

MINUTES OF A REGULAR MEETING
OF THE
STATE WATER CONSERVATION COMMISSION

Held at 1301 State Capitol, Bismarck, North Dakota, on
Wednesday & Thursday, June 14 & 15, 1939

The meeting was called to order at 9:30 A. M., Wednesday, June 14, 1939, by Governor John Moses, Chairman.

The Secretary called the roll showing the following members present: Governor John Moses, Chairman; Henry Holt, Vice Chairman; and Commissioners Kenneth W. Simons, Einar H. Dahl, and S. W. Thompson. Absent, none. Dean Holm, Executive Secretary of the Tri-State Waters Commission, and H. F. McColly, newly elected Chief Engineer and Secretary of the Commission, were also present.

The Secretary stated that typewritten copies of the minutes of the last meeting (May 11 and 12) had been mailed to all members. It was moved by Comm. Thompson, seconded by Comm. Dahl, that inasmuch as no errors were noted, that the minutes be approved as written. The motion carried, all Commissioners voting aye.

Governor John Moses asked to be excused from further attendance because of other urgent state business, and Vice Chairman Holt took the Chair.

The Secretary read the following communications:

1. Letter to John C. Page, Commissioner, Bureau of Reclamation, in regard to extending surveys into Divide and Burke counties, and his reply that this would be done provided there appears any possibility that the extension of the survey may indicate possible feasible development.
2. Letter from Lesher S. Wing, Regional Director, Federal Power Commission, Denver, Colorado, in regard to electric power survey in connection with irrigation projects, particularly the Lewis & Clark and Cartwright Projects. The letter was referred to the Chief Engineer for reply.
3. Official Notice of Public Hearing from the War Department U. S. Engineer Office, Omaha, Nebraska, to be held in the Municipal Auditorium, Bismarck, Friday, July 7, 1939, to determine whether flood control in the Missouri River at Bismarck and Mandan is advisable at this time.
4. Resolution to Col. Philip B. Fleming, War Department District Engineer, St. Paul, requesting a public hearing in the Goose River watershed, and his reply that, "There is an item in the pending River and Harbor Bill calling for a very complete investigation of the entire Red River of the North Drainage Basin, and that a public hearing on the Goose River could be held, provided this bill passes Congress.
5. Correspondence with the Board of Engineers for Rivers and Harbors, Washington, D. C., requesting a hearing on the Heart-Butte Irrigation Project and Bowman Irrigation Project and the reply of Col. R. A. Wheeler, fixing a hearing for Monday, June 26.

It was moved by Comm. Simons, seconded by Comm. Dahl, that Assistant Attorney General C. F. Kelsch be authorized to represent the Commission at a hearing before the Board of Engineers for Rivers and Harbors with reference to the Haley Irrigation Project, Bowman County, and the Heart-Butte Project in Morton County, in Washington, D. C., June 26. The motion carried, all Commissioners voting aye.

6. Notice to State Engineer that the State Water Conservation Commission intends to divert unappropriated waters, by means of pumping from the main channel, of the Missouri River for

the Lewis & Clark Irrigation Project, and the acknowledgment of the State Engineer that the written notice had been filed in the office of the State Engineer according to law.

7. Notice to State Engineer that the State Water Conservation Commission intends to divert unappropriated waters, by means of pumping from the main channel, of the Yellowstone River for the Sioux Irrigation Project, and the acknowledgment of the State Engineer that the written notice had been filed in his office according to law.

8. Letter to Mr. Iver Acker requesting him to prepare the necessary legal forms for issuance of \$50,000.00 in bonds of the Commission covering the Sioux Irrigation Project, Cedar River Mutual Aid Projects and individual clients of the Commission.

9. Certificates of Completion and Statements of Cost covering Cedar River Projects 179, 194, 210, 211 and 220, in Sioux County.

10. Notice of Completion of Project No. 33 for Louis Signalness, Croff, N. Dak. at a total cost of \$301.44.

11. Letter from Walter, Woody & Heimerdinger, requesting information in regard to revenue bonds to be issued by the Commission.

12. Letter from Board of Administration stating they had approved for payment a voucher in the sum of \$232.05, covering cost of Irrigation Project for the Grafton State School.

