists of the construction of a 60' by 85' reinforced concrete and precast concrete building with a 30' deep clear well with approximately 0.5 Million gallon capacity and pre cast concrete building and the installation of pumping, piping, mechanical, and electrical and instrumentation systems.

The treated water from the existing 12 Million Gallons per Day (MGD) Water Treatment Plant (WTP) and the new 6 MGD WTP will be transferred to the existing 6 Million Gallon (MG) reservoir through the FWPS. This will allow for better utilization and circulation of the 6 MG reservoir as well as bypassing the 6 MG reservoir for maintenance. The pumps in the FWPS will be used for transferring water to the SWPP's high service pump station and will serve as the high service pumps for the City of Dickinson's distribution system.

The FWPS will house 3 pumps for the SWPP and 6 pumps for the City of Dickinson with space for 3 future pumps for the City of Dickinson. This contract also includes piping modifications connecting the existing WTP, 6 MG reservoir and the new WTP to the FWPS. The City will reimburse the State Water Commission their share of costs of the FWPS and that was defined in the agreement approved by the State Water Commission separately.

Separate Bid Schedules and Scopes of Work are provided under this project for the General, Electrical Contracts and Mechanical Contracts as required by state law. A combined single bid is also provided under the Project to encompass all individual scopes of work.

The Electrical Contract includes furnishing and installing 1000 KVA transformer and connection to the 1000 KW standby generator. For this scenario, the existing 1000 KW generator at the Dodge pump station will be relocated to the FWPS. A Bid Alternate to provide a new 1000 KW generator is included on the Bid Form. The estimated project cost for this Contract is $11.5 Million with City of Dickinson's cost share approximately $5.6 Million.

We anticipate advertising this Contract in the first week of March with bid opening date of April 10, 2014. The Bid documents usually specify that the Bid will be valid for 60 days after bid opening which will be June 9, 2014. The FWPS is critical for the City of Dickinson and the SWPP. Authorizing the State Engineer to award this contract will allow us to get approval from the City for awarding the contract and complete other administrative items in a timely manner

and issue Notice to Proceed with construction as soon as possible to the Contractor. This will allow the Contractor to utilize the entire construction season.

I recommend the State Water Commission authorize the Chief Engineer-Secretary to award Contract 4-5 to the lowest responsible bidder contingent upon the consultant engineer's recommendation and legal review of the Contract Documents by our legal counsel.

TSS:SSP:pdh/1736-99

North Dakota State Water Commission

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Agenda (#4)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: SWPP Contract 3-2B Softening Equipment Procurement for new Dickinson WTP – Authorize to award
DATE: February 28, 2014

Southwest Pipeline Project (SWPP) Contract 3-2B, Softening Equipment Procurement for the new Dickinson Water Treatment Plant (WTP) generally consists of the design and construction phase services for a high-rate softening system for the Phase one, 6 Million Gallons per Day (MGD) capacity. The design phase and construction phase services will consist of providing consultation to insure the treatment plant is designed to properly utilize the softening equipment and insuring proper installation of the equipment as well as providing start up services. The installation contractor will install the equipment.

Award of this contract is based on life cycle analysis and so this procurement contract follows Competitive Sealed Proposal solicitation requirements as set forth under NDCC 54-44.4-10 and NDAC 4-12. This solicitation method allows for discussion with the bidders prior to an award to ensure responsiveness.

High rate softening equipment was selected for the WTP, as it provides similar softening performance as the softening equipment currently in the existing 12 MGD WTP with a smaller equipment footprint. It also provides a more concentrated sludge blowdown, which makes the dewatering process more efficient. The Base Bid for this contract incorporates 304 stainless steel as the material of construction for submerged materials and aluminum handrails and grating. The alternate bids include: 1) additional 12 months of warranty for materials and workmanship, 2) provide internal wetted parts as 316 Stainless Steel in lieu of 304 Stainless Steel, and 3) provide galvanized steel grating and handrail in lieu of aluminum.

This contract is currently advertised with proposals due by March 27, 2014. The Bid documents specify that the Bid will be valid for 60 days after bid opening, which will be May 26, 2014. The award of this contract is critical to the design of the new Dickinson WTP as design information of the equipment will determine the building size, piping, basin size and design of other processes. Authorizing the State Engineer to award this contract will expedite the administrative items and issuance of Notice to Proceed with design phase services, which will allow us to finalize the WTP design as soon as possible.

I recommend the State Water Commission authorize the Chief Engineer-Secretary to award Contract 3-2B to the lowest responsible bidder contingent upon the consultant

engineer's recommendation and legal review of the Contract Documents by our legal counsel.

