

MINUTES

Northwest Area Water Supply Authority Minot, North Dakota November 21, 2024

The Northwest Area Water Supply (NAWS) Authority held a meeting in Conference Room 3 of the Minot Public Works Building, 1025 31st St SE, Minot, ND, and via Microsoft Teams on November 21, 2024. Dan Schaefer, Chairman of the NAWS Authority, as he was attending the meeting remotely asked Jason Sorenson, Vice Chairman, to lead the meeting. Mr. Sorenson called the meeting to order at 3:00 PM. A quorum was present.

NAWS AUTHORITY REPRESENTATIVES PRESENT:

David Lakefield, City of Minot Representative
Kenny Rodgers, Garrison Diversion Conservancy District Representative
Tom Ross, City of Minot Representative (virtual)
Dan Schaefer, Chairman, All Season Water Users District Representative (virtual)
Tony Schwalbe, Cities with Direct Service Representative
Jason Sorenson, Vice Chairman, City of Minot Representative
Teresa Sundsbak, North Prairie Regional Water Representative
Jason Zimmerman, State Water Commission (SWC) Representative

OTHERS PRESENT:

Sindhuja S.Pillai-Grinolds, Department of Water Resources (DWR) Division Director
Travis Johnson, DWR NAWS Project Manager
Travis Thyberg, DWR Project Support Specialist
Clint Cogdill, NAWS Operator
Abby Ebach, DWR Director of Public Policy (virtual)
Dan Jonasson, retired (virtual)
Dave Schwengler, Houston Engineering
Kevin Martin, Houston Engineering (virtual)
Ryan David, Houston Engineering (virtual)

CONSIDERATION OF AGENDA

Vice Chairman Sorenson requested for any corrections or additions to the agenda. As there were none, the agenda was approved as presented by voice vote.

Consideration of September 19, 2024 Meeting Minutes

Meeting minutes were sent to the Authority for review prior to the meeting. Vice Chairman Sorenson requested for feedback or changes to the meeting minutes from the previous Authority meeting on September 19, 2024. No feedback was presented.

It was moved by Representative Lakefield, seconded by Representative Sundsbak, and approved unanimously, to accept the meeting minutes from the September 19, 2024, NAWS Authority meeting as presented.

October 10, 2024 State Water Commission (SWC) Meeting Update

NAWS Pressure Reducing Station and Isolation Vault Improvements

Travis Johnson, DWR NAWS Project Manager, noted that the SWC approved award of the contract and allocated \$380,000 in Capital Assets funding for the project from the 2023-2025 Biennium.

NAWS Pressurization of Main Transmission Line

Travis Johnson, DWR NAWS Project Manager, noted that the bid opening held on August 21st had a single exceptionally high bid which was rejected due to cost and lack of competitive bidding. The DWR investigated a simplified scope of pressure testing with the current NAWS Contract 2-1E, Discharge Pipeline Contract's contractor as an alternative. The current contractor's cost estimate was higher than the bid received, therefore DWR will not be pursuing a contract for pressurization this fall. Johnson also noted that a close-interval survey of the cathodic protection system of the main transmission pipeline is planned this fall which has the potential to identify areas of concern. DWR staff anticipates refining the scope of pressure testing needed based on the survey results and the project will be rebid this winter/spring/

NAWS Water Rate 2025

Travis Johnson, DWR NAWS Project Manager, noted that the analysis needed for determining the 2025 NAWS rate is expected to be completed and presented at the December SWC meeting.

November 14, 2024 Pre-Commission Meeting NAWS Agenda Items

Water Rate for 2025

Travis Johnson, DWR NAWS Project Manager, noted that NAWS water service agreements require an annual review and adjustment of water rates which go into effect January 1 of the following year. The rate is calculated based on projected water use and estimated expenses, based on historical data and projected estimates of new facilities operating expenses. The supporting information for the 2025 NAWS water rate determination was shared with the Authority members and included as Appendix A. The initial estimates for 2025 NAWS water rate for City of Minot is increasing from \$0.61 to \$0.72 per 1000 gallons, while the rate for NAWS contract customers is increasing from \$4.20 to \$5.48 per 1000 gallons. DWR staff will continue to evaluate the data, and the final rate will be presented at the December SWC meeting for approval.