13. Report on payments received from the Rural Rehabilitation Corporation, as follows:

- 1. Rue Construction Company--Lewis & Clark Project ----- \$9,174.60
- 2. C. L. Lindberg--Lewis & Clark ----- \$3,797.51
- 3. Expenditures on Sioux Irrigation Project ----- \$2,163.25
- 4. Expenditures on Lewis & Clark Project ----- \$2,631.32
- 5. Expenditures on Burlington Project in full ----- \$ 351.25
- 6. Rue Construction Company--Lewis & Clark Project ----- \$7,319.49

14. Estimate #4, C. L. Lindberg, Contractor, covering intake on Lewis & Clark Project #175, in the net amount of \$5,626.98, as approved by the Chief Engineer, and an assignment by C. L. Lindberg to the Bethlehem Steel Company of St. Paul, Minn., in the total sum of \$5661.77

It was moved by Comm. Thompson, seconded by Comm. Simons, that the estimate of C. L. Lindberg in the sum of \$5,626.98, be approved and that the Secretary be authorized to pay the same by and with the advice and consent of the Rural Rehabilitation Corporation, and that the money be paid to the Bethlehem Steel Company of St. Paul, as and when such payment is approved by the Attorney General as to form, and by the bonding company on the contractor's bond. On roll call the motion carried, all Commissioners voting aye.

15. Estimate #2, Rue Construction Company, covering transmission line and substation for the Lewis & Clark Project #175, in the sum of \$7,319.49, and approved by the Chief Engineer. It was moved by Comm. Simons, seconded by Comm. Thompson, that the Secretary be authorized to approve for payment the estimate of the Rue Construction Company in the sum of \$7,319.49. On roll call the motion carried, all Commissioners voting aye.

16. Petition to the Board of County Commissioners of McKenzie County, concerning land owned by the Bank of Cooperatives of St. Paul, and the Federal Land Bank, St. Paul, within the Sioux Irrigation District.

It was moved by Comm. Simons, seconded by Comm. Thompson, that the following petition be passed:

NORTH DAKOTA STATE WATER CONSERVATION COMMISSION
PETITION FOR CONDEMNATION OF RIGHT OF WAY

P E T I T I O N

To the Board of County Commissioners of McKenzie County, State of North Dakota.

The State Water Conservation Commission of North Dakota having determined that public exigency required the taking of land to provide proper alignment for canals and ditches for a certain irrigation project designated as: Sioux Irrigation Project, No. 213, McKenzie County, North Dakota, and having caused a survey thereof to be made and a plat prepared of such survey with a description inscribed thereon and, said plat and inscribed description duly recorded according to law, and the State Water Conservation Commission being unable to purchase the lands required for irrigation purposes from the respective owners, as hereinafter described and set forth, at what it deems a reasonable valuation, therefore the State Water Conservation Commission in accordance with the provisions of House Bill No. 274, Session Laws of 1939 and Chapter 128 of the 1933 Session Laws of 1939 and Chapter 128 of the 1933 Session Laws hereby respectfully petitions your Honorable Board to proceed to ascertain and determine the damages and make awards as provided by statute to the owners of the following lands:

<u>Parcel</u>	<u>Acres</u>	<u>Location in</u>	<u>Owner</u>	<u>Mortgage Interest</u>
#1	1.63	T. 151 - R. 104 SE $\frac{1}{4}$ NE $\frac{1}{4}$, Sec. 14	St. Paul Bank for Cooperatives	" "
#2	0.35	SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 13	" "	" "
#3	1.56	NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 13	" "	" "
#4	1.54	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 12	" "	" "
#5	2.90	NW $\frac{1}{4}$ SW $\frac{1}{4}$ & SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 12	" "	" "
#6	0.32	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 11	" "	" "
#7	1.69	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 11	" "	" "
#8	1.69	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 2	" "	" "
#11	1.12	T. 151 - R. 104 SW $\frac{1}{4}$ NE $\frac{1}{4}$ & SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 12	Federal Land Bank of St. Paul	" "
#12	1.96	W $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 12	" "	" "
#14	0.75	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 13	" "	" "
#16	0.63	SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 13	" "	" "

Note: Purchases from the record land owners have been made and the right of way is clear except for the mortgage interests shown herein.