TSS:SSP:pdh/1736-99

North Dakota State Water Commission

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Agenda #5

MEMORANDUM

TO: Governor Jack Dalrymple
North Dakota State Water Commission Members

FROM: Todd Sando, P.E., Secretary

SUBJECT: Approval on Conditional Water Permit Application No. 6145 for Industrial Water Use from the Missouri River

DATE: March 03, 2014

The Southwest Pipeline Project (SWPP) of the State Water Commission applied to the State Engineers Office for Conditional Water Permit No. 6145 to divert 8,000 acre-feet of water annually from a point of diversion in the southeast quarter of Section 14, Township 146 North, Range 88 West at a maximum pumping rate of 4,970 gallons per minute for industrial use. North Dakota Century Code 61-04-06 states in part, "If an application is approved, the state engineer shall issue a conditional water permit allowing the applicant to appropriate water. Provided, however, the commission may, by resolution, reserve unto itself final approval authority over any specific water permit in excess of five thousand acre-feet [6167409.19 cubic meters]."

The proposed industrial use under Conditional Water Permit No. 6145 is to provide water for industrial uses in the service area of the Southwest Pipeline Project, including water for the drilling and hydro-fracking of oil wells. The Director of the North Dakota Department of Mineral Resources Oil and Gas Division recently estimated that there could be 1,100 to 2,700 wells drilled per year for the next 20 years, with some of the wells in the Tyler Formation in southwest North Dakota. The Water Appropriation Division has estimated that drilling and hydro-fracking a typical oil well with horizontal legs takes approximately 5 to 7 acre-feet (1.6 to 2.3 million gallons). In addition, industries associated with the oil and gas activities are locating to the SWPP service area, stretching the water use in the SWPP service area to the maximum of the existing industrial permit. The only reliable water source in western North Dakota, in terms of both quality and quantity, to meet this estimated demand is the Missouri River.

Appropriation of water from the Missouri River would assist in reducing the stress on the limited ground water resources in southwestern North Dakota and aid in the location of oil/gas related industries to the SWPP service area.

I recommend that the State Water Commission approve Conditional Water Permit No. 6145 for appropriation of 8,000 acre-feet annually from the point of diversion located in the southeast quarter of Section 14, Township 146 North, Range 88 West, at a maximum pumping rate of 4,970 gallons per minute for industrial use.

North Dakota State Water Commission

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Agenda K

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer-Secretary
SUBJECT: NAWS – Project Update
DATE: March 3, 2014

Supplemental EIS

Reclamation continues to work on the Supplemental Environmental Impact Statement (SEIS). Comments have been provided to Reclamation by the cooperating agencies on Chapter 1 (Introduction), Chapter 2 (Alternatives), Chapter 3 (Affected Environment), Chapter 4 (Environmental Impacts), various appendices, the Needs Assessment, Transbasin Effects Analysis Technical Report, and Appraisal Level Design Report. We will have an opportunity to review the entire draft SEIS prior to public release, which should be in late spring or early summer. The original schedule anticipated a draft SEIS last summer, but additional time was needed in order to ensure a scientifically sound and procedurally correct NEPA document.

Manitoba & Missouri Lawsuit

The Federal Court issued an order on March 5, 2010, requiring Reclamation to take a hard look at (1) the cumulative impacts of water withdrawal on the water levels of Lake Sakakawea and the Missouri River, and (2) the consequences of biota transfer into the Hudson Bay Basin, including Canada. The order dated October 25, 2010, allowed construction on the improvements in the Minot Water Treatment Plant and pipelines to the Minot Air Force Base and Glenburn to proceed. However, it did not allow design work to continue on the intake. The court ordered a conference call on November 15, 2012. The court expressed concerns about construction taking place under the previously approved and unopposed injunction modifications possibly affecting the outcome of the SEIS. A briefing explaining the additional construction on the northern tier, justifying the need and explaining the independence from supply or biota treatment alternatives was filed December 6, 2012. Missouri and Manitoba filed responses January 6, 2013 and our response was filed January 22, 2013. The Court issued an opinion on March 1, 2013 modifying the injunction to not permit 'new pipeline construction or new pipeline construction contracts'. Our legal counsel and staff are reluctant to approach the court for further modification of the injunction until clear progress can be exhibited on the environmental review.

Current Construction

All current construction contacts are substantially complete with only minor punch list items and finishing clean up and reclamation work remaining. Remaining obligations are primarily retainage on all contracts.

Design and Construction Update

Table 1 - NAWS Contracts under Construction				
Contract	Contract Award	Contractor	Contract Amount	Remaining Obligations
2-2D Mohall	7/24/09	American Infrastructure, CO **In default – assumed by the surety - EMC**	$5,196,586.13	$407,919.91
2-3B Upper Souris/Glenburn	1/4/11	S.J. Louis Construction	$3,869,118.35	$111,430.96
7-1A Minot WTP Filter Rehab and SCADA	11/30/11	PKG Contracting, Inc. Main Electric, Inc.	$8,258,678.85	$681,006.85
Total Remaining Construction Contract Obligations				**$1,210,357.72**

TSS:TJF:pdh/237-4

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer – Secretary
SUBJECT: Devils Lake Hydrologic Update
Devils Lake Outlet Update
DATE: February 28, 2014

The current water surface elevation of Devils Lake is 1452.30 ft-msl and 1452.43 ft-msl for Stump Lake. The table below is the precipitation from September 2013. The average precipitation is from 1991.