It was moved by Representative Zimmerman, seconded by Representative Sundsbak/Ross, and approved unanimously, to approve the initial estimates for the 2025 NAWS water rate and approve DWR staff to finalize the 2025 NAWS water rate for approval request at the December SWC meeting.

Proposed Legislative Changes

Travis Johnson, DWR NAWS Project Manager, noted that the North Dakota Century Code (N.D.C.C.) currently lacks language for the NAWS Authority to employ and fund staff to support the Authority and its operations. During the 2023 Legislative session, through HB 1218, the NAWS Advisory Committee was elevated to the NAWS Authority to place the NAWS Authority in-line with other large regional water projects and updated the representatives of the NAWS Authority to better reflect the water use entities of the NAWS system. DWR has

provided staffing and support for the project and would like to seek considerations that would enable the Authority to fund staff, similar to other large regional water projects. The draft language also allows Commission to appoint a manager to operate and maintain the NAWS project.

It was moved by Representative Ross, seconded by Representative Zimmerman, and approved unanimously, the draft conceptual Century Code language for NAWS Authority.

Request for Reimbursement from REM Funds

Travis Johnson, DWR NAWS Project Manager, stated that SWC adopted a policy to allow the use of Replacement and Extraordinary Maintenance (REM) funds, collected through water sales revenues, for the NAWS project in 2012. The policy states that items over \$15,000 are eligible for reimbursement to assist coverage of high cost or infrequent repairs or replacement expenses. In October of 2024, the 30-inch ductile iron raw water supply line feeding the water treatment plant in the City of Minot developed a leak. The cost to repair is above the \$15,000 eligibility requirement for REM reimbursement, but a full cost for repair is currently being compiled. Several other repairs on the 12" and 14" lines were conducted but final invoices have not been received. DWR is compiling the costs to determine its eligibility for reimbursements from the REM funds.

It was moved by Representative Sundsbak, seconded by Representative Schwalbe, and approved unanimously, the request for reimbursement from the REM funds for the eligible pipe repairs discussed above and approve the DWR staff to compile the eligible reimbursement costs for approval at the December SWC meeting.

NAWS AUTHORITY 2025 MEETING DATES

Travis Johnson, DWR NAWS Project Manager, proposed NAWS Authority meeting dates in 2025 that are one week after the scheduled State Water Commission's Pre-Commission meetings. One exception is the November 25th NAWS Authority meeting date to avoid having the meeting during the Thanksgiving holiday. There were no objections to the proposed schedule.

It was moved by Representative Schwalbe, seconded by Representative Sundsbak, and approved unanimously, the proposed 2025 NAWS Authority meeting schedule.

NAWS OPERATIONS – RESOURCES UPDATE

Travis Johnson, DWR NAWS Project Manager, noted that in previous NAWS Authority meetings there has been discussion on determining necessary staffing levels and planning for shared resources with NAWS Authority member entities for the long-term operations and maintenance of the NAWS project. There have been meetings held between rural water representatives on the NAWS Authority and DWR senior staff to discuss the long-term operations and maintenance. DWR has received preliminary feedback on what operators from rural water entities may be capable of handling based on the proposed maintenance schedule

along with estimated cost to provide the services. Johnson noted that after consideration of the information provided by rural water systems, the growth of the NAWS system, the raw water supply from Lake Sakakawea and other facilities becoming operational, DWR is currently seeking funding for another full time NAWS Operator during the 2025 legislative session and will continue discussions with rural water representatives to determine the best approach to the long-term plan.