The motion carried, all Commissioners voting aye.

17. Statement of the Tractor & Equipment Company, Sidney, Montana, in the total sum of \$13,471.64, for the purchase of land leveling machinery under a contract, and requesting immediate payment.

It was moved by Comm. Simons, seconded by Comm. Thompson, that the bill be referred to the Lewis & Clark Committee to confer with Judge Christianson in regard to whether it should be charged to the Lewis & Clark District or paid direct by the Rural Rehabilitation Corporation. The motion carried, all Commissioners voting aye.

18. Letter from M. O. Ryan, acting secretary of the State Planning Board, in regard to options taken in Dunn and Mercer counties by the Land Acquisition Division, Department of Agriculture, in 1936. The Secretary reported that he had conferred with M. B. Johnson, District Supervisor, at Dickinson, who stated that the options had not been exercised for various reasons, the principal one being that \$50,000,000 of their appropriation was turned back to FERA. The matter was referred to the State Advisory Committee.

Vice Chairman Holt gave the report of the Tri-State Committee was follows:

To: Governor John Moses and Members of the
State Water Conservation Commission

June 14, 1939

Gentlemen:

The status of the projects included in the comprehensive plan for the development of the Red River of the North Drainage Basin may be briefly indicated as follows:

1. The Army appropriation bill provides funds for flood control which includes \$1,474,000 for the Lake Traverse-Bois des Sioux project. Col. Fleming states that contracts will be awarded and work actually started about August 10, of this year.
2. Funds have been provided for authorized surveys on the projects desired for the relief of Waihalla and Cavalier; also for the Roseau River project.
3. Surveys have been authorized but as yet no funds are available, for the Red Lake-Red Lake River Project.
4. The Rivers and Harbors bill provides for a "308 Report"--somewhat enlarged--on the Red River of the North and its tributaries. This report will coordinate all of the projects included in the plan, as well as the Goose River.
5. Preliminary investigations have been made by the District Engineer of the Corps of Engineers on the Park River and Forest River and on the basis of the report which has been, or will soon be, submitted, it is hoped surveys will be authorized.

Therefore it is recommended that:

1. North Dakota members of the Tri-State Waters Commission, to serve the next two years, be appointed at any early date.
2. That a meeting of the Tri-State Waters Commission be held about July 15th.
3. That funds appropriated to the Tri-State Waters Commission by the last Legislature be made available as of July 1, 1939, so that the work of the Tri-State Waters Commission may be carried on uninterruptedly.

Respectfully submitted,
(Signed) HENRY HOLT

It was moved by Comm. Holt, seconded by Comm. Simons, that the report of the Tri-State Committee be approved. The motion carried, all Commissioners voting aye.

Vice Chairman Holt stated there would be a meeting of the Tri-State Waters Commission possibly at Fargo, about July 15, and asked that the members and Secretary of the State Water Conservation Commission attend, if possible.

Comm. S. W. Thompson gave the report of the Missouri River Diversion Committee. He stated that Vice Chairman Holt and he had been asked by the Governor to go down through South Dakota, Iowa, Nebraska, and possibly to Kansas City, Missouri, to talk to the navigation-minded people along the Missouri River. Mr. Thompson stated that he and Mr. Holt were going to try to impress upon these people the fact that North Dakota needs water too, and would like to use some of it. He stated, "It is our intention to go down there and talk to them in a nice, but in a firm, way, to tell them we are determined we are going to have some of this water if we have to fight for it--if we have to go to court." Comm. Thompson further stated that he had written Governor Weaver of Nebraska, asking him to go along on the trip. The Governor had replied that he did not think he could go along, but would meet them in Omaha either Sunday or Monday, where they are also to meet Mr. George S. Knapp. Comm. Thompson said he had also written Mr. J. P. Walsh and Dow I Sears, Huron, asking them to join in the trip.

Comm. Thompson cited the various uses of water and brought out the point made by Mr. George S. Knapp at the last meeting of the Commission--that water for human needs rated at the top of the list and that its use for navigation was probably of the lowest value.