Month	Precipitation Measured	Average Precipitation
----	(Inch)	(Inch)
September 2013	2.57	1.86
October 2013	2.09	1.76
November 2013	0.34	1.01
December 2013	0.51	0.77
January 2014	0.44	0.52
Total	5.95	5.92

The National Weather Service Long Range Outlook for Devils Lake forecast elevations, including Stump Lake are shown in the following table. The values of inflows at the elevations and submerged acres are also shown. The values are valid from 2/25/2014 to 9/30/2014. The inflow and submerged acres are based from current values.

Long Range Outlook For The Lakes Rising

Probability	90%	50%	10%
Elevation ft-msl	1452.7	1453.2	1454.3
Inflow ac-ft	73,000	169,000	391,000
Submerged acres	4,300	10,000	23,000

West and East Outlets:

Routine maintenance on outlets has continued to prepare for startup. Standpipe repairs on West End Outlet should begin soon, the project was bid and a notice of award was sent to Industrial Contractors Inc. on February 25, 2014. Completion date for this project is May 15, 2014.

Tolna Coulee Control Structure:

The operating plan for the structure requires that prior to a natural overflow the stop log elevation remain between 1' and 2' below the water surface of the lake. The current top elevation of the stop logs is 1451. Two rows of stop logs were added in 2013 with one being removed as the lake receded below elevation 1453.

TS:JK:EC:ph/416-10

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Agenda N

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer/Secretary
SUBJECT: Missouri River Update
DATE: February 28, 2014

System/Reservoir Status

System volume on February 27 in the six mainstem reservoirs was 50.6 million acre-feet (MAF), 5.5 MAF below the base of flood control. This is 2.2 MAF below the average system volume for the end of February, and 2.1 MAF more than last year.

On February 27, Lake Sakakawea was at an elevation of 1831.7 feet msl, 5.8 feet below the base of flood control. This is 4.2 feet higher than a year ago and 0.8 feet above its average end of February elevation. The minimum end of February elevation was 1806.9 feet msl in 2007 and the maximum end of February elevation was 1842.8 feet msl in 1973.

The elevation of Lake Oahe was 1602.6 feet msl on February 27, 4.9 feet below the base of flood control. This is 6.1 feet higher than last year and 2.2 feet higher than the average end of February elevation. The minimum end of February elevation was 1572.3 feet msl in 2007, and the maximum end of February elevation was 1611.1 feet msl in 1996.

The elevation of Fort Peck was 2222.5 feet msl on February 27, 11.5 feet below the base of flood control. This is 0.3 feet higher than a year ago and 4.2 feet lower than the average end of February elevation. The minimum end of February elevation was 2196.3 feet msl in 2007, and the maximum end of February elevation was 2243.5 feet msl in 1976.

The Missouri River basin mountain snowpack normally peaks near April 15. By March 1, normally 79 percent of the peak has accumulated. On February 24, the mountain snowpack water equivalence above Fort Peck was 119 percent of average for that date and 127 percent of average between Fort Peck and Garrison.

Hydrometeorological Conditions

The NWS issued a spring flood outlook for the Missouri River basin on February 20. In general, the risk of spring flooding ranges from below normal to normal for most locations. The flood risks are attributed more to the unusually wet fall than to the existing snowpack water content. High soil moisture in the fall combined with below normal temperatures during the early winter and a minimal snowpack has produced frost depths of 43 inches in Bismarck and 53 inches in Williston.

Missouri River Recovery Implementation Committee (MRRIC)

In Section 5018 of the 2007 Water Resources Development Act (WRDA) Congress authorized the Missouri River Recovery Implementation Committee (MRRIC). The Committee is to make

recommendations and provide guidance on activities resulting from the Missouri River Recovery Program (MRRP). The Committee was established in 2008. MRRIC has nearly 70 members representing local, state, tribal, and federal interests throughout the Missouri River basin.