NAWS BIOTA WATER TREATMENT PLANT OPERATIONS

Travis Johnson updated the Authority on the agreements related to the NAWS Biota Water Treatment Plant (WTP). Phase 1 of the Biota WTP is nearing completion and operation of the Biota WTP will satisfy the Boundary Water Treaty and as such will be funded by the federal government for both construction and operations. Cooperative Agreement between the State and Bureau of Reclamation (Reclamation) to ensure the ability to transfer federal funds for operations of the Biota WTP has been finalized. The agreement was submitted with a request for financial assistance and DWR received the Cooperative Agreement with a \$1.2 million reduction in financial assistance. DWR staff and City of Minot staff have had several meetings with Reclamation's Dakota Area Office to discuss the reduction in the federal funding awarded. Discussions are ongoing to address Reclamation's comment that the requested number of employees for the operation of the Biota WTP is lower than the federal government's estimate of employees needed for the operation, which has resulted in the award of reduced federal assistance. The request was for 15 full time operators for managing a 24/7 operation, accounting for full coverage of three shifts with a minimum of two-man coverage for safety, redundancy, and coverage needs. Reclamation's calculations led to the recommendation of 9½ operators. The factors that may have led to their recommendation; other rural water facilities operate as batch plants with fewer operators and the original Supplemental Environmental Impact Statement (SEIS) for the Biota WTP alluded lower number of operators due to a more automated operation, which could not be achieved at this time. To accommodate the reduced number of operators approved, the City of Minot will start operations at the Biota WTP as a batch plant running 16 hours a day with 9 operators, but considerations will need to be made when higher production levels are required. Reclamation's Dakota Areas Office is willing to review supporting information for consideration when the future budget requests are presented.

NAWS CONSTRUCTION UPDATE

Travis Johnson gave a brief update on NAWS projects. The completion of the Snake Creek Pumping Plant (SCPP) Demolition Contract has been extended to early January 2025. With the delays on the SCPP Demolition Contract and delivery of equipment included in the SCPP Procurement Contracts, the expected completion date on the SCPP Construction Contract is June 2025, except for the backup generator with expected installation completion by early August 2025. Discussions are ongoing for the extension of the contract completion dates on both SCPP Demolition and SCPP Construction contracts noted above.

Contract 2-1E includes the discharge pipeline connecting SCPP to the existing NAWS raw water transmission pipeline. The installation of all pipelines and backfill has been completed. The contractor is waiting for flowmeter/components in the isolation vault with an expected delivery by November 2024 and installation was moved to early December 2024. After

installation of the components, the vault roof will be completed along with some minor earth work which are weather/temperature dependent.

Contract 1-1A includes the permanent intake pipeline and the intake screen structure. The design is 95% complete. The original 408 permit application submitted to the US Army Corps of Engineers (USACE) was deemed incomplete and a revised request was submitted and accepted as complete on November 7, 2024. DWR has paid additional funds for the review of the modified plans and have requested funding breakdown for the requested funds and permit timeline. Based on the USACE response, the permit and the real estate instruments are expected in early May 2025 if there are no further requests for additional information. DWR also held discussions with USACE on potential cost sharing, but it is noted that USACE does not have funding to provide cost share participation for this project.

On the Biota WTP, the contractor has proposed remedying a defect that was found in the air box for filter underdrain system and has been directed to proceed with the repair. Currently the contractor is working on that repair and conducting testing. The General Contract's Substantial Completion date has been extended to early December 2024, with substantial completion by late January 2025. Discussions are ongoing with the contractor regarding plans for correcting the defective roof.

The NAWS South Prairie Reservoir and Hydraulic Control Structure have been completed. DWR is currently waiting for the release of claims, final OM manuals and record drawings before releasing the final payment from this contract.

Work on the Minot WTP Phase II improvements continue. DWR issued a change order for rerouting the underground electrical conduits along with an extension of the final completion date. Repair on warranty items which include leak in a roof drainpipe and pipe break on the facility water line that submerged a pump bay have been completed,

The Bottineau Reservoir and Booster Pump Station work is ongoing with the reservoir being substantially complete and tested. The pump station had a slight delay due to a coating issue but progressing. There is a proposal for adding a propane leak sensor, tank sensor and telemetry so that it can be monitored remotely via SCADA.

DWR has awarded to Burlington Electric, the SA 98 Construction of NAWS Pressure Reducing Station and Isolation Vault Improvements Contract. The SA 98 project should be moving forward in the next few weeks.

DWR has started including the credit from the approved reimbursement request from the City of Minot for the Minot aquifer work completed in 2016, the reservoir, pumpstation, and raw water pipeline near Sundre well field completed between 2016 and 2020 in the monthly reimbursement request to the City for the local share of NAWS construction costs.

There being no further items of discussion, the meeting was adjourned at 4:16 PM.

Respectfully submitted,



Travis Thyberg, DWR Project Support Specialist