Mr. Dean Holm, Executive Secretary, Tri-State Waters Commission, stated he had attended two meetings in Yankton, South Dakota, recently and that in his opinion they were beginning to recognize the need of the development of the Missouri River program and that it would be advisable for Comms. Holt and Thompson to contact these folks on their trip.

At 12:15 P. M., a recess was taken until 1:30 P. M.

The meeting reconvened at 1:30 P. M., with Commissioners Holt, Simons, Thompson and Dahl, present. Absent, Governor John Moses.

Comm. Simons asked to be excused in order to attend a meeting of the State Advisory Committee.

Comm. Dahl stated that about 230 WPA workers are employed on the Lewis & Clark Project, that the power line and substation are completed and that he had assurance from the local district officers that the \$20,000.00 additional bond issue for the project would receive a favorable vote. He stated that 500 acres should be leveled by July 1.

At 2:30 P. M. a recess was taken until 3:30 P. M., to give members of the Commission a chance to attend a meeting of the State Advisory Committee.

At 3:30 P. M. the meeting reconvened with Commissioners Holt, Simons, Dahl and Thompson present. Governor John Moses, absent.

The Secretary reported that the State Examiner was making an audit of the Commission's accounts for the period ending April 30, 1939, and suggested that it would be well to have it include May and June, which would finish the biennium.

It was moved by Comm. Thompson, seconded by Comm. Dahl, that the Governor be asked to make such request to the State Examiner. The motion carried, all Commissioners voting aye.

Mr. Iver Acker, Treasurer of the Rural Rehabilitation Corporation, called the attention of the Commission to the necessity of an arrangement to have the Bank of North Dakota act as trustee for bonds issued by the Commission. It was moved by Comm. Thompson, seconded by Comm. Dahl, that the Secretary be instructed to notify Governor Moses, as Chairman of this Commission and of the State Industrial Commission, that some arrangements be made with the Bank of North Dakota to act as trustee in connection with bond issues authorized by the Commission, covering its irrigation projects. On roll call the motion carried, all Commissioners voting aye.

Chief Engineer Thomas submitted his report, as follows:

Bismarck, N. Dak.
June 13, 1939

To the North Dakota Water Conservation Commission

Gentlemen:

This is my report on the status of projects and on the activities of the Engineering Department since the date of my last monthly report.

Status of Projects

LEWIS AND CLARK IRRIGATION PROJECT #175

The contractor for the intake and pumping station is making steady progress toward completion. No further construction difficulties have developed and it now appears that the pumps and motors can be installed about July 1st. Satisfactory progress is being made on the land leveling work and on the construction of the canal system.

Heavy land leveling equipment has been in operation since the 17th of May. A plow, a harrow and a small tractor are needed and have been requisitioned by Mr. Murry. Engineers for the Commission are checking elevations on the 8'x8' box culvert at the east end of the project, which settled and cracked, to determine if any further settlement is taking place. It is possible that final settlement has been reached. Consultation with the Highway Bridge Engineer, who designed this structure, leads to the conclusion that the culvert can be repaired at small expense. Plans for the repair are being made.

SIOUX IRRIGATION PROJECT

Since my last report, the pump, gas engine and discharge pipe have been installed. The delivery of the gas pipe from the factory took more time than was expected, but it is now welded in place. Lateral turnouts are being installed so that water will be made available for the farmers immediately upon the testing and acceptance of the natural gas engine and the pump. A few days will be required for such testing.

The topography of the land and other features of the project are most favorable for irrigation and the success of the project should be assured. The appearance of the projects as it nears completion makes a very good impression.

GRANT AND SIOUX COUNTY PROJECTS

GRANT COUNTY

Two projects have been constructed in Grant County, one on the Cannonball River south of Elgin, known as the Hoerauf Project and one near Odessa, known as the Odessa Project. Pumps and pipes were installed for these projects in 1938. Storage in the streams from which pumping is to be done is provided by the water users.

SIOUX COUNTY

Pumping equipment has now been obtained for all seven projects in Sioux County. Very satisfactory work has been done by the farmers under a WPA project in the construction of dams and canal systems. The garden plots in the project have been planted by the farmers.