During a meeting in Kansas City, Missouri from February 11 to 13, MRRIC received an update on the Missouri River Recovery Management Plan (MRRMP) and Environmental Impact Statement (EIS). The MRRMP and EIS is a three-year effort that will evaluate the effectiveness of actions taken by the Corps to recover the least tern, piping plover, and pallid sturgeon. The evaluation will determine modifications to current recovery efforts, if necessary, and will result in an adaptive management plan for recovery actions. The MRRMP and EIS are scheduled to be complete in May 2016. For this effort, MRRIC is currently assisting the Corps in developing a set of objectives and performance metrics that would represent the human uses and needs of the Missouri River. These objectives and performance metrics will be used by the Corps to screen the alternatives developed for the recovery of the three species. The Independent Science Advisory Panel provided an update of their review on the scientific information and approaches for recovering the species. MRRIC also began discussing options for developing an Independent Social Economic Technical Review panel that will provide a similar technical review of the approaches being considered for evaluating socioeconomic impacts on the river.

USGS Geomorphology Study

The USGS published a paper in October 2013 titled *Large dams and alluvial rivers in the Anthropocene: The impacts of the Garrison and Oahe Dams on the Upper Missouri River*. (available online at http://pubs.er.usgs.gov/publication/70057877) The paper examines the geomorphic changes of the Missouri River between Garrison and Oahe Dams. It suggests that the Oahe reservoir has an effect on the channel shaping process of the river extending to about 12 miles upstream of Bismarck. It is predicted that sediment will continue to accumulate in the Bismarck area, which will have significant implications on the management of infrastructure and flooding risk due to ice jamming.

Surplus Water/Reallocation

A Reallocation Cooperating Agency Team meeting was held on January 31, 2014 in Kansas City, Missouri. The Corps provided an update on their revised Demand Analysis, System Yield Analysis, and Hydrologic Impacts Analysis. Documentation on these revised analyses was not provided to Cooperating Agency Team members prior to the meeting and the Corps has yet to distribute it. The Corps also provided an update on their Preliminary Environmental Analysis, which showed that the impacts of the proposed reallocation are nominal and well within the volatility of the system. A draft report will be issued this summer with a review period from July to October. Report finalization is planned to start this October with study completion scheduled for July 2015. State Water Commission staff will continue working to inform the Corps on this critical issue, including changing the first paragraph of this memo which typically discussed system storage. That has been changed to system volume to recognize the difference between natural flow and stored water.

TSS:LCA:pdh/1392

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Agenda 0

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission

FROM: Todd Sando, P.E., Chief Engineer-Secretary

SUBJECT: Draft SWC Water Project Prioritization Guidance Concept

DATE: March 3, 2014

NDCC 54-35-021.7 requires the Legislature's Water Topics Overview Committee to develop a schedule of priorities with respect to water projects. The State Water Commission and Office of the State Engineer are required to assist the committee in developing that schedule of priorities.

In order to develop a more formal means of developing a schedule of priority projects as part of the agency's budgeting process, a Draft SWC Water Project Prioritization Guidance Concept (see attached) has been developed to provide a foundation for that effort. The idea of the concept is to separate project types within priority categories including: essential, high, moderate, and low priorities.