The projects were inspected on May 31st by Mr. Acker of the Rural Rehabilitation

Corporation, by Mr. Farmer, Extension Irrigationist and by the Project Engineer and Chief Engineer of the Commission. The dams and canal systems were found to be well constructed and were completed to the satisfaction of those making the inspection. Water had previously been pumped into the canal systems and the operation of the same was found to be satisfactory.

A Certificate of Completion and Statement of Cost is being prepared for each project. A general report on the WPA project, covering various phases of the work and including the seven sub-projects is also being prepared. This report will give brief descriptions of the seven projects and the cost statement will be a consolidation of statements as shown for each of the seven projects. With the completion of these statements of cost, it will be possible for the Water Commission to obtain funds from the Rural Rehabilitation Corporation for engineering, materials and equipment furnished. Unpaid bills for materials and equipment are outstanding against the Water Commission and it is recommended that these bills be paid from this reimbursement of funds.

GARTWRIGHT PROJECT

We have no report that any further action has been taken with respect to the approval of the application for this project, which is proposed to be undertaken under the Water Facilities Act.

YELLOWSTONE PUMPING PROJECT

Investigations were made with regard to this project by Engineers of the Commission on May 28th. Because of its relation to the Sidney Project in Montana and the cooperative arrangements between the North Dakota State Water Conservation Commission and the Montana Water Board, work on Unit No. 3 of the Sidney Project was viewed. It was found that the intake and pumping station for this unit was completed. This pumping unit included the enlarged intake toward which North Dakota contributed \$3,500. A canal sufficiently large to take care of irrigating both the Montana and North Dakota lands is being constructed by a power shovel instead of by fresnos and WPA labor as originally planned. The Engineer of the Montana Water Board stated that the construction of the canal by this method would require an additional expenditure of approximately \$2,000 over that by WPA labor. This has been done with a view of speeding up the work. He indicated that North Dakota should be willing to pay about one-half of that amount or \$1,000. The Montana Water Board will make representations in writing to the North Dakota Water Commission with respect to this matter. The North Dakota land-owners are especially anxious to have their project developed.

FORT PECK ROUTE - MISSOURI RIVER DIVERSION

In accordance with the instructions of the Commission, the Bureau of Reclamation has been requested to make further investigations and surveys in Divide and Burke Counties. It is proposed that the diversion route from Fort Peck Reservoir by way of Medicine Lake, Montana, to the Souris River be by means of a canal across these Counties in North Dakota to the Upper Des Lacs Lake and then along natural water courses to Burlington rather than by way of Long Creek to join with the Souris River at Estevan in Canada.

Elevations have been obtained from Railway and Highway profiles in these counties and we have prepared maps showing these elevations and proposed routes through North Dakota to the Upper Des Lacs Lake. Areas which may be irrigated along a diversion through Divide and Burke Counties are also shown on these maps. The information and data obtained and prepared by us as well as the mapping will be brought to the attention of Mr. Sloan of the Bureau of Reclamation when he comes to Bismarck. At that time we will discuss with him the possibilities of obtaining a diversion by this route and the need of additional surveys and investigations in connection with the same by the Bureau of Reclamation.

CAVALIER WATER SUPPLY

At its last meeting in Williston the serious water shortage situation at Cavalier

was brought to the attention of the Water Commission. At that time the Commission authorized its Engineering Department to cooperate with the City of Cavalier and with state and federal agencies in the making of preliminary investigations and studies for the solution of the problem.

Previous to this action of the Commission the serious water shortage condition had been called to our attention by Vice-Chairman Holt and later by Mr. Felson of Cavalier. It was represented that a spring along a tributary of the Tongue River and about twelve miles west of Cavalier was being considered as a possible source of supply for the City of Cavalier and that our assistance was desired in making a measurement of the flow from the spring. Mr. Farmer, Extension Irrigationist had other work in that section of the state and on April 29th visited Cavalier and made the measurement. The flow was found to be 525 gallons per minute. Mr. Farmer made observations of conditions at the spring, in the vicinity of the spring, along the Tongue River and along the tributary of the Tongue River on which the spring is located. In a letter dated May 18, 1939 I wrote to Mr. Holt with respect to the situation in which I commented on the conditions as reported by Mr. Farmer.