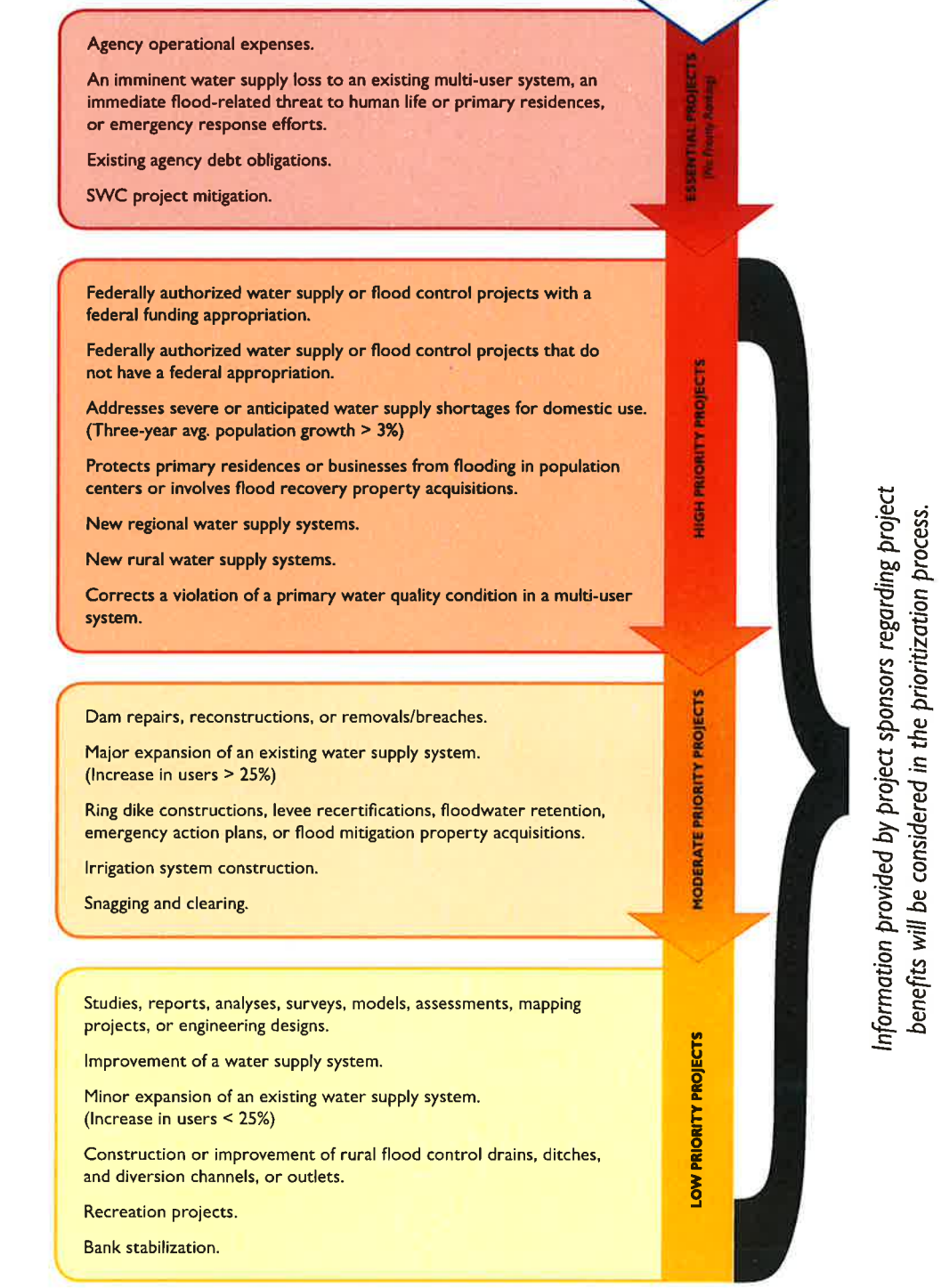
The Draft SWC Water Project Prioritization Guidance Concept was presented at all of the State Water Commissioner hosted meetings, at the Water Resource District's Annual meeting in Bismarck, and to the Legislature's Water Topics Overview Committee. Comments were invited on the draft concept, and they were due by February 28, 2014.

A summary of the comments received will be provided and presented at the March 17, 2014 Water Commission meeting.

TS:PMF:dp/322

DRAFT SWC WATER PROJECT PRIORITIZATION GUIDANCE CONCEPT

Projects submitted during the project planning inventory process[1] that meet SWC cost-share eligibility requirements will be considered for prioritization. Projects that do not meet local cost-share match requirements, (per SWC cost-share policies), will be dropped to the next lowest priority category. Ineligible projects will be diverted toward alternative funding sources.



Footnotes

1. Unless determined to be an emergency, projects that are not submitted to the SWC during the project planning inventory process will be considered low priority, and will not be eligible for funding until the last quarter of the funding cycle.

North Dakota State Water Commission

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, Chief Engineer and Secretary
SUBJECT: Administrative Rules Changes
DATE: March 3, 2014

On February 19, proposed administrative rules changes were sent to Legislative Council. A public hearing on the changes will be held at the Water Commission on March 27, with comments being accepted until April 7.

The sections for proposed change are:

- 89-03 – Water Appropriations
- 89-06 – Funding From the Resources Trust Fund
- 89-07 – Atmospheric Resource Board
- 89-10 – Sovereign Lands
- 89-11 – Drought Disaster Livestock Water Supply Project Assistance Program

Attached is a chart summarizing the proposed changes, and all of the changes can be viewed on the SWC and Legislative Council websites. The vast majority of the changes are grammar and language clarifications. Some of the more substantive highlights to note:

§ 89-03-01-01.5 – Added language that excess water may not be sold for uses other than allowed by the water appropriations permit. This should limit the ability of the water systems to sell excess water to the oil industry unless such uses were already contemplated by the permit when it was granted.

§ 89-03-01-10.2 – Adding fees for temporary water permit applications. This implements an audit recommendation. A survey of the western states indicates that every state except South Dakota and Nebraska charges an application fee for temporary water permits. The fees range from as little as $5 to over $2,000.

In calendar year 2013, there were 599 temporary water permit applications, which would have resulted in $94,050 in state revenue.

Volume Requested	Number of Permits Requested	Proposed Application Fee	Projected Total
Less than 1 acre-foot	131 permits requested	$75	$9,825
1-10 acre-feet	125 permits requested	$125	$15,625
More than 10 acre-feet	343 permits requested	$200	$68,600
		Total Projected Revenue	$94,050

§ 89-03-01-13.1 – Assesses a $250 fine for not properly or timely submitting the annual water use form by the March 31 deadline. The fine is reduced to $50 if the form is submitted before June 1. This implements an audit recommendation.