On May 23rd, Dr. Frank Foley, State Geologist, and myself visited Cavalier. Accompanied by Dr. Waldren and Mr. Page of Cavalier, we drove to the large spring from which it is proposed to obtain the municipal water supply. On the way to the larger spring we viewed smaller springs, the channel conditions along the stream and the watershed tributary to the large spring. It was the opinion of Dr. Foley that the underground water flowing from the spring entered the sandy soil of the slopes and the boggy ground of the stream bottom directly from rain and snow. From a study of the ground conditions along the stream bed it was estimated by both Dr. Foley and myself that the water from the spring if not supplemented by other springs enroute would be lost in transportation within a comparatively short distance, possibly within a distance of five miles or at about the junction of the tributary with the main stream. The balance of the distance to Cavalier along the Tongue River would be about 13 miles

The supply from the spring would be most satisfactory from both the standpoint of quantity and quality. The great difficulty is in the matter of transporting it to the City of Cavalier. It is proposed to install a pump at the spring with a view to increasing the capacity of the spring and to observe the conditions at the bottom of the hole in which the spring is located. It is desired that a pump for this purpose be obtained from the Water Commission if one cannot be obtained from a point closer to the spring. We were told by Dr. Waldren and Mr. Page that Mr. Lium of the firm of Lium and Burdick, Consulting Engineers, had been there a few days previous to our visit and that he had made an investigation of the proposed source of supply. The construction of a vitrified clay pipe line from the spring to Cavalier was proposed by Mr. Lium. He agreed to run a line of levels from Cavalier to the spring and to check up on the possibilities of a gravity pipe line. On the following day I saw Mr. Lium at Grand Forks. He estimated that on the basis of using vitrified clay pipe, the cost of the materials would be between \$30,000 and \$40,000. It would be the plan to use WPA labor for installing the pipe line.

I have conferred with the engineers of the State Public Health Department. Any work on wells and springs for a public purpose can be done under a state-wide well project on which WPA labor can be used. This state-wide project is carried on under the direction of the State Public Health Department engineering staff.

We will keep in close touch with the State Geologist, the Division of Sanitary Engineer of the State Department of Health, Lium and Burdick and the WPA.

Respectfully submitted,

(Signed) E. J. THOMAS
Chief Engineer

It was moved by Comm. Thompson, seconded by Comm. Dahl, that the Engineer's report be accepted and made a part of the minutes of this meeting. The motion carried, all Commissioners voting aye.

FINANCIAL STATEMENT
OF
STATE WATER CONSERVATION COMMISSION
As of June 1, 1939.

INCOME:

Legislative Appropriation		\$ 112,500.00	
Application Fees		1,280.20	
Payments for Plans & Specifications		<u>30.00</u>	
	(A)	\$ 113,810.20	
Repayments from Private Projects			(B) \$ 2,174.26
Repayments from Rural Rehab. Corporation			<u>126,758.56</u>
	(B)		\$ 128,932.82
TOTAL INCOME	(A & B)		\$ 242,743.02

EXPENSE:

<u>Account</u>	<u>Monthly Expense</u>	<u>Chargeable to Administration</u>	<u>Chargeable to Projects</u>
Administrative Salaries	516.67	21,360.33	21.90
Administrative Mileage & Expense	-----	2,719.89	-----
Administrative Office Equipment	-----	2,822.78	-----
Administrative Office Supplies & Express	12.68	1,634.37	-----
Engineering Salaries, Mileage & Expense	1,714.83	27,075.76	43,076.89
Engineering Office Equipment	-----	1,966.65	62.77
Engineering Field Equipment	-----	1,244.65	14.49
Engineering Office Supplies	20.28	895.63	68.61
Maps (Blue Prints, etc.)	-----	605.17	419.71
Euford-Trenton Irrigation Project	-----	1,800.00	-----
Commissioners Per Diem	157.50	5,690.75	730.75
Commissioners Mileage & Expense	224.73	4,972.18	578.86
Tri-State Per Diem and Expense	4.50	2,253.75	-----
Legal Service & Publications	1.25	1,545.80	1,376.43
Printing & Advertising	35.60	1,131.40	176.27
Telephone & Telegraph	55.65	1,370.26	160.06
Missouri River Diversion	-----	3,636.08	-----
Fieldmen (Salaries, Mileage & Expense)	107.75	1,895.53	4,805.68
Projects (Materials, Supplies, etc.)	22,557.38	-----	103,779.97
Prel. Investigation & Research Chgs.	-----	225.92	7.00
Workmen's Compensation	-----	296.24	406.90
Construction Supplies	-----	898.72	-----
Membership in National Associations	-----	225.00	-----
Miscellaneous	<u>(102.70)</u>	<u>102.70</u>	<u>-----</u>
	\$ 25,511.52	\$ 86,369.56	\$ 155,686.29
TOTAL EXPENSES			\$ 242,055.85

Balance in hands of State Treasurer, June 1, 1939	687.17
Balance due on Repayable Projects	26,753.47
Balance of Administrative Fund including Repayable Accts. June 1, 1939	27,440.64

Comm. Thompson submitted the Auditing Committee's report as follows:

June 13, 1939

To: Honorable John Moses and Other Members of
The State Water Conservation Commission

Gentlemen:

In attempting to comply with the request of your Board that the Auditing Committee submit a report at the June meeting, your Committee has made some investigation of the books and has also conferred with the State Examiner's office, which is at the present time concluding an examination of the Commission's records.

In view of the fact that the State Examiner's report is almost completed, we feel that a much more comprehensive report can be given, perhaps at the next meeting of the Commission, and for the purpose of this audit, we invite the Commission's attention to the financial statement as of May 1, 1939, which was submitted to the members at the May meeting.

The only comment we wish to make on that statement is that there is an apparent discrepancy between the cash balance as shown on the records in the State Auditor's office and shown by the books of the Commission, the difference being \$22.30. The Examiner's office has, however, agreed to attempt to locate this discrepancy before the report is finally submitted. In order that this might not readily happen again, the Commission has followed the recommendation of the former auditing committee and adopted a different system of book-keeping, which new system will be somewhat identical with the system employed in the Auditor's office, from which a balance will be taken and a cut-off made at the end of each month.

The cash balance as shown by the Auditor's books on June 13, 1939, is \$16.64. In addition to this amount, there are certain items coming from the Rural Rehabilitation Corporation with which to operate during the month of June and until the new appropriation becomes available. These items are as follows:

Balance on Project #179-----	\$ 190.73
Balance on Project #194-----	\$ 883.54
Balance on Project #210-----	\$ 605.20
Balance on Project #211-----	\$ 626.87
Advances made on Lewis & Clark & Sioux Projects to be refunded-----	\$ 324.10
TOTAL	<u>\$2630.44</u>

In addition to the above items, there is a balance due on Project #220 of \$647.61, which perhaps cannot be paid at this time for the reason that there is some question about the title to the property upon which this project was built. There is also an item of \$232.05 coming to the Commission from the School at Grafton, which has been authorized to be paid by the Board of Administration but has not yet been received.

Your Committee has learned that several hundred dollars have been spent on certain projects along the Cedar River where there is no title to the property in the Commission and where apparently no effort has been made to secure the title. It is apparent to your Committee that no warrants can be issued against this property which would be salable in the open market, and your Committee is advised that these warrants will not be acceptable to the Rural Rehabilitation Corporation. In this connection your Committee recommends that no construction work be undertaken, nor any funds expended except for preliminary investigations, until the title has been ascertained to be good and some agreement in writing entered into to the effect that title may be secured.

Your Committee has further learned that too many of the funds appropriated were spent during the early months of the work of the Commission, leaving a balance on hand wholly inadequate to meet the current expenses of the office and other necessary overhead. Although this will perhaps not happen under our present budget set-up, it is deemed advisable to call the Commissions attention to the necessity of carefully scrutinizing the balances on hand in the varicus funds before authorizing the expenditure of funds for new and additional projects from time to time.

Respectfully yours,

(Signed) S. W. THOMPSON
S. W. Thompson, Chairman

(Signed) HENRY HOLT
Henry Holt, Member

(Signed) KENNETH W. SIMONS
Kenneth W. Simons, Member

swt/fh

It was moved by Comm. Dahl, seconded by Comm. Simons, that the report of the Auditing Committee be accepted and made a part of the minutes of this meeting. The motion carried, all Commissioners voting aye.