§ 89-06-01-02 – SB 2048 stated that the RTF "rules must consider project revenues, local cost sharing, and ability to pay." While the rules were already being met, some clarifying language was added to specifically ask about project revenues (before asked about project benefits generally). Changes also removed the requirement that applications must be submitted 30 days before the meeting, though this will still be a requirement of policy.

§ 89-10-01-03 – Added some definitions (livestock, snagging and clearing, structure, watercraft) and removed the partial list of navigable waters because the list changes as additional water bodies are studied or additional evidence of navigation is discovered. The list will now just be informally maintained by the State Engineer.

§ 89-10-01-10 – Added language to clarify that snagging and clearing projects by federal or state entities or political subdivisions do not require a sovereign lands permit.

§ 89-10-01-13 – Narrowed the vehicular use exception for adjacent owners on sovereign land to livestock and agricultural related purposes to eliminate problem of people riding and driving motorized vehicles on the sandbars.

JV
Attachment

NOTICE OF INTENT TO
ADOPT, AMEND, OR REPEAL ADMINISTRATIVE RULES

TAKE NOTICE that the North Dakota State Engineer and North Dakota State Water Commission will hold a public hearing to address proposed amendments to North Dakota Administrative Code Articles 89-03 (Water Appropriations), 89-06 (Funding from the Resources Trust Fund), 89-07 (Atmospheric Resource Board), 89-10 (Sovereign Lands), and 89-11 (Drought Disaster Livestock Water Supply Project Assistance Program), at **9:00 A.M., Thursday, March 27, 2014**, in the basement conference room at the State Office Building, 900 East Boulevard Ave., Bismarck, ND. The proposed rules changes are expected to have an impact on the regulated community in excess of $50,000.

The purpose and an explanation of the proposed rules changes are outlined on the attached chart.

The proposed rules may be reviewed at the North Dakota State Water Commission's office, 900 East Boulevard Ave., Bismarck, ND 58505 or on the Commission's website at www.swc.nd.gov. A copy of the proposed rules may be requested by writing the above address, calling 701-328-4941, or e–mailing rpedersen@nd.gov. Written or oral comments on the proposed rules sent to the above mailing or e-mail address, or telephone number and received by **April 7, 2014**, will be fully considered.

If you plan to attend the public hearing and will need special facilities or assistance relating to a disability, please contact the State Water Commission at the above address or phone number at least seven days before the public hearing.

Dated February 19, 2014.

Todd Sando, P.E.
State Engineer

Section	Housekeeping	Substantive	Comments
Article 89-03 – Water Appropriations			
Chapter 89-03-01 – Water Permits			
TOC	Updating titles to reflect changes		
89-03-01-01	Language clarifications		
89-03-01-01.1	Language clarifications		
89-03-01-01.2	Language clarifications		
89-03-01-01.3	Language clarifications		
89-03-01-01.4	Language clarifications		
89-03-01-01.5	Language clarifications	Excess water may not be sold for uses other than allowed by the permit.	Limiting ability of municipalities/rural water systems to sell excess water to oil industry unless such uses were already contemplated by the permit.
89-03-01-02	Language clarifications		
89-03-01-03	Language clarifications		
89-03-01-03.1	Language clarifications		
89-03-01-03.2	Language clarifications		
89-03-01-03.3	Language clarifications		
89-03-01-04	Language clarifications	Repeal majority of subsections 2 and 3.	Repetitive of N.D.C.C. § 61-04-05.
89-03-01-05	Language clarifications	Repeal subsections 1, 2, and 4.	Repetitive of N.D.C.C. § 61-04-05.
89-03-01-06.2		Repealed.	Once a hearing is requested, governed according to N.D.C.C. ch. 28-32 and N.D. Rules of Civil Procedure.
89-03-01-06.3	Language clarifications		Distinguishing between records maintained by the state engineer and the State Water Commission.
89-03-01-07	Language clarifications		
89-03-01-08	Language clarifications		
89-03-01-09	Language clarifications		
89-03-01-10	Language clarifications		
89-03-01-10.2		Requires temporary permit applicants to pay an application fee based on volume requested. Exception for emergency uses and irrigation transfers.	Implementing audit recommendation.
89-03-01-12	Language clarifications		
89-03-01-13	Language clarifications		
89-03-01-13.1		Assesses a $250 fine for not properly submitting yearly water use form by March 31 deadline. Reduces fine to $50 if submitted before June 1.	Implementing audit recommendation.
89-03-01-14	Language clarifications		
Chapter 89-03-02 – Modification of a Water Permit			
TOC	Updating titles to reflect changes		
89-03-02-01	Language clarifications		
89-03-02-02	Language clarifications		
89-03-02-03	Language clarifications		
89-03-02-05	Language clarifications		
89-03-02-06	Language clarifications		
89-03-02-08	Language clarifications		

Section	Housekeeping	Substantive	Comments
89-03-02-09	Language clarifications		
89-03-02-10	Language clarifications		
89-03-02-11	Language clarifications		
89-03-02-12	Language clarifications	An increase in acreage cannot be more than 10% of the originally approved acreage.	Implementing staff practice.
Chapter 89-03-03 – Definitions			
TOC	Updating titles to reflect changes		
89-03-03-01	Language clarifications Alphabetizing Moved definitions from other sections to this section.	Added definition for "measuring device."	Implementing audit recommendation.
89-03-03-02	Moved to § 89-03-03-01.		
89-03-03-03		Repealed.	Never used in N.D.A.C. or N.D.C.C.
89-03-03-04	Moved to § 89-03-03-01.		
89-03-03-05	Moved to § 89-03-03-01.		
Article 89-06 – Funding From the Resources Trust Fund			
Title	Shortening Chapter Title		
Chapter 89-06-01 – Funding From the Resources Trust Fund (Proposed Title)			
TOC	Updating titles to reflect changes		
89-06-01-01	Language clarifications Alphabetizing Delete "resources trust fund" definition		"Resources trust fund" already defined by N.D.C.C. § 57-51-07.1
89-06-01-02	Language clarifications	Removed requirement that applications be submitted 30 days before meeting. Revised subsection 4 to reflect actual practice.	Added clarifying language (1)(f) in response to SB 2048, which stated, "RTF - rules must consider project revenues, local cost sharing, and ability to pay. May provide for repayment of a portion of funds, allocated from the RTF." The requirements of SB 2048 were already being met. Policy will still require applications be submitted at least 30 days before meeting, but more flexibility necessary, especially for emergency situations.
89-06-01-03		Repealed.	Combined with N.D.A.C. § 89-06-01-02 (added studies.)
Article 89-07 – Atmospheric Resource Board			
Chapter 89-07-02 – Weather Modification Operations			
TOC	Updating titles to reflect changes		
89-07-02-01	Language clarifications		
89-07-02-02	Language clarifications Alphabetizing		

Section	Housekeeping	Substantive	Comments
89-07-02-03	Language clarifications		
89-07-02-04	Language clarifications		
89-07-02-05	Language clarifications		
89-07-02-06	Language clarifications		
89-07-02-07	Language clarifications		
89-07-02-08	Language clarifications		
89-07-02-09	Language clarifications		
89-07-02-10	Language clarifications		
89-07-02-11	Language clarifications		
89-07-02-12	Language clarifications		
89-07-02-13	Language clarifications		
89-07-02-14	Language clarifications		
89-07-02-15	Language clarifications		
89-07-02-16	Language clarifications		
89-07-02-17	Language clarifications	Removed Operations Manual for Hail Decrease and Precipitation Increase as permit condition. Added requirements that permittee must submit for permit.	Clarified the information required in an operations plan rather than naming a specific document.
89-07-02-18	Language clarifications		
89-07-02-19	Language clarifications		
89-07-02-20	Language clarifications		
89-07-02-21	Language clarifications		
89-07-02-22	Language clarifications		
89-07-02-23	Language clarifications		
89-07-02-24	Language clarifications	Eliminated monthly reporting requirements. Changed final reporting from 30 days to 60 days.	Monthly reports duplicative with the capability of consolidating digital data. Allows completion of a more comprehensive final report.
89-07-02-25		Repealed.	State bidding and procurement laws still applicable.
89-07-02-26	Language clarifications	Eliminated point scoring system for bids. Eliminated preference to ND bidders.	State bidding and procurement laws still applicable. Bidding preference already in N.D.C.C. § 44-08-01.
Article 89-10 – Sovereign Lands			
Chapter 89-10-01 - Sovereign Lands			
TOC	Updating titles to reflect changes		
89-10-01-01	Language clarifications		
89-10-01-02	Language clarifications		
89-10-01-03	Language clarifications	Added definition for "livestock." Removed partial list of navigable waters from definition. Added definition for "snagging and clearing." Added equipment to definition for "structure." Added definition for "watercraft."	The list of navigable waters changes as additional water bodies are studied or additional evidence of navigation at statehood is discovered. While the rule indicates the list is only a partial list, confusion has resulted. The State Engineer will now just informally maintain the list.