J. N. Urness, representing the Chamber of Commerce of Williston, appeared before the Commission to urge endorsement of the Buford-Trenton Project for construction under the recent \$5,000,000 appropriation. Vice Chairman Holt stated that the Commission was interested in all North Dakota projects and that the Commission would cooperate in every way possible.

At 5:30 P. M. the meeting recessed until 10 A. M., Thursday, June 15, 1939.

The meeting was reconvened at 10 A. M., Thursday, June 15, with Commissioners Holt, Simons, Dahl and Thompson present. Absent, Governor John Moses.

Comm. Simons stated that at a meeting of the State Advisory Committee, held Wednesday, June 14, it was decided that all records, books and equipment of the State Planning Board, which ceases to exist July 1, would be removed to the offices of the State Water Conservation Commission, and that the Commission will act as custodian.

Comm. Simons, Chairman of the Irrigation Committee, reported that he had a conference with Mr. Cal Ward, Regional Director, Farm Security Administration, who just came from Washington, D. C., and that he had informed him that the Buford-Trenton and Bismarck Irrigation Projects were definitely scheduled to be constructed this year. He based his statement on conferences with Secretary of Agriculture Wallace and John C. Page, Commissioner, Bureau of Reclamation.

Comm. Simons also stated that he had talked with J. N. Urness, representative of the Williston Chamber of Commerce, and that they had reached an agreement that the businessmen of Bismarck and Williston would each back their own project and their neither would do anything to harm the other.

The following resolution was introduced by Comm. Simons, who moved its adoption:

BE IT RESOLVED that the North Dakota Water Conservation Commission convey to the President, the Secretary of Agriculture, the Secretary of Interior, the Director of the Bureau of

Reclamation, the Director of WPA, and other agencies, their thanks for listing the Buford-Trenton and Bismarck Irrigation Projects for early construction under the joint WPA-Reclamation Bureau-Farm Security set-up as directed by the President.

That these are projects necessary to the economic development of western North Dakota, and the reduction of the relief load in that section of the state, and that further grants should be made for the construction of additional projects in North Dakota under this system. We recommend, in addition to the Buford-Trenton and the Bismarck Projects, (which we understand already have been approved) construction of the Haley Dam Project on the north fork of the Grand River in Bowman County, and we further recommend the construction of the Painted Woods Irrigation Project in McLean County.

That we call attention of the Federal officials concerned to the fact that approximately 70 persons now regularly employed on the WPA can be assigned to the Painted Woods Irrigation Project.

That we wish to commend the President, the Congress and others concerned, for establishing the principle of combining Federal funds with the labor resources of a hard-pressed people in order that those people may make themselves self supporting."

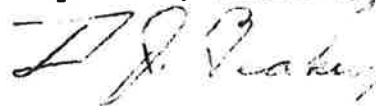
The motion for adoption was seconded by Comm. Dahl. On roll call the following Commissioners voted aye: Holt, Thompson, Dahl and Simons. Governor John Moses, absent.

The Secretary read a list of bills to be submitted for payment June 15 and June 25, and it was moved by Comm. Thompson, seconded by Comm. Dahl, that the bills be allowed, by and with the approval of the Rural Rehabilitation Corporation. On roll call the motion carried, all Commissioners voting aye.

It was moved by Comm. Dahl, seconded by Comm. Simons, that the next regular meeting be dispensed with and a special meeting in lieu thereof be held in Bismarck, Friday, July 7, 1939. On roll call the motion carried, all Commissioners voting aye.

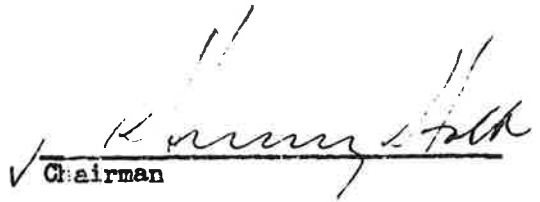
No further business appearing, the meeting was adjourned.

Respectfully submitted,



D. J. Beakey, Secretary

APPROVED:


Chairman

(SEAL)