Section	Housekeeping	Substantive	Comments
89-10-01-04	Language clarifications		
89-10-01-05	Language clarifications		
89-10-01-06	Language clarifications	Eliminated requirement to provide decision by certified mail.	
89-10-01-06.1		Added new section to automatically include various items as part of the sovereign land permit record unless otherwise specifically excluded.	The intent is to automatically include certain publications, photographs, maps, etc. in the official record for use by both parties in permit application review or legal proceedings.
89-10-01-07	Language clarifications		
89-10-01-08	Language clarifications		
89-10-01-09		Repealed.	A permit for sand/gravel mining is necessary under N.D.A.C. § 89-10-01-26. These conditions can be attached to the permit, as applicable.
89-10-01-10	Language clarifications	Added snagging and clearing performed by a federal or state entity or political subdivision as a project that does not require a permit.	Clarifying that snagging and clearing projects do not require a sovereign lands permit.
89-10-01-10.1		Clarified that fee for illegal docks is a per day fee. Also docks will be subject to removal at owner's expense.	
89-10-01-10.2	Language clarifications	Clarified that fee for non-registered docks not requiring a permit is per occurrence.	
89-10-01-11	Language clarifications		
89-10-01-13	Language clarifications	Narrowed vehicular use exception to adjacent riparian owners for livestock and agricultural purposes. Clarified that fee for vehicular access violations is per occurrence.	Trying to eliminate problem of people riding and driving motorized vehicles on sandbars and claiming they are adjacent owners.
89-10-01-14	Language clarifications	Added language that new applications submitted by those who are named in active enforcement actions may be held in abeyance under the enforcement actions are resolved.	
89-10-01-15	Language clarifications		
89-10-01-16	Language clarifications		
89-10-01-18	Language clarifications		
89-10-01-19	Language clarifications		
89-10-01-20	Language clarifications		
89-10-01-21	Language clarifications	Clarified that fee for organized group activity violations is per occurrence.	
89-10-01-22	Language clarifications	Clarified that fee for pet violations is per occurrence.	
89-10-01-23	Language clarifications	Clarified that fee for camping violations is per occurrence.	
89-10-01-24	Language clarifications	Clarified that fee for hunting, fishing, and trapping violations is per occurrence.	
89-10-01-25	Language clarifications	Eliminating ability for riparian owners to leave unattended watercraft below the OHWM unless moored to an authorized dock or to	

Section	Housekeeping	Substantive	Comments
		property above the OHWM. Clarified that fee for unattended watercraft violations is per day.	
89-10-01-26	Language clarifications	Clarified that fee for removal of public property violations is per occurrence.	
89-10-01-27	Language clarifications		
89-10-01-28	Language clarifications	Clarified that fee for disposal of waste violations is per occurrence.	
89-10-01-29	Language clarifications	Clarified that fee for glass containers violations is per occurrence.	
89-10-01-31	Language clarifications	Clarified that fee for firearms violations is per occurrence.	
89-10-01-32	Language clarifications	Clarified that fee for tree stand violations is per tree stand.	
89-10-01-33	Language clarifications	Clarified that fee for baiting violations is per occurrence.	
89-10-01-34	Language clarifications	Adds language allowing a violator 20 days to take corrective action unless an emergency exists.	Allowing 20 days to correct a violation is consistent with other N.D.C.C. and N.D.A.C. sections.
Article 89-11 – Drought Disaster Livestock Water Supply Project Assistance Program			
Chapter 89-11-01 - Drought Disaster Livestock Water Supply Project Assistance Program			
89-11-01-01	Language clarifications		
89-11-01-02	Language clarifications		
89-11-01-04	Language clarifications	Clarified there is a limit of three projects on land owned by an applicant.	Eliminates confusion about whether an applicant is an individual, corporation, etc. by tying to land ownership. This is consistent with federal rules.
89-11-01-05	Language clarifications		
89-11-01-06	Language clarifications		

North Dakota State Water Commission

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Agenda Q

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: Todd Sando, P.E., Chief Engineer - Secretary
SUBJECT: 2014 Flood Forecast
DATE: March 3, 2014

Missouri River Basin
The NWS has determined the flood risk due to snowmelt for the Missouri and James River basins in North Dakota to range from below normal to normal. One exception is Apple Creek which has a 59 percent chance of moderate flooding and a 13percent chance of major flooding. The wet fall has left the Apple Creek and Cannonball River basins at an elevated risk from flooding due to spring rains.

Mouse River Basin
The Mouse River above Minot and the Des Lacs River are generally at normal risk for minor flooding. Downstream of Minot the risk increases slightly along the Mouse River as well as the Wintering River and Willow Creek. The increased risk below Lake Darling is due to the frozen soils that are expected to inhibit infiltration of runoff. This area will also be at risk of flooding from spring rains.

Red River Basin
The NWS has predicted a low to medium risk of major spring flooding due to snowmelt in the Red River basin. There is a better than 60 percent chance of moderate flooding at Fargo and Pembina on the Red River and Abercrombie on the Wild Rice River. Fargo has a 81 percent chance of moderate flooding (25.0 ft). The flood of record at Fargo is 40.8 ft. Pembina has a 67 percent of moderate flooding (44.0 ft). The flood of record at Pembina is 54.94 ft. Abercrombie has a 83 percent chance of moderate flooding (12.0 ft). The flood of record at Abercrombie is 27.78 ft.

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